

DEC 11 2014 #54



MEMORANDUM Economic Development - Council Memo No. ED15-012

DATE: DECEMBER 1, 2014

TO: MAYOR AND CITY COUNCIL

THRU: RICH DLUGAS, CITY MANAGER *RD*
MARSHA REED, ASSISTANT CITY MANAGER *MR*

FROM: KIM MOYERS, DOWNTOWN REDEVELOPMENT MANAGER *KM*

SUBJECT: RESOLUTION NO. 4829 APPROVING AND AUTHORIZING THE AWARD OF THE REQUEST FOR PROPOSALS TO VINTAGE PARTNERS FOR SITES 1, 2, & 3

RECOMMENDATION: Staff recommends City Council adopt Resolution No. 4829 approving and authorizing the award of the Request for Proposals to Vintage Partners for Sites 1, 2, & 3, and authorizing Staff to begin Development Agreement deal terms between the City of Chandler and Vintage Partners; and directing staff to present the negotiated Development Agreement to the City Council for consideration and possible action on or before the last regularly scheduled City Council meeting in March 2015 or this award to Vintage Partners for the Sites 1, 2, & 3 Request for Proposals will terminate automatically without further action of the City Council.

BACKGROUND/DISCUSSION:

Sites 1, 2, & 3 is a 4.6 acre site located at the southwest corner of Chandler Boulevard and Arizona Avenue. The site is vacant, unencumbered and owned by the City.

The City issued a Request for Proposals (RFP) for Sites 1, 2, & 3 on July 21, 2014, requesting interest from development firms with a solid track record of mixed-use development.

The preferred specifications included:

- 40,000 sf restaurant/retail/entertainment
- 50,000 sf office/services
- High density residential if appropriate to the project
- Parking structure if appropriate for the development
- Zero lot line and higher density

Five development companies responded to the RFP by the deadline of October 24, 2014: COR Companies, Vintage Partners, LGE Design Build, Whitneybell Perry, Inc., and Interwest Capital

Corporation. The Evaluation committee ranked all five proposals and narrowed the selection to two highest ranked firms. The top two firms were brought in and asked to give presentations on their proposal. The Evaluation Committee recommended moving forward with Vintage Partners.

Vintage Partners is a commercial real estate development and investment company with deep experience in commercial real estate acquisition, development, disposition, leasing and management. The six principal partners have been active in the Arizona real estate development community for an average of over 25 years each and have delivered over 14 million square feet of retail development and 60,000 acres of single-family residential projects. The proposed team consists of Vintage Partners, Alamo Drafthouse Cinema, Martin Sepulveda, RSP Architects, and Kitchell Construction.

Alamo Drafthouse Cinema has committed as the anchor for this development project. Alamo Drafthouse Cinema has locations in 19 venues across the United States (11 in Texas) and through significant research plans to enter the Arizona market choosing Downtown Chandler as its flagship location.

The proposed phasing includes:

Phase 1 – Delivered December 2015

- 40,000 sf Alamo Drafthouse Cinema with 8 screens, 825 seats and full kitchen
- Separately branded 2,500 sf 2-story restaurant and brewhouse run by Alamo
- 10,000 sf for LOI restaurants
- Additional 5,000 sf for ancillary retail and restaurant tenants
- Surface parking for 361

Phase 2 – Future buildout based on demand

- 6,000 – 10,000 sf PAD targeted for yoga, dance, fitness
- 48 residential units
- Parking Structure

The site plan includes outdoor seating, second-story terrace, pedestrian walkways and a sky bridge. Upon award of the RFP, Vintage Partners will continue to work with Planning Staff to start the rezoning process that will include final land use and site design. As part of the zoning process, neighborhood meetings will be conducted to gain citizen input.

If approved, Staff will begin negotiations with Vintage Partners on deal terms of a Development Agreement, and will bring the proposed Development Agreement back to City Council for review and approval prior to March 31, 2015.

FINANCIAL IMPLICATIONS: Contingent upon final site design, parking and public infrastructure details, as well as a land sale.

PROPOSED MOTION: Move City Council adopt Resolution No. 4829 approving and authorizing the award of the Request for Proposals to Vintage Partners for Sites 1, 2, & 3, and

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December 1, 2014

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authorizing Staff to begin Development Agreement deal terms between the City of Chandler and Vintage Partners; and directing staff to present the negotiated Development Agreement to the City Council for consideration and possible action on or before the last regularly scheduled City Council meeting in March 2015 or this award to Vintage Partners for the Sites 1, 2, & 3 Request for Proposals will terminate automatically without further action of the City Council.

Attachments: Resolution No. 4829

RFP

Vicinity Map

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Vintage Partners; and directing staff to present the negotiated Development Agreement to the City Council for consideration and possible action on or before the last regularly scheduled City Council meeting in March 2015 or this award to Vintage Partners for the Sites 1, 2, & 3 Request for Proposals will terminate automatically without further action of the City Council.

Attachments: Resolution No. 4829

RFP

Vicinity Map

RESOLUTION NO. 4829

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, APPROVING AND AUTHORIZING THE AWARD OF THE REQUEST FOR PROPOSALS TO VINTAGE PARTNERS FOR SITES 1, 2, & 3 LOCATED AT THE SOUTHWEST CORNER OF CHANDLER BOULEVARD AND ARIZONA AVENUE.

WHEREAS, the City issued a request for proposals to solicit proposals for development of Sites 1, 2, & 3, an approximately 4.6 acre site located in the City's Downtown; and

WHEREAS, Vintage Partners, submitted a response to the request for proposal; and

WHEREAS, the City has determined Vintage Partners., is qualified and capable of acting as the Master Developer for the 4.6 acre Sites 1, 2, and 3 in a manner that will facilitate the redevelopment of Downtown Chandler and benefit the citizens of Chandler.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHANDLER, ARIZONA, AS FOLLOWS:

SECTION 1.

That the City Council of the City of Chandler hereby awards the Request for Proposal for Sites 1, 2, & 3 to Vintage Partners, on the condition that Vintage Partners and City of Chandler are able to negotiate a mutually acceptable Development Agreement and related documents substantially consistent with the Sites 1, 2, & 3 development proposal submitted by Vintage Partners

SECTION 2.

That the Chandler City Council authorizes staff to negotiate the terms of a mutually acceptable Development Agreement and related documents substantially consistent with the Sites 1, 2 & 3 development proposal submitted by Vintage Partners, and to present the negotiated development agreement and related documents to the City Council for consideration and possible action on or before the last regularly scheduled City Council meeting in March 2015 or this award to Vintage Partners for the Sites 1, 2, & 3 Request for Proposals will terminate automatically without further action of the City Council.

PASSED AND ADOPTED by the City Council of the City of Chandler, Arizona, this ____ day of December, 2014.

ATTEST:

CITY CLERK

MAYOR

APPROVED AS TO FORM:

Chandler City Attorney (*KB*)

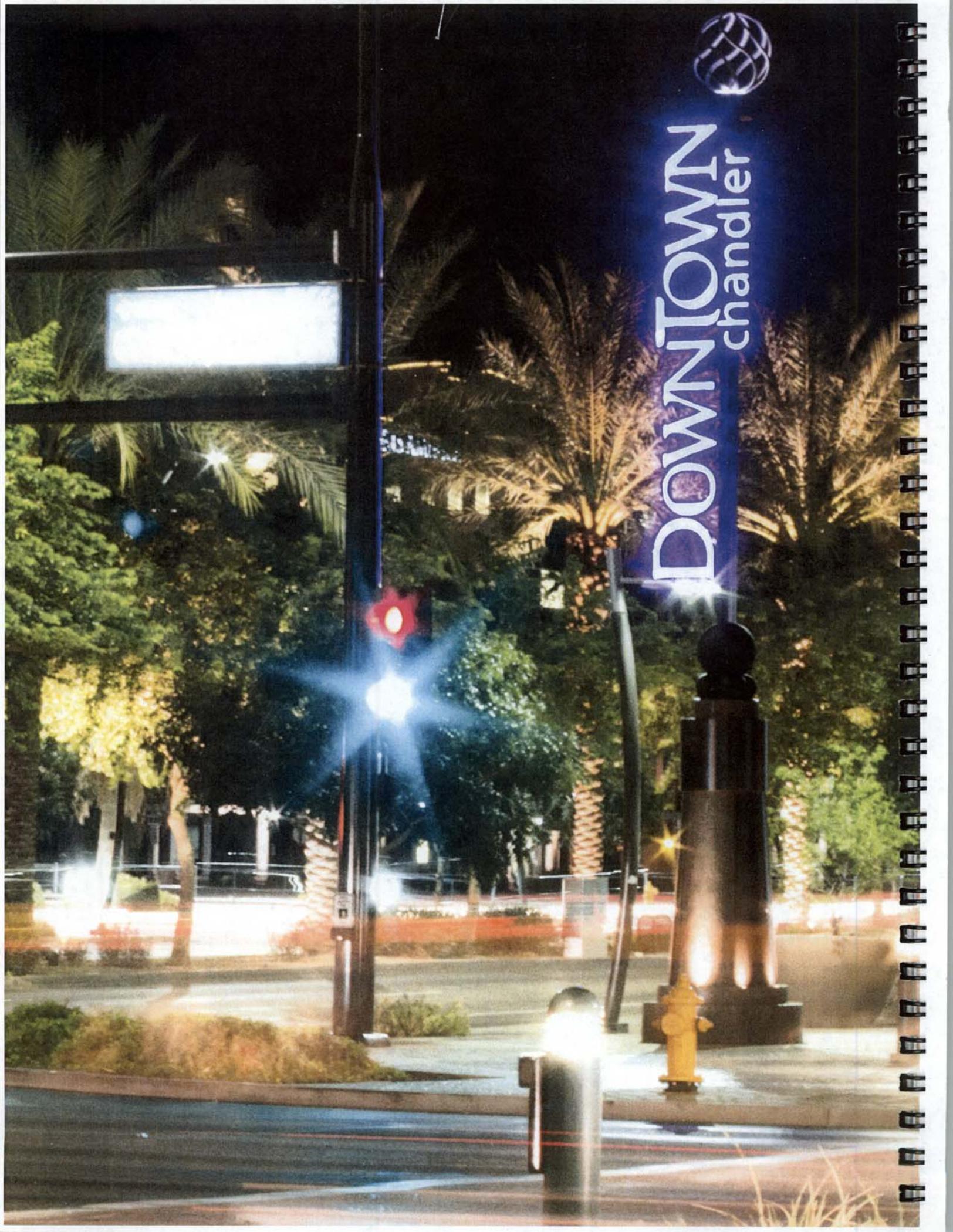
CERTIFICATION

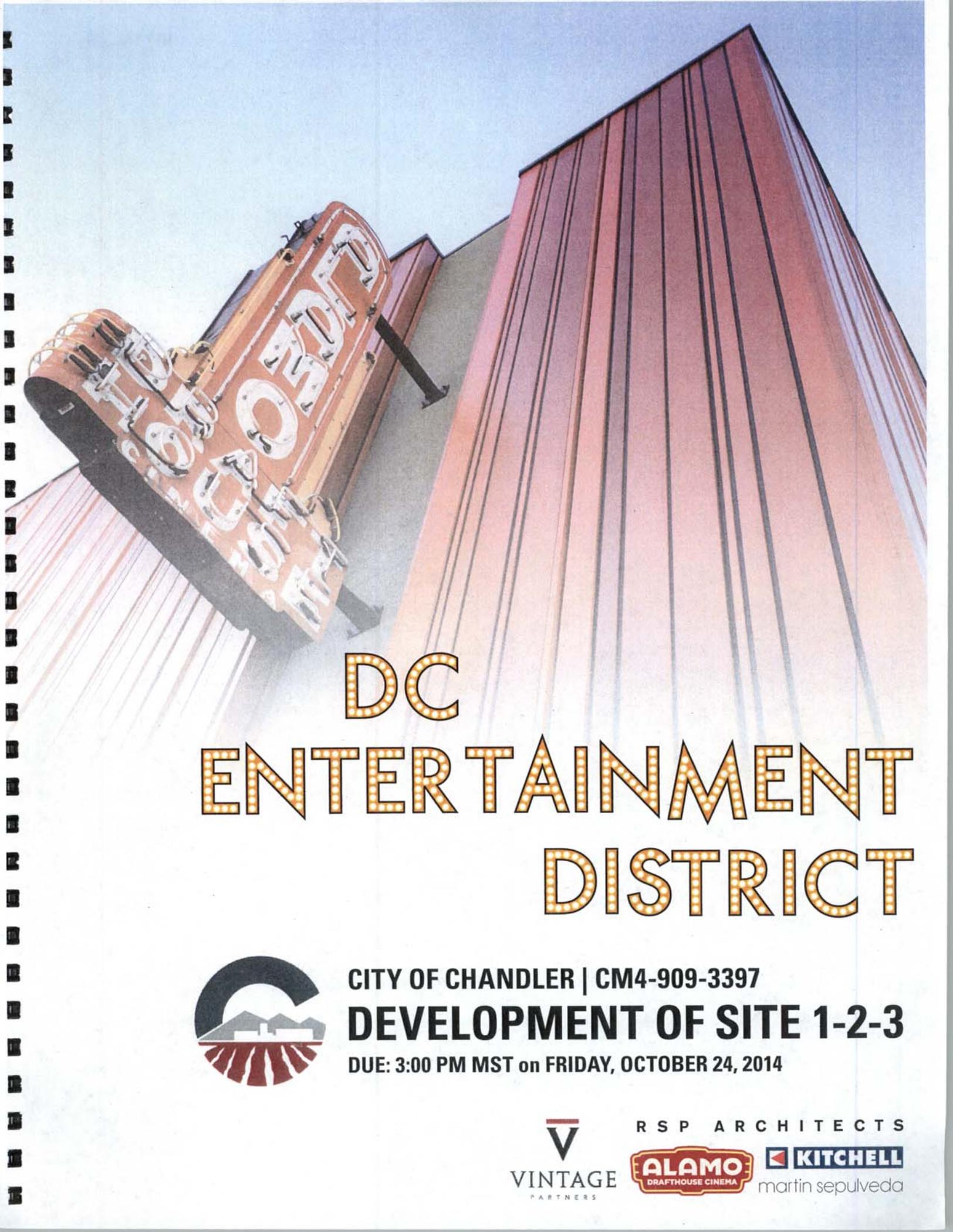
I HEREBY CERTIFY that the above and foregoing Resolution No. 4829 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the ___ day of December, 2014, and that a quorum was present thereat.

CITY CLERK



DOWNTOWN
chandler





DC ENTERTAINMENT DISTRICT



CITY OF CHANDLER | CM4-909-3397

DEVELOPMENT OF SITE 1-2-3

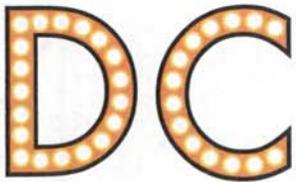
DUE: 3:00 PM MST on FRIDAY, OCTOBER 24, 2014



R S P A R C H I T E C T S



martin sepulveda



24 October 2014

Ms. Kim Moyers
Downtown Redevelopment Manager
City of Chandler
Purchasing Division, 3rd Floor
175 S Arizona Avenue
Chandler, AZ 85225

RE: Development of Sites 1-2-3 CM-909-3397

Dear Ms. Moyers and Members of Selection Committee:

What's authentic about Chandler? And how do we build upon that to design the urban fabric of the city and create something unique for Downtown?

