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February 8, 2023

Tom Dark, CAO
City of Shreveport, LA
tom.dark@shreveportla.gov

Shelly Ragle, Director of SPAR
City of Shreveport, LA
Shelly.Ragle@shreveportla.gov

Re. Shreveport, Louisiana sports district project development

Dear Tom and Shelly,

Baker Tilly US, LLP ("Baker Tilly") is pleased to have the opportunity to provide the City of Shreveport, LA ("Shreveport Team" or "Client") with redevelopment advisory services. This includes proof of concept advancement, support with sourcing local capital, project management services in pre-development, and institutional capacity building. The remainder of this agreement and Statement of Work (collectively, the "SOW") describes the Objectives, Scope, Approach, Assumptions, Engagement Team, Timing and Professional Fees for this engagement.

Objectives

Baker Tilly will provide professional services across the planning and development spectrum to support the Client's advancement of the proposed sports and entertainment uses at the Independence Bowl and State Fair of Louisiana site adjacent to Interstate 70. Professional services will be ongoing and provide both strategic consulting and technical assistance on an interdisciplinary team across Baker Tilly's Public Sector Advisory economic development, Municipal Advisory, and Real Estate Advisory services. Compensation for these services would be paid on a time and materials basis, with priorities and topics determined by the Client with Baker Tilly's input on a monthly basis.

Public-Private Development Advisory Services:

These services represent an assessment of the Client's project needs at the start of the working relationship. We propose to meet twice monthly to develop an agenda of priorities on where to focus consulting services to advance the Client's projects and initiatives. Areas of professional services support include:

Phase 1: Project feasibility analysis and economic impact assessment

1. Conduct a review of project plans, analysis, and studies provided by the Shreveport Team.
Review will include the analysis of:
 - a) Proof of concept review. Consider existing studies, plans, project documents, and pro formas to understand project details and conduct due diligence related to construction cost and operating assumptions. Consider availability and terms of traditional and alternative funding sources.
 - b) Provide regular communication with calls and meetings.
2. Conduct financial analysis to include:
 - a) Identify a potential capital stack for the project.
 - b) Prepare an annual operating proforma using assumptions provided or developed in Task 1.

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- c) Determine financial gaps, if any, in the capital stack.
- 3. Conduct economic impact assessment which will include:
 - a) Review construction budgets to determine economic impacts for each cost category.
 - b) Review studies and financial analysis to determine economic impacts for each revenue stream.
 - c) Determine direct, indirect and induced jobs from construction and operational activities.
 - d) Determine increases in household earnings, taxes (federal and local), and annual economic output.
 - e) Estimate community impacts of the mix of uses on low-income communities and low-income persons, as relevant to position project for grants and other funding sources.
 - f) Attend phone/video meetings with the Shreveport Team during this phase.
- 4. Prepare summarizing memo and next steps recommendations.
 - a) Prepare written memo summarizing the deliverables of Tasks 1-3.
 - b) The memo will include an implementation framework to outline next steps for project advancement.
 - c) The project team will attend meetings in-person or by phone/video with the Shreveport Team during the course of this work as well as a conclusive meeting to assist in communicating recommended next steps.
 - d) Develop scopes and work orders for specific deliverables that would advance the project as further determined with the project team.

Phase 2: Sourcing of capital

- 1. Input and advice on financial modeling, including market conditions and trends for project ownership, lending conditions, opportunity zones, New Market Tax Credits.
- 2. Opportunities and funding sources for public funding, including federal, state, and local sources.
- 3. Project structuring strategic input, including utilization of philanthropic, public, and private sources of capital.
- 4. Develop and model creative financing sources specifically for pre-development, operating capital and acquisition capital.
- 5. Develop and model creative neighborhood ownership models including ownership of housing and commercial assets, utilizing secondary research and additional resources, examples, and contacts provided by the client.
- 6. Explore valuation modeling and advise on advantageous business decisions to positively impact the health of the development projects and portfolio.

Phase 3: Project management support and institutional capacity building

- 1. Add capacity across the Baker Tilly areas of expertise in public and private development for the community and developer team. Add capacity to the public and private sector team by outlining project sequencing and project phasing for multiple project advancement.
- 2. Work with project team, including government staff and partners related to economic development, public finance, and real estate to build institutional supports for the projects.
- 3. Convene community and business and other market neighborhood stakeholders and financial relationships and potential financial and other support.
- 4. Convene introductions to developers who would be supportive of the project as needed to advance the development strategy for potential partnerships in the housing and commercial spaces.
- 5. Provide strategic support to continue to advance project when opportunities change, or unexpected project changes occur.

