A RESOLUTION TO STATE THE USES OF THE ONE PERCENT (1%) REBUILD THE ROCK SALES AND COMPENSATING USE TAX FUNDS UPON APPROVAL OF THE TAX LEVY BY THE VOTERS AT AN ELECTION TO BE HELD JULY 13, 2021; AND FOR OTHER PURPOSES.

WHEREAS, pursuant to Little Rock, Ark., Ordinance No. _____ (April 20, 2021), the Board of Directors of the City of Little Rock, Arkansas (“the Board”) levied a 1% Sales and Compensating Use Tax to be used for general purposes (“the Tax”); and,

WHEREAS, the Board set July 13, 2021 as the date of a special election for the voters to approve or reject the levy of the Tax; and,

WHEREAS, in order to inform the electors of the City of the various uses that have been identified for the proceeds from the Tax; and,

WHEREAS, at the same time, to acknowledge that collection of any proceeds pursuant to this Sales and Compensation Use Tax shall not begin until January 1, 2022; and,

WHEREAS, this resolution, while not a part of the ballot title, is intended as statement of intent of the Board to expend an estimated Five Hundred Thirty Million Dollars ($530,000,000.00) from the proceeds of the first ten (10) years of the Tax Levy, for the various uses set forth below.

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

Section 1. As set forth below, the Board expresses its intent to expend the percentage of an estimated Five Hundred Thirty Million Dollars ($530,000,000.00) from the proceeds of the first ten (10) years of the Tax Levy for capital investments and annual operating needs in the following general categories as follows:

- Parks and Recreation, Golf and Fitness……………34%;
- Zoo……………………………………………………………9%;
- Public Safety…………………………………………………12%;
- Infrastructure…………………………………………………12%;
- Early Childhood Education……………………………8%;
- Economic Development……………………………………8%;
- Information Technology……………………………………6%?
- Affordable Housing………………………………………..4%;
- Neighborhood Programs…………………………………2%; and,
- General Capital Improvements…………………………5%

Section 2. Limitation on Uses. Nothing in this resolution authorizes the use of proceeds from the Sales and Compensating Use Tax authorized in Little Rock, Ark., Ordinance No. _____ (April 20,
2021) to be used for bonded indebtedness unless there has been an election approved by the voters to
expressly approve specific bond projects to be funded by the tax as required by Amendment 62 to the
Arkansas Constitution, and any statutory provisions to implement Amendment 62.

Section 3. Compliance with Amendment 78. Nothing in this resolution precludes the City from
the use of proceeds from the Sales and Compensating Use Tax authorized in Little Rock, Ark.,
Ordinance No. ______ (April 20, 2021), in a manner authorized by Amendment 78, and any statutory
provisions to implement Amendment 78.

Section 4. Use of Surplus Funds. Funds generated by the Sales and Compensating Use Tax
authorized in Little Rock, Ark., Ordinance No. ______ (April 20, 2021) in excess of the estimated Fifty-
Three Million Dollars ($53,000,000.00) in annual proceeds may be used for any lawful City public
purpose as approved by the Mayor and City Board of Directors.

Section 5. Citizens Accountability Process. Upon the approval of the Sales and Compensation
Use Tax proposal by the electors of the City, a Commission shall be appointed that is tasked to host
public meetings in order to inform the public of the possibilities for the use of the proceeds from the
new Sales and Compensation Use Tax.

Section 6. Severability. In the event any title, 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 7. Repealer. All laws, ordinances, resolutions, or parts of the same, which are inconsistent
with the provisions of this resolution are hereby repealed to the extent of such inconsistency.

ADOPTED: April 20, 2021

ATTEST

______________________________________   ____________________________________

Susan Langley, City Clerk         Frank Scott, Jr., Mayor

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney

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