Our team of Vintage Partners, Alamo Drafthouse Cinema, Martin Sepulveda, RSP Architects, and Kitchell Construction has come together – intentionally – because **we have a VISION and we are willing to take risks.** Our team has all the elements to make Downtown Chandler a place of growth and energy. The same individuals who brought the City of Chandler the Chandler Fashion Center have now set their sights on delivering a world class entertainment destination for Chandler's vibrant downtown. With commitments from top retail, restaurants, and a preeminent anchor entertainment tenant in Alamo Drafthouse Cinema, our team intends to deliver a destination entertainment center that will rival the best downtowns in the USA.

The selection committee has a series of choices to make, and each choice is a stepping stone toward building a remarkable, energized Downtown. Please make a conscious decision to reach for the future. Chandler staff, council, and residents have high aspirations. And presented in this proposal is the team with the capacity and proven experience to create the DC Entertainment District - and deliver the right solution quickly.

Sincerely,

Walter Crutchfield
Partner
Vintage Partners

The team has read and reviewed
Addendum 1 dated 09.26.14 and Addendum 2 dated 10.06.14



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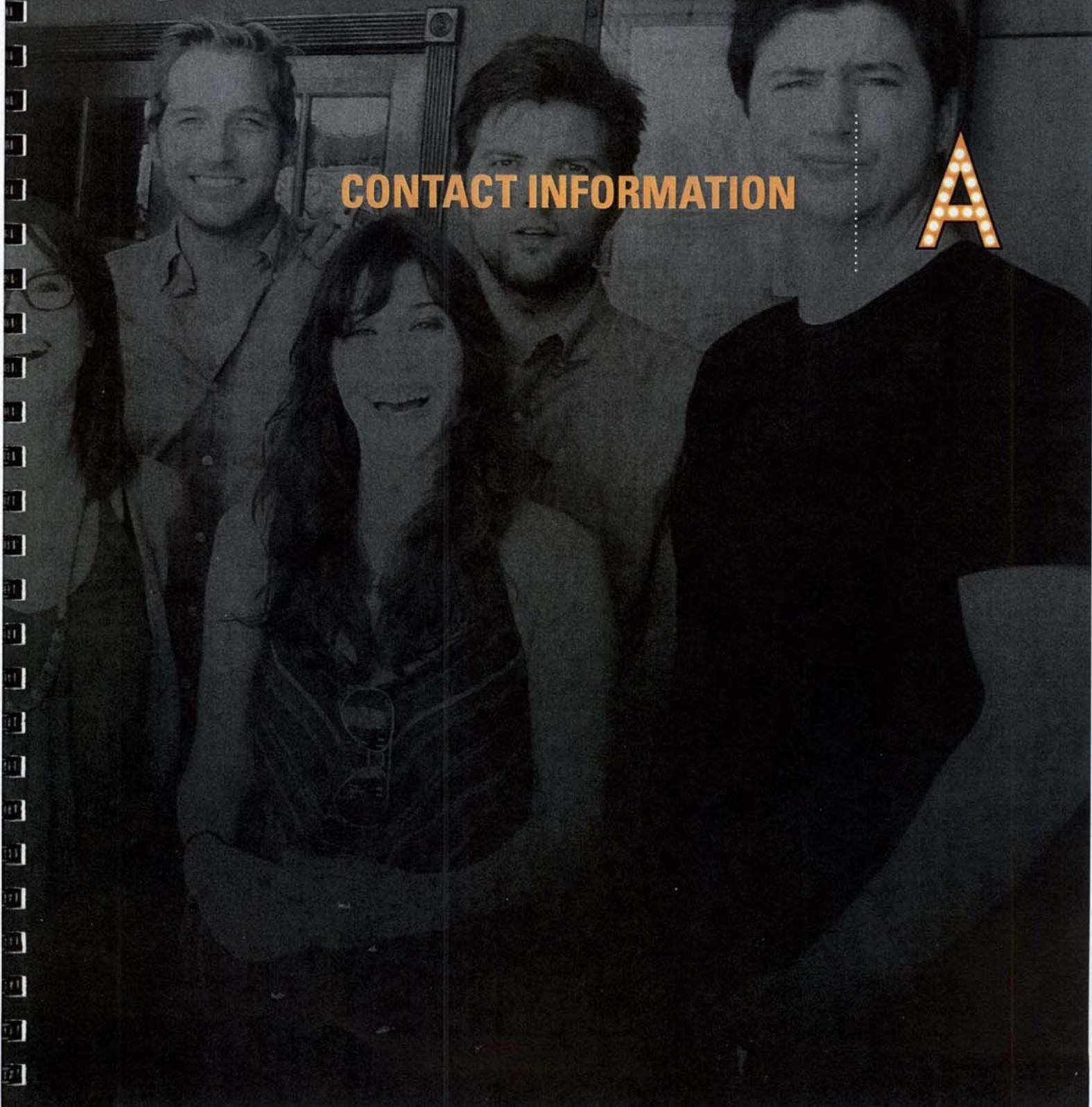
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MO
CINEMA

PARTY DOWN MONSTERS 3D: 00PM (SOLD OUT)
WINGDAKER PART 11 11/15PM 10-10PM
ER 11:45 1:20 3:00 COLESMAN 7:00



CONTACT INFORMATION

A

14 MILLION SF
OF COMMERCIAL RETAIL
DEVELOPMENT



Entertainment
WEEKLY

“#1 THEATER IN
AMERICA”

TIME

“BEST THEATER EVER”

WIRED

“COOLEST MOVIE THEATER
IN THE WORLD”

TRAVEL+
LEISURE

“WORLD’S COOLEST
MOVIE THEATERS”



ABOUT VINTAGE PARTNERS

Vintage Partners is a commercial real estate development and investment company whose principals have deep experience in commercial real estate acquisition, entitlement, development, disposition, leasing and management.

The principals of Vintage Partners deliver real solutions to challenging development opportunities. For over 30 years we have worked closely with landowners, tenants, government agencies, Indian Communities, neighborhoods, and state and local governments to solve complex development issues.

Our ability to execute on time and on budget while delivering win/win solutions to multiple stakeholders make the Vintage Partners team unique and effective.

Vintage Partners values and practices uncompromising integrity, intellectual rigor, and disciplined execution with a spirit of service. Our desire for each investment is to work tirelessly to develop first-class projects that provide solid returns for capital partners and high quality space for tenants which in turn produces healthy, sustainable projects.

Vintage Partners is a group of 6 principals who have individually been active in Arizona's real estate development community for an average of over 25 years each. Additionally, most of them have called Arizona their home for more than 40 years. We believe that development opportunities are human opportunities. We are always looking to create a better life for our clients, our communities, and our industry.

Vintage Partners have delivered over 14 million square feet of retail development and 60,000 acres of single-family residential projects. Throughout this massive delivery of finished projects, we always remember the human element of great relationships – that is, including all stakeholders for win/win solutions that serve the entire community.

Key Contact

Walter Crutchfield
Vintage Partners
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e walter@vintagevp.com
2502 E. Camelback Road
Suite 214
Phoenix, AZ 85016
www.vintagevp.com

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WE BELIEVE THAT DEVELOPMENT OPPORTUNITIES ARE HUMAN OPPORTUNITIES. AT VINTAGE PARTNERS WE ARE ALWAYS LOOKING TO CREATE A BETTER LIFE FOR OUR CLIENTS, OUR COMMUNITIES AND OUR INDUSTRY.

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ABOUT ALAMO DRAFTHOUSE CINEMA



"People are fanatical about movies, but not movie theatres." Why?

Current state of the movie industry is bound by a generic mass market customer experience, a perception of price gouging, tons of pre-show advertising with talking, texting and tweeting during the show.

ALAMO IS DIFFERENT

With raving fans, a highly branded concept, quality foods and spirits, reasonable pricing, no advertising and a fanatical enforcement of "No Talking Policy" Alamo has built a reputation as a movie-goers dream.

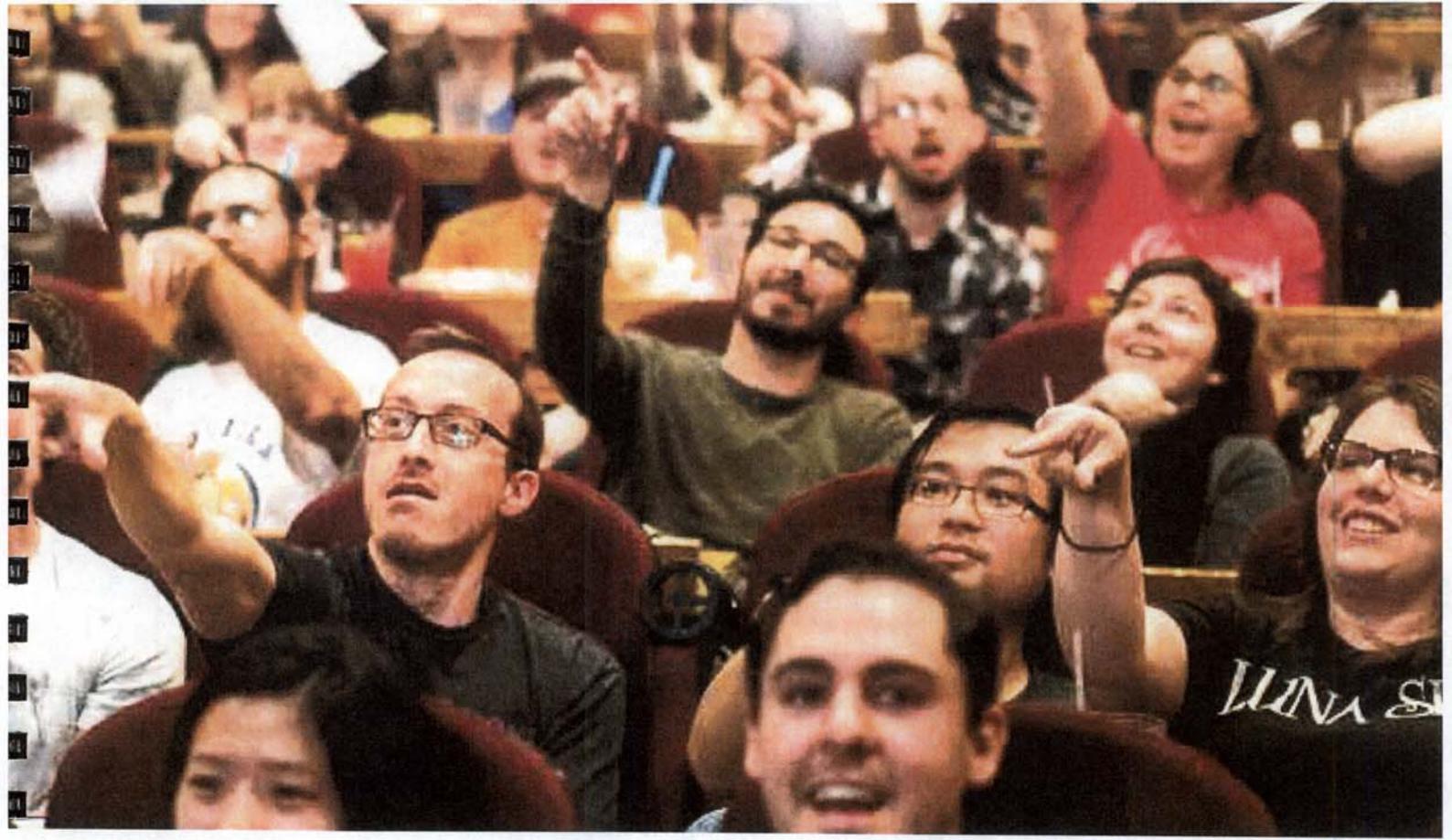
How it works – With fan dedication rivaling that of Apple [in fact higher than Apple, Google, and Target according to a survey of more than 20,000 Alamo Customers], Alamo has fourteen years of history in four markets. The food, the drinks, the entertainment, all create an experience that lures back movie-goers time after time. Alamo is more than just a commodity, it creates energy around a place. **The next place is Chandler.**

People in Austin have long recognized that the experience offered at the Alamo Drafthouse Cinema is unique. And now, the team at Alamo wants to share that quality experience with YOU! The Alamo Drafthouse Cinema has world-wide recognition as a leader in the cinema/dining concept. In addition to excellence in food quality, service, film presentation and sound quality, Alamo has received kudos in national and international publications for the experience created with a no-talking policy and pre-show philosophy. Additionally Alamo has become a household name amongst hard-core movie fans for special event programming and unique events.

Alamo has teamed with Vintage Partners.

With a background in delivering retail, Vintage has evolved with the changing of retail. Realizing that unique destinations are rooted in place, Alamo and Vintage will incorporate the history of Chandler into the new entertainment district. Together each is committed to the districts success and will bring a brand of excellent food, service, film presentation and original programming to their region.

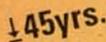
By anchoring the new entertainment district Alamo will do what it does best, attract a movie-goer to an area and create an energized place with cache. Our team is passionate about creating the best and most entertaining night-out-at-the-movies that they can possibly provide, and surrounding the theater with complimentary uses to keep visitors downtown.



ALAMO IS A LIFESTYLE BRAND WITH A CUSTOMER PROFILE PERFECT FOR **DOWNTOWN CHANDLER:**



Married with Children



Under the Age of 45



Shop at Whole Foods



Enjoy Travel



Involved in Local Fitness Programs



Make Purchases Online

Like These Brands: Whole Foods, Trader Joe's and Apple



-Source: Buxton study 2010/2011

WHAT DOES MEAN FOR DOWN

Alamo is **THE** entertainment anchor for the best developments around the country. From Citypoint in New York to Lamar Union in Austin, Alamo is the anchor that draws the best tenants in every market. Local restaurants, national restaurants and great retail as well as multi-family all follow Alamo.

We are not guessing whether Alamo is an anchor that can draw. Alamo has **PROVEN** they are the **BEST** entertainment anchor for restaurant and retail growth.

Google

Alamo is #1 searched zeitgeist
"Austin" term in 2012

Alamo's current sales are tracking about **\$120M** with a projection of **\$200M** by 2018.



Alamo understands how to create an entire entertainment experience that **brings patrons to its developments.**

Not only do we have **Alamo Drafthouse Cinema** under an **LOI** we also have



the **VIG**



three other restaurants who delivered LOI's on the basis on Alamo committing as anchor tenant.



TOWN CHANDLER?

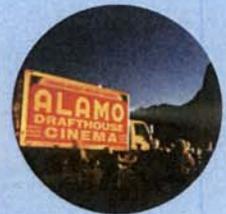
Alamo's leadership
is recognized by
industry magazines!

