



Diana M. Scarpetta, MSM, FRA-RP  
CRA Project Specialist  
Margate Community Redevelopment Agency  
City of Margate  
5790 Margate Boulevard  
Margate, FL 33063

July 16, 2018

**VIA ELECTRONIC MAIL**

Dear Ms. Scarpetta:

Following our conversation, this letter outlines a scope of work for Lambert Advisory LLC (Lambert) to assess and provide recommendations from both a market and financial perspective associated with proposals received by the CRA from business entities seeking to locate within the Margate CRA and requesting CRA contributions to narrow funding gaps. Lambert is likewise prepared to assist the CRA in its negotiations with developers and business investors/owners driven by the assessment and analysis which Lambert will have completed of business proposals and terms.

For each proposal the CRA asks us to review, we will initially review the investor/business and its team's experience developing similar projects and financial backing/capacity to undertake this project. After reviewing the investor's/developer's proposals in detail, the principal initial goal of our review will be to assess the relative viability of the project and other elements of the plan at the scale proposed, the projected rents and associated revenue, costs of operation and development and stated financial gap the investor/developer is expecting the CRA to fill either through the contribution of land or by some other means. This will include an evaluation of the investor/developer's operating proforma. It is likely that we will need to enter into direct discussions with investors/developers to gather additional information so that we can have as complete a picture as possible of the plan, timeline and expectations.

We will base our analysis on our experience in the market and select review of similar built and marketing projects in the area as it relates to projected revenues, rental rates and the competitive positioning of these properties in relation to the surrounding market.

Once we have reviewed the plan and any economic impact analysis which is produced by proposers, we will provide a summary review of our findings to you in memorandum format and discuss with you our recommendations on how to best proceed with negotiations as to the project positioning and financial terms of any agreement with the investors/developers.

We will also be readily available and prepared to assist you, other advisors, and attorneys in direct negotiations with the development partner on an as needed basis.

### **Timing, Deliverables and Fees**

We will begin our work upon your notice to proceed and deliver any findings in the form of one or more memorandums. We will bill our fees at our standard hourly rates of \$250/hr. for the Managing Principal, \$200/hr. for a Principal, and \$150/hr. for a Senior Associate up to a maximum of \$10,000 without further written approval by the City.

For all tasks, we will bill monthly as work is completed.

### **Other Terms of Agreement**

Our studies, reports and analysis are subject to the following restrictions and conditions:

- Lambert Advisory has no obligation to update our findings and conclusions for changes in market conditions, which occur subsequent to our work. Any such changes in market conditions may affect the validity of our estimates.
- Documents we prepare are based upon assumptions and estimates, which are subject to uncertainty and variation. These estimates are often based on data obtained in interviews with third parties, and such data are not always completely reliable. In addition, we make assumptions as to the future behavior of consumers and the general economy which are highly uncertain. Therefore, while our estimates will be conscientiously prepared on the basis of our experience and the data available to us, we make no warranty of any kind that the estimates of funding and operating budgets will, in fact, be achieved.

**Acceptance**

We hope this letter correctly addresses your needs. If you have any questions regarding the scope of work or business arrangements, please call me at (305) 503-4095.

We thank you for the opportunity to present this proposal and are excited about working with you on this engagement.

Very truly yours,

A handwritten signature in black ink, appearing to read "Paul M. Lambert". The signature is fluid and cursive, with the first name "Paul" being the most prominent.

Paul M. Lambert  
Managing Principal

THE PROPOSAL AND ITS TERMS AND CONDITIONS ARE ACCEPTED IN ITS ENTIRETY

NAME: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_