



# SERVICES AGREEMENT

*Between:*

Sports Facilities Advisory, LLC

&

Village of Garden City, NY

DECEMBER 1, 2018

*RLS*

SERVICES AGREEMENT

SPORTS FACILITIES ADVISORY, LLC – U.S. TAX ID: 32-0109344  
600 Cleveland Street, Suite 910 • Clearwater, FL 33755 • P: 727.474.3845 • F: 727.361.1480

1. Village of Garden City, NY (hereinafter referred to as "Client") hereby engages Sports Facilities Advisory, LLC (hereinafter referred to as "Consultant") for the services set forth in this Services Agreement (hereinafter referred to as "Agreement").
2. **Scope of Services:** The Client is engaging the Consultant to provide the services set forth in Exhibit A in the attached hereto and the Consultant is agreeing to provide the services set forth in Exhibit A in the attached hereto.
3. **Pre-Approval Requirements:** The Client and Consultant agree that the Client will be required to provide written pre-approval to Consultant prior to Consultant beginning Phase II in Exhibit A. The Client may provide approval to Consultant by email or other written form. Consultant will not begin work on Phase II in Exhibit A unless this written approval is provided. The Client may determine not to proceed with Phase II in its discretion.
4. **Confidentiality, Nondisclosure, and Non-Use Covenants:** For purposes of this Agreement, the party disclosing confidential information is the "discloser," and the party receiving the information is the "recipient." Confidential information means all information concerning either party's business including, but not limited to, all tangible, intangible, visual, electronic, present or future information such as (a) trade secrets; (b) financial information, including pricing; (c) technical information, including research, development, procedures, algorithms, data designs, and know-how; (d) business information, including operations, planning, marketing interests, and products and services; and (e) the terms of this Agreement.  
The recipient does not have an obligation to protect confidential information that is; (a) in the public domain through no action of the recipient; (b) within the legitimate possession of the recipient, with no confidentiality obligations to a third party; (c) lawfully received from a third party having rights in the information without restriction, and without notice of any restriction against its further disclosure; (d) independently developed by the recipient without breaching the agreement or by the parties who have not had, either directly or indirectly, access to or knowledge of the confidential information; or (e) disclosed with the prior written consent of the discloser. If confidential information is required to be produced by law, court order or government authority, the recipient must immediately notify the discloser of that obligation. The recipient will not produce or disclose confidential information in response to that obligation until discloser has requested protection from the court or other legal or governmental authority issuing the process and the request has been denied, or consented in writing to the production or disclosure of the confidential information in response to the process, or taken no action to protect its interests in the confidential information within 14 business days after the receipt of notice from the recipient of the obligation to produce or disclose.  
Recipient will use the confidential information only to further the relationship between the parties. Confidential information may not be disclosed to any third party without the written consent of the discloser or used by the recipient in any manner which may be competitive to the discloser.  
Notwithstanding anything to the contrary in this Section 4, Consultant understands that the Client is a public government entity, and therefore its actions, decisions and related information, including this Agreement, may be subject to relevant open meetings laws and FOIL. Further, the Services to be provided regard a publicly owned building, and the Client has requested that part of the Services to be performed, and Consultant has agreed, to obtain input from the community regarding the Project (as defined in Exhibit A).
5. **Responsibility:** Client assumes all responsibility for financial and other risks associated with the planning, development, operations & management of the Client's business and the Project and Consultant assumes no liability for the Client's Project. The Client agrees to seek independent architectural, engineering, construction, accounting and legal services that are necessary for the construction, completion and operation of the Project.
6. **Consultant Services:** Client understands that consultant is a management consulting firm, is not licensed to sell securities, is not a licensed accounting practice nor licensed to practice law.

