

**NOTICE OF EXERCISE OF OPTION AND AMENDMENT TO AGREEMENT TO
PURCHASE REAL ESTATE**

THIS NOTICE OF EXERCISE OF OPTION AND AMENDMENT TO AGREEMENT TO PURCHASE REAL ESTATE (this “Amendment”) is made and entered into as of the ___ day of February, 2025 by and between **HUDSON COMMUNITY DEVELOPMENT AND PLANNING AGENCY**, a New York public body, having an address at 520 Warren Street, Hudson, New York 12534 (the “Seller”), and **CITY OF HUDSON HOUSING AUTHORITY**, a New York public housing authority, having an address at 41 N 2nd Street, Hudson, New York 12534 (the “Purchaser”). Seller and Purchaser are sometimes referred to in this Agreement, individually, as a “party” and, collectively, as the “parties.”

RECITALS

WHEREAS, Seller is a public body corporate and politic established for the purposes set forth in Article 15 and 15A of the General Municipal Law; and

WHEREAS, Seller is identified as tax owner of those certain parcels of real property located in the City of Hudson, County of Columbia and State of New York, and being more fully described in Exhibit “A” attached hereto and made part hereof (each individually, a “Property” and, collectively, the “Properties”); and

WHEREAS, Purchaser is a public housing authority established pursuant to Section 484 of the New York Public Housing Law (the “PHL”) to provide affordable housing for qualified individuals in accordance with federal and state law; and

WHEREAS, Seller and Purchaser entered into an Option Agreement to Purchase Real Estate dated as of November 1, 2022 (the “Agreement”) and

WHEREAS, Purchaser provided notice of the extension of the original option for the first renewal year for an Additional Option Period commencing November 1, 2023 and expiring October 31, 2024 (the “First Additional Option Period”) by remitting to HCDPA the Additional Option Payment of \$25,000 on or about October 31, 2023; and

WHEREAS, by resolution dated October 28, 2024, the Seller approved the extension of such First Additional Option Period to expire on December 31, 2024; and

WHEREAS, Purchaser provided notice of the extension of the First Additional Option Period for an Additional Option Period commencing November 1, 2024 and expiring December 31, 2025 (the “Second Additional Option Period”) by remitting to HCDPA the Additional Option Payment of \$25,000 on or about X, which was accepted by HCDPA; and

WHEREAS, by resolution dated X, the Seller approved the extension of such Second Additional Option Period to expire on December 31, 2025; and

WHEREAS, Purchaser desires to exercise the Option (as defined in the Agreement) prior to the expiration of such Second Additional Option Period as to a portion of the Properties and Seller and Purchaser desire to modify the terms of the Agreement as provided herein.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

I. RECITALS. The Recitals set forth above are incorporated herein by reference.

II. NOTICE OF EXERCISE OF OPTION.

The Purchaser hereby exercises the Option, as modified, as agreed upon herein, to purchase the following portions of the Properties described in the Option and defined as follows:

(a) Columbia Street Parcel

The following parcels shall be referred to as the “Columbia Street Parcel”:

100600 - City of Hudson 109.35-2-28	206 Columbia St.
100600 - City of Hudson 109.35-2-29	204 Columbia St.
100600 - City of Hudson 109.35-2-30	202 Columbia St.

(b) Warren Street Parcel

The following parcels shall be referred to as the “Warren Street Parcel”:

100600 - City of Hudson 109.35-1-25	10 to 12 N Front St.
100600 - City of Hudson 109.35-1-26	6 to 8 N Front St.
100600 - City of Hudson 109.35-1-27	4 Warren St.
100600 - City of Hudson 109.35-1-28	2 Warren St.

The purchase and sale of the Columbia Street Parcel and the Warren Street Parcel shall be separate and independent transactions. The completion of the purchase and sale of one parcel shall not be contingent upon the completion of the purchase and sale of the other parcel. Each parcel is being sold and purchased independently of the other, and the failure to close the purchase and sale of either parcel shall not affect the obligations of the parties with respect to the other parcel.

The Columbia Street Parcel and Warren Street Parcel are collectively referred to as the

“Designated Premises.”

