

**NON-BINDING MEMORANDUM OF UNDERSTANDING**  
**BETWEEN THE CITY OF SHREVEPORT AND**  
**GATEWAY DEVELOPMENT CONSORTIUM, LLC**  
**REGARDING DEVELOPMENT OF CROSS BAYOU POINT**

This Memorandum of Understanding (MOU) dated \_\_\_\_\_, 2018 between the City of Shreveport (City) and Gateway Development Consortium, LLC (GDC) sets forth the terms and conditions by which the City and GDC intend to enter into a Development Agreement regarding the implementation of the Cross Bayou Point (CBP) project, as more fully detailed in the attached *Exhibit 1*, which is made a part hereof by reference thereto.

**BACKGROUND**

The City owns certain land along Cross Bayou, as identified in *Exhibit 2* (Cross Bayou Ownership Map), which is made a part hereof by reference thereto. As outlined in the *Shreveport-Caddo 2030 Master Plan*, the City has performed numerous studies, over multiple administrations, concerning development of Cross Bayou. In order to facilitate the development of Cross Bayou, the City has undertaken limited due diligence related to the separately owned adjacent properties, as identified in *Exhibit 2*, for the purpose of creating one contiguous tract for potential development.

GDC is in the process of preparing an unsolicited bid to the City regarding development of a \$1 Billion, 10-year, mixed-use development known as Cross Bayou Point (CBP). GDC's proposed development will be anchored by a new municipal complex, which will house between 1,000 to 2,000 employees. CBP also envisions a technology based charter school focused on STEM education.

The City and GDC would like to explore the formation of a public/private partnership, pursuant to the legislative approval of the Shreveport City Council.

This MOU affirms the following agreed upon understanding:

\*The proposed CBP project requires significant public infrastructure improvements and contemplates complicated, challenging development techniques necessary to achieve the transformative vision referenced herein above, with said vision being in the City's best interest to facilitate.

\*GDC believes that the scale and transformative vision of the proposed CBP is consistent with the vision for the development of the Cross Bayou area as set forth in the *Shreveport-Caddo 2030 Master Plan*. Moreover, the instant project will provide substantial public benefits, that will stabilize the broader economic base of Shreveport's downtown core, and act as a catalyst for future dynamic growth in the City's downtown core, Ledbetter Heights and the Highland neighborhoods.

\*The very nature of the CBP will accomplish a tenet articulated in City planning protocol; to wit: the project will not only protect against future economic distress and blight, but the project will promote continued re-development and growth in the City's downtown core. Numerous examples of similarly situated projects throughout the nation are proving to be exponentially beneficial to cities who undertake projects of this ilk.

\*The expected incremental tax revenue justifies public participation in this project; specifically, the leveraging of tax revenues that would not be available but for the undertakings made by the City to realize the full vision of the project.

\*The City may acquire the requisite land and subject to council approval, utilize public finance tools at its disposal to effectively and efficiently participate in the project.

## **PURPOSE**

The purpose of this MOU is to summarize the significant terms and conditions of the anticipated Development Agreement between the City and GDC as it regards the proposed development of Cross Bayou Point (CBP). This MOU is non-binding and contingent upon further negotiation, as well as ultimate approval of the Development Agreement by the Shreveport City Council.

The Development Agreement will reflect more refined construction costs, as well as concise details relative to the public/private partnership contemplated herein. This MOU is not intended to limit the scope or provisions of the anticipated Development Agreement. Thus, terms and conditions other than those set forth herein may be agreed upon in the final Development Agreement.

## **POTENTIAL APPLICATION OF PUBLICLY-FUNDED IMPROVEMENTS**

1. The City will assist GDC in assembling the lands shown in *Exhibit 2* into one contiguous tract.
2. The City will donate and/or lease City-owned land as shown in *Exhibit 2*.
3. The City will provide infrastructure as-built plans, engineering data such as GIS, on-going and planned project information, Rights-of-Way (ROW) related to the land development site, streets, drainage, parks, parking, bayou waters, as well as zoning rights for the purpose of erecting buildings and other infrastructure components.