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7. **Governing Law:** The execution, interpretation, and performance of this Agreement shall be governed by the laws of the State of New York. Any lawsuits arising from this Agreement shall be brought before a Court of Law in Nassau County, New York.
8. **Construction:** The parties hereto acknowledge and agree that: (i) each party has participated in the drafting of this Agreement; (ii) no inference in favor of, or against, any party shall be drawn from the fact that one party has drafted any portion hereof; and (iii) each party has had the opportunity to have this document reviewed by their respective legal counsel.
9. **Entire Agreement:** This Agreement and the attached Exhibit A contains the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements or understandings, expressed or implied, written or oral, between the parties hereto with respect to the subject matter hereof. This Agreement may not be modified or amended except by a written instrument signed by the parties hereto.
10. **Compensation:** Upon execution of this Agreement, the compensation for Exhibit A shall be due and owing as follows under the Payment Terms:

**Payment Terms – Exhibit A Total (\$110,000.00 + Reimbursable Travel Expenses)**

**Exhibit A – Phase I \$45,000.00:**

- **Payment 1 – (50% of Phase I) \$22,500.00:** Due upon execution of Agreement. Consultant will not provide services nor book meetings until Payment 1 is made in full.
- **Payment 2 – (40% of Phase I) \$18,000.00:** To be invoiced upon Existing Data Review. Payment due upon completion of Development Planning Session.
- **Payment 3 – (10% of Phase I) \$4,500.00:** To be invoiced upon completion of Market Opportunity Executive Summary. Phase I final deliverable to be delivered upon payment.

**Exhibit A – Phase II \$65,000.00:**

- **Payment 4 – (50% of Phase II) \$32,500.00:** To be invoiced upon Client's written confirmation to move forward with Phase II. Draft pro forma to be delivered upon payment.
- **Payment 5 – (40% of Phase II) \$26,000.00:** To be invoiced upon review of the final Pro Forma. Final Pro Forma to be delivered upon payment.
- **Payment 6 – (10% of Phase II) \$6,500.00:** To be invoiced upon review of the Project Overview deliverable. Project Overview deliverable to be delivered upon payment.
- **Reimbursable Travel Expenses:** To be invoiced upon completion of travel. Reimbursable travel expenses are due upon receipt of invoice. Travel expenses encompass flights (economy class), hotel accommodations in Garden City, New York, ground transportation and associated fees (parking, tolls, etc.), and meals, which will be billed at \$55 per consultant per day.

- o **Preferred Payment:** To avoid additional processing fees, the preferred payment method is via check.
- o **Wire Transfers:** Client is responsible for all additional fees associated with electronic wire transfers.
- o **Credit Card Payments:** For credit card payments, Client will be responsible for a 3% processing fee.

*In the event Client fails to make any payments when due, interest will be charged on the unpaid total in the amount of 18% per annum or the maximum rate allowed under state and federal law, whichever is greater. All payment due dates, unless otherwise stated, are to be within 30 days of receipt of the invoice. Deposit (or initial) payments are the exception as these payments are immediately due to engage Consultant for services.*

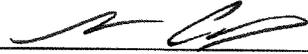
[SIGNATURE PAGE TO FOLLOW]

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SIGNATURE PAGE

Village of Garden City, NY  
"CLIENT"

Sports Facilities Advisory, LLC  
"CONSULTANT"

BY: 

BY: 

Brian C. Daughney  
Print Name Mayor

Dev Pathik, Founder

December 3, 2018  
Date

12/1/2018  
Date

351 Stewart Avenue Garden City, NY 11530  
Client Billing Address

Irene Woo  
Invoicing/Billing Contact Name

Irene Woo  
Invoicing/Billing Contact Email/Phone

516 465-4000

Treasurer

IWoo@gardencityny.net

## SCOPE OF SERVICES

### PHASE I: MARKET OPPORTUNITY ANALYSIS AND RECOMMENDED FACILITY DETAILS

#### Step 1: Week 1 Project Kick-Off Call Week

In this step, Consultant (hereinafter referred to as "SFA") will set up an initial phone call with Client's team to cover six topics that allow the SFA team to begin its work. The services to be provided are related to the potential rehabilitation/development of the former St. Paul's School located in the Village of Garden City, including the existing fieldhouse and Cluett Hall and main building, into a recreation and cultural center, including potential uses for sports and related recreation based facilities, youth orientated programming, and cultural affairs such as a performance space for music, dance and theatre (collectively, the "Project"). Those topics are:

- Introductions
- Project History
- Existing Data
- Potential Partners and Stakeholders
- Key Dates for the Project
- Other Questions & Answers

#### Step 2: Weeks 2 – 4 A) Existing Data Review B) Market Study C) Market Visit D) Stakeholder Meetings E) Development Planning Session

- A) **Historic and Existing Data Review** – Phase I will begin with a review of the financial and other key performance metrics for Client's current facility. SFA will also request any existing data, documentation, and/or resources related to Client's project.
- B) **Market Study** - The market study will include a review of key demographics, sports participation rates, regional competitors, spending on sporting equipment and other factors that contribute to our understanding of the market opportunity. SFA will also review current development plans and other materials to be furnished by Client's team to allow us to arrive in market well prepared.
- C) **Market Tour** - The market visit will include a tour of the region, visits to regional competitors/sports operations, and meetings to further understand other development plans that may impact the project. These meetings may also include discussions related to regional tourism, sports, and government.
- D) **Community Engagement and Stakeholder Meetings** - During SFA's planning process for the market visit, SFA and the client will identify potential community partners, key community groups, vendors, and other stakeholders that will be included in the various meetings that will take place during SFA's time in market. SFA expects that this will include 5-8 meetings in the Village of Garden City with groups representing the various key stakeholders, including, without limitation, the 4 property owners' associations, the GCAA, lacrosse and Centennials soccer groups and the Garden City school system. These will range from local sports organizations and performance and cultural groups, to prospective partners and will be organized with day-time and evening options to maximize attendance and participation. Other groups will be engaged through phone and conference call sessions. These meetings are anticipated to take place over a 2-3 day period to be agreed upon between the Client and the Consultant. In the event that any individual stakeholder is unavailable during the select dates, a teleconference will be scheduled to facilitate their input.

E) **Development Planning Session (DPS)** - This strategic planning session is facilitated on site following our market tour. The purpose of this session is to:

- a. Define success for the project
- b. Clarify and contribute to project vision
- c. Evaluate a variety of different operating and program models
- d. Educate Client's steering committee about the market, financing options, and how these factors influence the program plan.
- e. Review the project timeline for our work with Client

The DPS will encompass discussions related to existing financial projections, project goals, and plans for site development. SFA will also discuss the business model, program plan, design/space considerations, alliances with sports and other user groups, utilization, funding/financing, competition analysis and market share, management and staffing plan, and much more. This information will be used to inform the development of Client's market opportunity report, initial program plan, and construction and start-up costs.

**Step 3: Week 4-6 Market & Opportunity Executive Summary, Recommended Program Plan, & Preliminary Construction and Start Up Cost Estimate**

At this stage, SFA will have reviewed existing data on the project, studied the market, and strategized the vision for the facility with Client's team. As a result of these meetings, SFA will prepare an executive summary level document summarizing the market opportunity and risks of the project. This document will also provide program plan recommendation and an opinion of cost for the program plan. This document will include our professional recommendation on how to proceed with the potential project. SFA shall be available for one public meetings with the Board of Trustees in the Village of Garden City to discuss its findings and recommendations. Client and Consultant agree that the scheduling of these meetings and approval to proceed with Phase II may impact the project timeline.

