
This Non-Binding Term Sheet is for discussion purposes only and the actual terms and conditions of any agreement between [Park and Recreation Association of Sag Harbor, NY, Inc. ("Park")] and [Sag Harbor Union Free School District (the "District")] are subject to agreement of definitive documentation and receipt of applicable internal and external approvals and such other terms and conditions as either party may determine in their respective sole discretion.

- Property:** Portions of the Park consisting of the sports fields and facilities south of the parking lot inclusive of the bathrooms, grandstands, dugouts, sheds, equipment rooms and tennis courts (the "Sports Facilities").
- Interim Lease:** The Park and the District will enter into a *lease* with a term of one (1) year, with District having priority use of the Sports Facilities provided however such facilities will be available to the rest of the community (including Little League and others) when not being used by the District. The form of the Interim Lease is attached hereto as Exhibit A and is consistent with the past arrangement between the Park and the District.
- Long Term Lease:** During the Interim Lease Term, the parties will attempt to negotiate and enter into a long-term lease agreement for the Sports Facilities, which lease shall be subject to the approval of all parties and the voters of the District. The terms of the Long-Term Lease are anticipated to be as follows:
- a. Term of at least 25 years, with agreed upon renewals.
 - b. Use to be similar to Interim Lease and past practice.
 - c. Annual rent to be agreed upon by the parties with agreed upon escalation and such rent shall be inclusive the sums required to maintain the Sports Facilities.
 - g. The Park to continue to have the ability to permit the use of the Sports Facilities to third parties when not being used by the District and to retain the revenue from those uses, provided the Park shall require such tenants assume responsibility for remediation beyond normal wear and tear.
 - h. Sports Facilities to include the District's right to use tennis courts at no additional cost and similar to past practice.
- Capital Improvements:** During the Interim Lease the parties will work collectively to create a long-term capital improvement plan for the Sports Facilities which may include following:
- a. rebuilding or replacing dugouts, bathrooms, fencing, backstops, and sheds.

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- b. Natural aesthetic of the Park to be maintained with trees to be preserved and green “park-like” feel to be maintained and enhanced. It is understood that both parties appreciate and value the natural beauty of the Park and want it preserved.
 - c. Sports Facilities' fields to be improved to support baseball, soccer, field hockey, track/cross country and softball.
 - d. Layout of new fields by design professional to provide for better use and play, subject to the approval of both parties and consistent with current aesthetic and Park Charter.
 - e. Appointment of a third-party advisor to the Park to oversee and advise on the construction of the Improvements.
 - f. Historic grandstand to be restored and incorporated into fields to better facilitate use.
 - h. Mutual agreement on the general contractor to complete the Capital Improvements.
 - i. Other capital improvements as the parties may agree.

Funding:

Capital Improvements will be funded by a Bond issuance by the District which shall require the approval of the voters in the District

Maintenance:

The Park shall be responsible for upkeep and maintenance of the Sports Facilities and the completion of the associated Capital Improvements. As part of the Long Term Lease the parties shall agree on defined standards of maintenance and care. Furthermore, the parties will agree on an annual basis on the required maintenance costs associated with the Sports Facilities and, subject to the agreement of the parties, such expenses will be included in the rent

Supervisory Committee:

Each party to shall appoint two members to Supervisory Committee and such committee shall meet [once a month] to review and discuss the ongoing Capital Improvements and Maintenance of the Sports Facilities. The parties will agree on an escalation procedure in the event they cannot agree on whether the Capital Improvements and/or Maintenance is being achieved. Such procedure may include mediation or arbitration.

Remedies:

The parties will agree upon remedies in the event either Capital Improvements and/or Maintenance standards are not achieved or the District violates the Long Term Lease. Subject to the agreement in the Long-Term Lease, such remedies may include:

- a. Withholding rent until such work is completed.
- b. District completing such work and off setting its rent payment in proportion to such expenses.

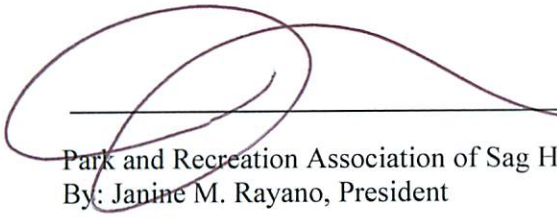
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- c. The Park being compensated for breaches of the Long Term Lease by District.
 - d. Parties agreeing on such other remedies as they deem appropriate.



_____, Date August , 2021

Sag Harbor Union Free School District
By: Brian DeSesa, Board President

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_____, Date August 13, 2021

Park and Recreation Association of Sag Harbor, New York Inc.
By: Janine M. Rayano, President