As consideration of the exercise of the option to purchase the Designated Premises, the following is being submitted:

(a) For the Columbia Street Parcel, a check for \$10,000 payable to “Rodenhause Chale & Polidoro LLP IOLA Account”; and

(b) For the Warren Street Parcel, a check for \$10,000 payable to “Rodenhause Chale & Polidoro LLP IOLA Account”

III. TERMINATION OF OPTION. The Purchaser hereby agrees that the Option is hereby terminated as to the remaining portion of the Properties described in the Agreement. The Purchaser shall execute and deliver the Termination of Option in the form attached hereto at Exhibit F dated as of the date hereof and cause such document to be promptly recorded.

IV. AMENDMENT OF AGREEMENT TO PURCHASE. The Purchaser and Seller hereby agree that as to the Designated Premises, the terms and conditions of purchase shall be amended as follows:

A. The Down Payment as to the Columbia Street Parcel shall be \$10,000.

B. The Down Payment as to the Warren Street Parcel shall be \$10,000.

C. The first paragraph of Section 8 of the Agreement entitled “Closing” shall be amended to read as follows:

(a) Columbia Street Parcel:

The parties acknowledge that the Columbia Street Parcel is intended to be developed as affordable housing as part of a larger redevelopment effort of HHA’s portfolio, financed with construction financing that has not yet been secured.

The closing of the sale of the Columbia Street Parcel (the “Columbia Street Parcel Closing”) shall occur on or before December 31, 2025. However, the parties agree that the closing date may be extended to December 31, 2026, under the following conditions:

If, on or before December 31, 2025, reasonable efforts have been made toward securing construction financing for the development of the Columbia Street Parcel as affordable housing, the closing date will be automatically extended to December 31, 2026.

Demonstration of reasonable efforts will be considered satisfied by the following:

- a. The submission of a financing application for construction financing for the development of affordable housing on the Columbia Street Parcel to any party, including a private financial institution or New York State Homes and Community Renewal; or
- b. The submission of a site plan application to the Hudson Planning Board.

(b) Warren Street Parcel

The purchase of the Warren Street Parcel relies on the availability of funds provided by the closing of construction financing for the Columbia Street Parcel, as referenced above. As such, closing of the sale of the Warren Street Parcel, while independent to the closing of the Columbia Street Parcel, will follow the timing established for the Columbia Street Parcel.

For the Designated Premises, the closing(s) will be at a time mutually agreed to by the parties (the “Closing Date”) at the City Hall in Hudson, New York or at such other location as may be agreed to by the parties, including an escrow closing by mail. On the Closing Date, Purchaser, or its Designee, shall pay to Seller the Purchase Price (as defined herein) (subject to adjustments described in subparagraphs (c), (d) and (e) below), together with all other costs and amounts to be paid by Purchaser, or its Designee, at the Closing pursuant to the terms of this Agreement, in immediately available funds by bank check or federal wire transfer.

- D. Subdivision (e) of Section 8 of the Agreement entitled “Closing” shall be amended to read as follows:
 - (e) At Closing the Purchaser will be credited with (i) the amount of the down payment released from the Escrow to the Seller, and with (ii) \$18,750 (being 75% of the Additional Option Payment made in 2023 for the period from November 1, 2023 to the extended period of December 31, 2024).
- E. Subdivision (v) of Subdivision (a) of Section 13 (Additional Contingencies) of the Agreement is amended to read as follows:
 - (v) Purchaser may terminate this Agreement within sixty (60) days of the exercise of the Option as to the Designated Premises in the event a Property Investigation or Environmental Survey indicates the presence of any matters not acceptable to Purchaser.
- F. The Form of Redevelopment Agreement with Right of Reverter attached at Exhibit E to the Agreement is amended to read as attached hereto.
- G. Except as set forth herein, the terms and conditions of the Agreement shall remain in full force and effect.

V. MISCELLANEOUS

- A. Counterparts. This Amendment may be executed in counterparts, each of which will be an original, and a facsimile copy showing execution shall be given the same force and effect of an original.

[Remainder of Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, Seller and Purchaser have executed this Amendment as of the date first set forth above.

