



June 30, 2021

Scott Evans
Planning and Development Director
Riviera Beach Community Redevelopment Agency

Re: Public-Private Partnership Consultant for Marina Phase II Project

Dear Scott:

Thank you again for the opportunity to support the Riviera Beach Community Redevelopment Agency (the "CRA") as your real estate and P3 advisor. As requested, enclosed is a proposal to provide the CRA with consulting services to advise, prepare, develop, and manage a public-private partnership agreement for the Phase II Marina Project. Our team is prepared to move quickly and is eager to get to work on this project. Please review and let us know if you have any questions.

Sincerely,

Lindsay Stowell

A handwritten signature in blue ink that reads "L. Stowell".

Executive Vice President
JLL Public Institutions

Jeremy Becker

A handwritten signature in blue ink that reads "J. Becker".

Senior Vice President
JLL Public Institutions

Proposal

The CRA has requested that JLL provide CRA with consulting services to advise, prepare, develop, and manage a public-private partnership agreement for the Phase II Marina Project. JLL will help the CRA analyze the development proposals and associated pro formas, the proposed agreement terms including required subsidies, solicit Board direction, negotiate agreement terms for both a master development agreement and multiple ground leases, receive final Board and City Council approval, and close on a final agreement with the selected development team. We will perform the following activities over three phases, with critical milestones noted throughout:

Phase 1: Project Review and Element Analysis (2 Months)

1. **Hold Initial Kick-Off Meeting.** JLL will schedule an initial kick-off meeting with the CRA to accomplish the following:
 - confirm the scope and timeline of the engagement;
 - secure additional information necessary for a successful project outcome;
 - discuss the project governance structure; and
 - understand the full background on the project to date, including CRA's areas of concern, key project risks and critical objectives.

2. **Project Review.** JLL will conduct a review and analysis of all relevant project information and deal proposed terms, to include but not limited to:
 - A full review of all developer proposal materials;
 - A detailed review and assessment of developer pro formas to assess the feasibility of input assumptions, financial outputs and financeability of the transaction;
 - Evaluation of proposed financial supported requested from the CRA, including the reasonableness of the levels of support and the sources of funding to make such investments if required;
 - Review of each developer's experience and financial capacity to undertake the project, including a review of proposed letters of interest from lenders;

- Assessment of the proposed joint venture between the two developers and whether the partnership appears to be set up for success in terms of the allocation of responsibility, terms of the agreement, and ability and willingness to work together;
- Interviews with the CRA and the City as required to understand reasonableness and viability of financial support requested from the developers; and
- Review of Parking Analysis completed by Desman Parking.

Milestone 1: Proposal Analysis

Phase 2: Negotiation of Master Development Agreement and Key Ground Lease Terms and Presentation to Board (Estimated 4 Months)

1. **Negotiate Master Development Agreement.** JLL will support third-party counsel by providing input into the Master Development Agreement regarding all commercial and financial terms. Task to be undertaken include the following:
 - a. Participate in a series of meetings with CRA to discuss deal terms;
 - b. Participate in a series of negotiation meetings with the developer;
 - c. Review commercial and financial master development terms proposed by the Developer and benchmark the terms to evaluate the reasonableness as compared to other similar terms; and
 - d. Propose new or revised terms to protect the interests of the CRA and/or ensure that the CRA's objectives for the project are met.
2. **Negotiate Key Ground Lease Terms.** JLL will develop a term sheet consisting of key commercial and financial terms of the ground leases. Like the Master Development Agreement, this task will require several meetings with the CRA and several negotiation meetings with the developer to align on appropriate terms for each ground lease.

Milestone 2: Draft Development Agreement and Ground Lease Term Sheet

3. **Prepare Materials and Facilitate Board Meeting.** JLL will draft all relevant materials, including financial analyses, project timeline, detailed sources and uses budget, and recommended next steps into presentation slides to facilitate discussions with the Board. JLL attend the workshop and act as moderator, working with the the CRA to answer questions related to the proposed agreement terms and solicit Board direction.

Milestone 3: Workshop Presentation and Board Direction

Phase 3: Finalize Development Agreement, Negotiate Ground Leases and Presentation to the Board (Estimated 3 months)

1. **Represent the City and CRA Through Closing.** JLL will work closely with the CRA, the City, and any internal and third-party counsel as the CRA's and City's exclusive agent, in all final negotiations with the identified offeror, including facilitating additional due diligence, finalizing the development agreement, negotiating the ground leases and any associated operating agreements. JLL will also outline any variances from the initial proposal that arise out of the negotiation of the final agreements.
2. **CRA Board and City Council Presentation.** JLL will work with CRA staff to prepare final Board and City Council presentation materials and present all final agreement terms to the Board and City Council for approval.

Milestone 4: Board/Council Approval and Transaction Close

Timeline and Fee

Based on projects of similar scope and scale, JLL anticipates a total of 9 months from kick-off to close:

	Estimated Duration (months)
Phase 1: Project Review and Element Analysis	2
Phase 2: Negotiation of Development Agreement and Ground Lease Terms*	4
Phase 3: Finalize Development Agreement and Negotiate Ground Leases*	3
Total	9

*Timing of negotiations is an estimate and will depend on many factors.



JLL proposes to invoice Phase 1 at a fixed fee at the completion of Milestones 1. For Phases 2 & 3, JLL proposes a monthly fee for negotiations payable at the start of Phase 2 and would continue until the transaction closes. The fee schedule proposed is as follows:

	Total
Phase 1: Fixed Fee	\$75,000
Phases 2 & 3: Monthly Fee	\$30,000/Month

The following terms apply to the fee proposal:

- Proposal is for Elements 0-5 and Element 8 only. Services for Elements 6 and 7 are outside of the scope and would require a separate scope and fee proposal.
- Allowable reimbursable expenses would be charged separately, not to exceed \$20,000 over the course of the engagement.
- Pricing assumes JLL will negotiate a single Master Development Agreement and a total of two (2) ground lease agreements on behalf of the CRA and City. Monthly pricing for Phases 2 and 3 shall increase at a rate of \$7,500 per month for each additional agreement, up to a limit of five (5) total ground leases.