FAST COMPANY

WIRED



**Alamo is the destination of choice
for the millennial generation and
a broader family demographic**
– meshing exactly the draw of Chandler



Unique programming, rolling roadshows, and fan-fests create a dynamic that draws a diverse clientele. **They are dedicated to making each Alamo unique and Chandler will be no exception.**



**RESULT: ALAMO WILL MAKE THE
DC ENTERTAINMENT DISTRICT
ALIVE AND ACTIVATED – CREATING
THE MOST UNIQUE DOWNTOWN
IN THE EAST VALLEY!**



ABOUT RSP ARCHITECTS R S P A R C H I T E C T S

Longevity. Flexibility. Creativity.

It's what sets us apart. RSP excels at long-term relationships with our clients and our employees. In fact, we break industry averages in both client and employee tenure. And because of that, we grow right alongside our ever-changing, innovating, expanding client base. Our clients know they can give us any space challenge and our teams will meet it head-on, consistently delivering on time and budget.

Truly a professional client service firm, RSP is in the business of design. We respect our clients first and foremost. We believe the strongest sign of creative strength is our ability to translate our clients' vision, wants and needs into the most accurate, authentic space possible within their schedule and budget constraints. We believe in authentic collaboration, listening and delivering beyond expectations. That's how we've always operated. RSP was founded in Minneapolis in 1978 by Sandy Ritter, Don Suppes and Michael Plautz. The trio established an approach to architecture grounded in client service, a healthy respect for and understanding of business, and a foundation of smart design. Thirty-six years later, RSP is one the country's largest, most successful architectural firms.

A few facts about our firm:

- With seven offices and 250 employees across the world, RSP has global reach. Yet, we are grounded in the local market and maintain a staff of more than 30 professionals in Arizona. Our staff in Arizona is active in the community, including leadership presence with AAED and Valley Partnership.
- RSP offers unique services like RSP Dreambox, a brand experience design practice that considers how space impacts our heads and hearts, and RSP i_SPACE, a facilities consultancy practice.
- **Retail represents one-third of the firm's work and stems from the firm's initial client, Target Corporation. RSP has delivered for retailers everything from prototype design and management to ground-up store design, to renovation and interior remodels.**
- Interior Design Magazine listed RSP as one of the Top Ten Fastest Growing Firms in 2014
- **Our Phoenix office was named 2014 Firm of the Year by AZRE | Arizona Commercial Real Estate Magazine's RED Awards (this was the third time we've received this honor)**
- We are #15 in the 2013 Giants of Architecture Report in *Building Design & Construction Magazine*



ABOUT KITCHELL



Kitchell Corporation, an employee-owned company, was established in 1950 by Sam Kitchell. The company provided construction management and general contracting services in the Western United States. As the construction industry grew, Kitchell recognized the need for improved, flexible methods for meeting construction challenges. The firm's innovations in management and its reliability in delivering projects on time and within – or under – budget soon earned a reputation for superior performance.

Having been in business for more than 60 years, Kitchell has proven its long-term stability and financial strength. Kitchell has achieved many milestones and continues to raise the bar for the entire construction industry.

We've spent the last six-plus decades creating customized solutions to deliver projects that exceed our clients' expectations – no easy task when you consider the breadth of industries in which we work. Get a feel for our experience and see for yourself how we've touched communities and projects throughout the country with our wide array of experience.

We know shopping. During the past decade, we successfully built more than five million square feet of retail space, both as a developer of community and neighborhood shopping centers and as a builder of large regional malls and lifestyle centers. In the competitive world of retail, schedules drive the project and tenants drive schedules. We make sure from the beginning of a project that we understand and meet the unique tenant and scheduling issues of each project. In fact, we've established some methods for accelerating project delivery. Our proven methods also can enhance marketability and promote coordination with mall management, permitting, and approval agencies and tenant contractors.

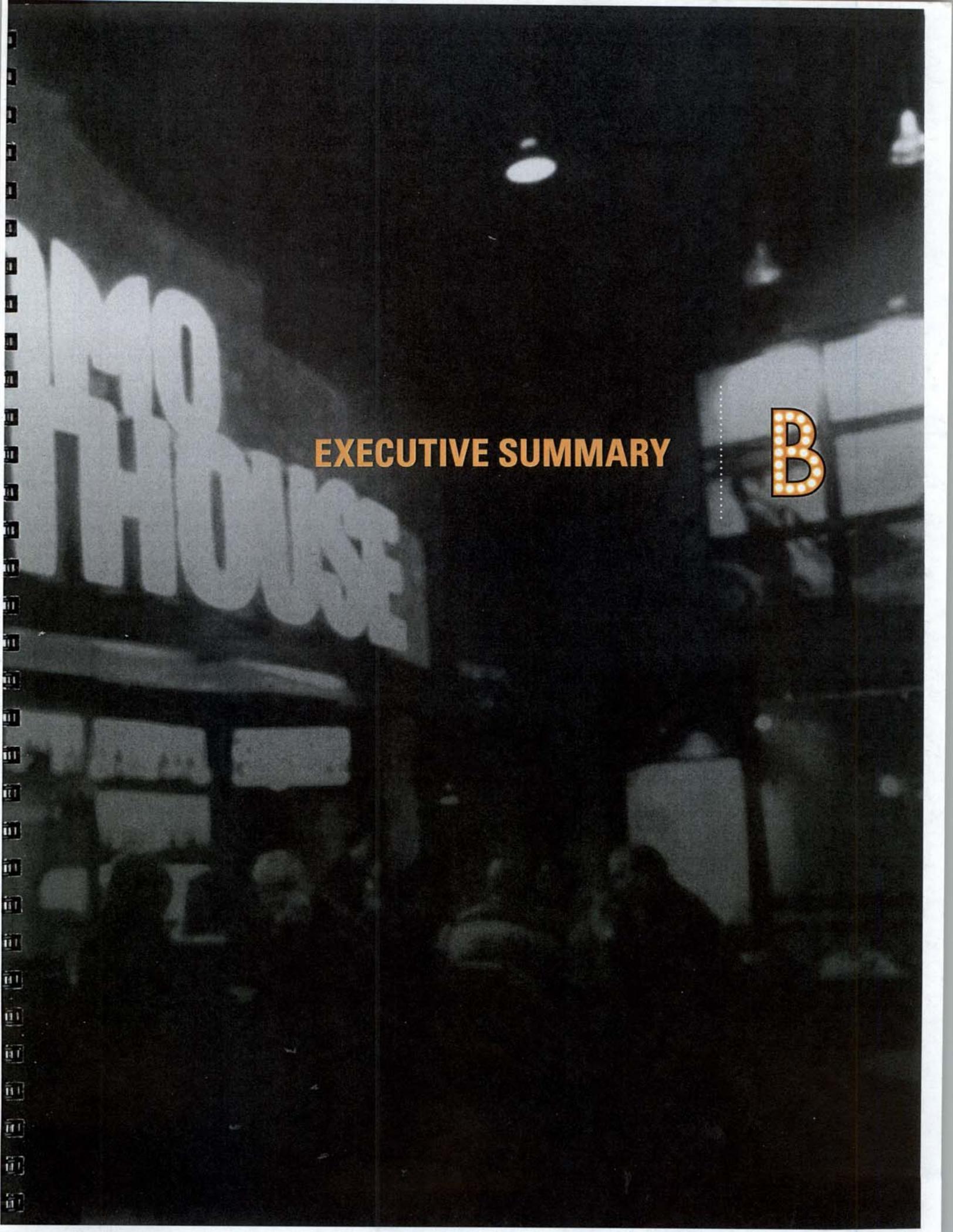
We are proud to be a part of projects that continue to enhance our landscape, including an award-winning project in Arizona, Mountain Ranch Marketplace, which is the first LEED® accredited retail center in the state.

To see a complete Kitchell history and timeline, please visit the About Kitchell page.
www.kitchell.com



RSP ARCHITECTS





EXECUTIVE SUMMARY

B

CREATING A **DYNAMIC** ENTERTAINMENT DISTRICT FOR THE CITY OF CHANDLER

America's Promise Alliance 2011:
**100 Best Cities for Young
People (5-time winner)**



Money Magazine
2012: **Best Places
to Live List (50th)**

B. EXECUTIVE SUMMARY

Martin Sepulveda, a seventh generation Arizonan and a two time Chandler council person has lived nearly all of his adult life in Chandler. Living in and loving his city gave Martin a vision for Downtown Chandler. His vision was to build a team with the experience, financial strength and capacity to transform the city owned property of Sites 1-2-3 in Downtown Chandler. He envisioned a transformation that would deliver measurable, tangible and profound cultural and economic impact. To carry out this vision a team was assembled with over 150 years of development experience, millions of square feet of retail and entertainment developments delivered, and decades of great working relationships with cities all over Arizona. Once this team was assembled it needed an anchor tenant that could bring a signature project to Downtown Chandler: So the search for the best anchor tenant began. An anchor tenant who:

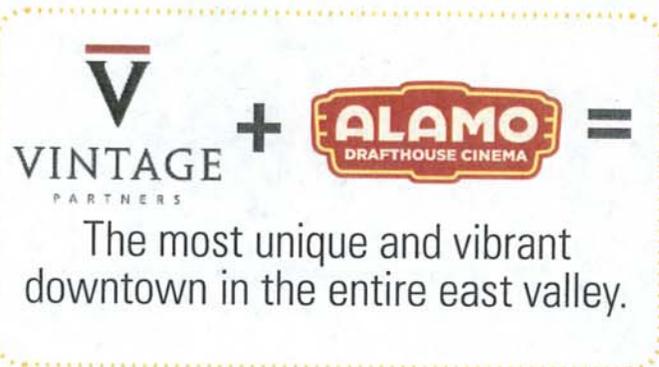
- Would create demand from the best local and national restaurant groups
- Could create momentum and bring additional dense residential development and support to the San Marcos resort and the other outstanding restaurant and retail users already in the downtown
- Possessed a successful track record in DOWNTOWN URBAN developments not suburban mall settings
- Had already been key in rebuilding entire downtown areas
- Could be found nowhere else in Arizona making its placement in Downtown Chandler even more unique and differentiating Downtown Chandler from other east valley downtown areas.

After a national search our team identified that tenant and presented to them the amazing opportunity of Downtown Chandler. The tenant studied Chandler, studied the Downtown, looked at dozens of other possible sites in other east valley cities, and they determined Downtown Chandler provided the greatest opportunity to grow their company and be a part of transforming an entire entertainment district.

The Vintage Partners team is excited to announce **Alamo Drafthouse Cinema** has signed an LOI to partner and anchor the Downtown Chandler Entertainment District. Alamo Drafthouse Cinema is committed to a very aggressive time frame to build a state-of-the-art theater on top of restaurant and retail space and have it complete by the release of the biggest movie of the decade, Star Wars Episode VII, on December 18, 2015.

Our team will deliver this state-of-the-art building designed to continue the momentum and brand already in place in Downtown Chandler. Alamo Drafthouse Cinema has already attracted three other successful restaurant tenants simply by agreeing to anchor the site. We have included the signed LOI's from those restaurants in this proposal.

We know Alamo will continue to do what it has done all over the country: transform urban areas into vibrant hubs of life and commerce.



The most unique and vibrant downtown in the entire east valley.

DEVELOPMENT DESCRIPTION





C. DEVELOPMENT DESCRIPTION

Our team has the opportunity to create a 'Place': an engaging mixed-use Entertainment District that is more connected, more vibrant and more sustainable—a development that will transform Downtown Chandler into the future.

Enhancing the Downtown. The new entertainment district should bridge the gap between the more suburban areas to the north and the traditional historic vernacular south of the sites; **this new development should "look like it belongs"** and be recognizable as a part of Downtown Chandler, yet still have its own identity. This is the moment to engage the immediate surroundings, to engage streetscape with multiple entries and respond to the scale of the site, all while keeping in mind future development. We have explored the options of multiple front doors and developed a connected building – a building that speaks to the way the residents and visitors will engage with the site.

Sites 1-2-3 can be a bridge, a link from the historic city square — to the future — literally, formally and conceptually.

We believe the context of Sites 1-2-3 points toward a solution that transcends a typical urban building, and defies categorization within a single building typology. Chandler Boulevard defines the physical 'edge' of the Downtown. This, coupled with the fact that our site aligns to the South with the historic city center, lends inherent significance. We feel passionately that this development will become a gathering place and energized district which must be designed appropriately to reflect the convergence of the historic past and future vitality. The role of Sites 1-2-3 in the context of our view of Downtown Chandler is one of catalyst. Due to its location, the development will become an informing piece not only for Arizona Avenue but for Downtown Chandler.

Anchored by Alamo Drafthouse, the DC Entertainment District has the attention of a magnitude of retail tenants. AND THE TENANT MIX THAT ENERGIZES. Our development team will be able to hand-pick from the best for the benefit of Downtown Chandler.



the **VIG**





Architectural Design: An urban edge. Within the critical street-level realm, the widest variety of people gather to eat, shop, socialize, and enjoy connection with people. The project's role as 'entertainment district' requires thoughtful consideration of the messages the building will be sending to the visitors, whether these visitors come to enjoy a movie, try a new craft beer, or just to enjoy views of children playing in the Historic park. The social and commercial activities will be conceived in terms of celebrating the interactions of these diverse groups. Consideration of how these groups interact does not, however, end at the sidewalk but permeates the building design. Arizona Avenue today possesses all of the necessary raw material to realize such a place.

Connection. Because we are able to consider all aspects of the multiple sites, we are able to design toward an exponentially better solution. Expanding the 'urban edge' inward from the curb by carving outdoor space through the site allows for a sense of place that extends from the street edge into the project. Extending this space is also imperative not only to promote the interaction of the various program elements but also for a more profoundly sustainable outcome. Breaking apart the traditional block of building enables us to inject light, visual connection, shade and ventilation in addition to maintaining the easements.

IMPACT. Our development will immediately impact visitors to downtown. With a draw of more than 825 seats at any given time, the DC Entertainment District will be unmatched in the Valley.

