

RESOLUTION NO. _____

A RESOLUTION TO CLARIFY AND EXTEND THE TIMEFRAME TO SOLICIT PROPOSALS FOR DEVELOPMENT OF THE WEST AVENUE PARKING LOT AND TO CONSIDER PARKING NEUTRAL PROPOSALS FOR SALE OF SMALLER PARCELS ON SOUTHERN END

WHEREAS, the City is conducting a study of the parking policies and system in downtown Fayetteville; and

WHEREAS, the southern trail connection in the West Avenue Lot is a danger to Fayetteville citizens; and

WHEREAS, the City has received an unsolicited development proposal, a copy of which is attached to this Resolution as Exhibit A, which would replenish the funds expended for the parking study at least three times over; provide sufficient funds to replace any lost public parking; correct the safety concerns of the current trail design; generate substantial tax revenue for the city, schools, and affiliated institutions; and accomplish one of the specific development recommendations called for in the Downtown Master Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby formally extends the timeline to advertise the Request for Proposals called for in Resolution No. 55-16 until such time as the parking study has been completed with the exception of the parcels identified in Section 2.

Section 2: That the City Council of the City of Fayetteville, Arkansas hereby expresses a desire to sell the parcels as described in Exhibit A and requests the Mayor direct staff to entertain purchase offers and present a proposal to the City Council in accordance with § 34.27 **Sale of Municipally Owned Real Property** of the Fayetteville City Code which best accomplishes the following:

- a. Furthers the goals described in the Downtown Master Plan.
- b. Creates or pays for as much new public parking as it removes.
- c. Contains enforceable provisions which ensure the property is developed within a reasonable time frame and is constructed in a durable manner.

PASSED and **APPROVED** this 21st day of June, 2016.

APPROVED:

ATTEST:

By: _____
LIONELD JORDAN, Mayor

By: _____
SONDRA SMITH, City Clerk/Treasurer

March 9, 2016

Lionel Jordan, Mayor of the City of Fayetteville

City Council, City of Fayetteville
113 W. Mountain Street
Fayetteville, Arkansas 72701

**RE: OFFER FOR LAND AT THE
CORNER OF WEST AVENUE AND SPRING STREET**

Dear Mayor Jordan and Members of the City Council,

I am writing to you to express an interest in property owned by the City of Fayetteville that abuts property that is owned by my company. The land in question is approximately 0.39 acres. I propose to purchase this property for the sum of \$337,440.00 and combine this with my current holdings in order to create a parcel for the construction of a new five story mixed use building on the corner of Spring Street and West Avenue. Please see exhibit A to show the parcel under discussion.

Downtown Master Plan: This proposed building would be a manifestation of the city's vision for this property as described in the Downtown Master Plan. It would complete the corner in anticipation of the new building proposed by Theater Squared and it would continue the streetscape of Spring Street into the site. In general, this proposal would convert surface parking space owned by the City of Fayetteville and Reindl Properties into a substantial real estate asset. Please see exhibit B:

Multi Use Trail: A compelling reason to consider this sale is that it provides a strategy for building that portion of the multi-use trail in a manner that is safer and more enjoyable for the users. Currently, Frisco Trail shares space with the drive lanes of the parking lots, which is not an ideal situation. We are proposing a solution to improve the trail experience at this very important part of our downtown. Reindl Properties will provide funding for the modifications to the trail. Please see Exhibit C:

South Property Zig Zag: Currently the south boundary of the City of Fayetteville's property is an awkward shape. A sale would clean up the south property line in this area. As the City of Fayetteville considers options for the parking lot bounded by Dickson Street, West Avenue, and the Frisco Trail, having this portion of the property squared up and the trail constructed in a safe manner, would provide a blank canvas for the city's efforts. Please refer again to Exhibit C:

Return on Investment: The sale of the 0.39 acres would provide the City of Fayetteville a substantial return on its original investment, both immediately and into the future. The sale would provide funding for the City of Fayetteville's use in the downtown area, or could be used for other purposes. After the sale, the payment of impact fees and permit fees would help to support the city's infrastructure and staff. Into the future, property taxes will fund the city's general fund, the library, and its schools. Please see Exhibit D:

Landmark Building: We are proposing to construct a landmark building that would strongly enhance the character and experience of Fayetteville's downtown. We are proposing a building of stone and brick with sash windows, pressed metal cornices and trim, and decorative steel balconies. This building will be consistent with the very best traditional architecture that is so well-loved by the citizens of Fayetteville. This building will be built in a way that we expect it to last for 200 years. We have taken every effort to completely describe this building and its features. We expect it to rival the Metro District Building and the Three Sisters Building in quality and beauty. Please see Exhibit E:

Development Team: We are presenting a development team with a proven record of financial strength and concern for the downtown community and commitment to the City of Fayetteville. Reindl Properties is located in the downtown area has been active since 1999. We have selected Robert Sharp Architect to provide design and construction services for this project. Robert is also located in the downtown area and has worked on numerous projects in the area. Please see exhibit F for more information.

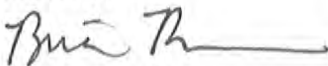
Parking: The downtown and Entertainment District rely upon a combination of private and public parking solutions. We are proposing to reconfigure the surface parking in this area in a manner that provides no net loss of parking. We propose to relocate 58 parking stall from the current West Avenue parking lot and place those parking stalls on West Avenue and adjacent streets. This keeps the same number of parking stalls in the City's inventory of public parking. Reindl Properties will provide \$1,500 per space for a total of \$87,000 for this off site work. See Exhibit G:

Purchase Price: Our proposed purchase price of \$337,440.00 can be supported by the projected income of the proposed building. We are offering \$20 per square foot for the land (\$ 871,200 per acre). This is a high value for the parcel when you take in consideration the shape of the parcel, the size of the parcel, and its distance from Dickson Street. A higher land purchase price would make a well-crafted five story masonry very difficult to finance and construct.

Schedule: We propose to negotiate a contract for the sale of the land within two months. We propose to close on the land when we have been approved for a building permit. We will apply for a building permit within twelve months of having an agreement in place to purchase the land. This allows us to make sure that we have fully considered all of the aspects of the building and it provides the City of Fayetteville assurance that the final construction drawings are equal or better in quality than the building described in Exhibit E.

Thank you for consideration. I look forward to any comments or questions you may have about this offer.

Sincerely,



Brian Reindl, President
Reindl Properties, Inc.

