**PRELIMINARY TERM SHEET**

**“\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_” {Project Name} Development as modified in this document**

|  |  |
| --- | --- |
| **“Developer”** | {Official Name}with an office at {Primary Business Address} |
| **“Property”** | Parcels A1 at 130 Main Street(as defined by Appendix C of the RFP) |
| **Purchase Price** | Developer shall pay {Dollar Amount written in words} for the Property |
| **Common Area Maintenance (CAM) Charges** (Per Gross Square Foot (GSF) of Development) | Developer shall pay $1.10 per GSF (One Dollar and Fifteen Cents per Gross Square Foot) annually (on each April 1st) |
| The CAM charges will be assessed on space leased and occupied within the Development. CAM charges shall apply to the first 50% of the leasable area of the Development regardless of occupancy level, however, payments for space exceeding 50% of the total leasable area of the Development shall be conditioned upon such space being leased and occupied. |
| The CAM charges shall increase annually based on the Consumer Price Index capped at 2% annually. |
| **Development Program** | {Describe Number of Buildings} |
| {Number of} Total Residential Units |
| { } Percent of the Residential Units will be Affordable |
| {Number of} Retail Units/Commercial Spaces at Towpath Level |
| {Number of} Retail Units/Commercial Spaces at Street Level |
| {Total} Gross Square Feet of Commercial Spaces (Towpath, Street and Upper Levels) |
| {Number of} Hotel Rooms |
| {Total} Gross Square Feet of the Overall Development Program |
| {Number of} Parking Spaces in Garage |
| **Total Project Cost** | {Dollar Amount written in words} |
| **Jobs Created** | Minimum of { } jobs during construction (full-time equivalent) |
| Minimum of { } permanent jobs in operation (full-time equivalent) |
| **Schedule**. | Groundbreaking no later than {Date} |
| Soft opening of Commercial Spaces no later than {Date}. |
| Residential Units available no later than {Date}. |
| **Economic Development Incentives** | Developer understands that Erie Canal Harbor Development Corporation (“ECHDC”) shall sell Property for Purchase Price listed above and provide the Developer with up to Ten Million Dollars ($10 million) for Development amenities as described in the RFP |
| No additional financial incentives from ECHDC shall be sought by the Developer or any of its associated partners on this project |
| Developer has right to apply for a payment in lieu of tax (“PILOT”) agreement and associated abatements of sales tax on construction materials and mortgage recording tax, Low Income Housing Tax Credits, New Market Tax Credits, and/or Brownfield Tax Credits, or other municipal financial incentives |
| **Prevailing Wage Rates** | The $10 million funded by the ECHDC shall be subject to prevailing wage rates |
| **Labor Peace Agreement (“LPA”)** | Developer will comply with Section 2879 of the New York Public Authorities Law |
| **M/WBE and SDVOB Goals**  | The $10 million funded by the ECHDC shall be subject to a 30% Minority and Women Business Enterprise contracting goal, and a 3% Service-Disabled Veteran-Owned Business (SDVOB) contracting goal |
| **Principles for High Road Development** | Developer agrees to report Development Program’s impact on the community with respect to encouraging local business opportunities and providing affordable housing |
| **Leadership in Energy and Environmental Design (“LEED”)** | Incorporating sustainable building practices and LEED certified Core & Shell |
| **Security Deposit** | Developer shall provide a security deposit of {written dollar amount}  |
| **Liquidated Damages Deposit** | Immediately upon notification of selection by ECHDC, Developer shall provide a Security Deposit to be applied as liquidated damages for breach by the Developer concerning development of the A1 parcel. |
| The Deposit may be in the form of certified or cashier’s check or irrevocable standby letter of credit payable in favor of ECHDC, satisfactory in all respects to ECHDC and ESDC in their sole discretion. |
| If within five (5) business days after notification of its selection a Deposit is not received, ECHDC may terminate the selection of that developer and select another developer. |
| The Deposit shall, among other things, secure the selected developer’s obligation for timely submission of all documents and information deemed necessary by ECHDC, documents such as development plans and construction documents, as well as proceeding with construction as set forth in the Schedule (see Page 2 above). |
| **Ground Floor (Towpath/Street Level) Activation Plan** | The ground-floor plan includes {describe uses} along the Canal Towpath, internal Streets and {describe uses) along Main Street. |

This Preliminary Term Sheet is expressly contingent upon and subject to approval of the contemplated general project terms and designation of {Name} as Designated Developer for the project by ECHDC’s Board of Directors. If for any reason ECHDC’s Board of Directors does not approve the aforementioned authorizations or related actions, this Preliminary Term Sheet will become null and void.

Signed: Signed:

Name: Name:
 {Name, Title} Steven P. Ranalli, President, ECHDC

Date: Date:

**Attachment:**

Parcel A1 Survey and Description