PROGRAM SUMMARY

Phase 1 - Delivered December 2015

- 40,000 SF Alamo Drafthouse Cinema with 825 Seats and Full Kitchen
- Separately branded 2,500 SF Restaurant and Brewhouse run by Alamo
- 10,000 SF for LOI restaurants - The Vig, Modern Margarita, and La Bocca
- Additional 5,000 SF for ancillary retail and restaurant tenants
- Surface parking for 361

Phase 2 - Future Buildout Based on Demand

- 6,000-10,000 SF PAD targeted for yoga, dance, fitness
- 48 Residential Units along Chandler Boulevard
- Parking structure

FINANCIAL STRENGTH

FINANCING

INVESTMENT FROM CITY

**D
E
F
I**

D. FINANCIAL STRENGTH | E. FINANCING | I. INVESTMENT

THE COMBINED TEAM OF VINTAGE PARTNERS AND KITCHELL DEVELOPMENT HAVE DELIVERED MILLIONS OF SQUARE FEET OF RETAIL AND ENTERTAINMENT DESTINATIONS. FOR DECADES **THIS GROUP HAS DEMONSTRATED THE FINANCIAL CAPABILITY TO SUCCESSFULLY DEVELOP AND COMPLETE PROJECTS ON A TIMELY BASIS.** THE PROJECTS ON THE FOLLOWING PAGES DEMONSTRATE VINTAGE PARTNERS' AND KITCHELL DEVELOPMENT'S TRACK RECORD FOR SUCCESS, PRIMING US FOR THIS TRANSFORMATIONAL PROJECT



Marana Center Marana, AZ

Marana Center is a 160 acre mixed-use commercial development located on the SEC of Twin Peaks Road and Interstate 10. The development is anchored by the Tucson Premium Outlets which are scheduled to open in late 2015. The property is adjacent to the only full diamond interchange in this sub-market which includes a waterway, freeway and railway crossing. Construction of this interchange was completed in 2010 at a cost of \$80M dollars giving this site superior access over all freeway property ten miles in both directions. KIMCO (One of the largest REIT's in the country) partnered with Barclay Development to purchase, zone and entitle the site in 2006. Vintage Partners secured \$32,000,000 of equity commitments to complete the purchase in December of 2013 and complete the necessary offsite infrastructure which is currently under construction.

Client Contact:
David Scholl
5246 E. Fanfol Drive
Paradise Valley, AZ 85253
602-525-3469
david@vpholdingsaz.com



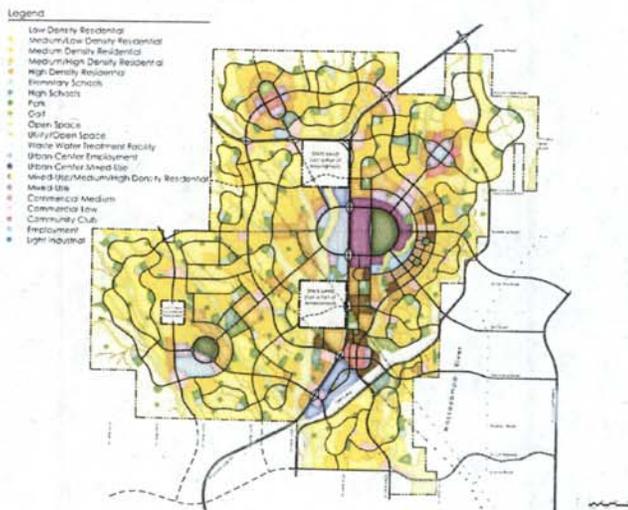


Chandler Fashion Center and Village Chandler, AZ

The Chandler Fashion Center and Village is a 400 acre, 2,000,000 square foot regional mall. The \$300,000,000 project involved over 12 years of development that included joint development partnerships with landowners, a public/private partnership with ADOT for frontage roads and subsequent right of way for both the 101 and 202 freeways, successful lease negotiations with the key tenants such as Dillard's, Macy's, Nordstrom's, Target, Lowes, The Apple Store and Gap as well as a strategic alliance with the City of Chandler. More than 10 years later, the property continues to be a core asset for the Macerich portfolio of properties (NYSE: MAC). This project was financed with a combination of equity, private equity, insurance and pension fund partners.

- Delivery October 2001
- David Scholl, Robert Williams and Michael Treadwell

Client Contact:
David Scholl
5246 E. Fanfol Drive
Paradise Valley, AZ 85253
602-525-3469
david@vpholdingsaz.com



Douglas Ranch Buckeye, AZ

Douglas Ranch is a 33,000 acre master planned community located adjacent to the White Tank Mountains in Buckeye, Arizona. While at El Dorado Holdings, Monty Ortman and his partner secured \$133,000,000.00 to purchase a joint development interest in the property, as well as the managing development role to begin the multi-year process of creating a new community which when complete will provide over 100,000 new jobs and 250,000 new residents to the Town of Buckeye. Although most master planned communities in the west valley have struggled to remain viable during this recent recession, Douglas Ranch has not wavered in its commitment to create a highly desirable lifestyle atmosphere for current and future residents, schools and businesses. The ability to withstand fluctuations in the economy for such a large project is a testament to El Dorado's conservative and consistent approach in raising all \$133,000,000.00 as equity capital with no debt.

- Delivery May 2003
- Monty Ortman

Client Contact:
Monty Ortman
28 Biltmore Estates Drive,
Phoenix, AZ 85016
602-432-6999
monty@edwardandcompany.com

D. FINANCIAL STRENGTH | E. FINANCING | I. INVESTMENT

ECONOMIC GOAL

Our team intends to deliver on the decade long vision of the Chandler City Council to bring life and vibrance to downtown. We are confident Alamo Drafthouse Cinema will deliver what it has in numerous downtown areas, the ability to create a destination where retail and restaurant development follows. Alamo Drafthouse Cinema will anchor an entire Entertainment District by bringing hundreds of patrons on a daily basis. These Alamo patrons will also be spending dollars in the Entertainment District at other restaurants and retail shopping. Alamo Drafthouse Cinema has built many downtowns, uptowns and urban settings. Alamo Drafthouse Cinema is a proven model of entertainment for the future growth of the downtown and they are a proven engine of development growth in downtown and urban areas.

OUR TEAM SELECTED ALAMO DRAFTHOUSE CINEMA AFTER A NATIONWIDE SEARCH FOR A TENANT WHO COULD ANCHOR AND GROW AN ENTIRE ENTERTAINMENT DISTRICT

Our broadest economic goal is to create an engine of growth for an entertainment district. Downtown Chandler will become the downtown destination of choice over all other east valley downtowns as there will be no other downtown location of Alamo Drafthouse Cinema. When the city of Chandler chooses our team, they will have a world class development team bringing a tenant exclusive to the Chandler downtown. The development team has proven its ability to the City of Chandler in the past by delivering one of the great destination mall shopping experiences in Arizona, Chandler Fashion Center. We are now ready to deliver an entertainment tenant that other east valley cities will never be able to claim.

This is a proven development team with the best possible tenant to draw hundreds of restaurant patrons and shoppers to the downtown and create an economic engine that will fuel the growth of the downtown for years to come. In addition to strong growing sales tax revenue, our development will bring a millennial demographic, providing opportunity for the residential housing growth the downtown will need to sustain and support a vibrant downtown. Sales tax revenue, massive numbers of shoppers, restaurant patrons, new tenants and explosive residential growth: these are the kinds of impacts Alamo Drafthouse Cinema has generated all over the country.

ECONOMIC MODEL

Our economic model conceives the delivery of a stunningly unique building that only Chandler will be able to claim. We have identified the best anchor in the country: Alamo Drafthouse Cinema. This anchor brings significant requirements to a site with significant constraints. In order to deliver this kind of tenant our development team had to create a solution that could deliver an 825-seat theater as a way to activate the entirety of sites 1, 2, and 3. To do this we have designed a two-story theater building with retail and restaurant space on the ground floor and active ingress and egress through the buildings, creating a pedestrian connection that encourages and allows for the future development of the balance of sites 1, 2, and 3.

To deliver this project we will need to work closely with the City of Chandler to understand what incentives are in the current budget. We anticipate the Development Agreement negotiations will allow us to have a completely open book with the city regarding development costs. We also anticipate the city is looking to provide any useful incentives to the property transaction. We believe the speed with which Alamo Drafthouse Cinema intends to deliver its theater (December 18, 2015 in keeping with the release of Star Wars Episode VII) creates some very significant financial challenges for the development team. These challenges will direct the development of sites 1, 2 and 3 in a two-phased approach. The goal of delivering the Alamo Drafthouse Cinema in time for Star Wars Episode VII will direct us to develop the DC Entertainment District with a first phase and surface parking solution followed closely with a city supported parking garage solution. This will allow the development team to make the deadline and prepare for the development of the balance of the site when demand is created.

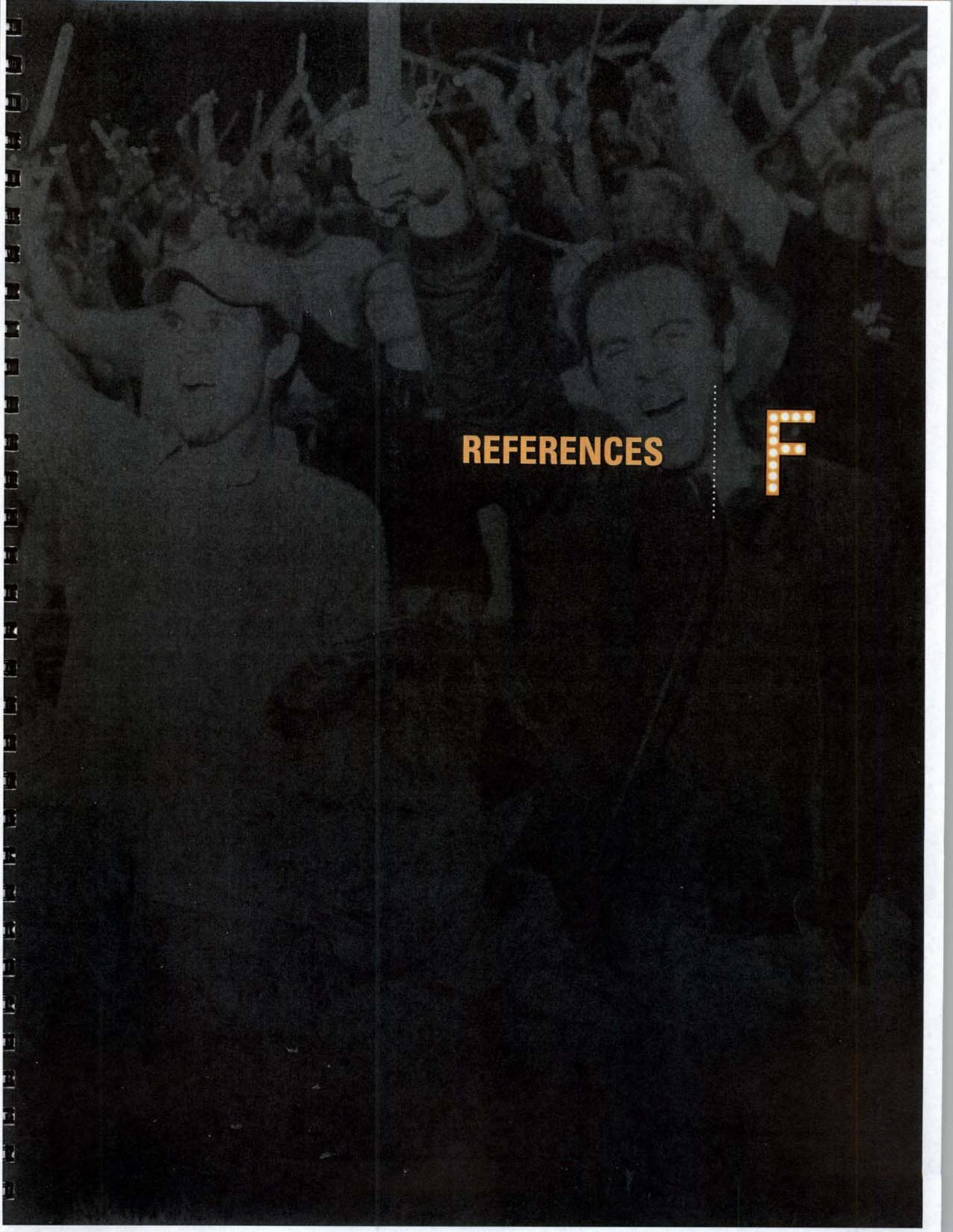
Our economic model is simple. Vintage Partners has already secured an anchor tenant who will create demand for the balance of the entertainment district. In order to secure this tenant, the Vintage Partners team will be under significant risk and cost to build on a very short timeline. We will look to the city for a partnership in developing this site. Because of building expense and limitations on lease rates for the initial tenants, we will look to a Development Agreement to help with the overall economic risk of this entertainment district.

Alamo's success as an economic driver for new development surrounding their locations can be seen in Austin (www.lamarunion.com), Brooklyn (www.citypointbrooklyn.com) and Washington DC (www.oneloudon.com)



Vintage Partners, with 25 years of retail development, has demonstrated an ability to bring the best tenant mixes to the city of Chandler.

Vintage Partners principals have created vibrant centers whose impact on local revenues has been proven for over 15 years at Chandler Fashion Center. In order to secure the highest tax revenue for the city it is essential the city select a development partner with a proven track record in generating tax revenue. Vintage Partners is proven in their ability to generate economic benefit to municipalities.



REFERENCES

F

AT VINTAGE PARTNERS WE BELIEVE THAT PEOPLE & PLACE MATTER

And this philosophy is visible in all that we do.

F. REFERENCES



Chandler Regional Mall Marketplace Shops Westcor/Macerich

All Marketplace shops built around the Chandler Regional Mall. Target, Lowes, Costco.

Contact: John Propstra
Principal, Propstra Management Company

5108 N 40th Street #5
Phoenix, AZ 85018
602.955-5816
johnpropstra@gmail.com

Redevelopment Biltmore Fashion Park Westcor/Macerich

Contact: Debra W. Stark, AICP
Director of Planning & Development

City of Phoenix
200 W. Washington Street,
Phoenix, AZ 85003
602.262.6656
debra.stark@phoenix.gov

Chandler Regional Mall Westcor/Macerich

Destination mall featuring Nordstroms, Pottery Barn etc.

Contact: Tracey Gotsis
Former Executive Vice President, Westcor

115 E. Claremont Street,
Phoenix, AZ 85012
602.300.6318
tgotsis@cox.net

F. PROJECT EXPERIENCE



Uptown Plaza | Vintage Partners

Phoenix, AZ

Vintage Partners was selected to re-develop, and re-tenant an iconic shopping center originally opened in 1955. Uptown Plaza was originally opened by the Del Webb Company in a partnership with ICSC founder Roy Drachman as the first suburban shopping center in Phoenix, Arizona.

Vintage Partners will build value for our partners by attracting iconic local, regional and national tenants to this historic development in the heart of central Phoenix.

Uptown Plaza is literally a shell of its old self, buried under decades of stucco and other outdated 'improvements,' and suffering from chronic vacancy due to its economic and physical obsolescence, says Vintage Partners Principal, David Scholl. "As long time Phoenix residents and specialist in retail development, we felt this landmark property needed an infusion of capital and a carefully thought out renovation and re-merchandizing to restore Uptown Plaza as one of the Valley's most desirable retail destinations."

And while this suburban shopping mall might have been a revolutionary experience at the time, it was the vibrant, wholly unique tenant mix that truly made Uptown Plaza a must visit. Including the swanky Navarre's restaurant (currently Sweet Tomato's) and the super-sleek Helsing's Coffee Shop (demolished), Uptown was home to everything from Jerand's of Arizona fine fashions and Bostrom's department store, to the national grocery chain, Piggly Wiggly (currently AJ's Fine Foods).

