

**OFFICE OF THE CITY MANAGER  
LITTLE ROCK, ARKANSAS**

**BOARD OF DIRECTORS COMMUNICATION  
MAY 6, 2014 AGENDA**

<b>Subject:</b>	<b>Action Required:</b>	<b>Approved By:</b>
<p>A resolution to authorize the expenditure of \$95,616.00 for the rental of space for the Little Rock Technology Park Authority.</p>	<p style="text-align: center;">Ordinance  <input checked="" type="checkbox"/> <b>Resolution</b>            Approval            Information Report</p>	<p style="text-align: center;">Bruce T. Moore City Manager</p>
<b>SYNOPSIS</b>	<p>This resolution authorizes an expenditure for the technology park to rent facilities for an entity for a one (1)-year period. The lease will be for a longer period of time; however, this is the only payment requested at this time.</p>	
<b>FISCAL IMPACT</b>	<p>The source of the monies will be identified by the City Manager and brought forward to the Board as part of an adjustment to the 2014 Budget. However, the funds will not include any of the proceeds from the 3/8-Cent Capital Sales and Compensating Use Tax to assist the technology authority.</p>	
<b>RECOMMENDATION</b>	<p>Approval of the resolution.</p>	
<b>CITIZEN PARTICIPATION</b>	<p>The Little Rock Technology Park Authority reviewed this request and voted to ask the City to assist with the payment for the lease.</p>	

**BACKGROUND**

In 2010, the City agreed to join with the University of Arkansas for Medical Sciences (UAMS), and the University of Arkansas at Little Rock (UALR), to form the Central Arkansas Technology Park Authority (“the Authority”). The Authority spent a considerable amount of time to find a location, and is now looking in the downtown area. Although no single site has been selected, in an effort to move ahead with its purpose, the Authority has agreed to lease space on a temporary basis to assist ARK Challenge. The space is in a building at Block 2 on Main Street.

This location will also be the headquarters of the Authority. As soon as an Executive Director is hired, all of the Authority’s activities will be conducted from this location. The initial salary for the Executive Director, and other costs of the Authority, will be paid from the balance of the \$125,000.00 payments made by the three (3) entities officially recognized as part of the Authority – the City, UALR, UAMS – and, by an additional entity that has agreed to participate, Arkansas Children’s Hospital.

The annual rental is \$95,616.00 for one (1)-year, which equates to \$7,968.00 per month. A payment in this amount was requested from the City by Dr. Mary Good, the Authority Chair, in a letter dated April 22, 2014, to the City Manager. In her letter she stated that “this space and the programming to take place there represent the first step in fulfilling the mission of the Tech Park by fostering entrepreneurship at a fundamental level.” The statutory scheme for a research park authority is broad and would permit such an expenditure.