ORDINANCE NO.

3 AN ORDINANCE TO GRANT A FRANCHISE FOR THE USE OF CITY **RIGHT-OF-WAY FOR THE PLACEMENT OF SIDEWALKS, CURBS,** 4 DRIVE-THRU LANES, PARKING SPACES, SIGNAGE, CURB CUTS, 5 UTILITY LINES, PAVING AND CUSTOMER INGRESS/EGRESS OVER 6 THE FRANCHISE AREA FOR THE EXCLUSIVE USE OF CHICK-FIL-A, 7 LOCATED AT 701 BROADWAY STREET; TO REQUIRE THE 8 CREATION OF A PASSAGEWAY CONSISTENT WITH 9 THE AMERICANS WITH DISABILITIES ACT AND ACCEPTABLE TO THE 10 CITY AS A PART OF THIS FRANCHISE AGREEMENT; TO ACCEPT 11 12 THE OTHER TERMS AND CONDITIONS OF THIS FRANCHISE FOR THE FRANCHISEE AND THE ADJACENT PROPERTY OWNERS; TO 13 **DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.** 14

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WHEREAS, the economic development of Broadway Street and 7th Street is in the best interests of the
 City, and the development of a vibrant Commercial District that includes restaurants and other facilities
 would be extremely beneficial to the City; and,

WHEREAS, in order for a proposed development of a Chick-fil-A restaurant to proceed, developer has suggested the long-term use of a City alley (the "Alley") for the placement of sidewalks, curbs, drivethru lanes, parking spaces, curb cuts, professionally prepared signage, utility lines, paving and customer ingress/egress, and other restaurant items for the exclusive use of Chick-fil-A, Inc. ("Franchisee") as more specifically shown on the drawing/site plan attached hereto as Exhibit A (the "Site Plan").

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

Section 1. Pursuant to the conditions set forth in this ordinance, Franchisee, for purposes of operation of a Chick-fil-A restaurant, to be located at the intersection of Broadway Street and 7th Street, and the adjoining property owners, in conformity with the Site Plan, is hereby granted a long-term Franchise to use City-owned right-of-way of the alley in that location subject to the terms and conditions set forth in Section 2.

- 30 Section 2. The terms and conditions for this franchise are as follows:
- A lump sum franchise fee for the length of the term of this franchise equal to One Hundred
 Ninety-Eight Thousand Dollars (\$198,000.00) (the "Lump Sum Fee"), which is calculated
 based on ½ of the first year annual rental price per square-foot of the land leases that Chick-

1		fil-A is paying (\$2.5639) to the adjoining property owners shall be applied to each square-
2		foot of area utilized within this franchise (2,808.7332 square-feet), and shall be paid to the
3		City within thirty (30) days of the passage of this ordinance.
4	2.	The term of the Franchise shall initially be from the date of the passage of this ordinance,
5		and the statutory time frame for the effective date of franchises, until December 31, 2077,
6		with the understanding that the franchise shall automatically renew for one (1)-year periods
7		from January 1 st to December 31 st , thereafter unless written notice is given by the City or
8		the Franchisee within forty-five (45) days of the end of the calendar year of the intent not
9		to renew this Franchise.
10	3.	The Franchise shall not run with the land or be assignable to any successor tenant or
11		purchaser; provided that the duties of the Franchisee hereunder may be performed by a
12		local operator of the Franchisee.
13	4.	Any necessary expense involved with utility relocation within the Alley shall be solely
14		borne by the Franchisee with no recourse against the City or any utility provider should a
15		utility relocation be required for a public purpose.
16	5.	Franchisee shall be expressly permitted to make long-term improvements to the Alley,
17		including construction and reconstruction, as shown on the Site Plan and such later
18		improvements or upgrades that Franchisee may determine are reasonable and appropriate
19		to use within the Alley, consistent with other Chick-fil-A restaurants operating in the City.
20	6.	In consideration of the substantial investment in improvements to the Alley planned by
21		Franchisee and the resulting material benefit to the City by enhancing economic
22		development of Broadway Street and 7th Street, and the continued development of a vibrant
23		Commercial District, the City and Franchisee intend that this franchise shall be a long-term
24		arrangement as described in Section 2 of this franchise. At such time that this Franchise
25		expires, this franchise shall cease and Franchisee shall remove all improvements placed
26		within the Alley and restore the Alley to the original condition in which it was received,
27		including repairs to the right-of-way made, at the expense of Franchisee, as soon as
28		possible after notice, but in no event more than ninety (90) days after such notice unless
29		otherwise expressly agreed to in writing by the City.
30	7.	If the City determines it is necessary to terminate this franchise for any objectively
31		legitimate and necessary purpose, which shall be exclusively for the public benefit and no
32		other, or because of any change in Federal, State, County or local law, regulations,
33		ordinances, uniformly applied, upon delivery of 180 days prior notice to Franchisee and
34		reimbursement to Franchisee of the unused portion of the Franchise Fee, calculated on a

1	pro-rata basis, this Franchise shall cease and Franchisee shall remove all improvements
2	placed within the Alley and restore the Alley to the original condition in which it was
3	received, including repairs to the right-of-way made, at the expense of Franchisee, as soon
4	as possible after notice, but in no event more than ninety (90) days after such notice unless
5	otherwise expressly agreed to in writing by the City.

6 Section 3. *Severability*. In the event of any title, section, paragraph, item, sentence, clause, phase, or 7 word of this ordinance is declared or adjudged to be invalid or unconstitutional such declaration or 8 adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and 9 effect as if the portion so declared or adjudged invalid or unconstitutional were not originally a part of the 10 ordinance.

Section 4. *Repealer*. All laws, ordinances, resolutions, and parts of the same that are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

13 Section 5. Emergency Clause. The ability to maintain public rights-of-way in a fair and equitable 14 manner, and to assure that permitted activities and construction within a right-of-way complies with the 15 agreement between the City and the Franchisee, is essential to the public health, safety, and welfare; an 16 emergency is, therefore, declared to exist, and while this Franchise will not take effect until it has been 17 publicly displayed for ten (10) days from the date of passage of this ordinance, the Franchisee, at its own 18 risk, is permitted to begin construction activities and obtain necessary City permits in accordance with the 19 terms and conditions of this ordinance upon the date of its passage. 20 **PASSED: July 20, 2021** 21 **ATTEST: APPROVED:** 22

Susan Langley, City Clerk
APPROVED AS TO LEGAL FORM:
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29 Thomas M. Carpenter, City Attorney 30 //

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Frank Scott, Jr., Mayor

<u>Exhibit A</u> SITE PLAN