Specifically, this report will include:

- Right Sized Facility Program Plan: This will include a matrix format document defining the acreage, parking requirements, number and types of playing surfaces, concessions, restrooms and other amenities.
- Estimated facility start-up costs based on the Right Sized Facility Program Plan and recent comparable SFA projects
- Summary of demographic and sports participation statistics
- Professional recommendations and next steps

**Phase I Market Analysis & Recommended Facility Details: Total Price Quote \$45,000.00 + Reimbursable Travel Expenses\***

\*Travel expenses encompass flights (at economy class), local hotel accommodations, ground transportation and associated fees (parking, tolls, etc.), and meals, which will be billed at \$55 per consultant per day.

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## PHASE II: FINANCIAL ASSESSMENT

**Step 4: Weeks 1-6 of Phase II following approval to proceed with Phase II. Detailed Financial Forecast (Pro Forma)** In this step, SFA will complete more in-depth research/analysis to produce a 20 year cash flow forecast that may later be updated to match financing term.) financial outlook. As part of this scope, the Consultant shall meet with Client through its Board of Trustees and its finance department. The client understands that the scheduling of these meetings may impact project timeline.

SFA's pro forma documents are detailed, institutional-grade financial forecasts used to support decision-making and financing.

The pro forma will provide insight into the financial potential of the project and will include projections related to construction and start-up costs, revenues/expenses by product/program, EBITDA, net income, facility utilization, and more.

The pro forma will provide Client with detailed financial projections related to and based on:

- The ideal business model
- Realistic and/or recommended debt-to-equity mix and debt service
- Right-sized program spaces and space requirements
- Construction and start-up costs based on recent, comparable projects
- Recommended parking
- Revenue by product/program
- Direct/variable costs (Cost of Goods Sold)
- Facility and operating expenses
- Management and staffing model
- Utilization Projections

### **Step 5: Weeks 1-6 of Phase II Economic Impact Analysis**

In this step, SFA will project the economic impact of the facility on an annual basis. Economic impact is defined as new off-site spending that will occur in the market as a result of tournaments and events held at the facility. This information is used to project economic activity from out-of-town visitors who would not be in the market but for the events that will be held at the facility.

The results, primarily quantified as room nights generated and direct spending, are used by elected officials and private developers alike to understand the impact that the venue will have on the lodging, dining, retail, entertainment, and transportation industries, as well as on the tax base of the municipalities that benefit from new spending.

SFA's economic impact projections are developed based on projections for tournaments and events throughout the pro forma and reflective of several key drivers of economic impact, including:

- Number of Events
- Number of Teams
- Number of Participants
- Number of Affiliated Spectators
- Percent of Participants and Affiliated Spectators from Out of Town
- Length of Stay
- Average Daily Rate (ADR)
- Average Daily Expenditures (ADE)

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**Step 6: Weeks 6-14 of Phase II Project Overview**

SFA will prepare comprehensive Project Overview. This report is provided to provide potential strategic partners and funding sources with the information needed to support project development. This graphically designed document outlines the research and process utilized to arrive at the program plan and financial forecast. It also includes:

- The project purpose and vision statement
- A description of the facility and individual spaces within the expansion
- An overview of the primary programs and services
- An overview of the market demographics and research conducted
- An identification of strengths and opportunities for the project
- Forecasted financial performance summary charts and graphs
- Key statistical data presented in info graphic or chart form
- Community benefits summary
- Other material to be identified through client interaction

SFA's report will also identify key advantages and obstacles that may impact project financing, development, or operational success. These may include recommendations for ancillary developments, strategic relationships, or other items that may be necessary to optimizing the opportunity for the Client. SFA shall meet with the Board of Trustees of the Village up to 2 times to discuss the report in public meetings.

Note on timeline: Consultant will make every effort to achieve this timeline. Dates assume Client and stakeholders are responsive. Dates will adjust if the project needs, client requests, or schedule require adjustments. Major holidays or other factors may also impact deadlines.

**Phase II Financial Assessment: Estimated Price Quote \$65,000.00**

This quote assumes a first-draft review and one round of modifications for the pro forma.

*Please Note: This proposal is valid for 60 days from its issuing date.*