- **Urban in-fill development**
- **Unique local tenant-mix**
- **Sam Fox and Upward Projects Restaurants**

F. PROJECT EXPERIENCE



Scottsdale Fashion Square | Vintage Partners
Scottsdale, AZ

Originally built as an outdoor community center in the '60s, Scottsdale Fashion Square has been through a series of dramatic transformations. The first phase of redevelopment occurred in the mid '80s when the center was enclosed. Subsequently, it was connected to another enclosed shopping mall to the west in the '90s, and then expanded south with a bridge over Camelback Rd. to a new Nordstrom in 1998. Most recently, it was expanded to the east to accommodate the addition of Barney's New York. Today, SFS is the largest super regional mall in the southwest at over 2,000,000 sf, and boasts of the highest sales volumes in the state. It is Arizona's luxury shopping destination and a "must see" experience to more than 10,000,000 tourists a year who come to Scottsdale.

- **Developed in 9 phases between 1986 and 2008. More phases in the future.**
- **Redevelopment of outdoor community center into a 2 million square foot super regional enclosed mall. Largest mall in the southwest anchored by Dillard's, Macy's, Neiman Marcus, Nordstrom and Barney's NY.**
- **Originally purchased for \$23 million. Today worth close to \$1 billion.**
- **Required significant development agreement with neighbors and City of Scottsdale.**
- **Almost every major national shop tenant is in place.**



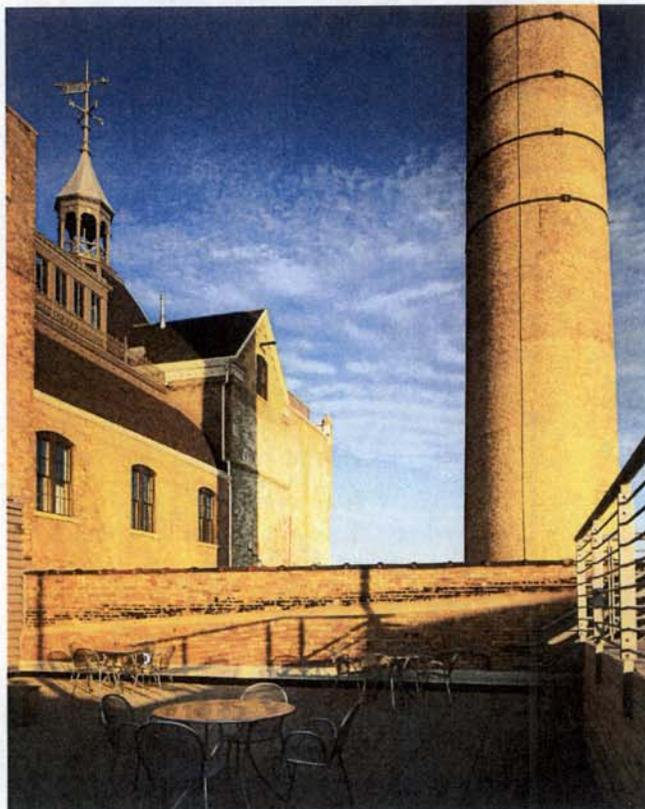
La Encantada | Vintage Partners
Tucson, AZ

Setting a new standard for luxury shopping in the Sonoran Desert, La Encantada is a two level, outdoor specialty center that celebrates the splendor of old-world Spanish traditions alongside modern sophistication. La Encantada was specially designed for an until-now underserved upscale market, which encompasses high-income desert dwellers, a robust corporate community and the 38,000-student, research-intensive University of Arizona. Nestled in the foothills of the Catalina Mountains and inspired by the rough-hewn beauty of the desert, La Encantada has become an appealing draw not only for discerning local shoppers, but also for wealthy Mexican Nationals.

- **Developed between 2000 and 2002.**
- **\$65 million ground up lifestyle center.**
- **Anchor tenant is an AJ's – Good relationship with Bashas'.**
- **Many lifestyle tenants.**
- **Required sensitivity to neighborhood and achieved a good community outreach and support.**



F. PROJECT EXPERIENCE



Grain Belt Brew House | RSP Architects

Minneapolis, MN

RSP designed the renovation and adaptive reuse of the historic Grain Belt Brewhouse for use as our office and studios. Since it first opened in 1891 until the present day, the Brewhouse has been a treasured landmark for the neighborhoods of Northeast Minneapolis. Renovation design preserved the rare mix of Neo-Romanesque, Late Gothic, Second Empire, and Neo-Baroque architectural styles that helped place this unique industrial property on the National Register of Historic Places.

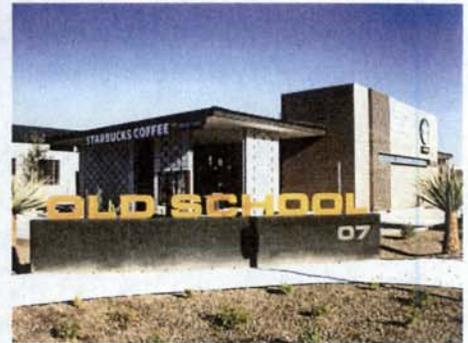
Our design strategy was to clearly differentiate between new and existing elements. The existing historic fabric was repaired and refinished while new office components were designed in a compatible, yet contemporary style with an aesthetic that does not create the impression of "false historicism." This project won the 2005 National Preservation Honor Award from the National Trust for Historic Preservation.



“Today, our community delights in the miracle transformation of Grain Belt – a building that has been dark for nearly one quarter of a century impeding the community’s dream and hope of revitalization of this riverfront district. This jewel shines today thanks to the exterior cleaning, window replacements, and the vibrancy of the 300 people coming to work each day..”

-Joe Biernat – Minneapolis City Council Member

F. PROJECT EXPERIENCE



Old School 07 Taco Guild | RSP Architects Phoenix, AZ

'Old School 07' is an adaptive re-use and urban-infill project at the corner of 7th Street and Osborn Road in central Phoenix. The site's history dates back to 1886, when the original building was the Osborn School House, from which the project name originates. The existing church was constructed in 1948 and was re-purposed as a new restaurant (Taco Guild) while the existing school building serves as new shop space. Complementing the adaptive reuse of the church and school buildings is a newly built Starbucks location where the carefully crafted design reflects the mid-century heritage of the existing church building. The architecture of the new building draws from the mid-century heritage of the surrounding area while its design aesthetic also informs the renovation of the church and school building. Focusing on key elements of 'true, local, and renewal' the project was envisioned to bring new life and energy into the existing neighborhood.

Repurposing older buildings in the core of the city to accommodate this influx makes sense. The substantive nature of an older building proves in the long term to be more sustainable than a new building from a cost-of-ownership perspective. Older buildings have heavier construction that lasts longer and the authenticity of original building materials can be very appealing. It is a balance between the need for modern amenities with the responsibility to preserve important historical elements. For instance, the church campus that dates back to the 20th century retained its beautiful wood ceiling and stained glass windows. To further honor the past of Old School 07's location, an art display showcasing the site's history is integrated on an outside wall next to the commercial/retail space.

F. PROJECT EXPERIENCE



The Yard | RSP Architects Phoenix, AZ

An urban infill, adaptive reuse project that was once an aging motorcycle dealership, The Yard is a unique restaurant and retail complex designed to be a home away from home for residents of the nearby North Central Phoenix neighborhoods. Situated on a compact 50,000 square-foot site along a high-traffic roadway, The Yard consists of an 11,100 SF outdoor seating and game area and a 9,000 SF building.

The project benefits the North Central Phoenix area by developing an economically viable restaurant and retail complex to the area that also offers walkability and bicycle access to those who live and work in the vicinity. It is a "third place" that is located in the neighborhood. The Yard also follows the emerging trend in Phoenix to adaptively reuse existing buildings, which eliminates landfill waste and unnecessary CO2 emissions. The repurposing

of the former motorcycle dealership allowed for the uniqueness of The Yard's aesthetic. To extend the theme of adaptive reuse to design elements, many of the materials were existing and reused, such as reclaimed wood, the bathroom doors and concrete floors. Techniques, such as soda blasting and rubbing new wood frames with vinegar to create an aged appearance, were used to create a cohesive look throughout the project.

The design concept emphasized authenticity of place and highlighted Sam Fox's two concepts: Culinary Dropout and Little Cleo's Seafood Legend. The Yard's adaptive reuse theories blend the brand elements of maverick, iconic, unexpected, and authentic in a cohesive way. Authenticity was demonstrated through the reuse of materials and making the original 1950s architecture a focal point of the design.

F. PROJECT EXPERIENCE



Studio 5c | RSP Architects

Tempe, AZ

Studios 5c is a 26,000 sf urban mixed-use design building on a 1/4 acre site, creating a compact and dynamic environment encompassing offices for creative professionals, restaurants, executive suites, a parking garage and an interim transit center for the City of Tempe. The building's site, close to ASU's Tempe campus, and in the heart of downtown Tempe, used to be home to the Tempe Greyhound bus terminal. The building demonstrates the realization of the City's desire to have its urban buildings completely fill their lots, with 'zero' building setbacks and easy pedestrian and vehicular access. At the time of design, the team was already envisioning transit-oriented design; forward thinking to the future LRT transit station that is now adjacent to the building.

The building's circulation space, between offices as well as vertically through the building, has been placed outside the building skin to minimize the amount of air-conditioned interior space.

RSP's Phoenix office is housed in this unusual urban space and is approximately 8,000 sf. Many of the design elements - high ceilings, exposed structural members, natural concrete masonry units, bare concrete floors and industrial style windows reflect a style reminiscent of the industrial loft conversions found in major metropolitan areas.

F. PROJECT EXPERIENCE



Postino Annex | RSP Architects

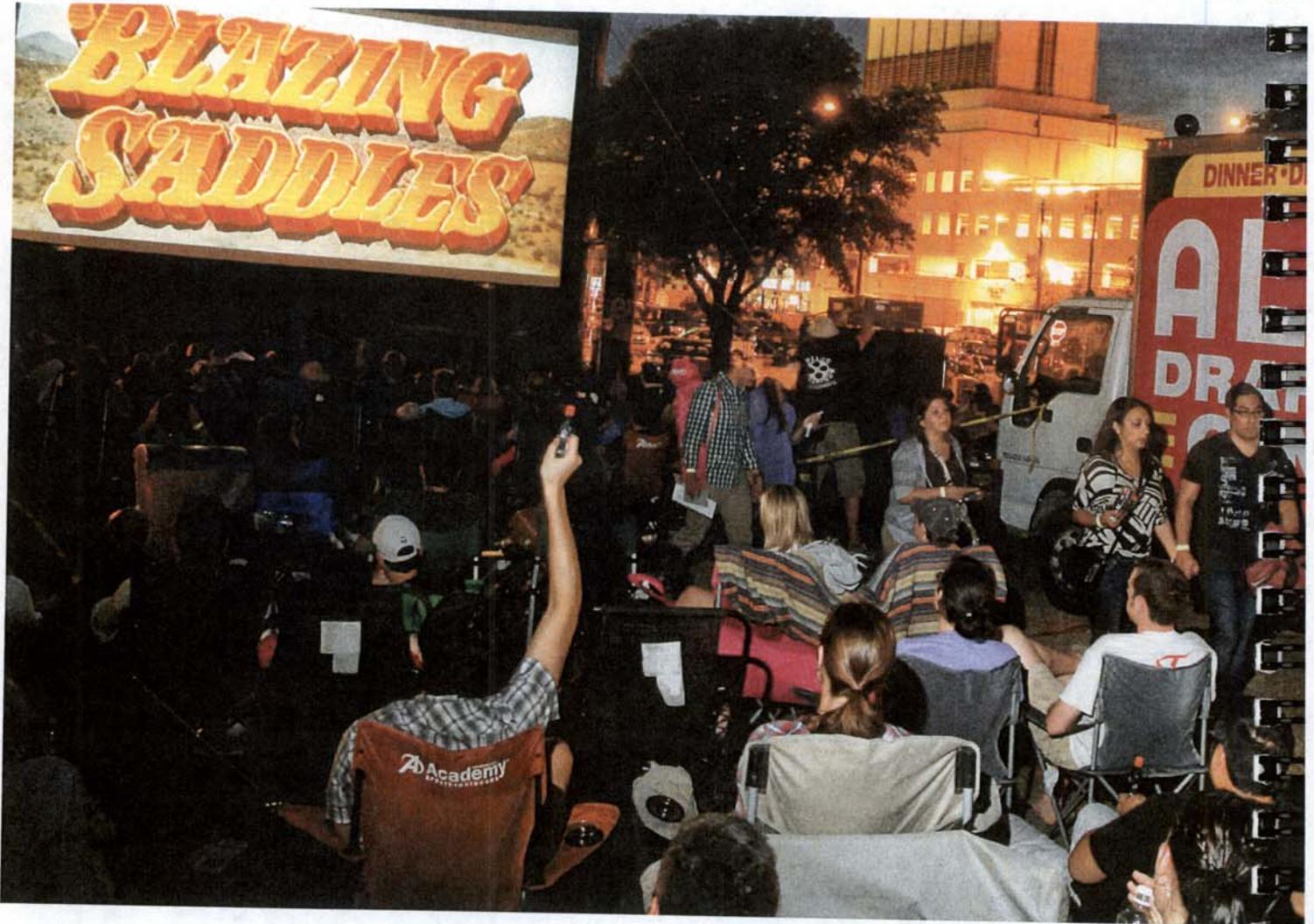
Tempe, AZ

Real estate developers Wetta Ventures, RSP Architects and Michael Rumpeltin joined together on the adaptive reuse project that transformed an unassuming 1950s building into an eye-catching modern restaurant. Arizona State University's red brick schoolhouse, turned art studio, turned wine cafe is an ultimate adaptive reuse project. The new restaurant and wine bar is located inside the historic Art Annex building, just steps from the heart of the ASU campus. The 4,200 sf restaurant and wine bar is the largest of the Postino locations to date. The design is tailored to the blossoming Tempe neighborhood. Roll-up garage doors along the east side of the building lead out to a spacious patio described as "Fern Gully." Along with metal tables and chairs, the outdoor dining space features wooden planter boxes with a variety of plants and cozy seating areas with sofas, chairs, and a large fireplace. The restaurant features an indoor-outdoor

bar that offers plenty of seating. The space is also equipped with a large catering kitchen. The dining room's red brick is original, as are the wood beams. The kitchen used to house a patio with a large kiln where art students would fire pottery. The center aisle now has a row of booths where there used to be studios for artists. All of the furniture was either custom-made for the restaurant or sourced from local vintage shops. Vintage pieces include the set of coordinating couches in the rear of the restaurant and a yellow rolling cart. A set of custom-made bookcases set off a large table from the rest of the dining room.

This project was designed responsibly using local resources with consideration of the location and patrons. In the end, this restaurant blends well into the complex and adds to the energy of the neighborhood.

