R-22- 10

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO AN ENHANCED COMMUNITY SERVICES AGREEMENT WITH THE ARKANSAS REGIONAL INNOVATION HUB, INC; AND FOR OTHER PURPOSES.

WHEREAS, The Arkansas Regional Innovation Hub, Inc. ("ARIH"), an Arkansas nonprofit corporation, is dedicated to increasing innovative and entrepreneurial activity in Arkansas by creating a collaborative ecosystem and pipelines that mobilize the resources, programs and educational opportunities necessary to develop, attract and retain talent; and

WHEREAS, ARIH aspires to further economic development in Downtown North Little Rock by working to create new jobs and businesses through a central location to provide work space, training, mentors and innovative resources for entrepreneurs, and utilizing the Art Connection Program to achieve higher education, citizen leadership and self-sufficiency through paid employment in the artistic market, focusing recruitment from the under-resourced North Little Rock communities; and

WHEREAS, the City of North Little Rock ("the City") entered into an agreement with ARIH (authorized by Resolution No. 9990 adopted January 25, 2021), and pursuant to the 2021 agreement ARIH has performed its duties and met reporting requirements; and

WHEREAS, an Enhanced Community Services Agreement between the City and ARIH will facilitate the City's goals to promote the creation of new businesses in North Little Rock by retaining and attracting educated, creative entrepreneurs to Central Arkansas through supporting an open business model and providing constant, easy interaction among many different industries and a wide variety of workers including artists, scientists and engineers.

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 Enhanced Community Services Agreement with The Arkansas Regional Innovation Hub, Inc., substantially similar to Exhibit A attached hereto.

SECTION 2: That the City will make a lump sum payment to ARIH in the amount of Three Hundred Twenty Five Thousand & 00/100 Dollars ($325,000.00) as consideration for services provided, said amount having been included as a special appropriation line item in the 2022 Budget.

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

PASSED:

APPROVED:

Mayor Terry C. Hartwick

SPONSOR:

ATTEST:

Terry C Hartwick by AF

Mayor Terry C. Hartwick

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/kt

FILED 10:15 A.M. _____ P.M.

By A. Fields

DATE 1-18-22

Diane Whitbey, City Clerk and Collector
North Little Rock, Arkansas

RECEIVED BY S. Usser

EXHIBIT
A

ENHANCED COMMUNITY SERVICES AGREEMENT
Between
The Arkansas Regional Innovation Hub, Inc.
And
City of North Little Rock, Arkansas

This Enhanced Community Services Agreement ("Agreement") made and entered into this _____ day of _____, 2022 by and between the Arkansas Regional Innovation Hub, Inc. ("ARIH"), an Arkansas non-profit corporation, and the City of North Little Rock, Arkansas ("City").

W-I-T-N-E-S-S-E-T-H:

WHEREAS, the ARIH is a community organization dedicated to increasing innovative and entrepreneurial activity in Arkansas by creating a collaborative ecosystem and pipelines that mobilize the resources, programs and educational opportunities necessary to develop, attract and retain talent.

WHEREAS, the ARIH's goals are to further the economic development of downtown North Little Rock by working to create new jobs and businesses through a central location to provide work space, training, mentors and innovative resources for entrepreneurs.

WHEREAS, in return for specific community services ("Services"), more specifically described in Exhibit A attached hereto, provided by ARIH to or for the benefit of the City, the City has entered into this Agreement to provide financial support for the Services.

WHEREAS, ARIH has properly submitted its application in accordance with North Little Rock Department of Commerce ("NLR Commerce") procedures and guidelines; and

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and other good and valuable consideration, it is agreed by and between the parties as follows:

1. Provision of Services. Commencing the 1st day of January 2022 ("Commencement Date"), the ARIH agrees to begin and continue to provide the Services throughout the term of this Agreement.

2. Term. The term of this Agreement shall be for a period beginning January 1, 2022 and ending December 31, 2022.

3. Contribution by the City. As consideration for the services provided by ARIH pursuant to this Agreement, the City will make a lump sum payment to the ARIH in the amount of Three Hundred Twenty Five Thousand & 00/100 Dollars ($325,000.00). The ARIH and the City intend for, and estimate that, the amount of the annual contribution is approximately equal to the cost of the services provided to or for the benefit of the City

by the ARIH. In the event that either the ARIH or the City gives a notice of termination of this Agreement pursuant to Section 9 below, the parties agree to negotiate in good faith a reinstatement of this Agreement with adjustments to the amount of the annual contribution and/or the services provided by the ARIH to equalize such cost and benefit.

