

R-17-~~209~~

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO AN AGREEMENT WITH NORTH LITTLE ROCK ECONOMIC DEVELOPMENT CORPORATION FOR ECONOMIC DEVELOPMENT SERVICES; AND FOR OTHER PURPOSES.

WHEREAS, the voters of the State of Arkansas have approved Amendment 97 to the Arkansas Constitution, expressly authorizing local governments to use public funds for economic development purposes; and

WHEREAS, the Arkansas General Assembly has adopted Act 685 of 2017, effective August 1, 2017, codified at Ark. Code Ann. § 14-176-101, et. seq., establishing the process that cities must follow in order to fund economic development; and

WHEREAS, by Ordinance No. 8956, the Council has defined economic development services to be professional services under Arkansas law; and

WHEREAS, the City issued RFP #17-3496 to solicit bids for economic development services; and

WHEREAS, the City has determined that the North Little Rock Economic Development Corporation is the most qualified applicant and should be engaged as a Consultant to provide economic development services to the City.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the Mayor and City Clerk are hereby authorized to enter into an agreement with North Little Rock Economic Development Corporation for economic development services, said agreement being substantially similar in form and content to the agreement attached hereto as Exhibit A. Total costs for the economic development services for the first year of the contract are estimated to be \$275,000.00, and compensation and fees for all services provided under this Resolution shall not exceed that amount without authorization of the Council.

SECTION 2: That the cost of the services described herein, not to exceed \$275,000.00, has previously been included in the North Little Rock Electric Department's budget for 2017.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSOR:

Joe A. Smith
Mayor Joe A. Smith *by AF*

ATTEST:

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

Amy Beckman Fields
Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/ABF

FILED	11:21	A.M.	_____	P.M.
By	City Atty Amy fields			
DATE	12-5-17			
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas				
RECEIVED BY	H. Thomas			

AGREEMENT

Between

CITY OF NORTH LITTLE ROCK

and

NORTH LITTLE ROCK ECONOMIC DEVELOPMENT CORPORATION

This Agreement is made and entered in to this ___ day of _____, 2017, by and between the City of North Little Rock, Arkansas (“City”) and North Little Rock Economic Development Corporation (“Consultant”), the foregoing being collectively referred to as “the parties,” said Agreement to become effective upon the execution of this Agreement by the persons duly authorized by his or her respective organization to bind the same, and upon approval and concurrence by the North Little Rock City Council (“Council”).

WITNESSETH:

WHEREAS, the voters of the State of Arkansas have approved Amendment 97 to the Arkansas Constitution, expressly authorizing local governments to use public funds for economic development purposes; and

WHEREAS, the Arkansas General Assembly has adopted Act 685 of 2017, effective August 1, 2017, codified at Ark. Code Ann. § 14-176-101, et. seq., establishing the process that cities must follow in order to fund economic development; and

WHEREAS, by Ordinance No. 8956, the Council has defined economic development services to be professional services under Arkansas law; and

WHEREAS, the City issued RFP #17-3496 to solicit bids for economic development services; and

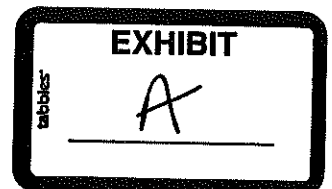
WHEREAS, the City has determined that the North Little Rock Economic Development Corporation is the most qualified applicant and should be engaged as a Consultant to provide economic development services to the City.

NOW, THEREFORE, IT IS HEREBY AGREED BY THE PARTIES HERETO THAT:

1. **Purpose.** The purposes of this Agreement are: (1) to create and/or retain quality employment opportunities for citizens of North Little Rock; and (2) to expand the City’s base of revenues for public services and utilities.

2. **Services.** In exchange for the consideration provided herein, the Consultant will perform the following tasks:

(a) Assist the Mayor and City Council in the creation of the City’s economic development goals that will include the creation and expansion of employment opportunities for citizens and expansion of revenue base for the City.



(b) Develop a strategic marketing and engagement plan to achieve the City's economic development goals.

(c) Submit quarterly reports to City Council available for public inspection that narrate the implementation of the plan and progress toward achieving economic development goals.

(d) Supervise and administer City property used for economic development, including the industrial park.

(e) Negotiate contracts for the sale or lease of City property used for economic development.

(f) Seek out opportunities for economic development projects that are consistent with the City's economic development goals and provide greater benefit to the City than cost.

(g) Assist in the development, monitoring, and compliance reporting of economic development projects, consistent with the City's economic development goals.

(h) Assist in the procurement of financial analysis related to funding limitations, as needed.

(i) Assist in the procurement of cost-benefit analysis related to major (>\$100k) economic development projects, as needed.

(j) Assure compliance with economic development laws, including Act 685 of 2017.

3. **Term.** This Agreement will commence on January 1, 2018, and will expire three (3) years after execution, provided that, if after the first year of performance, the North Little Rock City Council shall choose or for any reason fail to appropriate funds for this Agreement, or the North Little Rock City Council shall determine by resolution or ordinance that this contract lacks benefit for the public, then the term of this Agreement shall expire immediately. The term of this Agreement shall not be extended except by vote of the North Little Rock City Council.