F. PROJECT EXPERIENCE

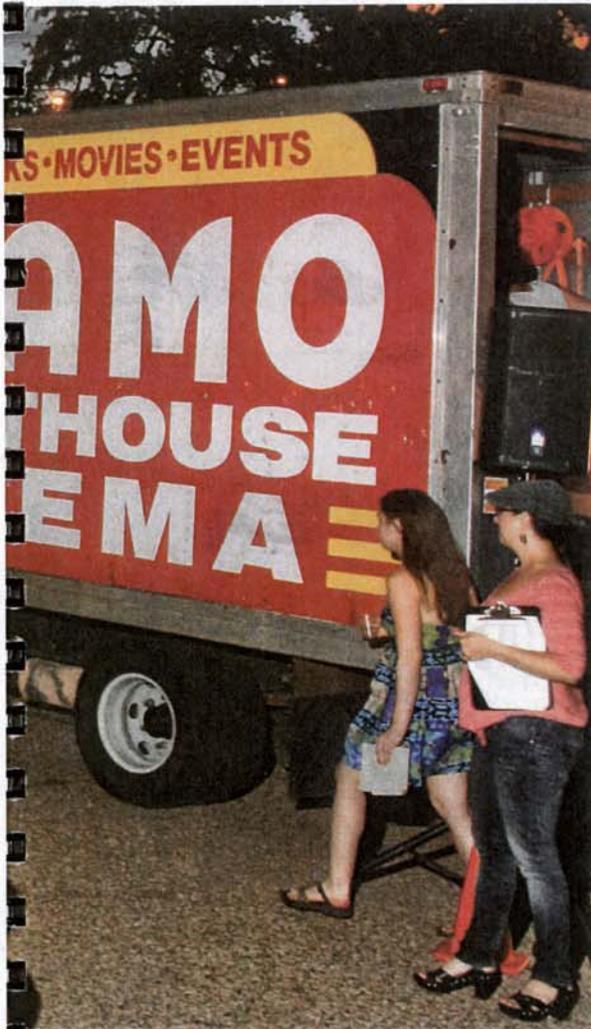


Alamo Drafthouse Cinema

Locations Nationwide

- **California**
 - The Bloc - Downtown Los Angeles
 - New Mission Theater - San Francisco
- **Colorado**
 - Alamo Drafthouse at Aspen Grove - Littleton
- **Michigan**
 - Alamo Drafthouse Kalamazoo - Kalamazoo
- **Missouri**
 - Mainstreet Theatre - Kansas City
- **New York**
 - Alamo Drafthouse Yonkers- Yonkers
 - Alamo Drafthouse City Point - Brooklyn
- **Texas**
 - Alamo Drafthouse at the Ritz – Austin
 - Alamo Drafthouse South Lamar – Austin
 - Alamo Drafthouse Village – Austin
 - Alamo Drafthouse Lakeline – Austin
 - Alamo Drafthouse Lake Creek – Austin
- **Virginia**
 - Alamo Drafthouse Montecillo Town Center - El Paso
 - Alamo Drafthouse West Oaks Mall – Houston
 - Alamo Drafthouse Vintage Park - Spring
 - Alamo Drafthouse Mason Park – Katy Area
 - Alamo Drafthouse Lubbock - Lubbock
 - Alamo Drafthouse Westlakes – San Antonio
 - Alamo Drafthouse Richardson - Richardson
 - Alamo Drafthouse Park North - San Antonio
 - Alamo Drafthouse Stone Oak - San Antonio
 - Alamo Drafthouse Slaughter Lane - Austin
 - Alamo Drafthouse The Cedars - Dallas
 - Alamo Drafthouse Las Colinas - Las Colinas
 - Alamo Drafthouse Laredo - Laredo

F. PROJECT EXPERIENCE



Lamar Union, Austin, TX



CityPoint, Brooklyn, NY

ALAMO DRAFTHOUSE CINEMA IS THE FUTURE OF ENTERTAINMENT. The diversity of their entertainment offering is proven in over twenty locations as diverse as Austin, Texas and Brooklyn, New York. ***Alamo appeals to the broadest spectrum demographic necessary to create a real destination in downtown Chandler.***

F. PROJECT EXPERIENCE



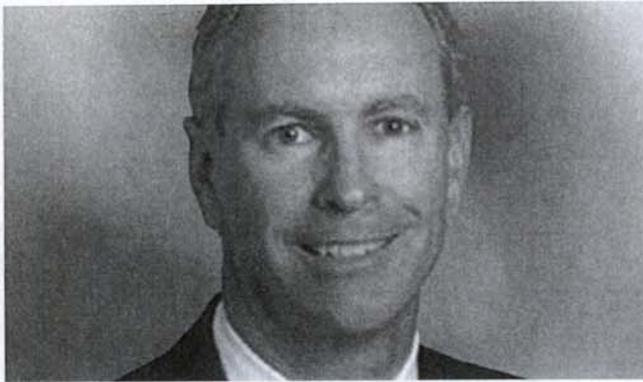
Scottsdale Fashion Square Phase 10 | Kitchell Scottsdale, AZ

Since Kitchell built the original three-story open-air mall in 1961, we have shared a long and fruitful relationship with the two-million SF Scottsdale Fashion Square. For this tenth chapter, Kitchell conducted comprehensive infrastructure work and created new retail spaces. Adjacent to residential communities, work was done with strict adherence to City of Scottsdale codes to avoid disrupting the community.

During the preceding Phase 9, completed in 1999, Kitchell created an innovative phasing plan enabling completion of major renovations and expansion projects in just 17 months.

- **New 200,000 SF of retail space**
- **62,000 SF Barney's department store shell**
- **Demolition of Robinsons-May department store and parking garage**
- **New post-tension 270,000 SF, two-level, 474 space underground parking structure**
- **Rerouted 1200 pair of phone lines and existing sewer lines to remain operational throughout**
- **Rerouted water, fire and power lines around site to keep the mall operational**

F. OUR TEAM



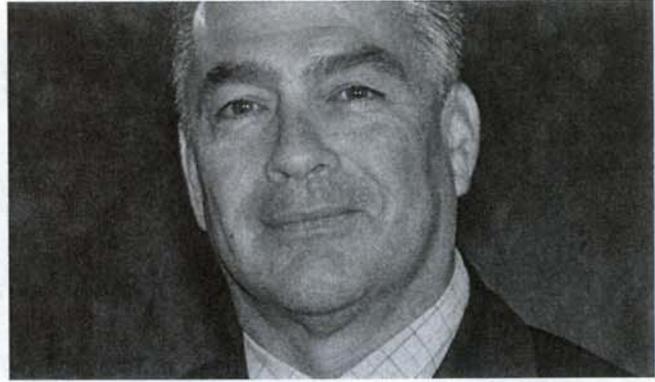
David C. Scholl
Vintage Partners
Partner

Throughout his career David has been involved in almost all aspects of the real estate development process including land acquisition, joint venture structuring, entitlements, finance, proforma development, construction, leasing and management. David has experience in a variety of property types including regional malls, power centers, neighborhood centers, lifestyle centers, office properties and golf properties.

Prior to the formation of Vintage Partners, David was a Senior Vice President of development for Westcor. He oversaw ground-up development and redevelopment for Macerich's Arizona portfolio. A 39-year resident of Phoenix, David was with Westcor for 24 years.

David is active in many aspects of the shopping center development industry. He is a member of the International Council of Shopping Centers (ICSC) and the Urban Land Institute (ULI). He also serves on the Executive Committee as Treasurer for the Arizona District Council of ULI, a member of the Arizona ICSC Government Affairs Committee and serves on the board of Valley Partnership.

David earned his Bachelor of Science degree from the Eller College of Management at University of Arizona and his MBA degree from the W.P. Carey School of Business at Arizona State University. After graduating from Arizona State University, Scholl worked with the Phoenix office of Coldwell Banker as a broker -trainee. In 1984 he joined Westcor in the arena of income property acquisition.



Martin Sepulveda
Development Consultant

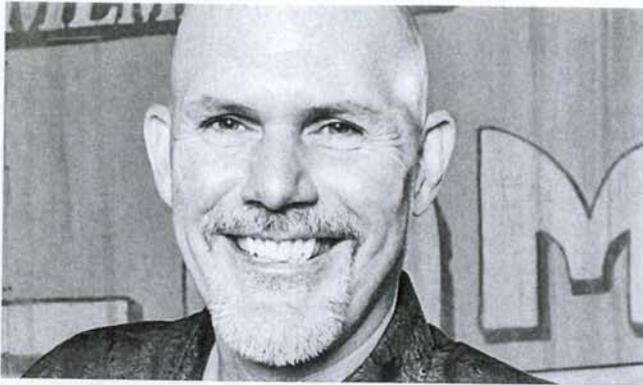
Martin is a seventh-generation Arizonan who serves his country, state and community in many different capacities. He is a combat Veteran, accomplished businessman, community leader and devoted family man. He began his professional career in municipal economic development. Before leaving the public sector for the private sector, he served as a senior business development representative for the Arizona Department of Commerce.

During his time in the public and private sector, Martin served two non-consecutive terms on the Chandler City Council - March 1995 to January 2000 and June 2004 to January 2009. He has been an active member in the community for many years. He joined the East Valley Partnership in 1993 and served on the Executive Board as Secretary and Vice Chair. He is currently an Ex Officio member. Additionally, he is the President of the Chandler Historical Society and served on the Board of Directors of the Chandler Education Foundation and is a life member of the Arizona State University Alumni Association.

Martin's family has been in the East Valley for over 145 years, he has lived in Chandler for the past 28 years. His involvement will ensure the history and character of Downtown Chandler is maintained, while furthering the economic initiatives that make Chandler a great community.

Martin earned a Bachelor of Science degree in Communication from Arizona State University. Following graduation, he enlisted in the US Marine Corps and subsequently earned a commission in the US Navy. In 1988, he left active duty military service to pursue his civilian career but continues to serve as a Commander in the United States Navy Reserve.

F. OUR TEAM



Craig Paschich
Alamo Drafthouse Cinema
President and Arizona Franchise Owner

Craig has 30 years experience in the restaurant and theater industry. The past 6 1/2 years have been with Alamo Drafthouse Cinema where Craig has held Vice President of Operations, Chief Operations Officer, Chief Development Officer and President positions. While Craig has been with Alamo, the company has grown from 6 to 19 venues and generated revenues of \$40 million to over \$120 million. Previously, Craig worked for Johnny Carino's Italian Restaurants for more than 8 years where he last served as Vice President of Operations overseeing company and franchise operations. While Craig was with Carino's they grew from 6 locations to 191. Craig has also served as part of a franchise group with Cheddars Casual Café, owned his own Bourbon Street Bar and Grill restaurant and held positions with Red Lobster and County Line BBQ.



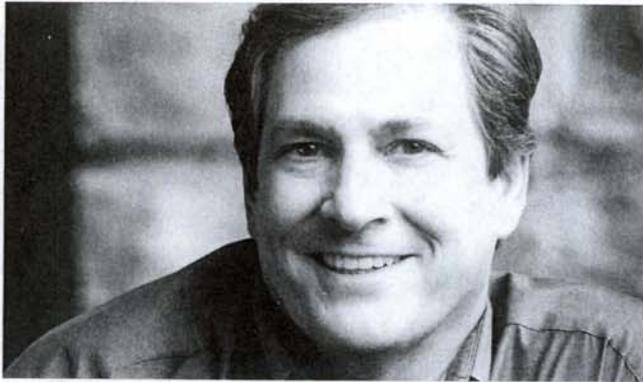
Kim Paschich
Alamo Drafthouse Cinema
Arizona Franchise Owner

Kim has been in the restaurant industry for 26 years. The past 7 years have been with Engel Management Services where her responsibilities included Licensing, Director of Human Resources, Training and Recruiting for up to 9 local brands in Austin, Texas. Previously, Kim was consulting with concepts such as Ruth's Chris Steak House, Maggiano's and Fish City Grill. Prior to consulting, Kim served as Director of Training for Johnny Carino's Italian Restaurants. Kim started her career with Brinker International supporting the brand of Chili's while also working with the brands of Spageddies (currently Carino's) and Kona Ranch Steak House. During her 13 year tenure with Brinker she lived in Australia and England supporting training and operations for Brinker International's franchise partners in 13 different countries throughout Europe, Asia, Australia and the Middle East. During Kim's time with both Brinker International and Carino's, she assisted in over 100 restaurant openings throughout the world.

Craig and Kim Paschich are the principal developers and owners of the Arizona Market.

ALAMO DOESN'T CHOOSE TO COME TO A NEW MARKET WITHOUT SIGNIFICANT RESEARCH AND DEDICATION. THE ARIZONA MARKET IS SO IMPORTANT TO THE ALAMO BRAND AND ITS FUTURE THAT THE PRESIDENT OF ALAMO, CRAIG PASCHICH, IS MOVING WITH HIS FAMILY TO ARIZONA TO START THE FRANCHISE LOCATION IN CHANDLER.

F. OUR TEAM



Joe Tyndall, AIA
RSP Architects
Architectural Principal-in-Charge

Joe has more than 33 years experience in planning, design, master planning and project management for a wide variety of project types, with emphasis on large mixed-use complexes incorporating hospitality and entertainment venues. With a strong focus on collaborative design, many of his projects have emphasized a philosophy that Joe terms "placemaking", whereby many aspects of the design – including urban planning, architecture, interior design, wayfinding and relationships between buildings on the site are completely integrated to develop a holistic approach to design. As the managing principal of our team, Joe assures the quality of our service and performance. He is a registered architect in Arizona, California, Connecticut, Hawaii, Idaho, New Mexico, Nevada and Oregon and holds a Bachelor of Architecture from Arizona State University.

Relevant Experience

- Studios 5c, Tempe, AZ
- The Yard, Phoenix, AZ
- Sheraton Downtown Phoenix Hotel, Phoenix, AZ
- The Palmerie™, Scottsdale, AZ
- Town Square, Fountain Hills, AZ
- Foothills Mall, Tucson, AZ
- Paradise Valley Mall, Westridge Mall and Flagstaff Mall, AZ
- Palm Springs Mall, Palm Springs, CA*
- Scottsdale Pavilions, Scottsdale, AZ*
- Biltmore Fashion Park, Phoenix, AZ*
- Village at Troon, Scottsdale, AZ
- Target, locations nationwide
- The Musical Instrument Museum, Phoenix, AZ
- College Avenue Master Planning, Tempe, AZ

**Projects completed while associated with a different firm*



Ryan Cochran
Kitchell Construction
Director of Development

Ryan has been a key member of Kitchell Development Company for the past seven years. He has overseen many of the company's retail, office, and multifamily developments in Arizona. Ryan's projects include McDowell Mountain Business Park, Lakes Towne Center, Parcland Crossing, Grand Village Center, and Gateway 202 Airpark. Prior to Kitchell, he was involved in commercial real estate development and marketing at Etkin Johnson Group and CB Richard Ellis in Denver, Colorado. Ryan is a member of the International Council of Shopping Centers (ICSC), Urban Land Institute (ULI), Arizona Multi-housing Association (AMA), and National Association of Industrial and Office Properties (NAIOP) and received a Masters in Business Administration and Master of Science in Real Estate, with distinction, from University of Denver. He received a Bachelor of Science in Economics from Southern Methodist University.