SELLER:

**HUDSON COMMUNITY DEVELOPMENT
AND PLANNING AGENCY**

By: _____ Name:
Its:

PURCHASER:

CITY OF HUDSON HOUSING AUTHORITY

By: _____
Name:
Its:

EXHIBIT E

FORM OF REDEVELOPMENT AGREEMENT

Regarding properties in the City of Hudson, Columbia County, New York,
As set forth at Exhibit A attached hereto

THIS AGREEMENT dated as of _____, 202__ between the Hudson Community Development and Planning Agency, a public body corporate and politic of the State of New York organized under the laws of the State of New Yor having an address at 520 Warren Street, Hudson, New York 12534 ("HCDPA") and the City of Hudson Housing Authority, a New York public housing authority, having an address at 41 N 2nd Street, Hudson, New York 12534 ("HHA"), and _____, a _____ organized under the laws of the State of New York, having an address at _____ ("Designee").

WHEREAS, HCDPA is a public body corporate and politic established for the purposes set forth in Article 15 and 15A of the General Municipal Law; and

WHEREAS, HHA is a public housing authority established pursuant to Section 484 of the New York Public Housing Law (the "PHL") to provide affordable housing for qualified individuals in accordance with federal and state law; and

WHEREAS, Designee is a _____ organized under the laws of the State of New York, the [managing member][controlling general partner] of which is or includes HHA, and Designee has entered into an agreement with HHA for the development of the real property described herein; and

WHEREAS, pursuant to the Option Agreement to Purchase Real Estate dated as of November 1, 2022, as amended December __, 2024, between HCDPA and HHA (the "Option Agreement"), and as a condition of execution and delivery of a deed to the real property described herein, HCDPA and HHA have agreed to enter into this Agreement to set forth the terms and conditions upon which HHA and Designee will develop and use the property to be conveyed by HCDPA to HHA; and

WHEREAS, HCDPA has conveyed to HHA by deed as of this day ("Deed") the parcel(s) of property located at 10-12 N. Front Street, 6 to 8 N. Front Street, 4 Warren Street, 2 Warren Street, 206 Columbia Street, 204 Columbia Street, and 202 Columbia Street, Hudson, New York, more particularly described at Schedule A attached hereto (the "Premises);

NOW THEREFORE, in consideration of mutual covenants herein contained and the payment of the sum of one dollar and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Urban Renewal Plan. The use of the Premises shall be subject to the terms and conditions

of the Urban Renewal Plan for Hudson Urban Renewal Project No. 1, NY R-244, dated as of January, 1970, as amended, and the Urban Renewal Plan for Columbia-State Street Project dated as of March, 1985, as amended, as such Plans may be amended from time to time in accordance with Article 15 and 15-A of the General Municipal Law and any applicable funding agreements, and the HHA agrees to take interests in and to the Premises subject to the conditions of this Agreement.

2. Development Covenants. The Premises shall be used for the development of affordable housing as follows.
 - a. HHA covenants and agrees use its best efforts to commence and complete or cause to be commenced and completed the Improvements described at Schedule B attached hereto by the Completion Deadline specified at Schedule B.
 - b. Designee covenants and agrees use its best efforts to commence and complete the Improvements described at Schedule B attached hereto by the Completion Deadline specified at Schedule B.
3. Operating Covenants.
 - a. Housing Affordability. The use of the Premises shall be subject to the affordability requirements described at Schedule C.
4. Certificate of Completion of Improvements. Promptly after completion of the Improvements in accordance with this Agreement, the Urban Renewal plan, and the plan approved by the City of Hudson Planning Board, the HHA shall provide upon HCDPA's request, a certificate of the architect of record showing the Property as complete or a temporary or permanent Certificate of Occupancy from the City of Hudson.
5. Covenant Runs with the Land; Successors.
 - a. The foregoing covenants shall bind and inure to the benefit of the parties hereto and their successors and assigns and shall run with the land. Such covenant shall be perpetual so long as, to the extent such restriction is permitted by law, the HCDPA, HHA or Designee files a declaration of intention to preserve this covenant and, thereafter, any renewal declarations of intention to preserve this covenant to the extent such covenant is required by Section 345 of the New York State Real Property Law, or any successor statute therefor. HHA and Designee each hereby authorize and appoint HCDPA its attorney-in-fact with the power to execute such instruments in their place necessary for the purpose of making such filings hereunder. Any filing party hereunder shall promptly provide to the other parties notice of such filings.
 - b. Except as specifically set forth herein, any subsequent conveyance, including without limitation by deed, lease, mortgage or otherwise, shall be subject to this Agreement. Any such conveyance shall expressly acknowledge the priority of this instrument, but failure to include such acknowledgment shall not affect the validity or priority of this instrument.
6. Enforcement. This Agreement may be enforced at law or in equity. Failure to enforce any provision hereof shall not be deemed a waiver of a right to do so thereafter as to the