6. Focus on development phases, including issues related to site mitigation management, school relationship, development partners, anchor tenants, finance structuring, neighborhood real estate opportunities/trends, and key project advancement steps.
7. Advance the mixed-use components of the site (commercial, residential, etc.) as it provides a priority opportunity for project.
8. Advance the development scenarios, including capital and operating pro forma consultation, infrastructure considerations, and partnership opportunities.
9. Advance concepts for potential adjacent developments in and around the project area and adjacent neighborhoods.

Deliverables:

1. Bi-weekly telephone conferences, in person or online meeting(s) during which Baker Tilly will discuss with the Shreveport Team:
 - Recommendations as to how Shreveport Team can best accomplish its development goals for each project while minimizing its financial investment and risks.
 - Project needs for professional services, including financial pro forma review, partnership-building, proof of concept documents, and project management support.
2. In person meetings to advance project priorities and conduct key stakeholder meetings, with additional meeting scheduled as needed.
3. Additional deliverables that have not yet been identified can be determined through a work order, as directed by Shreveport Team.

Engagement Team:

- Kate Crowley, Principal, in Charge, Tax Credits and Incentives
- Jolena Presti, Managing Director, Economic Development, P3 Public Sector Advisory
- Marta Purdy, Director, Project Manager, P3 Public Sector Advisory
- Jeff Rowe, Partner, Municipal Financial Advisor
- Elias Mathes, Manager, Economic Development Advisor
- Tom Kaleko, Director, Municipal Financial Advisor
- Nick Placek, Senior Manager, Real Estate Advisory, Development Advisory Services
- Tom Martin, Managing Director, Real Estate Advisory, Economic Impact Analysis
- Andy Mouser, Municipal Finance, P3 Finance
- Daniel Jayroe, Senior Consultant

Timing:

Baker Tilly will provide consulting services over a 12-month period under this SOW, with the option to continue the relationship after that period (the "Term"). Notwithstanding the stated Term of this SOW, Client may terminate this SOW at any time with or without cause upon not less than thirty (30) calendar days' advance written notice to Baker Tilly. Upon such termination, Shreveport Team will pay Baker Tilly for all fees earned and out-of-pocket expenses incurred for services rendered through the effective date of termination, which shall be Baker Tilly's sole right and remedy as a result of Client termination of this SOW.

Professional Fees

City of Shreveport, LA

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The work as described will be completed on an hourly basis invoiced at our standard hourly rates as shown below, with anticipated cost to be up to \$150,000 on a time and materials basis. Excluded from the fee indicated above is any out-of-pocket expenses such as travel, copies, faxes, conference calls, credit reports, the cost of research information, or other expenses necessary to complete the project. All out-of-pocket expenses which are expected to exceed \$1,000 shall require Client prior written consent (which may be granted by email).

Additional work requested and authorized by Shreveport Team outside the scope of services described in this SOW will be invoiced at Baker Tilly's standard hourly rates. Specific work orders can be developed for skills, deliverables, and services within the project team or inclusive of other Baker Tilly services and business units, as determined and mutually agreed in writing by Shreveport Team and Baker Tilly.

The fees associated with this SOW are based on the work plan to complete all in-scope project activities, the assumptions outlined, and the combined resources required. Any factors that may change the fees will be discussed and agreed through a formal change order process in advance of incurring additional fees.

Title	2023 Hourly Rate
Managing Director, Partner	\$365 - \$550
Director	\$300 - \$350
Manager	\$200 - \$275
Staff, Consultant	\$165 - \$190

Baker Tilly will bill Shreveport Team Professional Fees and Expenses on a monthly basis with payment due 30 days upon receipt. Baker Tilly's invoices will be reasonably detailed reflecting the services rendered, the applicable service providers, and the total of Professional Fees and Expenses charged. Upon not less than ten (10) calendar days' advance written notice, Shreveport Team may audit Baker Tilly's financial records directly relating to the Professional Fees and Expenses charged hereunder to confirm the accuracy of Baker Tilly's invoices. A finance charge of 1.0% will be assessed for accounts not paid after thirty (30) calendar days of receipt.

Acknowledgement

The Baker Tilly services set forth in this SOW shall be governed by Baker Tilly US, LLP Consulting's Standard Business Terms as attached to this SOW ("Terms"). If you are in agreement with this SOW, please sign below, sign the last page of the Terms and return to us. If there is a conflict between this SOW and the Terms, the SOW will supersede any conflicting provisions of the Terms.

[Signature Page Follows]

Sincerely,

City of Shreveport, LA

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BAKER TILLY US, LLP

Kate Crowley
Principal in Charge

Agreed and Acknowledged:

City of Shreveport, LA

Signature: _____

Name: Tom Dark

Title: CAO

Date: _____