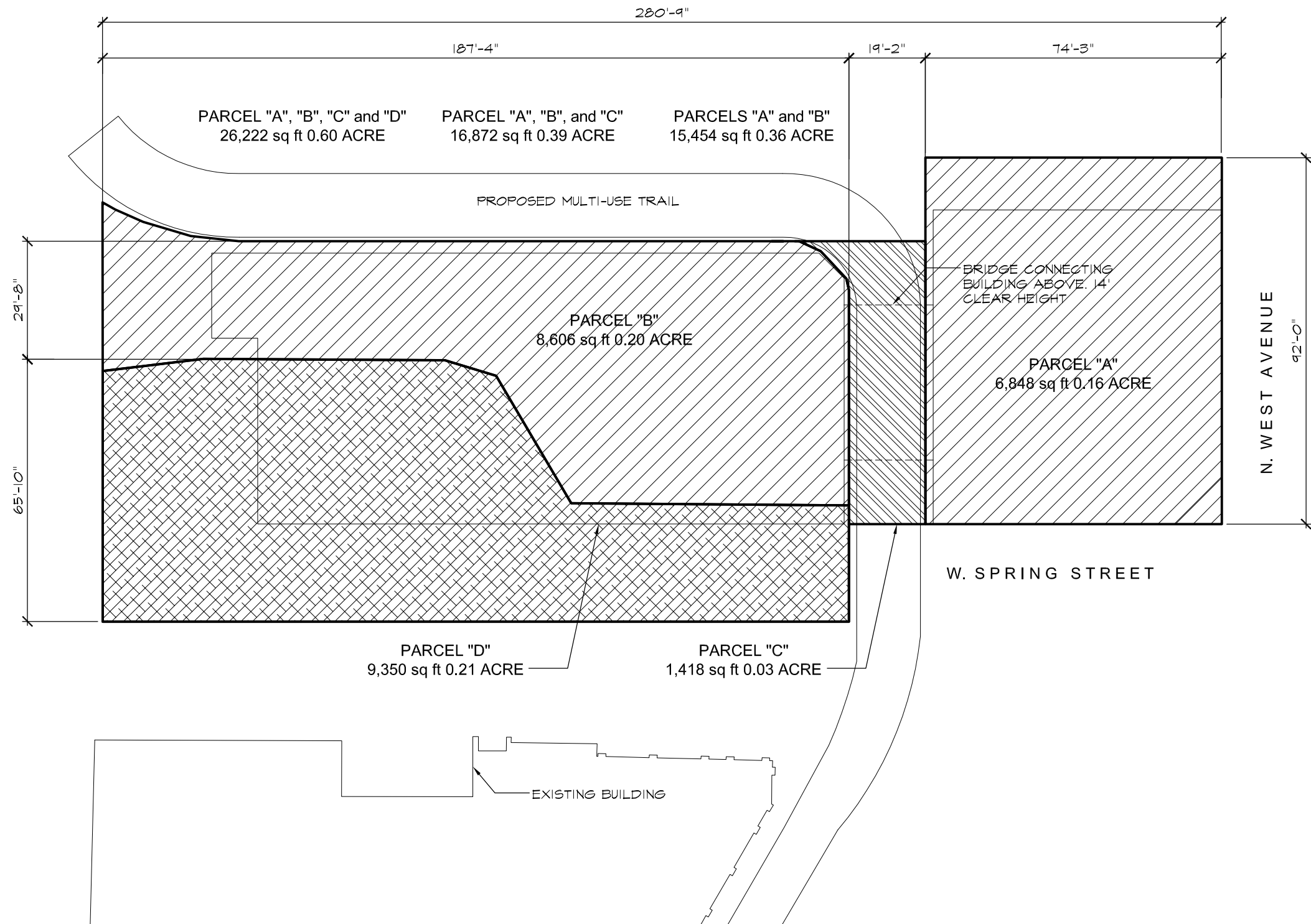


EXHIBIT A: PROPERTY PARCEL DIAGRAM

9 MARCH 2016

SCALE: 1" = 30'-0"



W. Spring St. (at Nadine Baum Studios) today.



W. Spring St. (at Nadine Baum Studios) 2004 Fayetteville Downtown Master Plan.



W. Spring St. (at Nadine Baum Studios) current proposal.

A Parking Lot Transformed

“The City parking lot adjacent to the Walton Arts Center is a strategic location for infill development. The natural spring is to be preserved and protected and the lot is to be redeveloped as a parking garage with a mix of uses lining the structure. By doing so, the street edges are to be completed along Dickson Street. In addition, the southern edge of the lot which faces Nadine Baum Studios and recently developed mixed-use building, will create an urban street scene where buildings face buildings. West Spring Street will become whole again.”

- Fayetteville Downtown Master Plan 2004

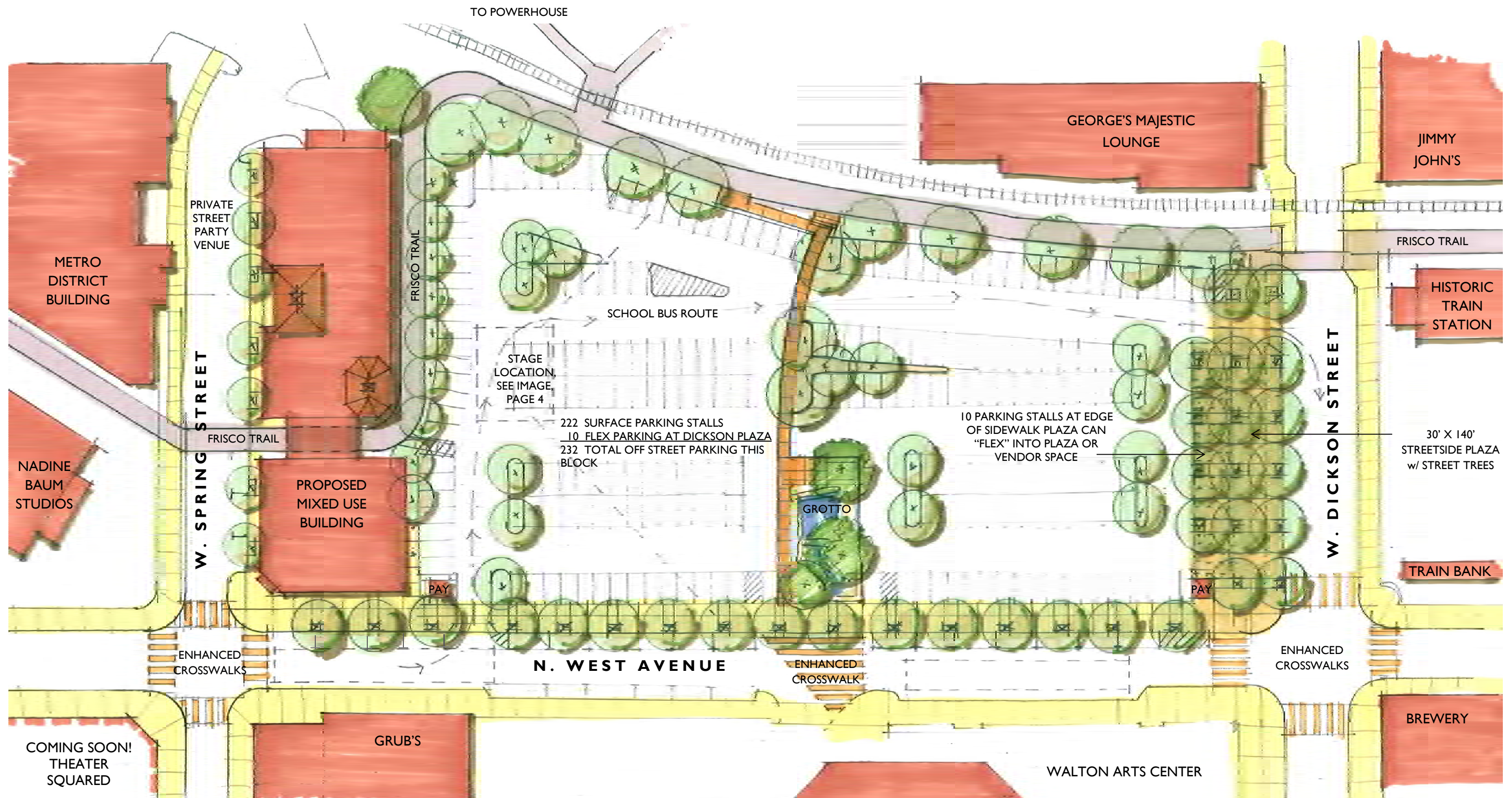


EXHIBIT C: PROPOSED SITE PLAN
PROPOSED MODIFICATIONS TO THE WALTON ARTS CENTER PARKING LOT
9 MARCH 2016



EXHIBIT C: EXISTING SITE PLAN

Exhibit D: Metro District North Analysis of Return on Investment
as of March 9, 2016

Land Sale Proceeds to City of Fayetteville				
16,872	sq ft	\$	20.00	\$ 337,440.00

Impact Fees, Residential, Estimated				
Water	\$	691.00		
Waste Water	\$	620.00		
Police and Public Safety	\$	162.00		
Fire Protection	\$	150.00		
Parks Fee	\$	960.00		
Total City Fees	\$	2,583.00	44	\$ 113,652.00

Impact Fees, Commercial, 2" meter, estimated				
Water	\$	7,768.00		
Waste Water	\$	6,876.00		
Police and Public Safety	\$	775.00		
Fire Protection	\$	1,465.00		
Total City Fees	\$	16,884.00	1	\$ 16,884.00

