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WHEREAS, the City of Little Rock, Arkansas, (the “City”), is authorized and empowered under the provisions of Amendment No. 78 to the Arkansas Constitution (“Amendment No. 78”) an Act No. 1808 of 2001 (codified as Title 14, Chapter 78 of the Arkansas Code of 1987 Annotated) (the “Act”), to issue notes and to expend the proceeds thereof to finance all or a portion of the cost of acquiring, constructing and installing real property and tangible personal property having an expected useful life of more than one (1)-year; and,

WHEREAS, the City desires to ensure the continuation of affordable public housing; and,

WHEREAS, the acquisition of the Madison Heights Complexes I and II continues and promotes the City's efforts to ensure adequate housing supply for all of its residents; and,

WHEREAS, the City intends to arrange for a loan (the “Loan”) from a banking institution (the “Lender”) and to issue the Note to the Lender in consideration for the Loan.

Section 1. The Board of Directors hereby finds that the Property to be Financed is tangible real property and will have a useful life of more than one (1)-year. The Board of Directors further finds that the Aggregate Principal Amount of the Note and the City's outstanding indebtedness issued or incurred under Amendment No. 78, does not exceed 5% of the assessed value of taxable property located within the City as determined by the last tax assessment.

Section 2. Under the authority of the Constitution and laws of the State of Arkansas (the “State”), including particularly Amendment No. 78 and the Act, the Note is hereby authorized and ordered issued in

1 the principal amount not to exceed Seven Million, Five Hundred Thousand Dollars (\$7,500,000) for the
2 purpose of financing the costs of acquiring and constructing the Property to be Financed, Madison Heights
3 Complexes I and II at 1401 Madison Street in Little Rock, Arkansas and paying the expenses of issuing the
4 Note. The Note shall be dated the date of issuance and shall bear interest on the outstanding principal
5 amount at a fixed rate not to exceed 7% per annum. The Note shall be repaid in five substantially equal
6 annual amortized installments of principal and interest, commencing one year from the date of the Note and
7 on the same day of each year thereafter, with the final installment due five years from the date of the Note.
8 The Note shall be issued in fully registration form. The Note shall be executed by the Mayor and the City
9 Clerk, and the seal of the City shall be affixed to the Note.

10 **Section 3.** The Note shall be issued to the Lender in consideration for the Loan. The Lender shall be
11 selected by the Mayor or the City Manager based upon the commitment or proposal for the Loan that the
12 Mayor or the City Manager determines to have the lowest cost to the City and the best terms. The Chief
13 Financial Officer or designee is hereby authorized and directed to solicit proposals or commitments for the
14 Loan from at least three banking institutions having offices in the City, in such manner as shall be approved
15 by the Mayor or the City Manager. The Mayor and the City Manager shall have the right to reject any and
16 all proposals and commitments.

17 **Section 4.** As provided in Amendment No. 78, the annual debt service payments on the Note in each
18 Fiscal Year shall be charged against and paid from the general revenues of the City for such Fiscal Year.
19 For the purpose of making the Annual Debt Service Payments, there is hereby, and shall be, appropriated
20 to pay the Note, an amount of general revenues of the City sufficient for such purposes. The Treasury
21 Manager is hereby authorized and directed to withdraw from the General Fund of the City the amounts and
22 at the times necessary to make the Annual Debt Service Payments on the Note.

23 **Section 5.** The City shall provide such financial information to the Lender as the Lender may reason-
24 ably request.

25 **Section 6.** The Mayor, City Manager, Chief Financial Officer, Treasury Manager, City Attorney and
26 City Clerk are hereby authorized and directed, for and on behalf of the City, to perform all acts of whatever
27 nature necessary to effect and carry out the authority conferred by this ordinance and to execute all papers,
28 documents, certificates and other instruments that may be required for the carrying out of such authority or
29 to evidence the exercise thereof.

30 **Section 7. Severability.** In the event any title, section, paragraph, item, sentence, clause, phrase, or word
31 of this Ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication
32 shall not affect the remaining portions of this ordinance which shall remain in full force and effect as if the
33 portion so declared or adjudged invalid or unconstitutional were not originally part of this ordinance.

34 **Section 8. Repealer.** All laws, ordinances, resolutions, or parts of the same which are inconsistent with
35 the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

Section 9. *Emergency Clause.* The Board of Directors hereby determines that the acquisition of the Property to be Financed is essential to the public health, safety and welfare of the citizens of the City and must be financed as quickly as possible; an emergency is, therefore, declared to exist and this ordinance shall be in full force and effect from and after the date of its execution.

PASSED: May 20, 2025

ATTEST:

APPROVED:

Allison Segars, City Clerk

Frank Scott. Jr., Mayor

APPROVED AS TO LEGAL FORM:

Thomas M. Carpenter, City Attorney

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