



4375 N. Vantage Dr.
Suite 405
Fayetteville, AR 72703

cwlaw.com

Vicki Bronson | Partner
OFFICE 479.582.5711
FAX 479.587.1426
vbronson@cwlaw.com

MEMORANDUM

To: Wade Abernathy
Susan Norton
Date: October 27, 2022
Re: Letter of Intent with Reindl Properties, Inc. – updated

Attached is an updated Letter of Intent with Reindl Properties, Inc. The primary changes since the previous draft are as follows:

1. Language was added to Paragraph 1 to clarify potential permissible uses and prohibited uses. I say “potentially permissible” because the ultimate construction of the building and permitted uses is subject to City’s regulatory processes. Updated language states the building must contain a minimum of one restaurant, café, or coffee shop.
2. Language was added to Paragraph 9(B) and (E) pertaining to the selection of an appraiser or appraisers for the land purchase and the easement property, if necessary.
3. Language was added to Paragraph 9(D) to clarify conditions required for the sale of City’s real property to Reindl.
4. Paragraph 11 was revised to provide that Reindl is to complete the City Restrooms to a “white box” finish, with the City responsible for finish out by a contractor of its choosing.
5. Language was added to Paragraph 12 to clarify the City retains control of the Plaza and stage.
6. Language was added to Paragraph 16 to “beef up” the point that either party may terminate the Letter of Intent if the other party does not substantially comply with its obligations under the agreement.
7. Paragraph 18 was added to clarify the Letter of Intent may be modified by written agreement of the parties.

Let me know if you have any questions or need additional information.

Sincerely,

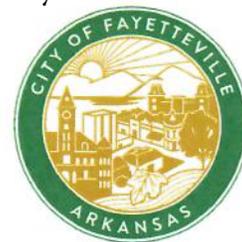
/s/ Vicki Bronson

Vicki Bronson



OFFICE OF THE
CITY ATTORNEY

DEPARTMENTAL CORRESPONDENCE



Kit Williams
City Attorney

Blake Pennington
Assistant City Attorney

Jodi Batker
Paralegal

TO: Mayor Jordan
City Council

CC: Kara Paxton, City Clerk/Treasurer
Susan Norton, Chief of Staff
Wade Abernathy, Facilities Management Director

FROM: Kit Williams, City Attorney

A blue ink handwritten signature of Kit Williams, consisting of stylized initials and a long horizontal stroke.

DATE: October 31, 2022

RE: Council Member Sarah Bunch's question answered

Why did the City receive only one response to our Request For Proposals to construct a building on the south end of the Plaza?

Council Member Bunch's question deserves a direct answer as negotiations on Mr. Reindl's proposal continue.

A year and a half or so ago, I heard that staff was considering issuing a Request For Proposals (RFP) for a potential building on the southern end of Walton Arts Center Parking Lot as part of the Plaza. I had already seen designs or plats that showed that Mr. Reindl owned the abutting property south of the building site which would be essential for access to any commercial building by food service and garbage trucks. No other independent entity could access this building through Mr. Reindl's property. Thus, an RFP process would be an exercise in futility as only Mr. Reindl could feasibly make a proposal.

It could hardly have been a surprise when the Administration did submit a Request For Proposals that only Brian Reindl submitted a proposal. In order to allow anyone else an opportunity to realistically submit a proposal for development, the site of building would need to abut city right-of-way (West Avenue) just as the other building on the Plaza abuts Dickson Street. This does not mean that the City Council cannot negotiate a mutually beneficial development contract with Mr. Reindl even though no other developer can reasonably develop at that most southern cite.

The Fayetteville Arts Council

To: Fayetteville City Council

From: The Fayetteville Arts Council: City Council member Sonia Harvey, Arts Council Chair Jessica DeBari 06/30/24, Chloe Bell, Arts and Culture Citizen-at-Large 06/30/25; Abby Hollis, Working Artist 06/30/25, Lara Hightower, Arts and Culture Citizen-at-Large 06/30/25; Robert Stafford, Working Artist 06/30/25; Dwain Cromwell, Working Artist 06/30/23; Emily Miller, Working Artist 06/30/24; Alexandra Vasile, Arts and Culture Citizen-at-Large 06/30/23.

Date: 10/31/2022

Re: AGENDA ITEM
REINDL PROPERTIES, INC.: A RESOLUTION TO AUTHORIZE MAYOR JORDAN TO SIGN A LETTER OF INTENT DEFINING DEVELOPMENT AGREEMENT TERMS WITH REINDL PROPERTIES, INC. FOR A PUBLIC PRIVATE PARTNERSHIP FOR CONSTRUCTION OF THE MIXED-USE BUILDING PLANNED TO PROVIDE GROUND FLOOR ACTIVE USES FOR THE RAMBLE CIVIC PLAZA ON THE SOUTHERN END OF THE SITE

Comments:

Below is a correspondence sent to Mr. Rob Sharp from the Fayetteville Arts Council:

Mr. Sharp,

Thank you again for taking the time to meet with the Fayetteville Arts Council about your intended hotel project as part of the arts corridor plaza.

We acknowledge the language incorporated in the letter of intent "Reindl shall provide locations for public art display at the Building. Public art shall be coordinated between Reindl and local arts organizations, including any groups selected by City to represent its interests in creating opportunities for public art."

Since listening to excerpts from the previous City Council meeting, we understand now that this letter of intent will function as a contract. For that reason, we would like to request that you incorporate more specific language about the role art will play in the planned structure. Since the bond project was pitched to the public as being focused on developing the arts ecosystem here, we feel that it is our role to ensure that art does become a part of the function of structures being installed in the arts corridor. This should not be an impediment to success, but rather a buoy. We have the example right here, with 21C Hotel, that if you make art the focus for a hotel, it can make it a destination in its own right.

There are some key takeaways from our discussion which we are hopeful that you will include in the next iteration of your project going before city council. Specifically, we would want to make sure that Reindl does not just provide a location for public art display, but fully incorporates a space with gallery lighting, a small annual budget percentage toward local artists installations or residencies, and staff dedicated to proper handling and hanging of work. The Fayetteville Arts Council can offer our volunteer time by forming a subcommittee which will evaluate work for installation, but our hope is that Reindl can match that with hours from their staff for handling, installation, and de-installation of work. We also feel that it would be appropriate to ask that a minimum of 4 installations happen each year, with 4 accompanying openings. We would also like to request that more specific language be incorporated regarding where visual art and performing arts will be incorporated in the building. Regarding the lack of a visual endpoint for the water feature in the plaza leading up to the hotel, we are hopeful it is possible to incorporate language about a public/private funded partnership toward

installing a sculptural piece at that point. If the city's arts and culture department can procure an amount toward that piece, we would ask that Reindl promise to make a matching contribution. The final point we believe needs to be addressed is parking. This was the sticking point that came up which stalled approval. Although it is not specifically arts related, we see the impact that it would have on the two large scale performing art spaces on West. We do feel that it would be beneficial to future arts programming at this site if the hotel did include a shuttle to and from nearby parking garages as part of its overall operating budget which could be offered to patrons who would like to see current exhibits at the hotel or used for guests on heavy booking weekends.

Thank you so much for all of the hard work you are doing. We realize that this is a difficult process, but we are confident that if the arts become an integral part of the function of the hotel it will elevate the hotel's success and impact in the community.

Thank you,

Fayetteville Arts Council



DEPARTMENTAL CORRESPONDENCE



OFFICE OF THE
CITY ATTORNEY

TO: **Mayor Jordan**
City Council

CC: **Kara Paxton**, City Clerk/Treasurer
Susan Norton, Chief of Staff
Wade Abernathy, Facilities Management Director
Vicki Bronson, Attorney

FROM: **Kit Williams**, City Attorney

A handwritten signature in blue ink, appearing to read "Kit Williams", with a long horizontal line extending to the right.