Sales Tax Income, estimated annual basis				
5000 sq ft retail or restaurant				
\$	200.00	sales per sq ft		
	City of Fayetteville	2%	\$	20,000.00
	Washington County	1%	\$	12,500.00
	State of Arkansas	7%	\$	65,000.00

Property Tax Worksheet, estimated annual basis				
\$	9,000,000	0.2		
Millage Rate	School System	0.04565	\$	82,170.00
	County General	0.00390	\$	7,020.00
	Roads	0.00110	\$	1,980.00
	Library	0.00100	\$	1,800.00
	City General	0.00310	\$	5,580.00
		0.05475	\$	98,550.00



SOUTHEAST STREET LEVEL VIEW





SOUTHWEST STREET LEVEL VIEW



WEST AVENUE LOOKING NORTH





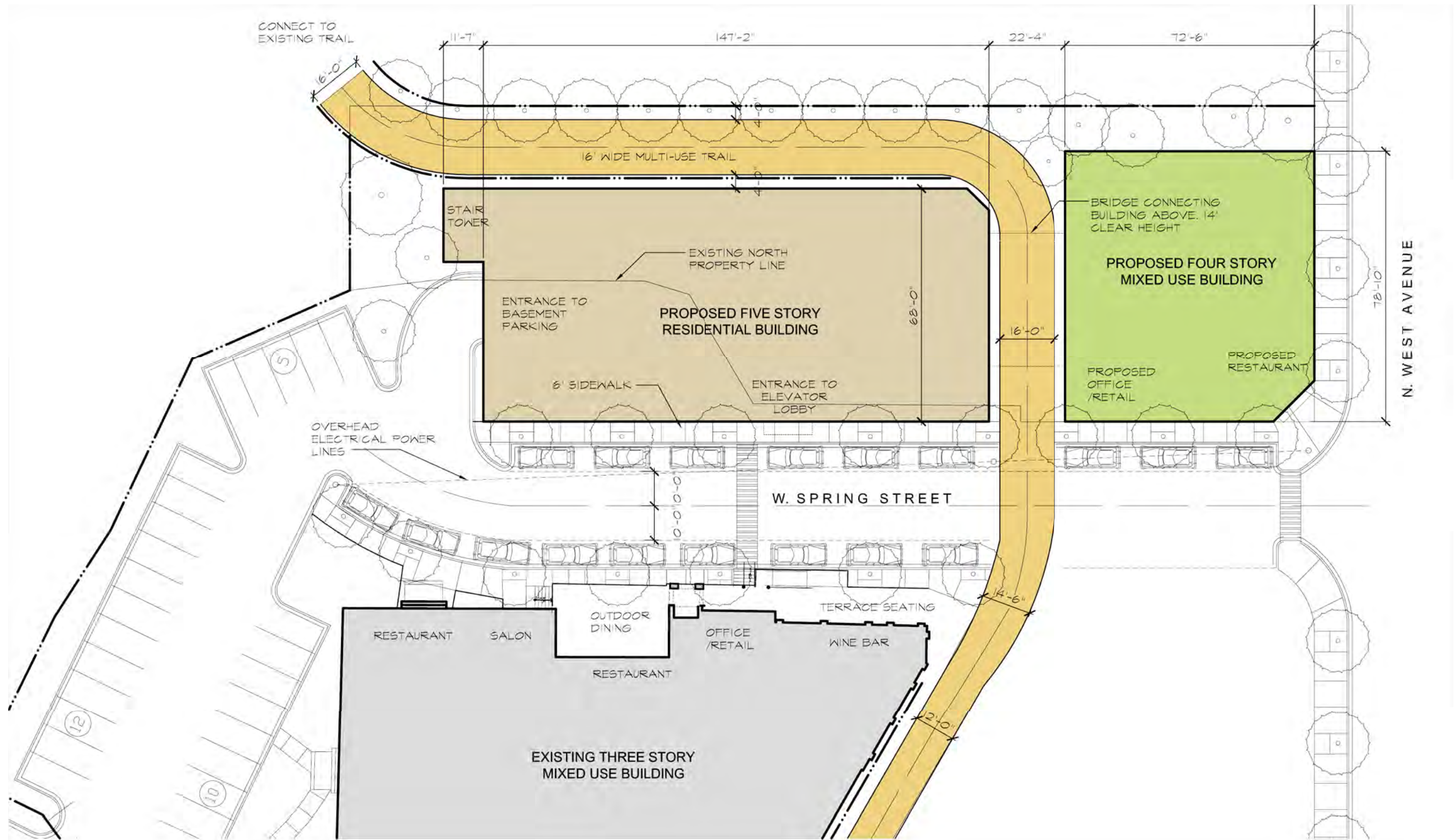


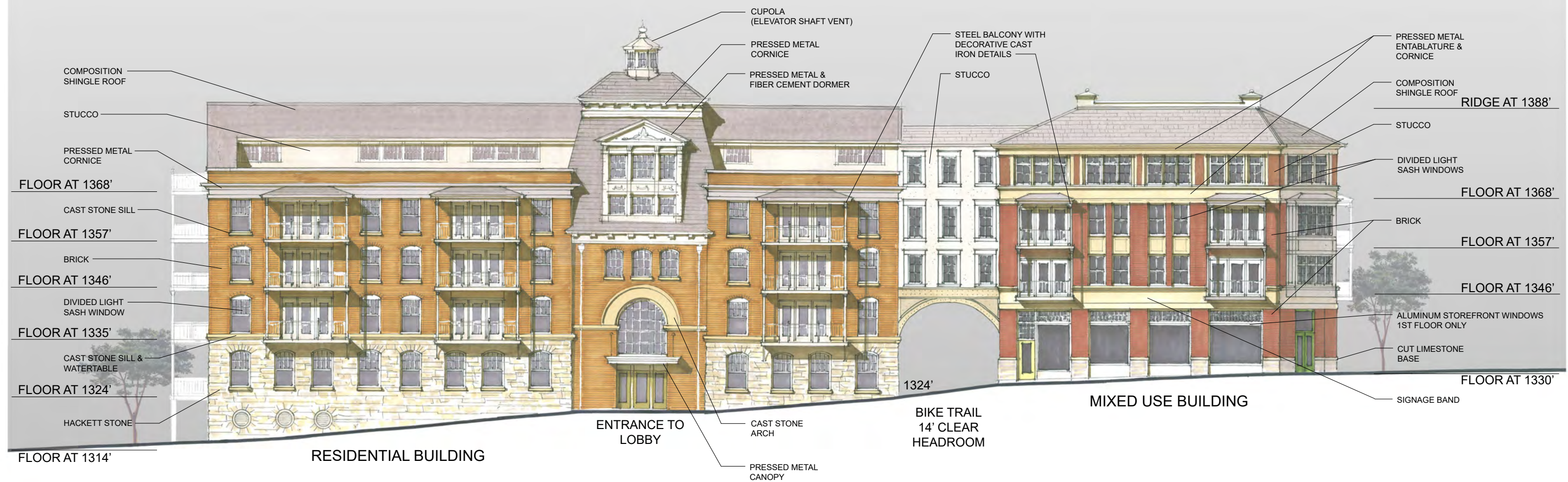


VIEW FROM TRAIL

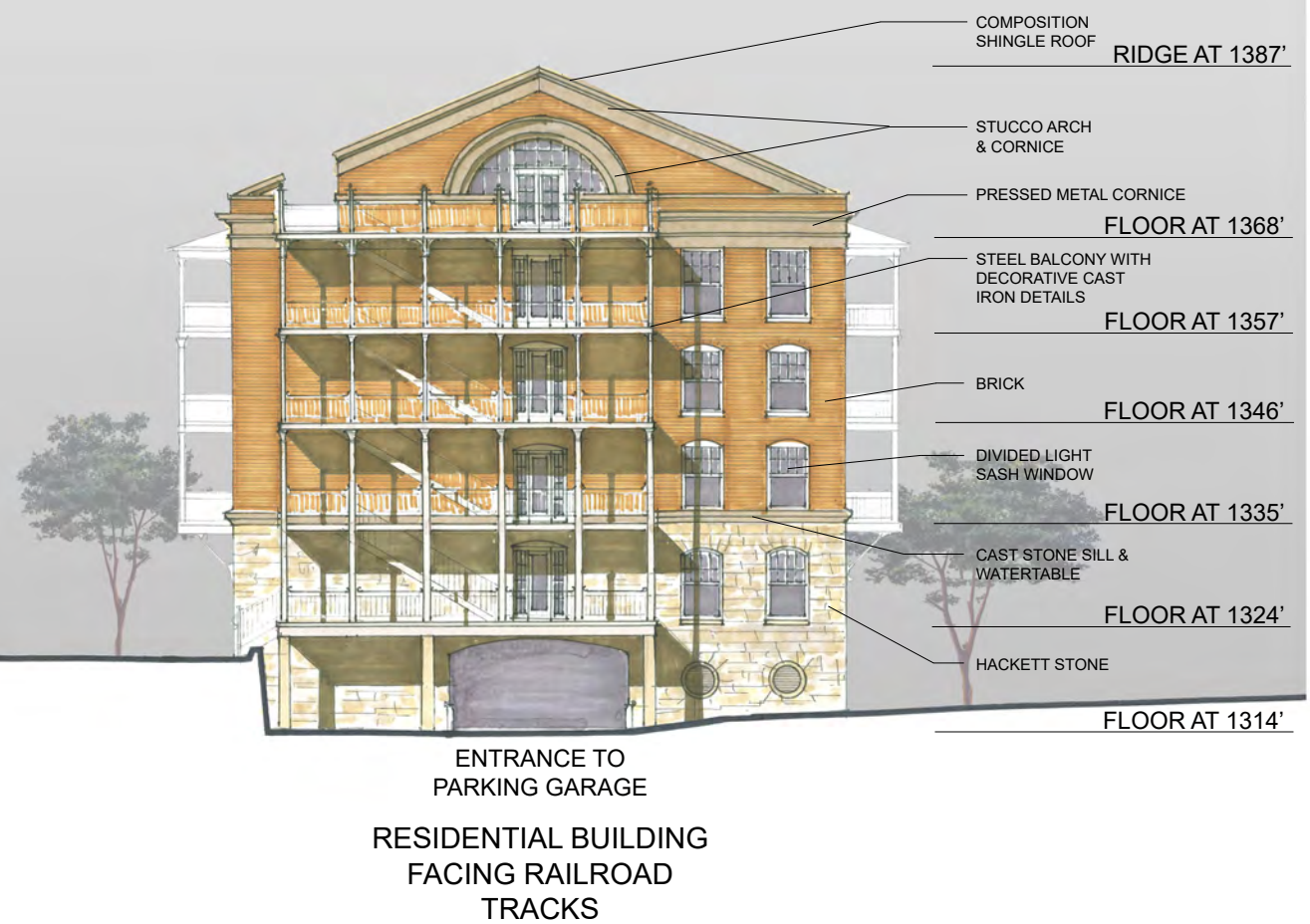
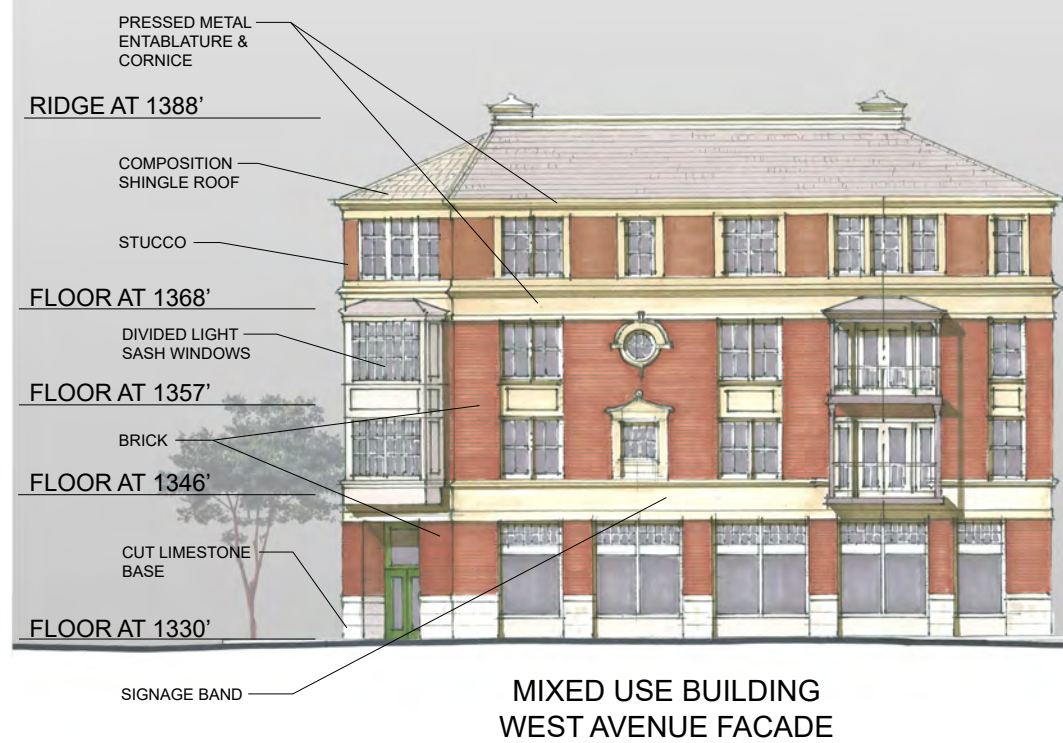


