1 RESOLUTION NO. ______ 2 2 3 A RESOLUTION TO REQUEST THAT THE STATE OF ARKANSAS 4 PROVIDE THREE MILLION DOLLARS (\$3,000,000.00) IN CARES ACT 5 FUNDS TO THE CITY OF LITTLE ROCK TO ASSIST THE LITTLE 6 ROCK CONVENTION AND VISITORS BUREAU; AND FOR OTHER 7 PURPOSES.

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9 WHEREAS, the City of Little Rock, Arkansas ("the City"), has long encouraged and supported the 10 development of tourism within the City, and has issued tax-financed bond issues to build two (2) convention 11 center hotels, completely remodel the Joseph T. Robinson Auditorium and to create the Statehouse 12 Convention Center most recently funded through bonds secured by the proceeds of a 2% City hotel and 13 restaurant tax as set forth in Little Rock, Ark., Ordinance No. 20,895 (June 17, 2014); and,

WHEREAS, until 2020 the Little Rock Advertising and Promotion Commission ("the Commission") working through the Little Rock Convention & Visitors Bureau ("LRCVB"), currently the leadership of Chief Executive Officer ("CEO") Gretchen Hall, has experienced successful financial years through the advertising and promotion sales tax, and from the rentals of LRCVB-operated facilities; and,

WHEREAS, on March 11 and 12, 2020, the nation, the State of Arkansas, and the City declared disaster emergencies because of the COVID-19 Pandemic -- which, to date, has infected over 1,000,000 Americans, and has killed over 200,000 American citizens – which led to significant cancellation of the use of LRCVB facilities, drops in revenues at City hotels, and, in Little Rock, Ark., Resolution No. 15,210 (April 21,2020), has already required modification of the lease agreement with FWH II Little Rock, LLC, for use and operation of one of the LRCVB facilities due to the pandemic; and,

WHEREAS, during 2020 to date, there have been 239 events cancelled at LRCVB managed facilities, which has had at least an adverse Two Million, Two Hundred Thousand Dollar (\$2,200,000.00) impact on LRCVB revenues alone because of lost rentals and labor services, and there are currently thirty-eight (38) additional events in a postponed category for which it is unclear if they are lost to the City as opposed to being moved into future years; and,

WHEREAS, because of the pandemic, the LRCVB has had to defer over Two Million Dollars (\$2,000,000.00) for needed capital improvements since it expects that there will be approximately Seven Million Dollars (\$7,000,000.00) in lost revenues for the period of January 1 to December 31, 2020; and,

WHEREAS, the United States Congress approved, and President Donald F. Trump signed, Public Law
 116-136 on March 27, 2020 – the Coronavirus Aid, Relief and Economic Security ("CARES") Act -- which

has allotted to date One Billion, Two Hundred Fifty Million Dollars (\$1,250,000,000.00) to the State of
 Arkansas for disbursement to state and local governments; and,

WHEREAS, it has been determined that LRCVB needs to have at least Three Million Dollars
(\$3,000,000.00) from CARES Act Funds to assure that critical debt service payments are made, and that
tourism can continue to be the vital part of the City's economic program.

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

8 **Section 1.** The Board of Directors requests that the State of Arkansas provide Three Million Dollars 9 (\$3,000,000.00) to the City to be used exclusively by the Commission, through LRCVB, to assure the 10 continued robust operation, to the extent possible in light of the pandemic, of LRCVB programs and 11 facilities.

12 Section 2. The Board also requests that a letter be sent to the appropriate officials of the State of 13 Arkansas to provide in more detail the reasons for this particular request as provided from Commission and 14 LRCVB data, and from the comments and discussion at the October 13 and 20, 2020, agenda and regular 15 meetings.

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

21 Section 4. *Repealer*. All laws, ordinances, resolutions, or parts of the same, that are inconsistent with 22 the provisions of this resolution, are hereby repealed to the extent of such inconsistency.

23 **ADOPTED:** October 20, 2020

- 24 **ATTEST:**
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 27 Susan Langley, City Clerk

APPROVED:

Frank Scott, Jr., Mayor

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- Thomas M. Carpenter, City Attorney
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APPROVED AS TO LEGAL FORM:

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