DATE: **November 1, 2022**

RE: **Improvements to "Letter of Intent"**

I would like to thank Attorney Vicki Bronson for her proposed improvements to the initial "Letter of Intent." I did not receive a copy until I returned to work on Monday. This new proposal is an improvement and certainly provides more clarity in paragraph 1. The Building A.

However, when it comes to outdoor amplified music, I recommend that the City Council maintain for itself the full discretion for the hours, days and volume to be allowed (if any). Citizens visiting this expensive Cultural Arts Plaza could be adversely affected by outdoor amplified music played by the hotel or its restaurants even if limited to the Noise Ordinance maximums.

I recommend removing "Outdoor Music Establishments" from paragraph 1. A. and creating a new 1. B. (and renumbering the remaining subsections) to read as follows:

"B. The Fayetteville City Council retains the contractual and legislative right now and continuing after any conveyance of the Property through a deed restriction to prohibit or to permit within regulated limitations any hotel, restaurant, coffee shop, bar or business of or in the proposed Building related to the playing of amplified music or sounds audible on the Plaza on the days and times which, in the City Council's sole discretion, are in the best interest of the citizens of Fayetteville. This is not to be construed as a Condition Use Permit normally administered by the Planning Commission pursuant to the *Unified Development Code*. The City also retains the right to permit itself or others to play amplified music or sounds audible on the Plaza."

Kit Williams
City Attorney

Blake Pennington
Assistant City Attorney

Jodi Batker
Paralegal

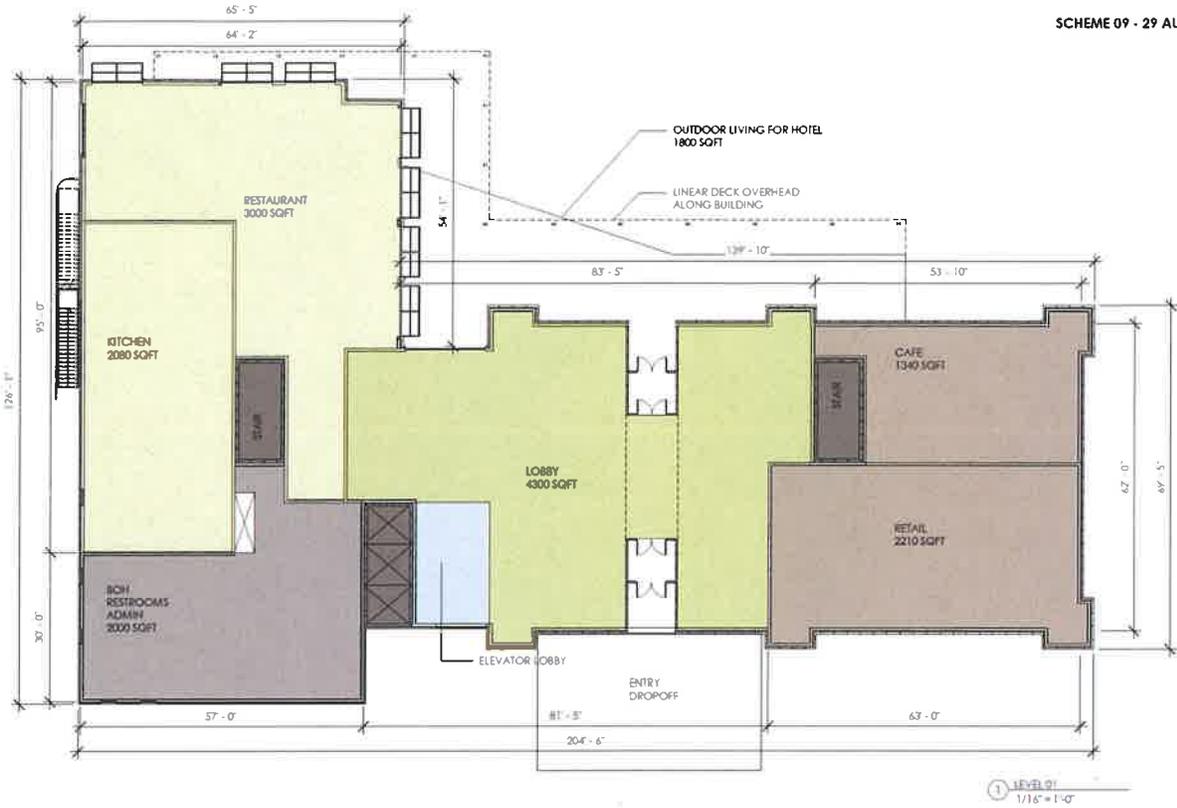
If this would be administered as a Conditional Use Permit rather than a contractual right or deed restriction, any denial or approval of a permit could be easily appealed to Circuit Court for a judge or jury to exercise very broad discretion to decide when outdoor amplified music could be played. The City Council's preferences, determination, and decision on such normal Conditional Use request would be basically ignored and irrelevant if the Condition Use Permit is appealed to Circuit Court. I believe this Plaza is too important and its protection too vital to allow any entity but our elected City Council to control outdoor amplified music to protect the Plaza's audible environment for our citizens visiting and enjoying the Plaza.

I also recommend that rather than accepting a weak commitment in the proposed amended Letter of Intent "of one restaurant, café, or coffee shop," the Council should require at least what Mr. Reindl offered in his Exhibit F: "Diagrammatic Plan of Ground Floor Spaces." (attached) Mr. Reindl's Exhibit shows a 3,000 square foot restaurant, a 2,000 square foot kitchen and a 1,340 square foot café. The only real interaction that most Fayetteville citizens visiting the Plaza will likely have with this proposed seven story building are its ground floor restaurants. Will Mr. Reindl not at least promise to construct the two restaurants that he showed on his own exhibit? I would delete the new one restaurant commitment and replace that language with, "include at least the restaurant, kitchen, and café substantially the size and location as shown on Exhibit F." Is that too much to ask?

The parking issue has yet to be really solved. Allowing event space in the Building could more than double this parking problem. The Walton Arts Center, TheatreSquared, and the new Fayetteville Public Library all have modern, quality event space nearby in the Entertainment District. Why allow an additional, competing event space to be built on the Plaza with no parking and probably to the detriment to existing non-profit and public library event spaces?

EXHIBIT F: DIAGRAMMATIC PLAN OF GROUND FLOOR SPACES

SCHEME 09 - 29 AUC



SPRING STREET SIDE

LETTER OF INTENT, CIVIC SPACE AT THE CULTURAL ARTS CORRIDOR, MIXED USE BUILDING

Background:

On April 9, 2019, the voters of the City of Fayetteville ("City") approved a bond issue for the Cultural Arts Corridor (recently renamed the Ramble) in downtown Fayetteville. The Ramble design for the Civic Space at the southwest corner of Dickson Street and West Avenue consists of a gathering and event lawn, community plaza, garden spaces, a public promenade and building sites on the plaza. The southern anchor building site was proposed to support and enhance the experience of the Civic Plaza, to provide community benefit, to frame the view of the Civic Space and to generate tax revenues. On October 26, 2021, the City accepted Request for Proposals for the design and construction of innovative development proposals for the southern anchor building. The City Selection Committee selected Reindl Properties Inc. ("Reindl") to implement the vision of a southern anchor building that is both beautiful and of exceptional architectural quality, material, and urban design befitting this extraordinary location.