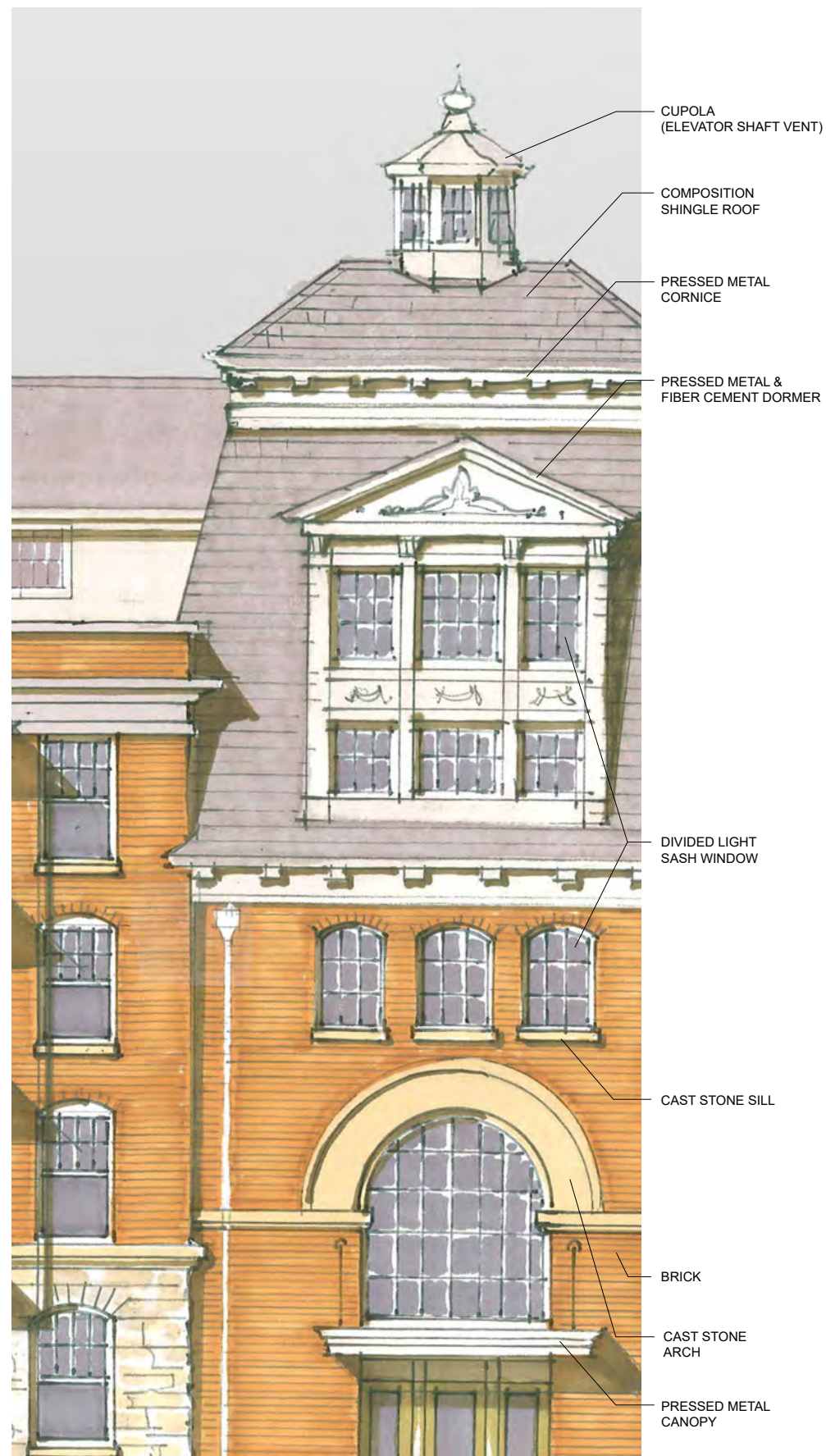
VIEW FROM TRAIL



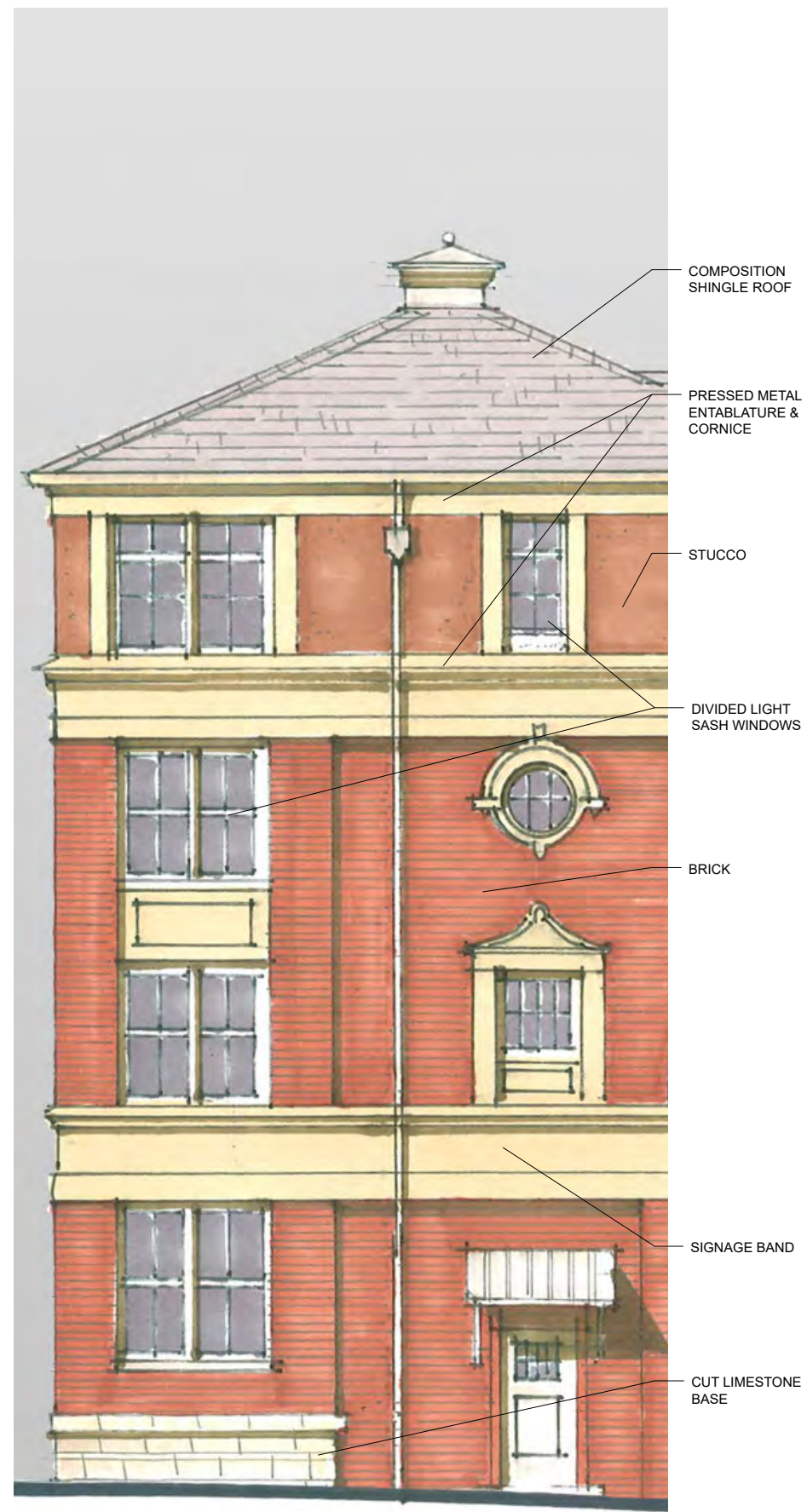








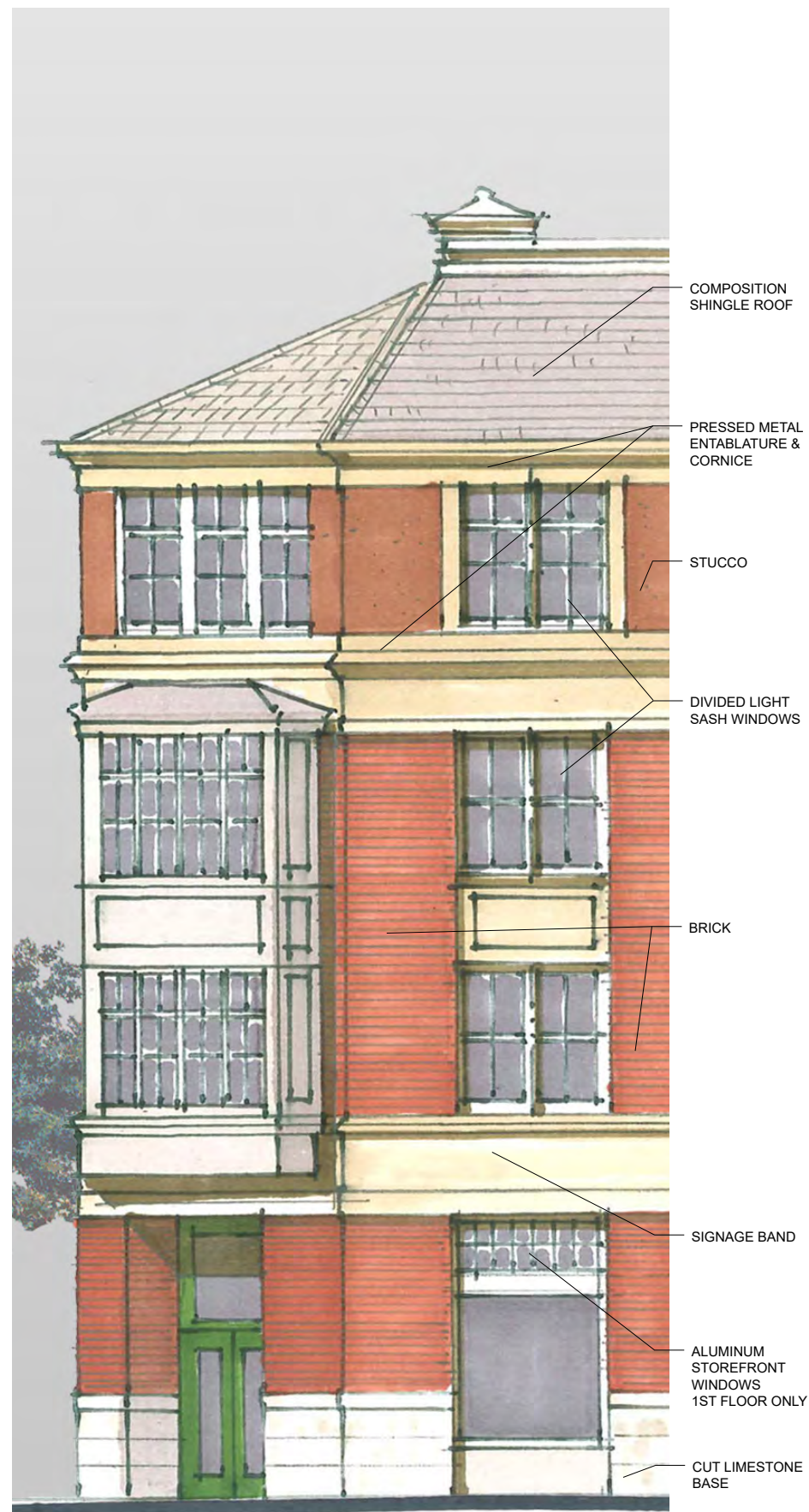
DETAIL OF ENTRY TOWER



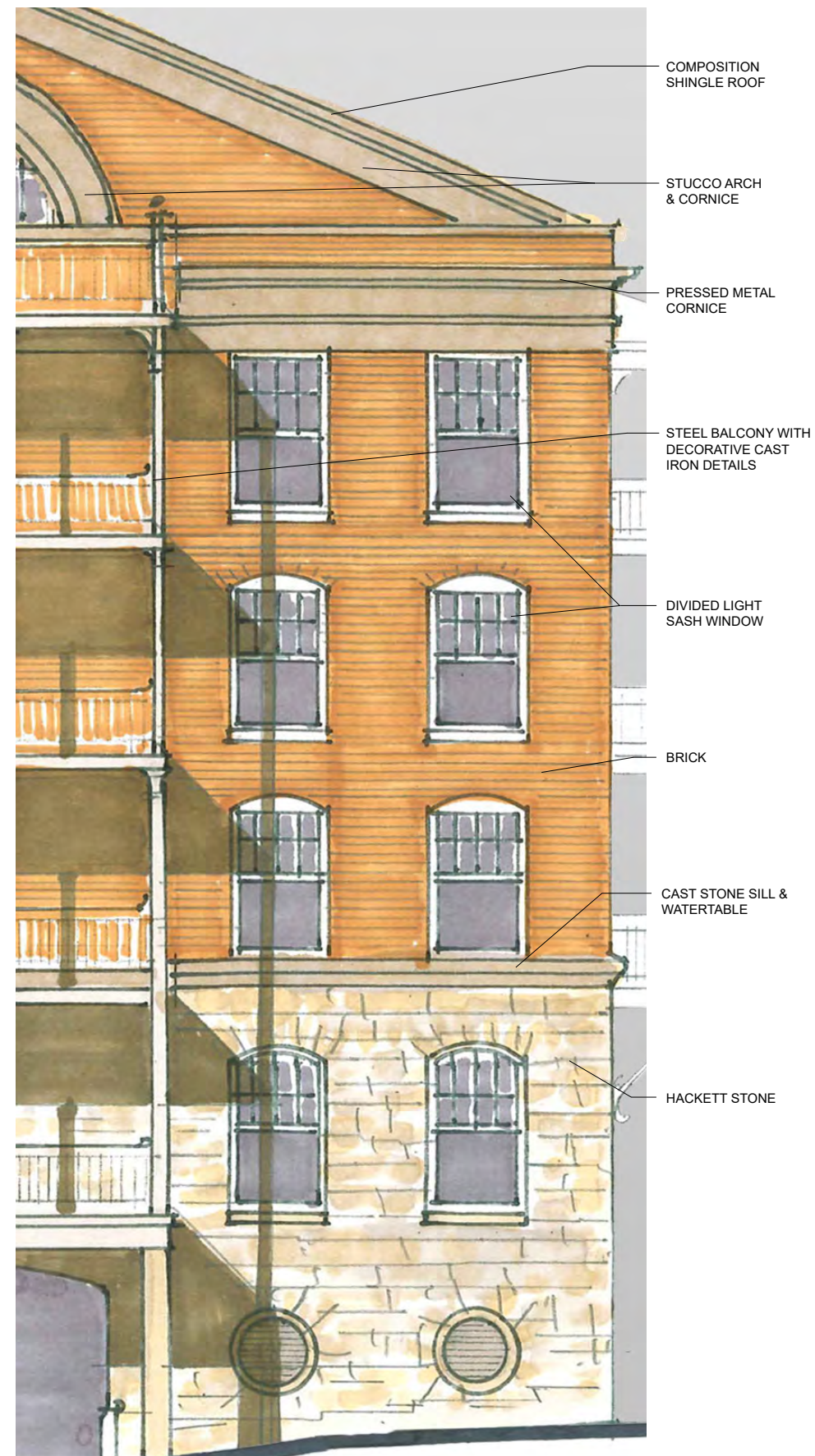
DETAIL OF MIXED USE BUILDING



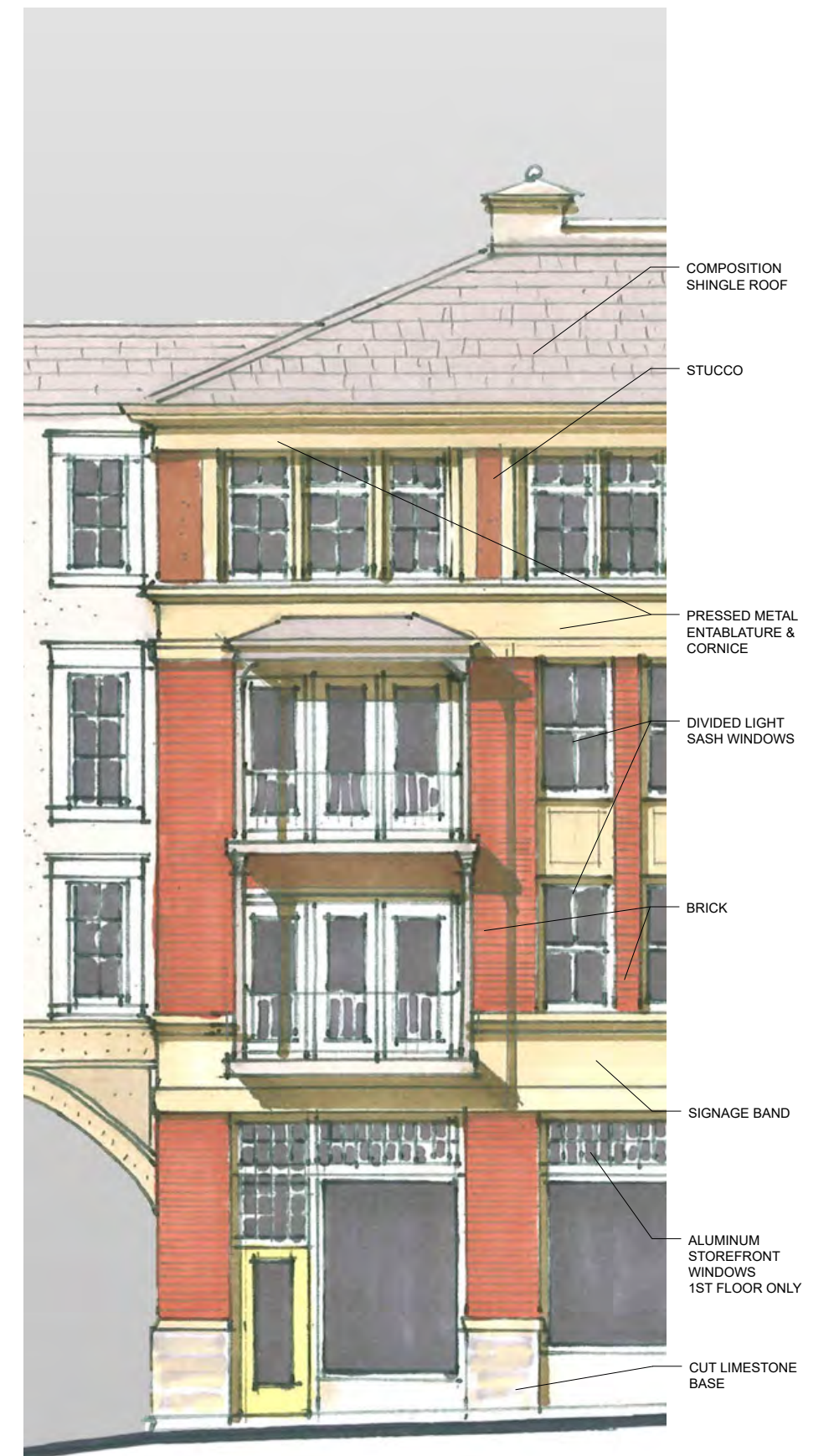
DETAIL OF TOWER



DETAIL OF CORNER ENTRY



DETAIL OF WEST FACADE



DETAIL OF SPRING STREET FACADE



BANK OF FAYETTEVILLE



EASON BUILDING



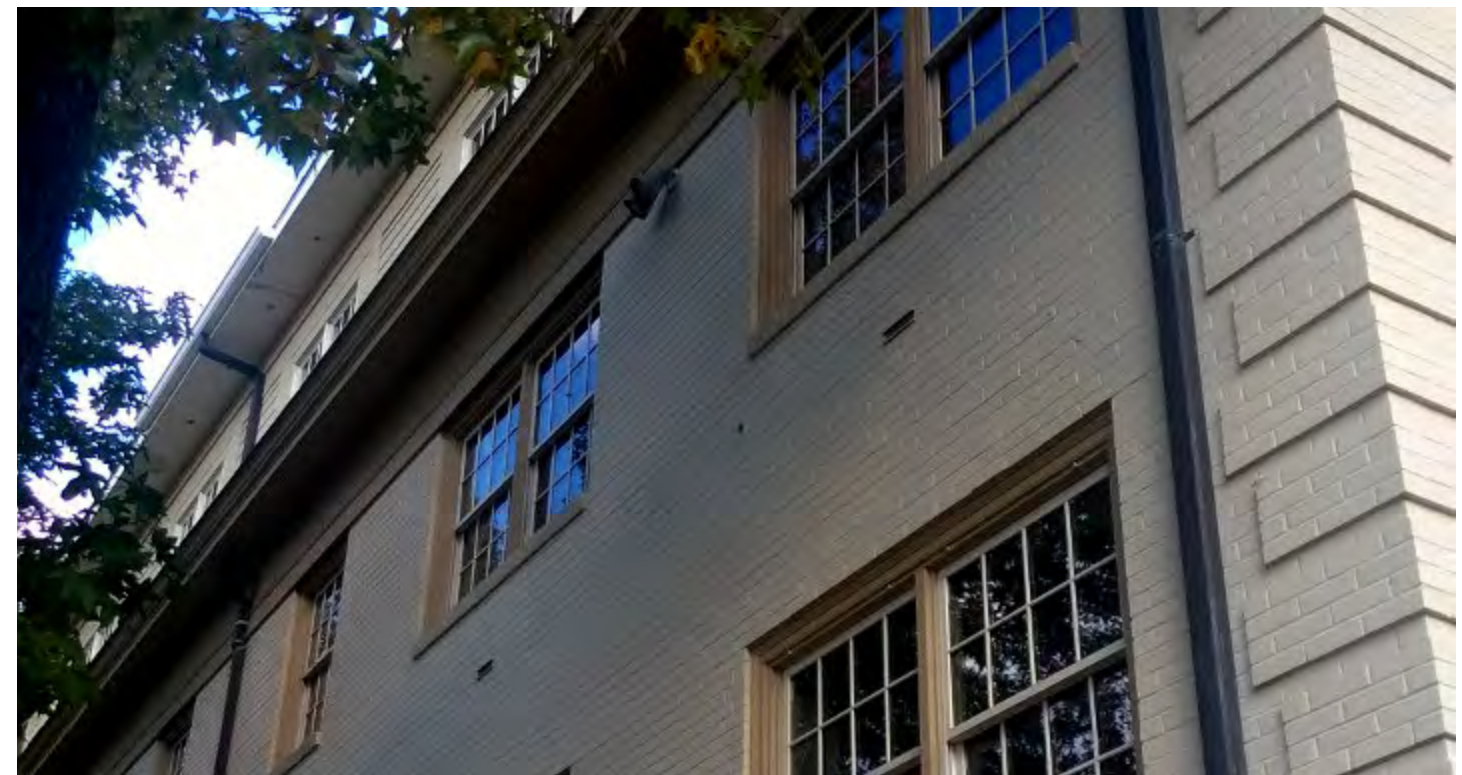