## **DEVELOPMENT OF IMPROVEMENTS**

GDC will be responsible for constructing (i.e. designing, contracting, project management and physical construction) all of the improvements outlined herein above as part of the instant public/private partnership, pursuant to an approved set of plans, project budget and appropriate reserves for cost overruns, unless the City agrees in writing to be responsible for such construction.

### **DEVELOPER COMMITMENT TO DELIVERING COMPLETE PROJECT**

The Developer commits to using commercially reasonable efforts to develop the project and deliver the same in accordance with the delays agreed upon by the parties. The Development Agreement will outline the conditions pursuant to which City investments are predicated as well as the attendant development and financial milestones.

### **PERFORMANCE MILESTONES -- TENANTING & LEASING**

The realization of the proposed tenant mix is critical to the City's participation in the project. GDC and the City shall develop a commercially reasonable leasing strategy, with defined tenant mix and targets, as well as key performance metrics and hurdles. City funding and issuance of CDA bonds shall be contingent upon satisfaction of hurdles outlined in the leasing plan.

GDC and the City agree to work together to secure municipal tenants for the proposed municipal complex as well as pursue private sector tenants nationally.

### **PERFORMANCE MILESTONES -- FINANCING**

GDC and the City shall set commercially reasonable performance hurdles and metrics relative to the private financing of the project, including, but not limited to, the relationship of private equity to public debt in the public/private partnership. City funding and issuance of City bonds shall be contingent upon meeting the defined private financing performance hurdles, unless otherwise amended by the City.

## **PUBLIC ENGAGEMENT**

GDC and the City will take steps to keep the public informed throughout the development process. To that end, the City will provide public forums (community centers, public spaces, etc.) to discuss the project with the assistance of the City as it regards any and all public outreach presentations.

\_\_\_\_\_  
On Behalf of the City of Shreveport

Date: \_\_\_\_\_

\_\_\_\_\_  
On Behalf of Gateway Development Consortium,  
LLC

Date: \_\_\_\_\_

# EXHIBIT -1

## Cross Bayou Point Initiative Overview

Gateway Development Consortium (GDC) is proposing to enter into public/private partnership as master developer on a \$1 billion, 10-year development of Cross Bayou and portions of Ledbetter Heights. GDC as Master Developer will do the following.

### PHASE 1

- **Cross Bayou Point Municipal Complex 1000 to 2000 Employees**

Develop new Municipal Complex at Cross Bayou Point and New Pedestrian Plaza - A campus-style, 2 -building complex, both having retail and restaurants on lower floors and administrative offices above.

- **Multi-Family and Single- Family Residential – 5000 New Units**

Develop 5000 units of multi-family, single-family and affordable housing units to be built over the life of the project. Thirty percent of housing will be affordable.

- **Site Remediation**

GDC will assume land and liabilities in the project area designated as a brownfield site and prepare for development.

### PHASE 2

- **New Technology-Focused School – 350 Employees**

Develop a technology-focused school that offers students the unique opportunity to take advantage of the benefits of STEM based education. As increasing amounts of jobs are created within the fields of science, technology, engineering, and math (STEM), the demand for STEM focused learning has also steadily increased.

- **Cross Bayou Point Hard Banking**

We propose to work with the city, state and Red River Waterway Commission to hard bank the South and North Shore of Cross Bayou from the Red River to North Common. It will include a new pedestrian plaza, parks and bike lanes, the renovation of Cross Bayou Bridge and the creation of a Water Activity Center to support kayaking, boating, as well along Cross bayou. This includes new City of Shreveport and Red River Waterway infrastructure investments.

#### **Community Benefits**

- We propose to set a fifty percent (50%) MWBE and local goal on all contracts.
- We propose to engage the local construction industry in creating training program for young men with non-violent felonies on their record and provide job opportunities for them on project.