Relevant Experience

- McDowell Mountain Business Park, Scottsdale, AZ
Two Class A office buildings, consisting of approximately 127,000 square feet each, plus a branch bank pad at the northwest corner of the site.
- McDowell Mountain Business Park, Scottsdale, AZ
16-acre urban redevelopment project located at the southwest corner of Rural and Baseline roads.
- Parcland Crossing, Chandler, AZ
The project includes more than 30 contemporary structures easily viewed from the freeway.
- Grand Village Center, Surprise, AZ
Del Webb's master-planned communities, this 43-acre community center is anchored by a Safeway supermarket, Walgreens pharmacy and Beall's Outlet.

DESIGN INFORMATION

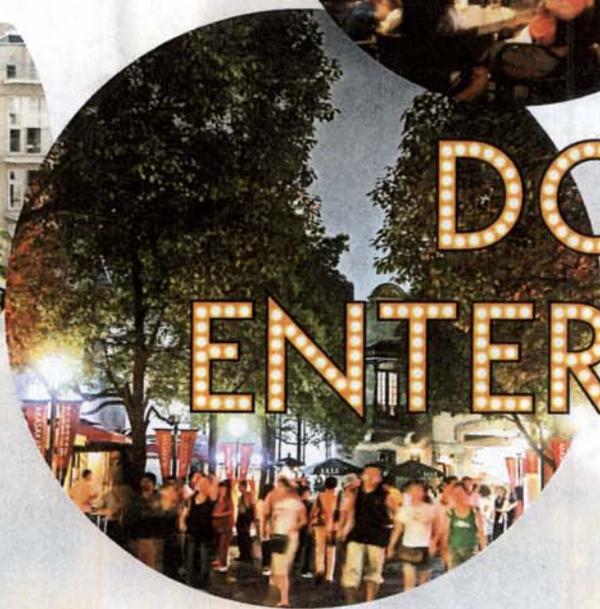
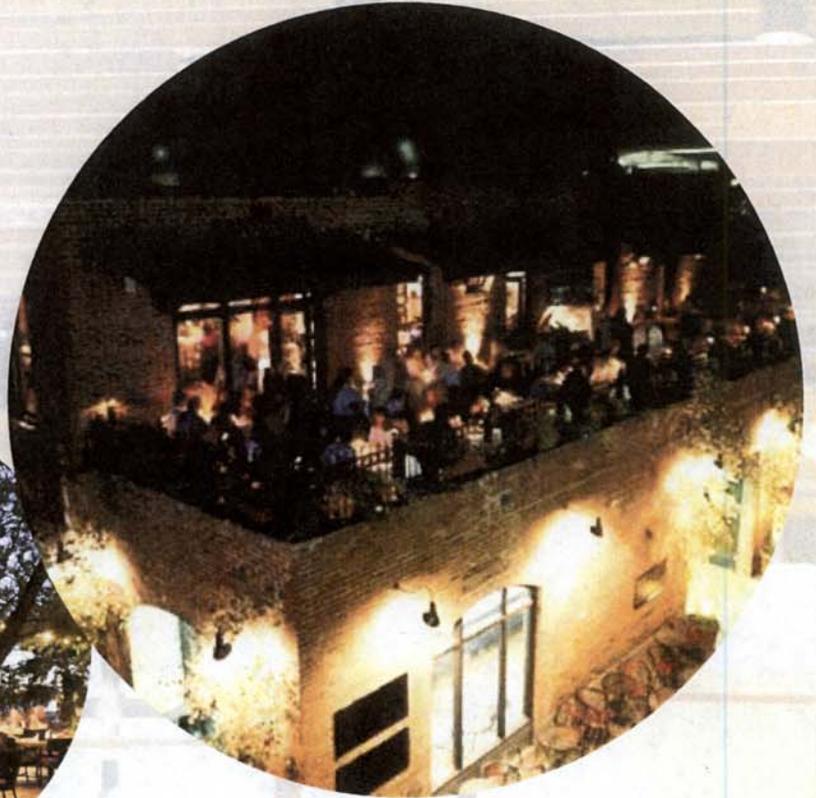


CREATING AN ENERGIZED



By anchoring a mixed-use pedestrian development with a major entertainment use, **our development will attract people to come, stay and linger.**

DOWNTOWN



DC
ENTERTAINMENT
DISTRICT



CONTEXTUAL
NATURAL MATERIALS

ICONIC CORNER



ROOF TOP BAR

SECOND FLOOR MOVIE THEATERS

SECOND FLOOR

PEDESTRIAN
CONNECTIONS

MAINTAIN
EASEMENT

FIRST FLOOR

SIGNATURE
RESTAURANT

THEATER LOBBY

ACTIVATED GROUND FLOOR RETAIL & RESTAURANTS



ENERGIZED NIGHT LIFE

CREATE ACTIVE
OUTDOOR SPACES



G. DESIGN INFORMATION: CONCEPT

HIP. CULTURED. UNEXPECTED. SOUTHWESTERN.

With a penchant for blurring the lines between indoor and outdoor, the DC Entertainment District will utilize common desert materials in a refined way. Taking cues from the history of the city, the design will take large sleek canopies of steel and contrast those with the organic nature of stone and wood. An iconic entry to downtown incorporates a water tower in a modern way. The resulting design will be uniquely Chandler.

8 SCREEN DINE-IN MOVIE THEATER



ACTIVATED RETAIL



LOCAL RESTAURANTS



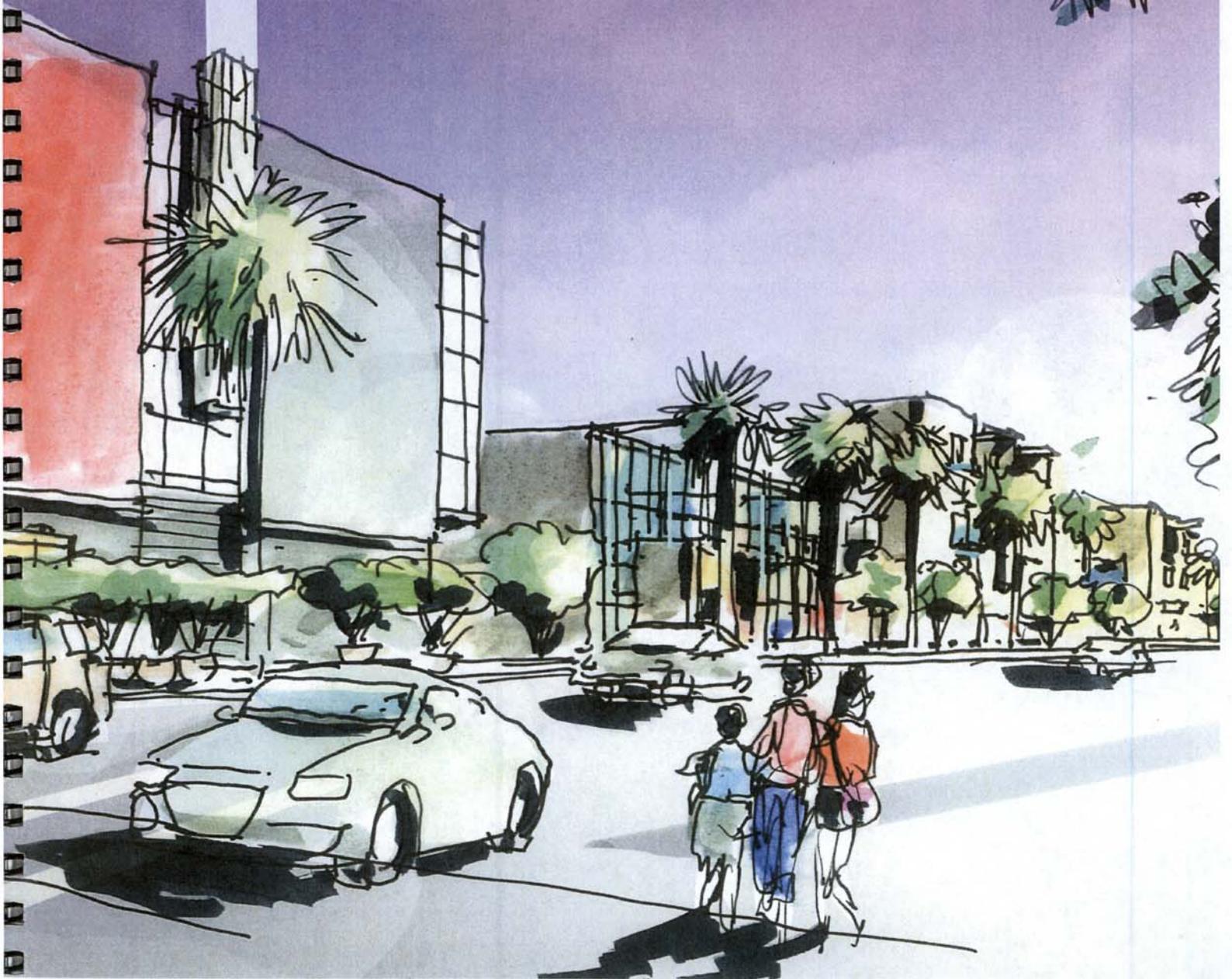


**AN ACTIVATED CORNER LINKED TO
OUTDOOR SPACES PROVIDES THE VISUAL
CONNECTION NEEDED TO LURE VISITORS
NORTH TOWARDS CHANDLER BOULEVARD**





AN ICONIC ENTRY INTO DOWNTOWN FROM THE NORTH PAYS HOMAGE TO THE CITY'S WATER TOWER HISTORY



G. DESIGN INFORMATION: PHASING



PHASE 1 - DELIVERED DECEMBER 2015



Ground Floor:

Restaurants w/ LOI <i>(VIG, LaBocca & Modern Margarita)</i>	10,000 sf
Available Restaurant/Retail:	5,000 sf
Alamo Branded Bar/Restaurant:	2,500 sf
Alamo Theater Lobby:	2,500 sf

Second Floor:

Alamo Theater (825 seats):	36,000 gsf
Terrace:	3,000 gsf

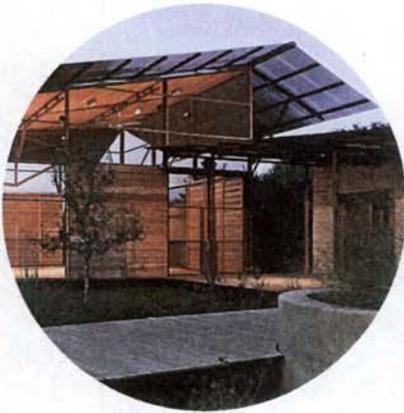
Parking:

