RESOLUTION NO. 13,451

A RESOLUTION TO ESTABLISH A FORMULA TO DISBURSE CAPITAL MONIES FROM THE 3/8-CENT CITY SALES AND COMPENSATING USE TAX RECEIPTS TO PROVIDE AN EQUITABLE DISTRIBUTION BASED UPON THE NEEDS OF VARIOUS PARTS OF THE CITY; AND FOR OTHER PURPOSES.

WHEREAS, pursuant to an election held September 13, 2011, the citizens imposed a 3/8-cent Sales and Compensating Use Tax ("the Tax") for a period of ten (10) years with the proceeds from this tax to be used for capital improvements within the City; and,

WHEREAS, it is important for the residents of the wards to help establish the priorities in terms of projects to be undertaken and completed, but in doing so to have a legitimate idea of how much money will be available from the Tax; and,

WHEREAS, there are also substantial capital needs throughout the City that must be addressed, some of which may rise to be an immediate problem to be addressed; and,

WHEREAS, because of these needs it is appropriate to take 10% of the anticipated Sixty-Five Million, Four Hundred and Eighty-One Thousand Dollars ($65,481,000) in Tax proceeds to be dedicated to these city-wide uses and possible unforeseen repairs before there is any further division of the monies; and,

WHEREAS, it is then appropriate to divide the approximately Fifty-Eight Million, Nine Hundred Thousand Dollars ($58,900,000) remaining equally between the seven (7) Wards;

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

Section 1. The Board of Directors declares its intent to fund capital projects in each of the seven (7) Wards of the City after consultation with the residents of the various wards on what are the most pressing capital needs to be addressed.

Section 2. The Board of Directors declares that ten percent of the total proceeds of the Tax shall be used for overall City capital needs including, but not limited to, issues that post urgent problems for the City.

Section 3. The Board of Directors declares that the balance of approximately Fifty-Eight Million, Nine Hundred Thousand Dollars ($58,900,000) from the proceeds of the Tax will be divided equally be-
tween the seven (7) wards of the City for use on capital projects in three year cycles as set forth on Exhibit A to this resolution.

Section 4. 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.

Section 5. Repealer. All laws, ordinances, resolutions, or parts of the same, that are inconsistent with the provisions of this ordinance are hereby repealed to the extent of such inconsistency.

ADOPTED: February 21, 2012

APPROVED:

[Signature]

Mark Stodola, Mayor

ATTEST:

[Signature]

Susan Langley, City Clerk

APPROVED AS TO LEGAL FORM:

[Signature]

Thomas M. Carpenter, City Attorney
Priority Needs - Capital Projects
Public Works - 2012 and 3 Year Cycles by Ward
3/8 Cent Capital Tax Proceeds Allocation

<table>
<thead>
<tr>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Public Works</td>
</tr>
<tr>
<td>2 Street Resurfacing and Maintenance, and Street and Drainage Reconstruction and Traffic Signals</td>
</tr>
<tr>
<td>3 Sidewalks</td>
</tr>
<tr>
<td>4 Total Public Works Estimated Allocation</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Recommended Funding Schedule</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Yr Cycle - 1</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>-----------------</td>
</tr>
<tr>
<td>19,077,885</td>
</tr>
<tr>
<td>1,271,859</td>
</tr>
<tr>
<td>20,349,743</td>
</tr>
</tbody>
</table>

5 Recommended Public Works Allocation by Ward:
6 Tier 1 - 10% Allocation to Public Works for City-Wide Projects
7 City-Wide **
8 Tier 1 Subtotal (10%)
9 Tier 2 - Ratable Allocation of Remaining 90% to Each Ward
10 Ward 1
11 Ward 2
12 Ward 3
13 Ward 4
14 Ward 5
15 Ward 6
16 Ward 7
17 Tier 2 Subtotal (90%)
18 Total Allocation - 3 Year Cycles (2013 - 2021)

** The 10% allocation for City-Wide projects would provide a quick action fund for critical City-wide issues. The allocation would range from approximately $665,000 in 2013 to $841,000 in 2021 under the assumption of 2% annual revenue growth.