4. Authority. The City represents and warrants to the ARIH that it has the authority to enter into this Agreement, and the party signing for the City has been duly authorized. The ARIH represents and warrants to the City that it has the authority to enter into this Agreement, and the party signing for the ARIH has been duly authorized. This Agreement shall not be effective until approved by official public action of the North Little Rock City Council.

5. The ARIH agrees:

(a) To comply with Ark. Code Ann. § 21-13-101, et seq. if it uses volunteers to accomplish its contractual obligations of a public nature, as expressed in this Agreement.
(b) That it will not discriminate against any person on the basis of race, color, religion, natural origin, age, gender or any other constitutionally-protected basis.
(c) That it will not mingle City funds with funds obtained from other sources and shall document the expenditure of all City funds in a manner consistent with generally accepted accounting principles and provide the same to the City upon request.
(d) Acknowledges that certain procedural restrictions apply to the expenditure of City funds in excess of $35,000 and the employment of professionals, as that term has been defined by the City. (For procedural guidance in the expenditure of City funds, the ARIH may contact a city purchasing officer at (501) 975-8881.)
(e) Acknowledges that the expenditure of government funds for a governmental purpose is a matter of public interest and subject to disclosure under the Arkansas Freedom of Information Act ("FOIA").
(f) That it will submit an annual report to City Council that accurately reflects all performance under this Agreement, said report to be submitted no later than December 31, 2022. A representative of the ARIH will be available, at the request of the City, to appear before a specified City Council meeting to answer any questions concerning the report.
(g) To attach to this agreement a document identifying each member of the governing board of the nonprofit entity.
(h) To attach to this agreement evidence of nonprofit status, and if designated a nontaxable entity, attach a copy of an IRS opinion letter affirming the designation. If tax returns have been submitted, the ARIH will also attach a copy of the most recent tax return.
(i) To submit a budget to demonstrate the projected use of City funds.

6. Governing Law. 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 state courts of Arkansas.

7. The headings in this Agreement are inserted for convenience or reference only and are not intended to define, limit or affect the interpretation of any term or provision hereof.

8. This Agreement shall be binding on and for the benefit of each party's successors and assigns.

9. This Agreement may be terminated by either party without cause upon one-hundred-twenty (120) days' written notice. The fee described in Section 3 shall be prorated based upon the date of termination.

10. Time is of the essence in regard to the terms and conditions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

ARKANSAS REGIONAL INNOVATION HUB, INC.

204 East 4th Street
North Little Rock, AR 72114

By _____
Christopher M. Jones, Ph.D,
Executive Director

CITY OF NORTH LITTLE ROCK, AR

300 Main Street
North Little Rock, AR 72114

By _____
Terry C. Hartwick, Mayor

Attest:

_____
Diane Whitbey, City Clerk

Exhibit "A" to Enhanced Community Services Agreement

The Innovation Hub is a collaborative and diverse community of all ages, interests, and skill levels. We have created an accessible space that can be categorized into three broad areas where we offer our community a variety of ways to learn and build with us.

MAKE

Our makerspace offers everything needed for a variety of disciplines, including cutting-edge equipment and technologies with experienced mentorship – from a full wood and metal shop to 3D printers and advanced computer technology.

DESIGN

Our arts and design studios are creative and innovative spaces that encompass multiple mediums, including pottery/ceramics, painting, drawing, illustration, graphic design, printmaking, and screen printing. We provide the resources and the professional mentorship that can bring visions to life.

CO-WORK

We offer workspace for entrepreneurs who are looking for an inspiring and collaborative environment to launch their new enterprises and being surrounded with the resources and guidance to avoid mistakes and accelerate their success.

Thus, we can help the North Little Rock Community thru –

(i) **ECONOMIC DEVELOPMENT:** To further the economic development of the Downtown North Little Rock area through a collaborative ecosystem and pipelines that mobilize resources, programs and educational opportunities necessary to develop, attract and retain innovative and entrepreneurial talent.

(ii) **CREATE NEW JOBS & NEW BUSINESSES:** Create new jobs, new businesses and increased capital by retaining and attracting educated and creative entrepreneurs to the area by supporting an open business model and providing constant and easy interaction among many different industries and a wide variety of workers (including artists, scientists and engineers).

(iii) **THE ARGENTA INNOVATION CENTER:** Maintain the Argenta Innovation Center as a central location which provides work space, training, mentors and additional resources as required by the entrepreneurs to create new services or products and bring them to market. The Center will be home to the Argenta Art Connection, The Silver Mine (a technology co-work space) and Launch Pad (a maker space targeted to engineering).

(iv) **EXPANSION OF THE ARKANSAS REGIONAL INNOVATION HUB**: Assist new businesses in locating in the Argenta area of North Little Rock as they outgrow the Argenta Innovation Center. Recruit new innovative companies and industries to the downtown North Little Rock area.