Surface Parking: 361 spaces

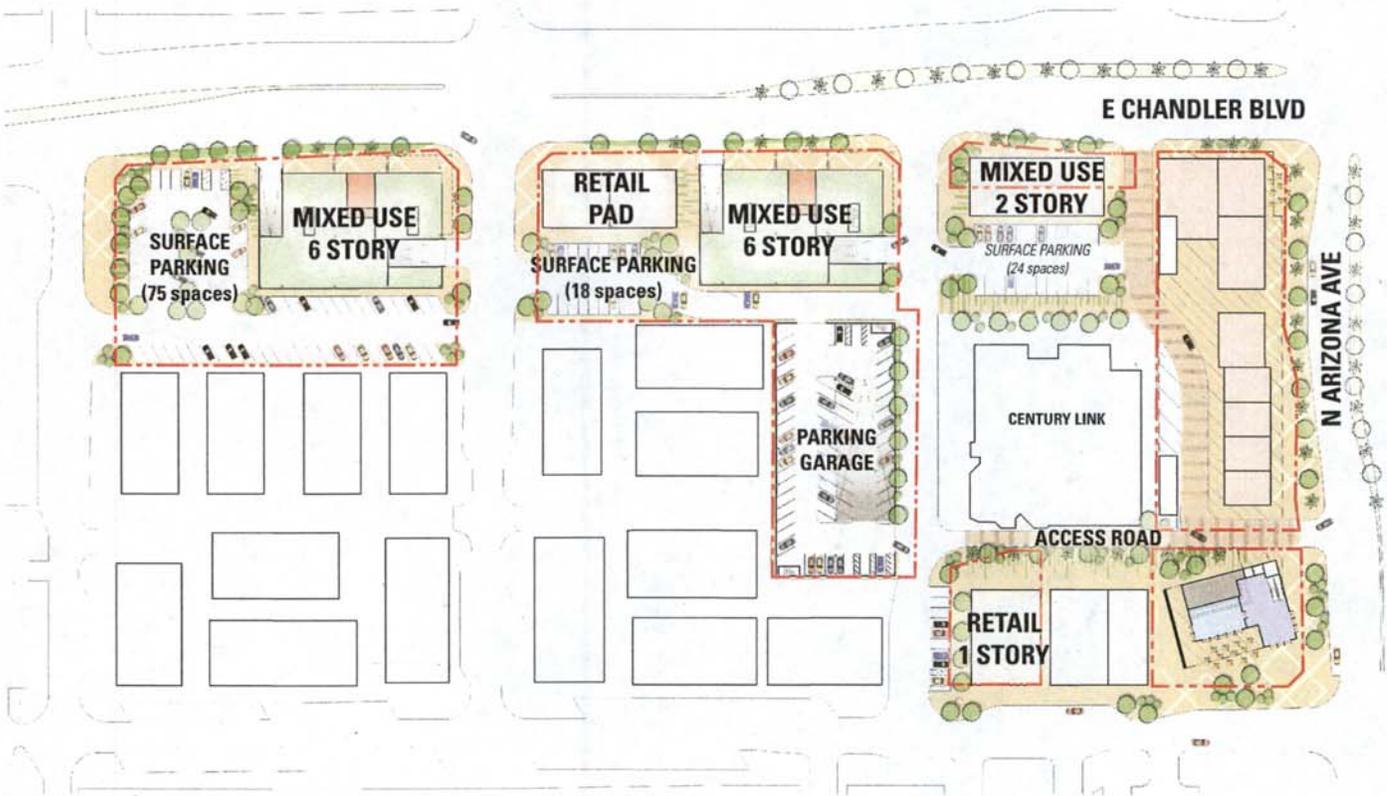
Total: 39,000 gsf

Total: 361 spaces

Total: 20,000 gsf

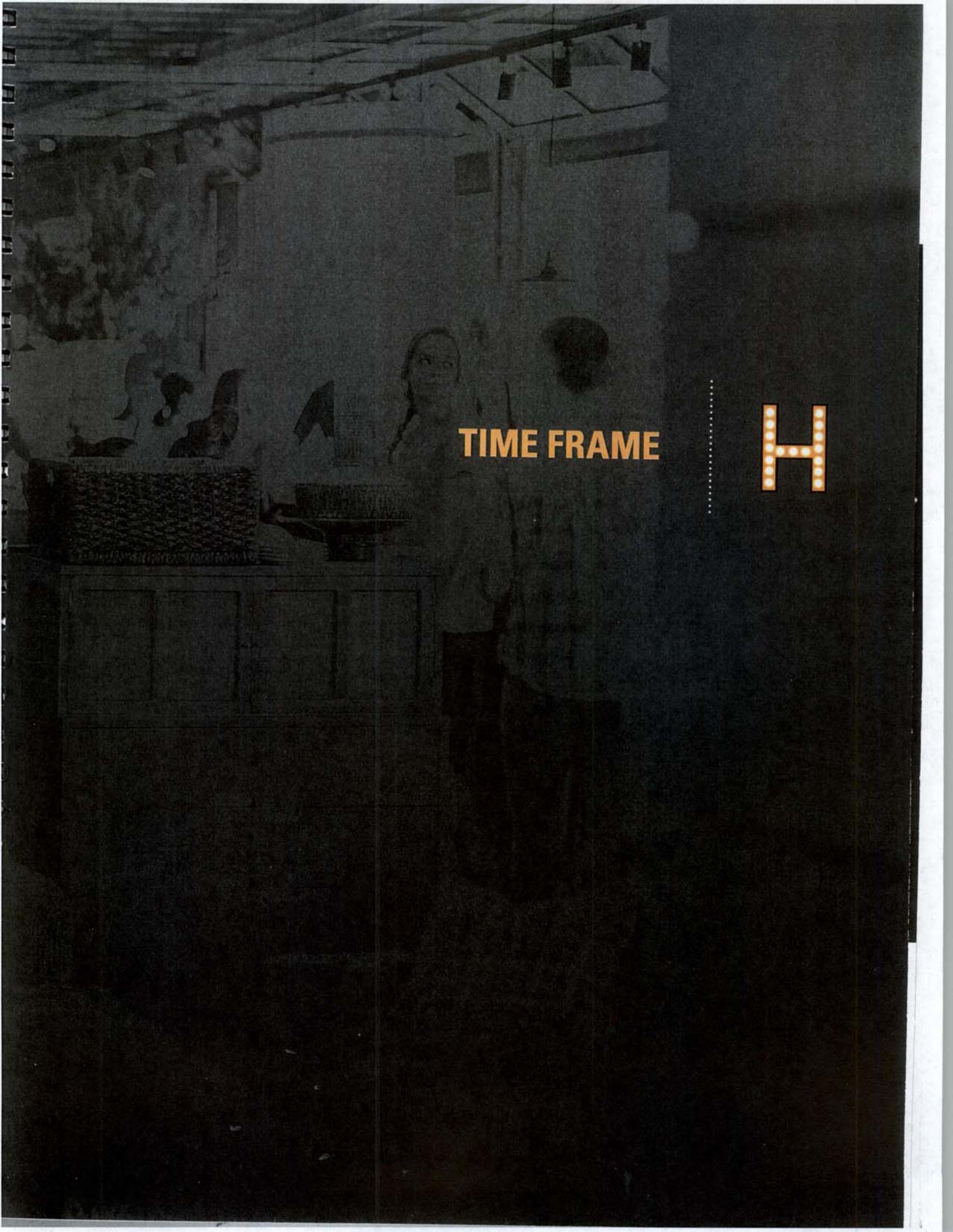


PHASE 2



PHASE 2 BREAKDOWN

<u>Retail</u>		<u>Residential</u>		<u>Parking:</u>	
Phase 2 Retail/Restaurants:	47,240 gsf	48 units:	130,000 gsf	Surface Parking:	126 spaces
				Garage Parking:	TBD
Total:	47,240 gsf	Total:	130,000 gsf	Total:	spaces TBD



TIME FRAME

H

H. TIME FRAME

Speed to Market.

As developers, providing a return to our investors is critical to our long-standing success. **The best way to achieve that is to activate quickly, bringing pre-leased product online.** We have done this successfully and have entered this RFP with the assertion that our anchor tenant and letters of intent show the City of Chandler that we are intent on developing the best entertainment district for the city – and we will require expeditious decision making so that we meet deadlines.

Our intent is to open the entertainment district with our anchor tenant, Alamo Drafthouse, for their highest anticipated volume day – the premier of Star Wars: Episode VII – on December 18, 2015.

We are asking you to make a choice. It should be easy. **Development, and the right development, doesn't have to wait.** Let's embark on the journey to energize the downtown with entertainment today.

Proposed Schedule of
**Development
Performance**

October 2014: Proposal

November 2014: Selection

December 2014: Development Agreement

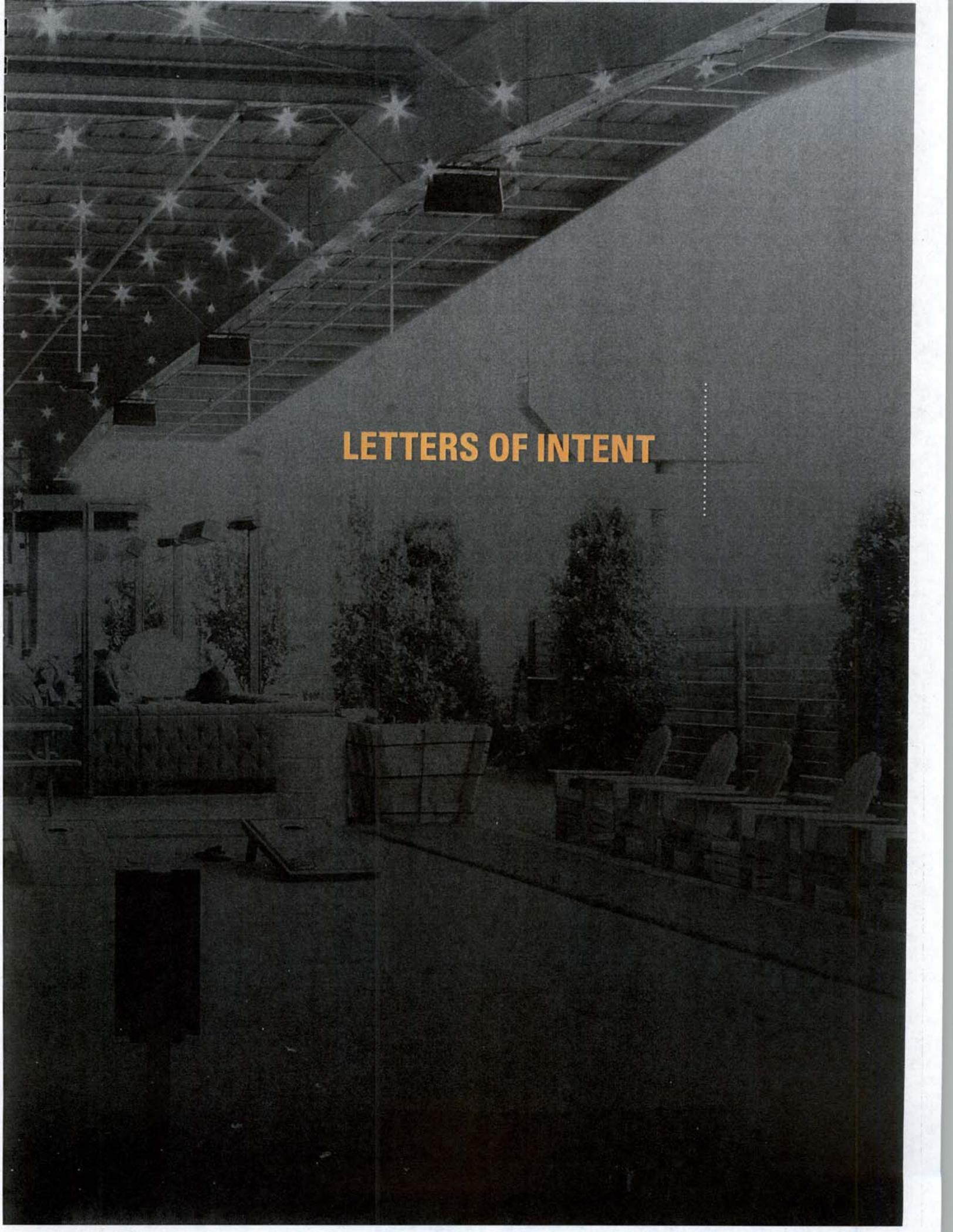
December-June 2015: Design Documents

May-December 2015: Construction

December 18, 2015: Open for Star Wars Premieres

**STAR
WARS**
EPISODE VII





LETTERS OF INTENT



September 12, 2014

Rob McGarey/Trent Goulette
Southwest Retail Group
7527 E. First St.
Scottsdale, AZ 85251

Re: **Alamo Drafthouse Cinema LOI-Chandler Entertainment District**

Dear Rob,

The purpose of this letter is to set forth the basic business terms and conditions upon which VP Watertower, LLC (Landlord) proposes to lease to Alamo Drafthouse (Tenant) the certain premises described below, on the following terms and conditions.

Landlord: VP Watertower, LLC

Tenant: Alamo Drafthouse Cinema

DBA: (Alamo to provide)

Premises: Site 3 Chandler Entertainment District

Size: Approximately 36,250 SF, in addition Tenant shall be permitted to utilize a mutually agreeable outside patio area, subject to Landlords approval of size and design and so long as Tenant complies with all state and city codes and licenses.

Lease Term: Fifteen Years (15), with two (2) five (5) year options.

Fixed Minimum Rent: TBD pending RFP approval and finalized Development Agreement with City of Chandler

Percentage Rent: TBD pending RFP approval and finalized Development Agreement with City of Chandler

CAM Charges: TBD pending RFP approval and finalized Development Agreement with City of Chandler.

Property Taxes: TBD pending RFP approval and finalized Development Agreement with City of Chandler

Insurance: TBD pending RFP approval and finalized Development Agreement with City of Chandler



<u>Rental Tax:</u>	TBD pending RFP approval and finalized Development Agreement with City of Chandler
<u>Utilities:</u>	Tenant agrees to pay the cost of all electrical HVAC, water and sanitary sewer to the premises whether supplied by Landlord or the local utility company.
<u>Radius Clause:</u>	3 miles (Under the same trade name only)
<u>Use:</u>	The premises shall be used for the operation of a first class restaurant/ brewpub and theater. The use clause shall be further defined and a menu addendum will be a part of the Lease.
<u>Possession Date:</u>	Estimated to be December 2015
<u>Rent Commencement:</u>	TBD pending RFP approval and finalized Development Agreement with City of Chandler
<u>Tenant Allowance:</u>	TBD pending RFP approval and finalized Development Agreement with City of Chandler
<u>Landlord Work:</u>	TBD pending RFP approval and finalized Development Agreement with City of Chandler
<u>Tenant Work:</u>	Tenant shall be required to perform all work necessary to bring the premises to a first class restaurant including but not limited to new storefront, mechanical, plumbing and electrical systems, floor and wall coverings, patio areas, ceilings, interior fixtures, décor and signage. All construction drawings shall be prepared in accordance with the construction and design criteria provided by landlord and are to be submitted to Landlord for review and approval prior to commencement of construction.
<u>Impact & Connection Fees:</u>	Tenant shall be responsible for any and all fees associated with Tenant's Work, to include, but not be limited to, all development fees, impact fees, connection fees, utility fee, use fees, service fees, tap fees, water resource fees, fire, police and general government fees.
<u>Signage:</u>	TBD pending RFP approval and finalized Development Agreement with City of Chandler
<u>Financial Statement:</u>	Tenant will be required to submit financial statements for the lease entity, along with financial statements of the lease guarantor.
<u>Security Deposit:</u>	None.





Guarantee of Lease: Landlord may require a satisfactory corporate or personal guarantee to satisfy the financial obligations of the Tenant under the Lease.

Lease Form: Landlord's lease form to be used.

Until such time as a definitive Lease Agreement is negotiated, executed and delivered by both parties, each party shall have the right to terminate negotiations for any reason and for no reason whatsoever. If the above business terms are acceptable, please sign this letter, in the space provided below, and return to me.

Sincerely,

Walter Crutchfield
Vintage Partners

AGREED and ACCEPTED BY:


By: _____
Name: Craig Paschich
Title: President & Area Developer

Craig Paschich
Alamo Drafthouse Cinema

AGREED AND ACCEPTED BY:

By: _____

Name: _____

Title: _____

Date: _____

Exhibit A – Site Plan

Exhibit A-1 – Lease Plan / LOD
TBD pending final Development Agreement with City of Chandler



October 21, 2014

Vintage Partners
Biltmore Fashion Park
2502 E. Camelback Road, Suite 214
Phoenix, Arizona 85016

RE: Downtown Chandler;

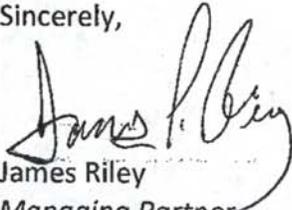
To Whom It May Concern:

Please be advised that based on the preliminary review of the RFP you are submitting and in consideration of Alamo Drafthouse Cinemas involvement with the project, my company would be interested in opening Vig (www.thevig.us) in this project/trade area.

When your plans develop further and you can provide me with an economic picture we would be interested in approximately 3,500 s.f. of restaurant space with ample outdoor patio area(s).

Please send the information to my broker, Southwest Retail Group, Inc., when ready. Should you have any questions or concerns, please do not hesitate to contact me.

Sincerely,


James Riley
Managing Partner



October 16, 2014

Vintage Partners
Biltmore Fashion Park
2502 E. Camelback Road, Suite 214
Phoenix, Arizona 85016

RE: Downtown Chandler;

To Whom It May Concern:

Please be advised that based on the preliminary review of the RFP you are submitting and in consideration of Alamo Drafthouse Cinemas involvement with the project, I would be interested in opening La Bocca Pizzeria & Wine Bar (www.laboccapizzeria.com) in this project/trade area.

When your plans develop further and you can provide me with an economic picture we would be interested in approximately 2,000 – 3,200 s.f. of restaurant space with ample outdoor patio areas.

Please send the information to my broker, Southwest Retail Group, Inc., when ready. Should you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Julian Wright
President
Fork & Dagger Development
www.forkanddagger.com



October 16, 2014

Vintage Partners
Biltmore Fashion Park
2502 E. Camelback Road, Suite 214
Phoenix, Arizona 85016

RE: Downtown Chandler;

To Whom It May Concern:

Please be advised that based on the preliminary review of the RFP you are submitting and in consideration of Alamo Drafthouse Cinemas involvement with the project, I would be interested in opening Modern Margarita (www.modernmargarita.com) in this project/trade area.

When your plans develop further and you can provide me with an economic picture we would be interested in approximately 2,000 – 2,500 s.f. of restaurant space with ample outdoor patio area(s).

Please send the information to my broker, Southwest Retail Group, Inc., when ready. Should you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

Julian Wright
President
Fork & Dagger Development
www.forkanddagger.com



CITY OF CHANDLER ARIZONA



Vicinity Map

	Site 1	57,397 sq. ft.*
	Site 2	73,667 sq. ft.*
	Site 3	89,089 sq. ft.*

* Site square footages are approximate



Chandler • Arizona
Where Values Make The Difference