same violation or breach or as to any violation occurring prior or subsequent thereto. It is intended that the HCDPA or successors shall be deemed the beneficiary of the development covenant set forth in Section 2 and the operating covenant in Sections 1 and 3 in its own right and also for the purposes of protecting the HCDPA and the people of the City of Hudson.

7. Miscellaneous.

- a. Notices. All notices hereunder to the respective parties will be in writing and will be served by personal delivery or by prepaid, express mail (next day) via a nationally known courier service, or by prepaid, registered or certified mail, addressed to the respective parties at their addresses set forth below. Any such notice to HCDPA, HHA, or Designee will be deemed to be given and effective: (i) if personally delivered, then on the date of such delivery; (ii) if sent via express mail (next day), then one (1) business day after the date such notice is sent; (iii) if sent by registered or certified mail, then three (3) business days following the date on which such notice is deposited in the United States mail addressed as aforesaid; or (iv) if sent by facsimile, then at the time and on the date set forth on the telecopy confirmation sheet, provided that if the time of delivery is after 5:00 p.m. Eastern Time, delivery shall be deemed given on the next business day. For purposes of this Agreement, "business day" shall be deemed to mean a day of the week other than a Saturday or Sunday or other holiday recognized by banking institutions of the State of New York. Copies of all notices shall be sent to the following:

If to HCDPA: Hudson Community Development
and Planning Agency
420 Warren Street
Hudson, New York
12534 Attn:

With a Copy to: Christine M. Chale
Rodenhausen Chale & Polidoro LLP
55 Chestnut Street
Rhinebeck NY 12572

If to HHA: Hudson Housing
Authority 41 N 2nd
Street
Hudson, New York
12534 Attn:

With a Copy to: Whiteman Osterman & Hanna
LLP One Commerce Plaza
Albany, New York 12260
Attn: Robert M. Gach, Esq.

If to Designee:

Attn:

All such addresses may be changed by notice given in accordance with this provision.

- b. Entire Contract; Amendment. There are and were no verbal or written representations, warranties, understandings, stipulations, agreements, or promises pertaining to the subject matter of this Agreement made by or on behalf of either party, not incorporated in writing in this Agreement, and neither this Agreement nor any of the terms, provisions, conditions, representations, or covenants contained in this Agreement can be modified, changed, terminated, amended, superseded, waived, or extended except by an appropriately written instrument specifically referencing this provision duly executed by the parties.
- c. Counterparts. This Agreement may be executed in counterparts, each of which will be an original, and a facsimile copy showing execution shall be given the same force and effect of an original.
- d. Governing Law; Jurisdiction; Venue. This Agreement will be construed and enforced in accordance with the laws of the State of New York, without giving effect to any conflict of laws or choice of law rules to the contrary. Jurisdiction and venue shall be in the Supreme Court of the State of New York situated in Columbia County, New York.
- e. Due Execution and Delivery. The parties hereto have caused this instrument to be executed and delivered by their duly authorized representatives and this agreement is binding and enforceable upon the parties hereto and their heirs and assigns.

[signatures follow]

[Drafting Note: Need to prepare a second one of these for the HHA only project - removing Designee.]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first set forth above.

HCDPA:

**HUDSON COMMUNITY DEVELOPMENT
AND PLANNING AGENCY**

By: _____

Name:

Its:

HHA

CITY OF HUDSON HOUSING AUTHORITY

By: _____

Name:

Its:

DESIGNE:

By: _____

Name:

Its:

SCHEDULE A

Premises-Legal Description

100600 - City of Hudson 109.35-1-25	10 to 12 N Front St.
100600 - City of Hudson 109.35-1-26	6 to 8 N Front St.
100600 - City of Hudson 109.35-1-27	4 Warren St.
100600 - City of Hudson 109.35-1-28	2 Warren St.
100600 - City of Hudson 109.35-2-28	206 Columbia St.
100600 - City of Hudson 109.35-2-29	204 Columbia St.
100600 - City of Hudson 109.35-2-30	202 Columbia St.