This document describes an agreement between the City and Reindl regarding that property on the south end of the Civic Space adjacent to West Avenue and Spring Street, in the approximate location reflected on Exhibit G (the "Property"), the exact legal description of which to be determined by a survey and final agreement of the parties. The basic terms of the agreement ~~would~~are be as follows:

1. The Building:

A. Reindl will construct a multi-story Mixed Use Building (the "Building") containing hotel uses and associated meeting spaces, office spaces, street level retail, and hospitality spaces, including a minimum of one restaurant, café, or coffee shop. Reindl's intent is to use the Building primarily for a hotel, however, the Building may include other uses as necessary to meet the financial goals of the project. The following Use Units will may be allowed, subject to the City's prior approval City's approval in conjunction with the City's processes and procedures for considering and approving zoning, development, licenses, and permits, including conditional use restrictions:

- Unit 4: Cultural and Recreational Facilities; Unit 13: Eating Places; 12a: Limited Business; 12b: General Business; Unit 14: Hotel, Motel and Amusement Facilities; Unit 15: Neighborhood Shopping Goods; Unit 16: Shopping Goods; Unit 19: Commercial Recreation, Small Sites; Unit 25: Offices, Studios, and Related Services; Unit 26: Multi-Family Dwellings; Unit 29: Dance Halls; Unit 34: Liquor Stores; Unit 35: Outdoor Music Establishments; Unit 40: Sidewalk Cafes; Unit 45: Small Scale Production; and Unit 46: Short Term Rentals.

B. Notwithstanding the foregoing paragraph, the following uses will not be permitted on the Property (the "Prohibited Uses"): crematorium; mausoleum; funeral home; furniture repair and refinishing; taxidermist; vape shops; body piercing/tattoo; gunsmith; animal hospital; animal day care; day care; bail bonding agencies; hospital; vehicle sales; convalescent home; boarding/rooming housing (other than is typically associated with hotel use); dormitory; fraternity/sorority housing; and slot car track. Any deed from the City conveying the Property to Reindl will contain a restriction against the Prohibited Uses and the restriction will be a restriction that runs with the Property for a minimum of ___ years.

B.C. As befits its prominent location, the Building will be a substantial and attractive building. The building design and site development will be subject to City's development review process, ordinances, and rules. The final building design, plans and specifications, including but not limited to exterior finishes is subject

Formatted: Indent: Left: 0", First line: 0.5", Space After: 12 pt

Questions Regarding Civic Plaza Hotel

As of 1 November 2022

Where does the \$50,000,000 Project Cost number come from?

Answer: Please refer to attached document *Estimated Project Cost*, which has been compiled by Robert Sharp from discussions with Reindl Properties, Windsor Aughttry and C R Crawford.

1. Can delivery, emergency, and solid waste vehicles access the hotel building?

Answer: Please refer to attached diagram *Turning Radius and Access Diagram*. Also, deliver vehicles, solid waste, and moving vans currently access the site on a regular basis.

2. Who would be the architect for the hotel portion of the project?

Answer: At this point our short list is

Renaissance Group, located in Memphis Tennessee
<https://rgroup.biz/>

BGKT Architects , located in Memphis Tennessee
<https://bgktarchitects.com/>

LPB Architects, located in Atlanta Georgia
<http://www.lpbatlanta.com/>

3. What brand of hotel will this be?

Answer: We have not selected a brand at this time. The hotel will be of good quality and the exterior design and public spaces of the hotel will be of exceptional quality as shown in the renderings and exhibits. Exterior materials and details have been carefully documented to assure the quality of the proposed building.

4. What is the capacity of the Meeting Rooms?

Answer: After discussions with our consultants, we have determined that we need to be able to accommodate an event of 200 seated people. This requires about 4,000 square feet of space for the ballroom and ancillary spaces.

5. What is the restaurant service schedule? How many meals will be served?

Answer: The service schedule, décor, and menu have not be determined. The Downtown and Entertainment District have multiple dining options that already exist. We will work to complement the existing culinary scene.

6. Will there be a Fitness Center or Swimming Pool?

Answer: There will be a Fitness Center. There will not be a Swimming Pool

7. What would be the Parking Requirements for this building if Fayetteville required commercial uses to provide parking?

Answer: Please refer to attached document showing Maximum Parking Allowed as per the Unified Development Code

8. How will employee parking be managed.

Answer: The managers of the hotel will participate in any Downtown or Entertainment District employee parking program. We understand that encouraging and facilitating employee parking out of the “hot box” is good business.

9. How will the Valet Parking program work?

Answer: We have proposed an agreement with the City of Fayetteville to lease spaces from them that are under-utilized. During the week, the Spring Street parking structure has excess capacity. During the

weekend, the downtown has excess parking capacity, particularly on Mountain and Rock Street Lots. Reindl Properties will create a valet parking program that will move the cars as necessary. The success of the hotel depends upon accommodating guests that arrive by car. Please refer to *Valet Parking Diagram*, attached to this document.

10. Does the City of Fayetteville have design authority over the Public Restrooms?

Answer: Yes.

11. Will Reindl Properties have their own Landscape Architect?

Answer: They will have their own Landscape Architect and Civil Engineer. These professionals have not been selected yet.

12. Who will pay to construct the bicycle trail? Who will pay for the easements for the bicycle trail?

Answer: The Letter of Intent states that the City of Fayetteville will construct the trail and pay for the easement. The original RFP showed the bicycle trail being built on public property within the Civic Plaza. Reindl Properties has proposed selling an easement that would allow the bicycle trail to be built on its property so that the park could be expanded. Please see attached diagram from the RFP.

13. Who will operate the hotel?

Answer: A management company has not been selected at this time. We are leaning heavily towards Hospitality America, Windsor Aughtry's management partner.

14. Does Reindl Properties have a contract with Windsor Aughtry at this time?

Answer: There is not an agreement at this time. Once the Letter of Intent is accepted by the City of Fayetteville, agreements with professionals, consultants, and investment partners can be pursued.

15. How many jobs will be created by the hotel?

Answer: We estimate the following number of jobs will be created by the hotel:

45 employees total

20-25 employees for am shift

8 employees for pm shift

2 employees for overnight

16. Where will trash and recycling be located? What about loading facilities:

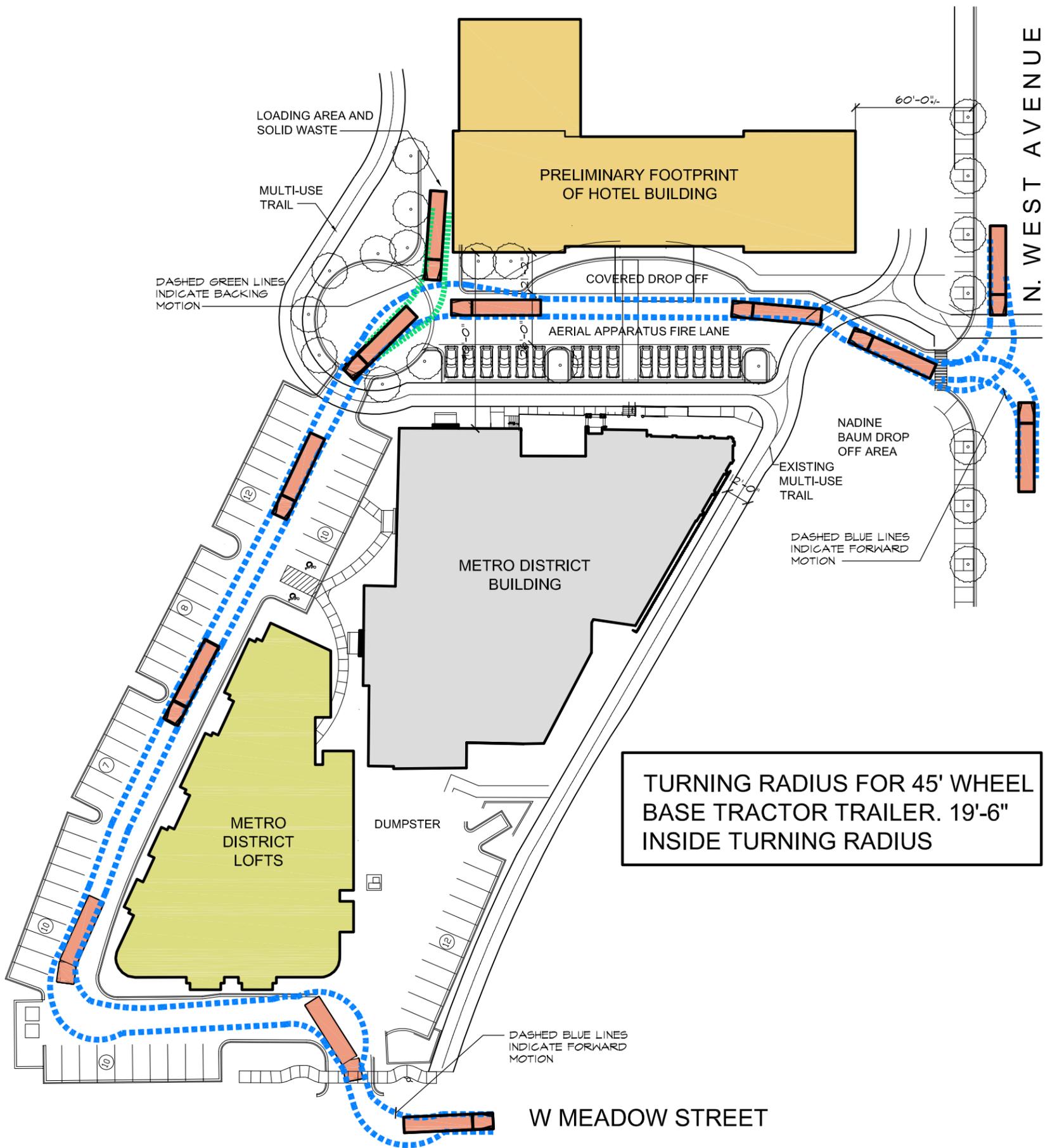
Answer: These service areas will be located on the west side of the hotel building. These areas are below the level of the bicycle trail and will be screened from view.

