



CENTER FOR ECONOMIC
DEVELOPMENT LAW

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April 4, 2016

Beth Anne Wilkening
City Attorney
City of Broken Arrow
220 South 1st Street
Broken Arrow, Oklahoma 74012

Via Email

RE: Legal Consulting Services for City of Broken Arrow – Proposed Retail Project

Dear Beth Anne:

At your request, below is a proposed scope of professional services and potential actions for the consideration and possible preparation of a proposed project plan and sales tax increment district pursuant to the Oklahoma Local Development Act, Title 62 O.S. §850, et seq. (the “Act”), for a proposed new primarily retail development in south Broken Arrow, on property located between Creek Turnpike, Tucson Avenue, Olive Avenue, and Aspen Avenue (the “Development Area”):

I. Assessment and Recommendation of Project Eligibility and Feasibility

As an initial matter, the Center for Economic Development Law (“CEDL”) will assist you in a preliminary assessment and recommendation of the fundamental issues affecting the potential project and determination of threshold questions including whether and what tools of the Act are appropriate. The focus of this effort would be to work with you, the City of Broken Arrow (the “City”) officials and staff, as well as other interested stakeholders to formulate a development strategy for the Development Area. Such an evaluation will be undertaken in order to determine whether the benefit potential and practicality appear sufficiently positive for the City to then undertake the formulation, procedural consideration, and adoption of a project plan with necessary financing mechanisms, possibly including tax increment financing. This is a critical phase and includes much of the groundwork for the subsequent phases.

If, and only if, the evaluation appears positive to the City and CEDL, will CEDL then continue in its representation of the City by providing the following services to the extent authorized and directed by you.

II. Negotiation and Preparation of Initial Agreements and Project Plan Preparation

A. CEDL will assist in the negotiation and preparation of a possible conditional redevelopment agreement between the City or another public entity (if appropriate), and a potential developer that states the conditions precedent to undertaking the project. The nature

and extent of such an agreement is extremely difficult to gauge prior to formulation of the development strategy.

B. Project plan preparation would be undertaken in two parts:

1. Schematic Plan Development

- i. Area Eligibility Report — Assistance in preparation of an eligibility report, relying on information from City staff and local and state agencies to evaluate the eligibility of the area.
- ii. Financial Impact Report — Assistance in preparation and evaluation of financial impacts, relying on assistance from City staff and other informed or specialized sources.
- iii. Basic framework of project plan including:
 - a. Area of project plan;
 - b. Size and content of increment district;
 - c. Project objectives;
 - d. Principal project actions;
 - e. Preliminary budget; and
 - f. Strategic sequencing.

2. Final Draft Project Plan and Increment District

- i. Preparation of complete eligibility report;
- ii. Preparation of complete financial impact report;
- iii. Preparation of complete project plan and increment district provisions; and
- iv. Final editing before release for public consideration and approval.

III. Official Review and Public Hearings

This phase will consist of legal advice and consultation with respect to procedures and actions for formal consideration of a proposed project plan including:

A. Resolution of City Council initiating formal consideration and approval process and establishing review committee;

B. Presentations to individuals, groups and public bodies on the proposed plan;

- C. Attendance and preparation at review committee meetings;
- D. Preparation of documents for review committee consideration;
- E. Planning commission presentation and approval documents; and
- F. Presentation at two public City Council hearings on consideration and adoption of the proposed project plan and establishment of an increment district.

IV. Implementation

Following adoption of a project plan and an increment district, it is vitally important that the implementation steps, procedures, legal auditing, and follow-up assistance take place in order to maximize the achievement of project objectives and to minimize the difficulties of implementation. These steps would generally consist of:

- A. Negotiation and preparation of any additional economic development agreements;
- B. Advice on administration and financing;
- C. Coordination with involved public officials and entities;
- D. Preparation of implementation checklist; procedural manual, forms, and official action documents; and
- E. Assistance in financial reporting.

Depending on the complexity of the project and the extent to which the City or another public entity assumes responsibility for these activities, the City and CEDL may scope this on-going work separately.

We wish to emphasize that Phases II, III, and IV would be undertaken only if Phase I, the Assessment and Recommendation of Project Eligibility and Feasibility, appeared positive to CEDL and the City. We believe that successful representation means offering comprehensive legal advice about the proposed development project and implementation, regardless of whether that includes establishment of a tax increment financing district.

The cost of the services described in this engagement letter will be CEDL's time and expenses in accordance with the current CEDL fee schedule. We have attached a copy of the 2016 fee schedule. CEDL will submit statements detailing the services provided on a monthly basis. The services will consist of only the phases and undertakings authorized by the City. The City or CEDL may terminate services at any time upon thirty (30) days' notice without any further liability except for services provided.

Beth Anne Wilkening

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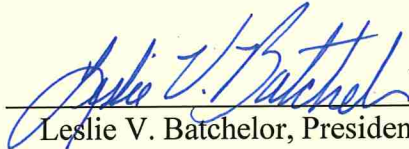
Our mission as a law firm is to assist communities in achieving their economic development objectives, and we look forward to assisting your community by working with you.

By our signature below, we are agreeing to this engagement. If you approve, please execute your acceptance in the space provided and return one original to our office.

Very truly yours,

CENTER FOR ECONOMIC DEVELOPMENT LAW

BY: _____


Leslie V. Batchelor, President

ACCEPTED THIS _____ DAY OF _____, 2016.

THE CITY OF BROKEN ARROW

BY: _____

CENTER FOR ECONOMIC DEVELOPMENT LAW
2016 SCHEDULE OF PROFESSIONAL FEES

ATTORNEYS:

Principals	Dan Batchelor	\$300.00
	Leslie V. Batchelor	\$275.00
Senior Attorneys	Emily K. Pomeroy	\$250.00
	Lisa M. Harden	\$250.00
Associate	Jeff Sabin	\$200.00
Senior Of Counsel Attorney	John C. McMurry	\$200.00

SPECIALISTS:

Development/Planning Consultant	Ian Colgan, AICP	\$200.00
Financial Analyst/Planner	Cameron H. Brewer	\$150.00
Senior Legal Assistant		\$ 95.00
Law Clerk/Legal Intern		\$ 95.00
Legal Assistant		\$ 55.00
Administrative Assistant		\$ 45.00

Reimbursement of actual and reasonable expenses.