

1 5% of the assessed value of taxable property located within the City as determined by the last tax
2 assessment completed before the issuance of the Note.

3 **Section 2.** Under the authority of the Constitution and the laws of the State of Arkansas, including
4 particularly Amendment No. 78 and the Act, the Note is hereby authorized and ordered issued in the
5 principal amount of Eighteen Million, Five Hundred Eighty Thousand Dollars (\$18,580,000) for the
6 purpose of financing all or a portion of the costs of acquiring, constructing, and installing the Property
7 and paying expenses of issuing the Note. The Note shall be dated the date of its issuance and shall bear
8 interest on the outstanding principal amount at a fixed rate calculated on the basis of the actual number of
9 days elapsed in a year of 365 days (366 days in a leap year). The Note shall be repaid in five (5)
10 substantially equal annual amortized installments of principal and interest, commencing one (1)-year
11 from the date of the Note and continuing on the same day of each year thereafter, with the final
12 installment due five (5) years from the date of the Note. The Note shall be issued in fully registered form.

13 **Section 3.** The proceeds of the Note are intended to fund the following projects in the following
14 amounts:

- 15 (a) Public Safety Radio Communications System Upgrade \$6,109,000
- 16 (b) 12th Street Mid-Town Police Station \$7,976,000
- 17 (c) West Little Rock Police Station \$1,000,000
- 18 (d) West Little Rock Fire Station \$543,000
- 19 (e) Southwest Fire Station \$366,000
- 20 (f) Code Enforcement Vehicles & Equipment \$397,000
- 21 (g) Police Vehicles and Fire Truck \$2,189,000

22 **Section 4.** The Note shall be issued to the Lender in consideration for the Loan. The Lender shall
23 be selected by the City Manager based upon the commitment or proposal for the Loan that the City
24 Manager determines to have the lowest cost to the City. The City Treasurer is hereby authorized and
25 directed to solicit proposals or commitments for the Loan from at least three (3) financial institutions
26 having offices in Pulaski County, or having requested to be solicited, in the manner approved by the City
27 Manager. The City Manager shall have the right to reject any and all proposals and commitments.

28 **Section 5.** As provided in Amendment No. 78, the annual debt service payments on the Note in each
29 fiscal year shall be charged against and paid from the general revenues of the City for such fiscal year.
30 For the purpose of making the annual debt service payments, there is hereby, and shall be, appropriated to
31 pay the Note an amount of general revenues of the City sufficient for that purpose. The City Treasurer is
32 hereby authorized and directed to withdraw from the General Fund of the City the amounts and at the
33 times necessary to make the annual debt service payments on the Note.

1 **Section 6.** The Board of Directors finds that it is appropriate to use the proceeds of a 3/8 cent sales
2 and compensating use tax for capital projects approved by the voters at an election held on September 13,
3 2011 (the “Tax Proceeds”), to repay the principal of the Note, and to use other general revenues of the
4 City to pay any interest or costs of the Note; provided, however, that the Tax Proceeds are not pledged to
5 the payment of the Note.

6 **Section 7.** The City covenants with the owner of the Note from time to time (the “Owner”) as
7 follows:

8 (a) The City shall not take any action or suffer or permit any action to be taken or condition to
9 exist which causes or may cause the interest payable on the Note to be included in gross income for
10 federal income tax purposes. Without limiting the generality of the foregoing, the City covenants
11 with the Owner that the proceeds of the sale or the Note will not be used directly or indirectly in such
12 manner as to cause the Note to be treated as an “arbitrage bond” within the meaning of section 148 of
13 the Internal Revenue Code of 1986, as amended (the “Code”).

14 (b) The City will not use or permit the use of the property acquired, constructed, or installed with
15 the proceeds of the Note in such manner as to cause the Note to be a “private activity bond” within the
16 meaning of section 141 of the Code.

17 (c) None of the proceeds of the Note will be used (directly or indirectly) either to make or finance
18 loans to persons other than State or local governmental units or in any trade or business carried on by
19 any person other than a State or local governmental unit or other than as a member of the general
20 public.

21 (d) The City will take no action which would cause the Note to be “federally guaranteed” within
22 the meaning of the Code.

23 (e) The City will not reimburse itself from the proceeds of the Note for any costs paid prior to the
24 date of the Note is issued except in compliance with United States Treasury Regulation § 1.150-2.
25 This Ordinance shall constitute an “official intent” for purpose of the Regulation, but it is
26 supplemental to Little Rock, Ark., Resolution No. 13,438 (February 7, 2012) which sets forth the
27 same original intent.

28 (f) The City will submit to the Secretary of the Treasury of the United States, not later than the
29 15th day of the second calendar month after the close of the calendar quarter in which the Note is
30 issued, a statement concerning the Note which contains the information required by section 149(e) of
31 the Code.

32 **Section 8.** The City shall provide such financial information to the Lender as the Lender may
33 reasonably request.

1 **Section 9.** The Mayor, City Attorney, City Clerk, City Treasurer, and City Attorney, for and on
2 behalf of the City, are hereby authorized and directed to do any and all things necessary to effect the
3 issuance, execution and delivery of the Note and the performance of all acts of whatever nature necessary
4 to effect and carry out the authority conferred by this Ordinance. They Mayor, City Manager, City Clerk,
5 City Treasurer, and City Attorney are hereby further authorized and directed, for and on behalf of the
6 City, to execute all papers, documents, certificates, and other instruments that may be required for the
7 carrying out of such authority or to evidence the exercise thereof.

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

13 **Section 11. Repealer.** All ordinances or resolutions of the City in conflict with this ordinance are
14 hereby repealed to the extent of such conflict.

15 **Section 12. Emergency.** *The Board of Directors hereby determines that the instigation and*
16 *completion of the projects set forth within this ordinance are essential to the public health, safety, and*
17 *welfare, and must be financed as quickly as possible; an emergency is, therefore, declared to exist and*
18 *this ordinance shall be in full force and effect from and after the date of its execution.*


19 **PASSED: February 7, 2012**

20 **ATTEST:**

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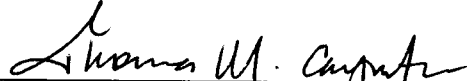
22 _____
23 Susan Langley, City Clerk

APPROVED:



Mark Stodola, Mayor

24 **APPROVED AS TO LEGAL FORM:**

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27 Thomas M. Carpenter, City Attorney

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