

1 of taxable property located within the City as determined by the last tax assessment completed before the
2 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 Seven Million, Seven Hundred Thousand Dollars (\$7,700,000) for the purpose of
6 financing all or a portion of the costs of acquiring, constructing, and installing the Property and paying
7 expenses of issuing the Note. The Note shall be dated the date of its issuance and shall bear interest on the
8 outstanding principal amount at a fixed rate calculated on the basis of the actual number of days elapsed in
9 a year of 365 days (366 days in a leap year). The Note shall be repaid in five (5) substantially equal annual
10 amortized installments of principal and interest, commencing one (1)-year from the date of the Note and
11 continuing on the same day of each year thereafter, with the final installment due five (5) years from the
12 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: \$2,891,000

16 (b) 911/311 Communications Software and Equipment: \$2,350,000

17 (c) Southwest Little Rock Fire Station: \$459,000

18 (d) Information Technology - Equipment & Software: \$2,000,000

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

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

31 **Section 6.** The Board of Directors finds that it is appropriate to use the proceeds of a 3/8-Cent Sales
32 and Compensating Use Tax for capital projects approved by the voters at an election held on September 13,
33 2011 (the "Tax Proceeds"), to repay the principal of the Note, and to use other general revenues of the City

1 to pay any interest or costs of the Note; provided, however, that the Tax Proceeds are not pledged to the
2 payment of the Note.

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

- 4 (a) The City shall not take any action or suffer or permit any action to be taken or condition to
5 exist which causes or may cause the interest payable on the Note to be included in gross income
6 for federal income tax purposes. Without limiting the generality of the foregoing, the City
7 covenants with the Owner that the proceeds of the sale of the note will not be used directly or
8 indirectly in such manner as to cause the Note to be treated as an "arbitrage bond" within the
9 meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").
- 10 (b) The City will not use or permit the use of the property acquired, constructed, or installed with
11 the proceeds of the Note in such manner as to cause the Note to be a "private activity bond"
12 within the meaning of Section 141 of the Code.
- 13 (c) None of the proceeds of the Note will be used (directly or indirectly) either to make or finance
14 loans to persons other than State or Local governmental units or in any trade or business carried
15 on by any person other than a State or Local governmental unit or other than as a member of
16 the general public.
- 17 (d) The City will take no action which would cause the Note to be "Federally guaranteed" within
18 the meaning of the Code.
- 19 (e) The City will not reimburse itself from the proceeds of the Note for any costs paid prior to the
20 date the Note is issued except in compliance with the United States Treasury Regulation §
21 1.150-2. This ordinance shall constitute an "official intent" for purpose of the Regulation, but
22 it is supplemental to Little Rock, Ark., Resolution No. 13,708 (June 18, 2013) which sets forth
23 the same original intent.
- 24 (f) The City will submit to the secretary of the Treasury of the United States, not later than the 15th
25 day of the second calendar month after the close of the calendar quarter in which the Note is
26 issued, a statement concerning the Note which contains the information required by Section
27 149(e) of the Code.

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

30 **Section 9.** The Mayor, City Manager, City Clerk, City Treasurer, and City Attorney, for and on behalf
31 of the City, are hereby authorized and directed to do any and all things necessary to effect the issuance,
32 execution and delivery of the Note and the performance of all acts of whatever nature necessary to effect
33 and carry out the authority conferred by this Ordinance. The Mayor, City Manager, City Clerk, City
34 Treasurer and City Attorney are hereby further authorized and directed, for and on behalf of the City, to

1 execute all papers, documents, certificates, and other instruments that may be required for the carrying out
2 of such authority or to evidence the exercise thereof.

3 **Section 10. Severability.** In the event any section, subsection, subdivision, paragraph, subparagraph,
4 item, sentence, clause, phrase, or word of this ordinance is declared or adjudged to be invalid or
5 unconstitutional, such declaration or adjudication shall not affect the remaining provisions of this ordinance,
6 as if such invalid or unconstitutional provision were not originally a part of this ordinance.

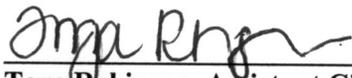
7 **Section 4. Repealer.** All ordinances, resolutions, bylaws, and other matters inconsistent with this
8 ordinance are hereby repealed to the extent of such inconsistency.

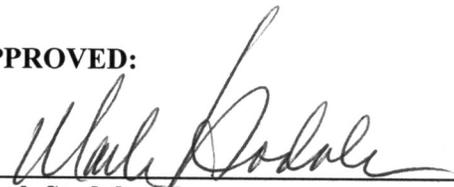
9 **Section 5. Emergency.** *The Board of Directors hereby determines that the instigation and completion*
10 *of the projects set forth within this ordinance are essential to the public health, safety and welfare of the*
11 *citizens of Little Rock, and must be financed as quickly as possible; an emergency is, therefore, declared to*
12 *exist and this ordinance shall be in full force and effect from and after the date of its execution.*

13 **PASSED: June 4, 2013**

14 **ATTEST:**

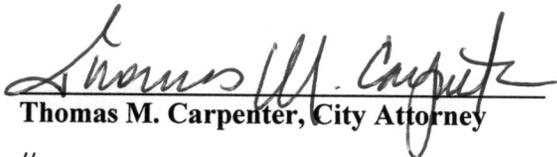
APPROVED:

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17 _____
18 **Toya Robinson, Assistant City Clerk**



Mark Stodola, Mayor

18 **APPROVED AS TO LEGAL FORM:**

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21 _____
22 **Thomas M. Carpenter, City Attorney**

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