17. How will the hotel effect the Upper Ramble in terms of shade?

Answer: Please refer to attached document Sun Study for seasons of the year and times of day.

Estimated Project Cost, Civic Plaza Hotel

Hotel Rooms, Lobby, and Support Spaces	134 rooms	\$ 400.00 per sq ft	642 sq ft per room	86,028 sq ft	\$ 34,411,200.00
Meeting Rooms, associated spaces		\$ 300.00 per sq ft		4,000 sq ft	\$ 1,200,000.00
Restaurant, Café, and Bar		\$ 400.00 per sq ft		4,350 sq ft	\$ 1,740,000.00
Lease Spaces, Ground floor and Upper Levels		\$ 250.00 per sq ft		18,000 sq ft	\$ 4,500,000.00
Total Project Area				112,378 sq ft	
Basement Parking	32 stalls	\$ 50,000.00 each			\$ 1,600,000.00
Total Building Construction Cost					\$ 43,451,200.00
Architecture, Engineering, Testing					\$ 1,000,000.00
Fixture Finishes and Equipment (FF&E)					\$ 3,550,000.00
Land Cost					\$ 3,000,000.00
Project Cost					\$ 51,001,200.00



1

TURNING RADIUS AND ACCESS DIAGRAM

SCALE: 1" = 60'-0"

CIVIC PLAZA HOTEL

COURTYARD BUILDING & BLOCK LLC
 100 W. CENTER ST. STE 300
 FAYETTEVILLE AR 72701
 PHONE: 479,442,0229 E-MAIL: rob@sharparch.net

Maximum Parking Allowance, Civic Plaza Hotel

Hotel Rooms, Lobby, and Support Spaces	134 rooms	1 per Guest Room			134.00 parking stalls
Meeting Rooms, associated spaces	200 seats	0.25 stalls per seat	50	75%	37.50 parking stalls
Restaurant, Café, and Bar	4,350 sq ft	100 sq ft per stall	44	75%	32.63 parking stalls
Lease Spaces, Ground floor and Upper Levels	18,000 sq ft	250 sq ft per stall			72.00 parking stalls
Gross Parking					276 parking stalls
Transit Proximity Reduction				15%	-41.42 parking stalls
Bicycle Parking Reduction				10%	-27.61 parking stalls
Motorcycle and Scooter Parking				10%	-27.61 parking stalls
Maximum Parking Allowed					179 parking stalls
Basement Parking					32.00 parking stalls
Off Site / Valet Parking					147 parking stalls