4. **Economic Development Plan.** Consultant will develop, execute, and report the effectiveness of an economic development plan that is consistent with the economic development goals of the City, as follows:

(a) *Develop.* Consultant will conduct stakeholder meetings with public and private participants to determine City's economic goals and measurements of success. Consultant will use stakeholder feedback to create a plan to achieve City's economic development goals, including measurements that will be evaluated at quarterly intervals to determine the success of the plan. The plan will be submitted to City Council for approval no later than March 31, 2018.

(b) *Execute.* Consultant will execute the approved economic development plan throughout the term of the Agreement.

(c) *Report.* Consultant will submit economic development activity reports to City Council that include an accurate assessment of compliance and effectiveness of the plan. These reports will be submitted at the second regularly meeting of June, September, and December. Consultant will not include information in a report that is excluded from disclosure under the Freedom of Information Act.

5. **Property Management Plan.** City will provide Consultant a list of property that is owned or controlled by City and available for economic development purposes no later than January 31, 2018. Consultant will develop, execute, and report the effectiveness of a property management plan as follows:

(a) *Develop.* Consultant will develop a marketing plan to lease or sell City properties that is consistent with the City's economic development goals. The plan will be submitted to City Council for approval no later than March 31, 2018. The plan will include the requirement that the Consultant will:

(i) Obtain preapproval from City Council of all lease and/or sale Agreements; and
(ii) Coordinate maintenance of vacant properties to prevent nuisance and waste, with all maintenance being performed at City expense.

(b) *Execute.* Consultant will execute the approved property marketing plan throughout the term of the Agreement.

(c) *Report.* Consultant will submit property management activity reports to City Council that include an accurate assessment of compliance and effectiveness of the plan. These reports will be submitted at the second regularly meeting of June, September, and December. Consultant will not include information in a report that is excluded from disclosure under the Freedom of Information Act.

6. **Fee.** Throughout the term of this Agreement, City will pay Consultant a flat annual fee of \$275,000, payable by the tenth day of January in each year in which services are to be provided. The fee shall represent full compensation to Consultant of all labor and costs of performance.

7. **Early termination.** Either party may terminate this Agreement without cause upon 60 days' written notice. In the event Consultant terminates the contract prior to the expiration of any year for which payment in advance has been made, Consultant will be responsible for repayment of a pro rata portion of the pre-paid fee.

8. **Record-keeping.** Consultant shall maintain records that reflect the economic development and property management work performed for City which, upon termination of this Agreement for any reason, shall be promptly delivered to the City's Commerce Department.

9. **Intermingling of Funds.** Consultant shall not intermingle fees paid as compensation for services under this Agreement with any funds provided by the City for an economic development project.

10. **Choice of Law and Venue.** The parties hereto agree that this Agreement shall be construed under Arkansas law. The parties further agree that proper jurisdiction and venue for any cause of action arising from this Agreement shall be vested in the Circuit Court of Pulaski County, Arkansas.

11. **Non-waiver.** No delay or failure to exercise any right under this Agreement shall impair any such right or be construed to be a waiver thereof. No waiver shall be effective unless in writing signed by the party waiving. A waiver of a right on one occasion shall not be deemed to be waiver of such right on any other occasion. A waiver of a right on one occasion shall not be deemed to be a waiver of any other right on that occasion.

12. **Merger.** This Agreement constitutes the full understanding of the parties, a complete allocation of risks between them and a complete and exclusive statement of the terms and conditions of their agreement, related to the services provided hereunder. All prior agreements,

negotiations, dealings and understandings, whether written or oral, regarding the subject matter hereof, are superseded by and merged into this Agreement.

13. **Modification.** No conditions, usage of trade, course of dealing or performance, understanding or agreement purporting to modify, vary the terms or conditions of the Agreement shall be binding unless hereafter made in writing and signed by the party to be bound, and no modification shall be effected by the acknowledgment or acceptance of any forms containing terms or conditions or variance with or in addition to those set forth in this Agreement.

14. **Authority.** The persons executing this document each represent that he or she is duly authorized by his or her respective organization to bind the same to the terms contained herein, provided that, this Agreement shall not be effective until approved by official public action of the North Little Rock City Council.

15. **Counterpart Execution.** This Agreement may be executed in two or more counterparts, each of which is deemed as original but all constitute one and the same instrument.

16. **Filing.** This Agreement shall be filed in the official records of the City Clerk of the City of North Little Rock, Arkansas. Either party may additionally file this document in any other governmental office deemed appropriate; however, the parties waive all claims and defenses in law or equity based upon such additional filing.

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals on the date first above written.

CITY OF NORTH LITTLE ROCK, AR
300 Main Street
North Little Rock, AR 72114

**NORTH LITTLE ROCK ECONOMIC
DEVELOPMENT CORPORATION**
100 Main Street
North Little Rock, AR 72114

By _____
Joe A. Smith, Mayor

Todd Larson, Executive Director

ATTEST:

Diane Whitbey, City Clerk