WASHINGTON COUNTY COURTHOUSE



EASON BUILDING



GUISINGER BUILDING



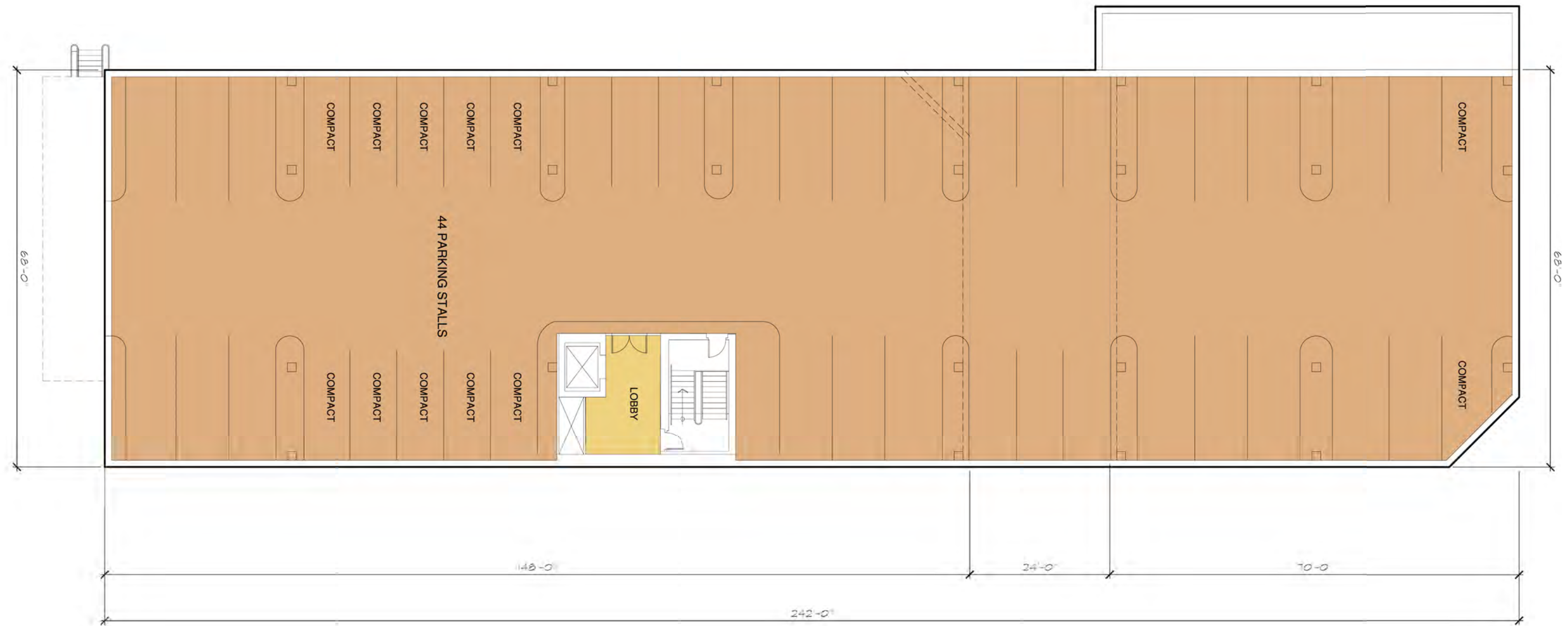
HERITAGE BUILDING



THREE SISTERS BUILDING



THREE SISTERS BUILDING









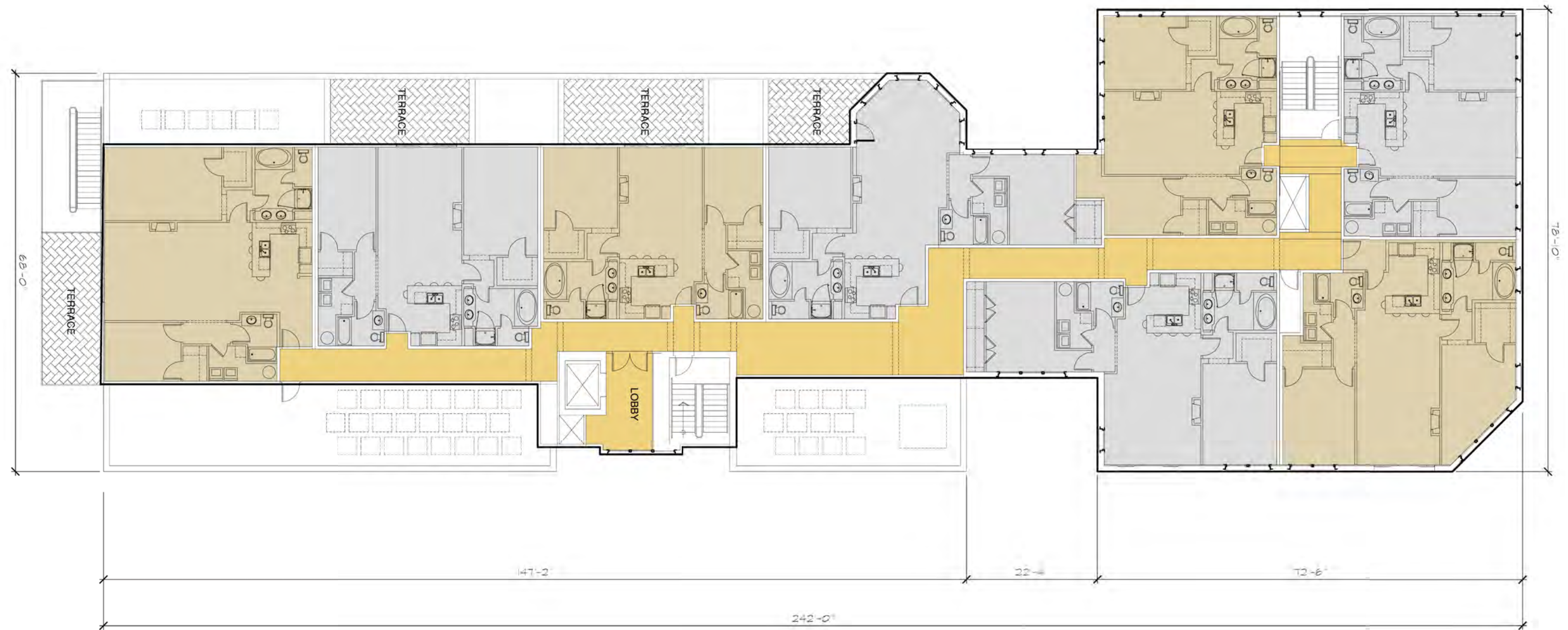


Exhibit F

Development Team

Reindl Properties, Inc. has been active in downtown real estate for over 20 years. They have a reputation for quality construction and attentive property management. Typical projects