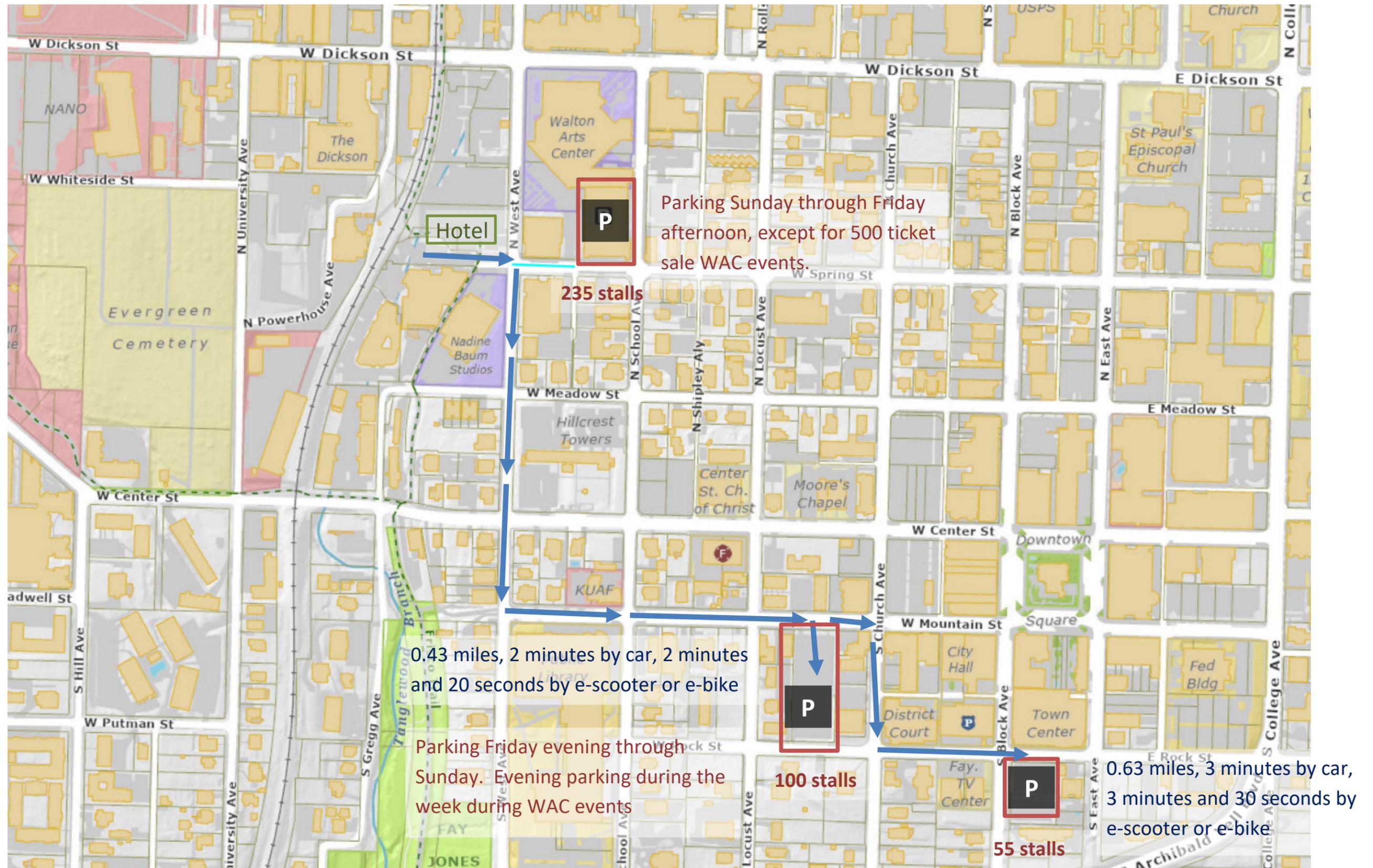
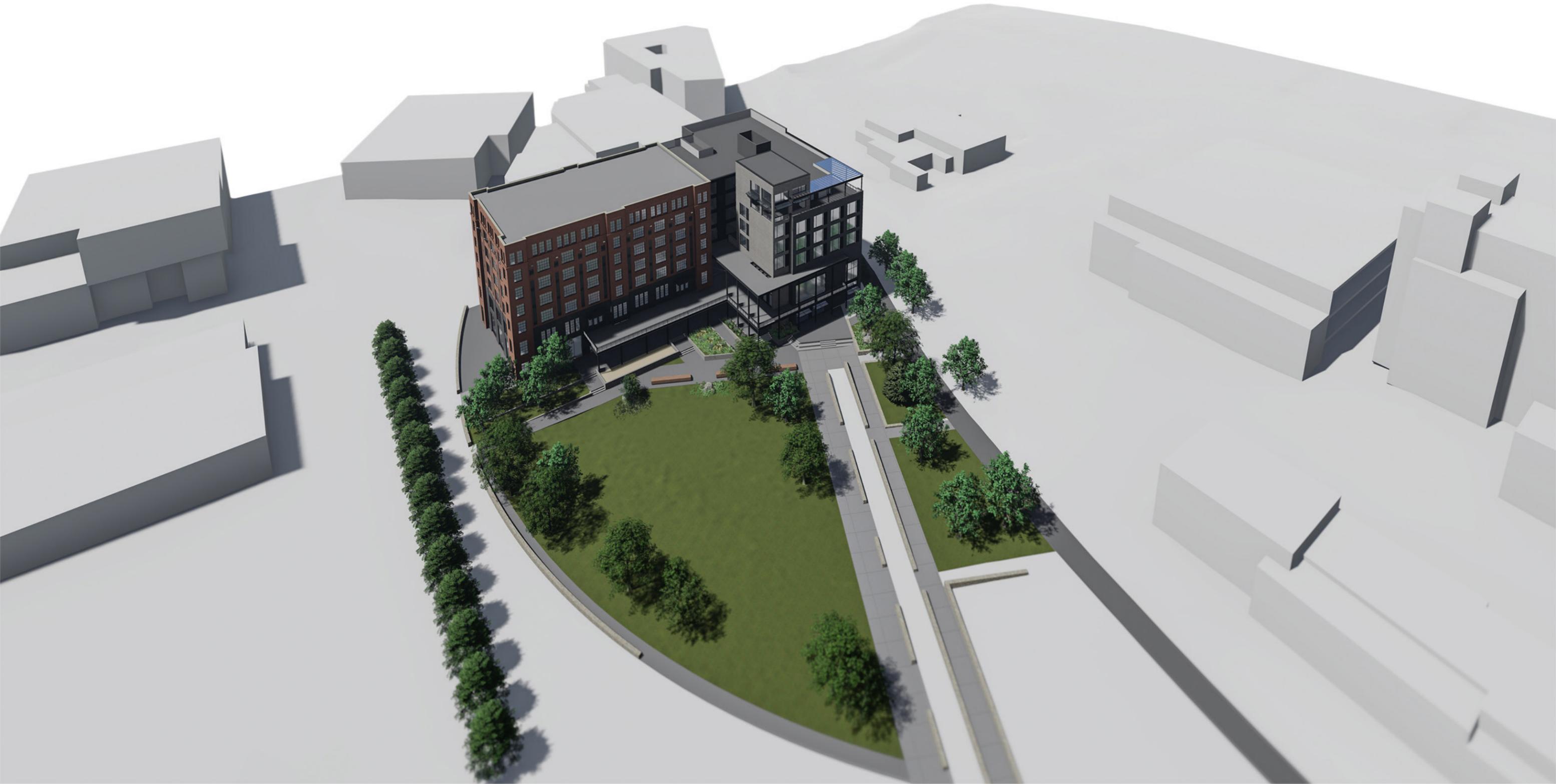
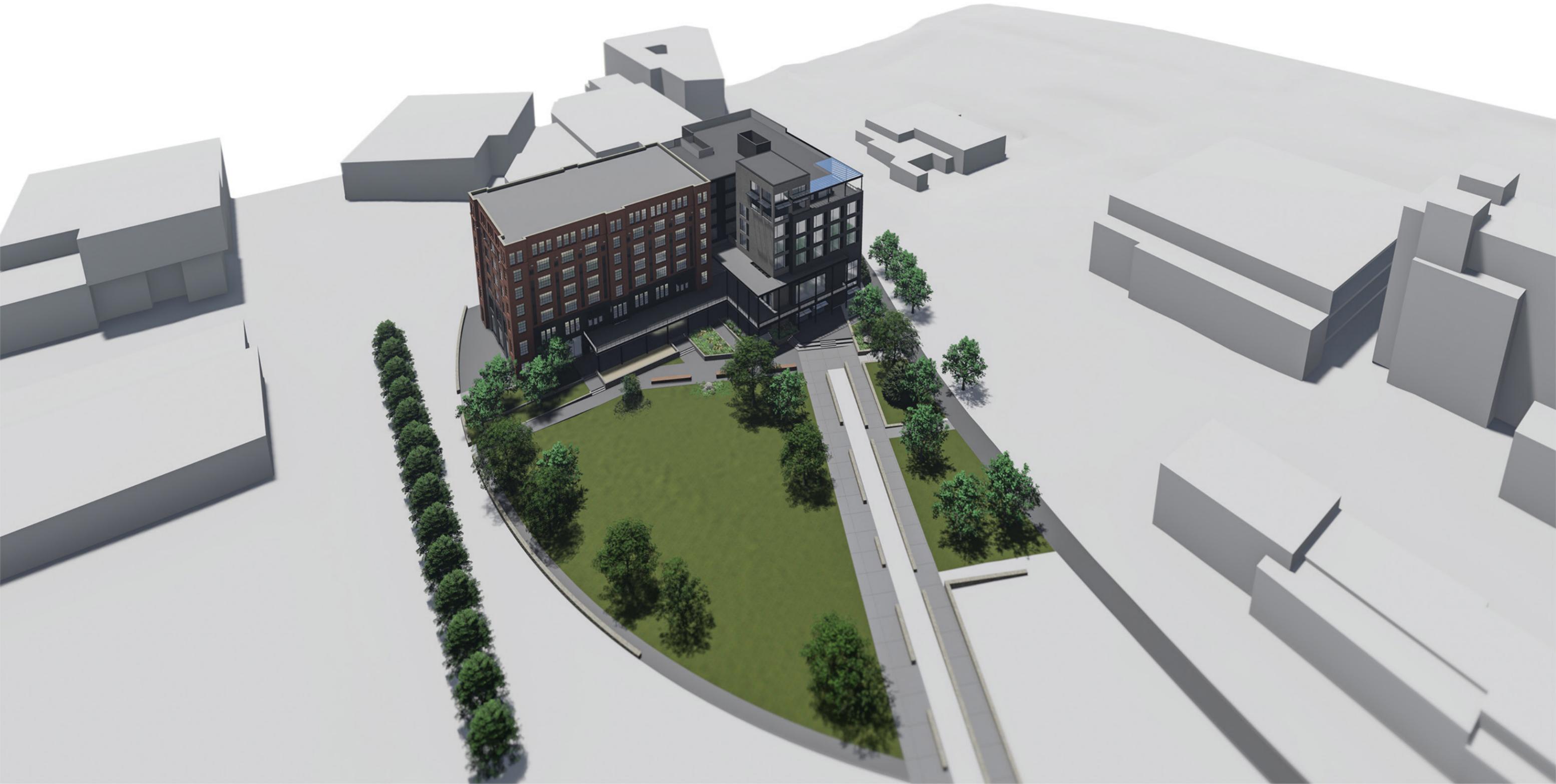