SCHEDULE B

Improvements

1. The following improvements shall be constructed on the Premises.

____ multifamily units with 0 bedrooms
____ multifamily units with 1 bedrooms
____ multifamily units with 2 bedrooms
____ multifamily units with 3 or more bedrooms

____ single family units with ____ bedrooms

2. Completion Deadline: _____, which is five years from the date on which the Premises was conveyed by the HCDPA to the HHA pursuant to the Option Agreement.

SCHEDULE C

Use Restrictions

Affordability: With respect to (1) the completed units constituting the Improvements described in Schedule B, at least 50% of the units shall be and remain affordable to persons or families at or below 80% of area median family income, or as otherwise agreed to by the Seller.

1. **Multifamily Units.** In the case of multifamily units, the determination of affordability shall be based on the income and rent determination applicable for property subject to low income housing tax credit provisions under Section 42 of the Internal Revenue Code and applicable regulations, except that the qualifying percentage of median family income shall be as set forth above. Property to be conveyed to a successor of HHA for development may be released from this covenant upon execution and delivery and recording of a declaration approved by HCDPA and substantially in the form required by NYS DHR for property eligible for low income housing tax credits, except that the term of such affordability requirements shall be at least equal to thirty years from the date of this Agreement.
2. **Single Family Units.** In the case of single family units, the determination of affordability shall be based on the family income determination applicable to property subject to the HOME program except that the qualifying percentage of median family income shall be as set forth above. Property to be conveyed to eligible homeowners meeting the affordability requirements may be released from this covenant upon execution and delivery and recording of a declaration substantially in the form required by NYS HFA for its HOME program subsidy, for a period of years at least equal to thirty years from the date of this Agreement and identifying a program subsidy at least equal to the allocable purchase price of the Premises pursuant to the Option Agreement.

EXHIBIT "F"

TERMINATION OF OPTION

1. Option to Purchase, as stated in the Option Agreement To Purchase Real Estate executed as of November 1, 2022, a memorandum of which was recorded in the office of the Columbia County Clerk on _____ as Document No. _____.
2. Name and address of Owner/Seller: **HUDSON COMMUNITY DEVELOPMENT AND PLANNING AGENCY**, a New York municipal agency, having an address at 520 Warren Street, Hudson, New York 12534.
3. Name and address of Optionee/Purchaser: **CITY OF HUDSON HOUSING AUTHORITY**, a New York public housing authority, having an address at 41 N 2nd Street, Hudson, New York 12534 and its successors and assigns.
4. The Purchaser has exercised its option to purchase the portion of the Property described as follows:

100600 - City of Hudson 109.35-1-25	10 to 12 N Front St.
100600 - City of Hudson 109.35-1-26	6 to 8 N Front St.
100600 - City of Hudson 109.35-1-27	4 Warren St.
100600 - City of Hudson 109.35-1-28	2 Warren St.
100600 - City of Hudson 109.35-2-28	206 Columbia St.
100600 - City of Hudson 109.35-2-29	204 Columbia St.
100600 - City of Hudson 109.35-2-30	202 Columbia St.

5. The Purchaser acknowledges that its option to purchase the remaining portion of the Property described as follows has been terminated and is of no further effect:

100600 - City of Hudson 109.8-1-50	13-17 Mill St.
100600 - City of Hudson 109.8-1-51	7 to 9 Mill St.
100600 - City of Hudson 109.8-1-52	14 State St.
100600 - City of Hudson 109.8-1-53	12 State St.

100600 - City of Hudson 109.8-1-54	10 State St.
100600 - City of Hudson 109.8-1-55	6 to 8 State St.
100600 - City of Hudson 109.8-1-56	1 Lombard St.
100600 - City of Hudson 666.-1-2	48-54 Mill St.-Lot
100600 - City of Hudson 666.-1-5	42-44 N Front St Lot
100600 - City of Hudson 666.-1-6	32-34 N Front St Lot
100600 - City of Hudson 666.-1-7	26 N Front St Lot
100600 - City of Hudson 666.-1-8	28-30 N Front St Lot

[SIGNATURE PAGE FOLLOWS]