include the Metro District and the Metro District Lofts. Both projects have contributed to the character of the downtown area and have been successful investments. Reindl Properties is based in downtown Fayetteville and works almost exclusively in the Fayetteville area. Their hands-on approach to projects and reputation for success are a good match for downtown buildings that must be constructed with care and attention to detail.



Robert Sharp, Architect is located in Downtown Fayetteville and has an expertise in urban mixed use buildings and adaptive reuse. Robert has worked with Reindl properties for over 15 years and their close working relationship is an important aspect to the success of both companies.



Additional project descriptions available upon request.

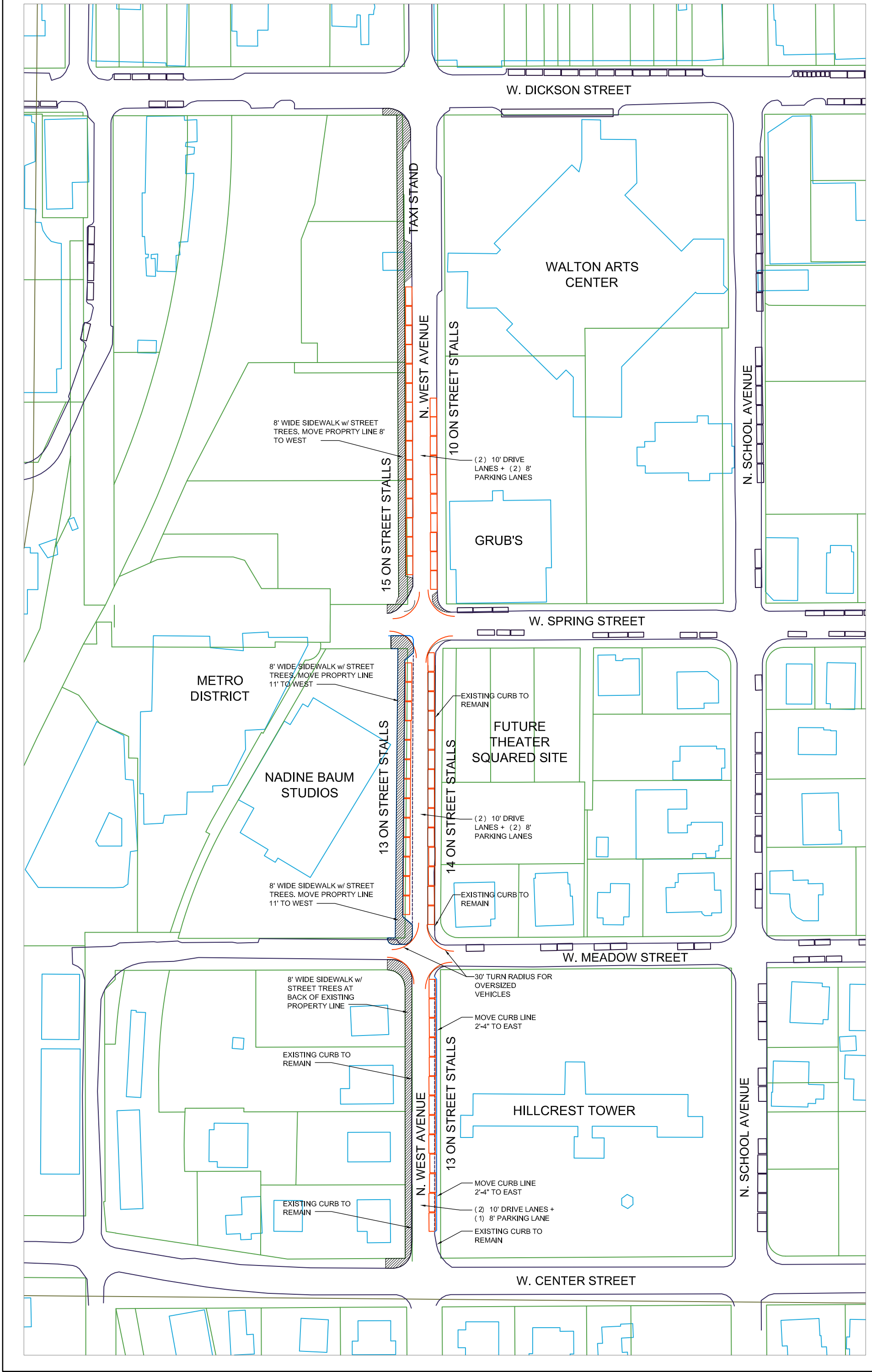


EXHIBIT G: POTENTIAL ON STREET PARKING AND PEDESTRIAN IMPROVEMENTS

65 POTENTIAL ON-STREET PARKING STALLS