Diagram of Off-Site Valet Parking Locations, City of Fayetteville Owned Parking

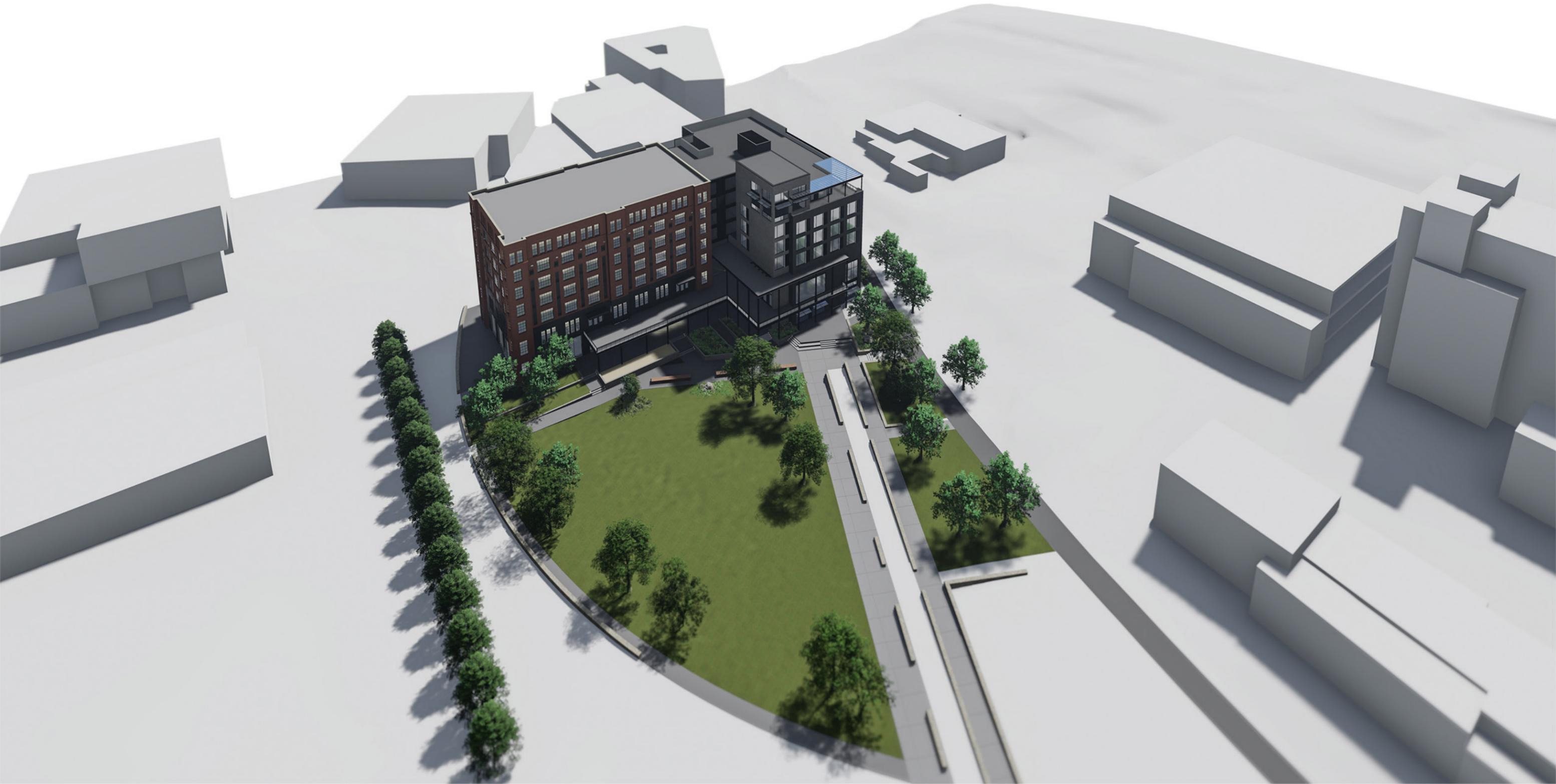
SUMMER | JUNE 21 10AM



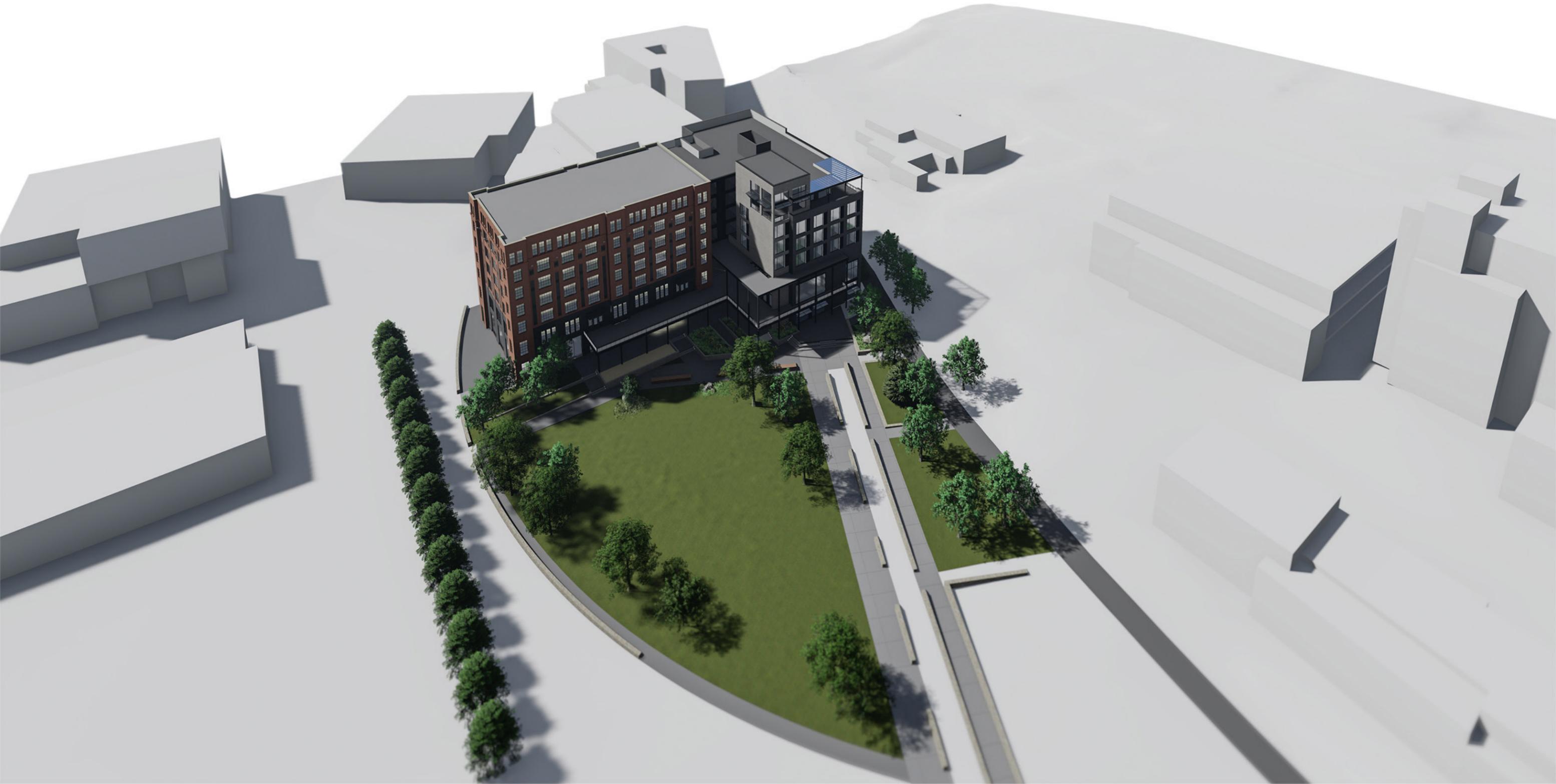
SUMMER | JUNE 21 NOON



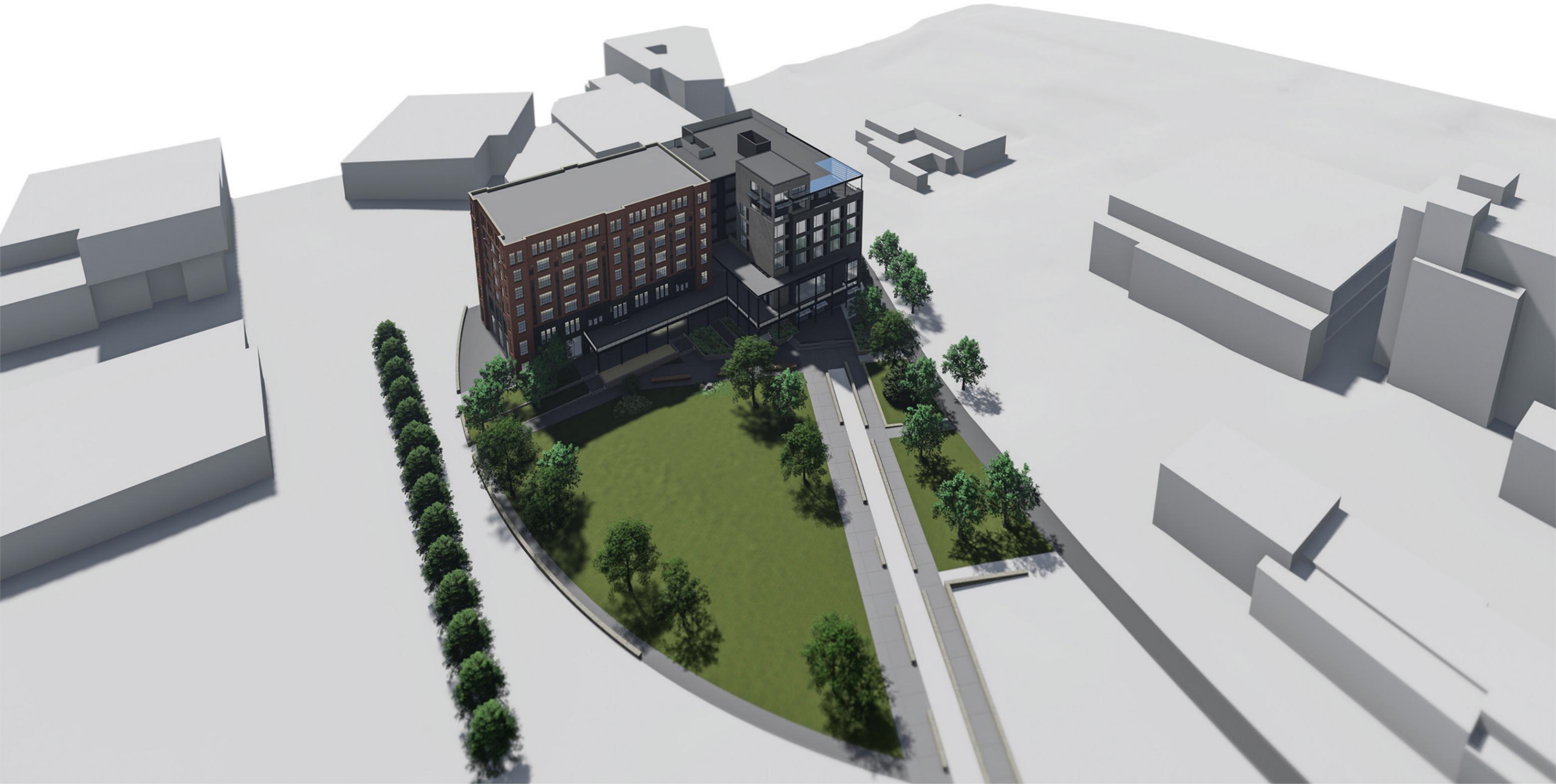
SUMMER | JUNE 21 3PM



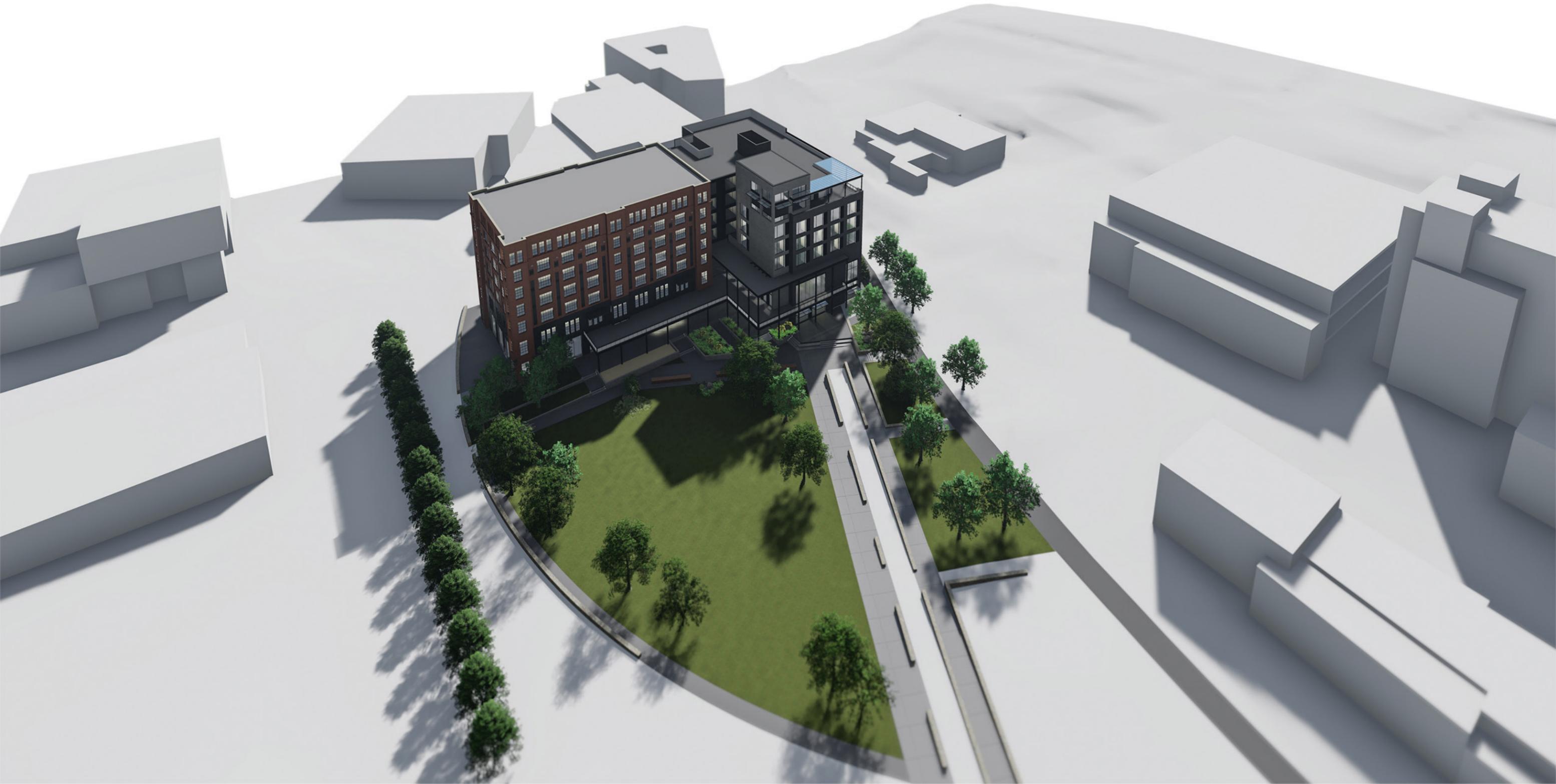
FALL/SPRING | MARCH / SEPTEMBER 21 10AM



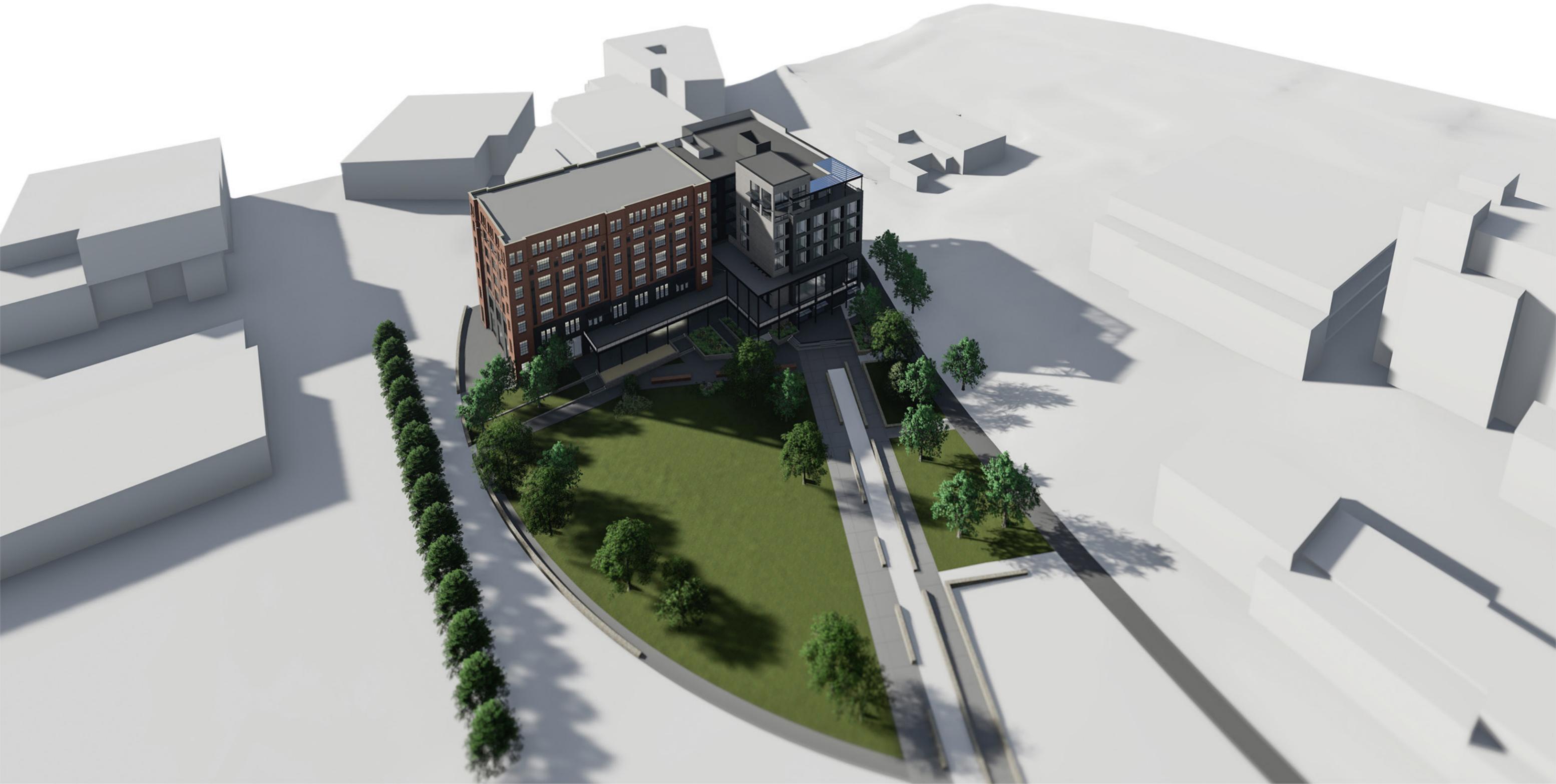
FALL/SPRING | MARCH / SEPTEMBER 21 NOON



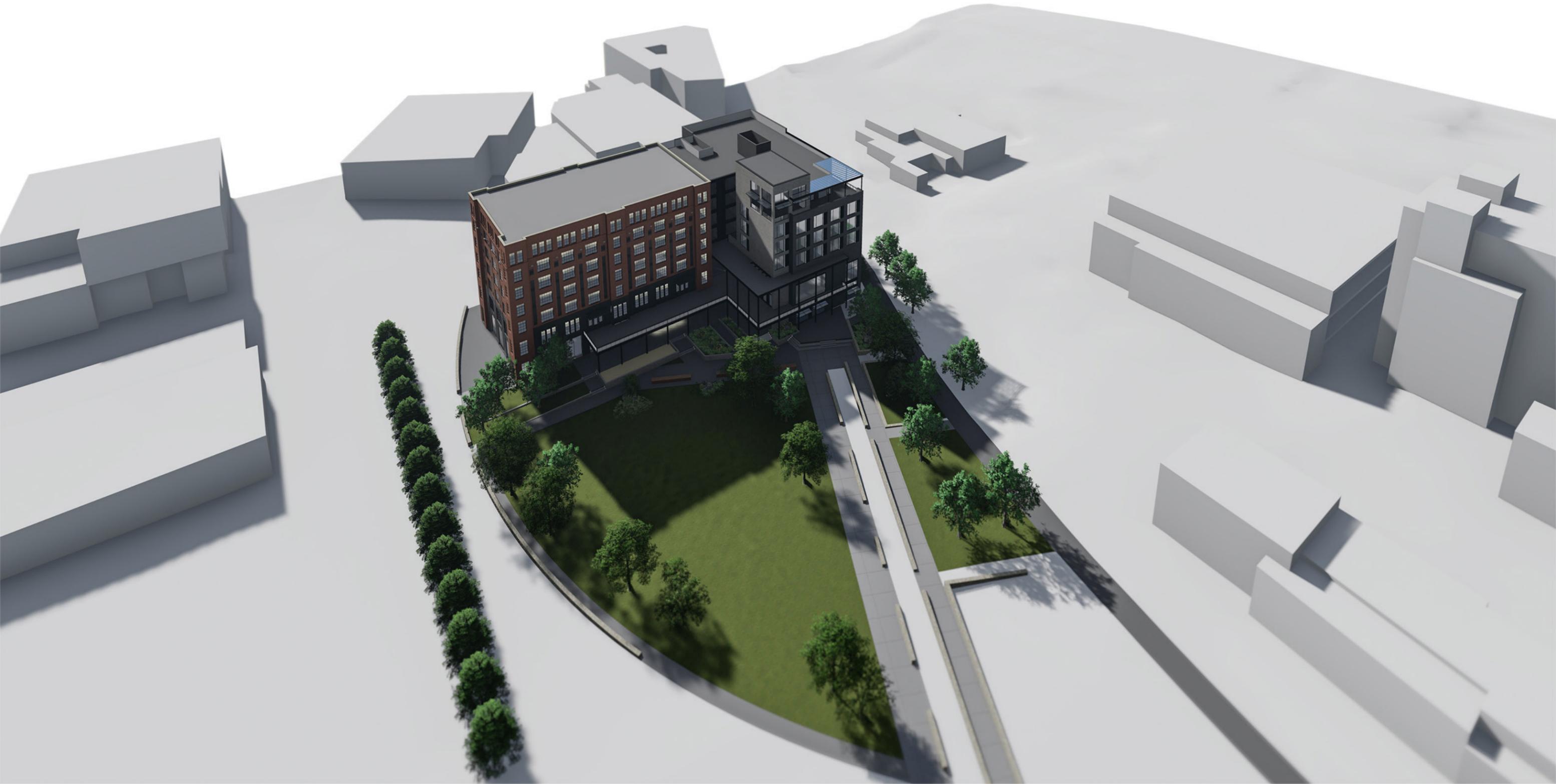
FALL/SPRING | MARCH / SEPTEMBER 21 3PM



WINTER | JANUARY 21 10AM



WINTER | JANUARY 21 NOON



WINTER | JANUARY 21 3PM

