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ORDINANCE NO. _____

AN ORDINANCE PROVIDING FOR THE ISSUANCE AND SALE OF A SERIES OF LIBRARY CONSTRUCTION AND REFUNDING BONDS FOR THE PURPOSE OF FUNDING ACQUISITION, CONSTRUCTION, AND EQUIPPING OF LIBRARY CAPITAL IMPROVEMENT PROJECTS; REFUNDING AN OUTSTANDING SERIES OF LIBRARY CONSTRUCTION AND REFUNDING BONDS; PLEDGING LIBRARY TAX REVENUES AND SPECIAL TAX COLLECTIONS SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE AND OTHER DOCUMENTS AUTHORIZING THE ACCOMPLISHMENT OF THE PROJECTS AND THE REFUNDING; AUTHORIZING THE ACCOMPLISHMENT OF THE PROJECTS; APPROVING AN OFFICIAL STATEMENT; PRESCRIBING OTHER MATTERS RELATING THERETO; TO DECLARE AN EMERGENCY; AND FOR OTHER PURPOSES.

WHEREAS, at the special election held on May 24, 2022, there was submitted to the voters of the City of Little Rock (the “City”) the question of issuing bonds of the City in the maximum principal amount of not to exceed Forty-Two Million Dollars (\$42,000,000.00) to (i) finance the costs of acquiring, constructing and equipping the land and additional capital improvements to the Public City Libraries (the “Improvements”) owned and operated by CALS; (ii) refund the City’s outstanding Library Construction and Refunding Bonds, Series 2015; (iii) pay interest on the Bonds on March 1, 2023; and (iv) pay the costs of issuing the Bonds; and,

WHEREAS, the voters approved the issuance of the Bonds by a vote of 20,798 votes FOR and 9,847 votes AGAINST; and,

WHEREAS, the City and CALS have determined that it would be advantageous to authorize the issuance of a Series of Library Construction and Refunding Bonds in the principal amount not to exceed Forty-Two Million Dollars (\$42,000,000.00) (the “Bonds”); and,

WHEREAS, the City and CALS have determined that it would be advantageous to currently refund the City’s outstanding Library Construction and Refunding Bonds, Series 2015 of which approximately Nineteen

1 Million, Three Hundred Sixty Thousand Dollars (\$19,360,000.00) in aggregate principal amount will be
2 outstanding when refunded (the “Bonds Refunded”); and,

3 **WHEREAS**, the City and CALS intend to fund a portion of the following projects with the proceeds of
4 the Bonds:

5 (1) remodel, construct and purchase additional furniture and equipment for the following Little
6 Rock Libraries: Main Library and Sue Cowan Williams Library; and,

7 (2) renovate, reconfigure interior spaces and purchase furniture and equipment for other Little
8 Rock Branch Libraries and the Ron Robinson Theatre; and,

9 (3) upgrade technology infrastructure, including technology tools and resources for genealogy
10 programs at Butler Center; and,

11 (4) purchase and equip a state-of-the-art bookmobile; and,

12 (5) such other projects as may be approved and authorized from time to time by the City and
13 CALS; and,

14 (6) a Contingency Fund (collectively, each a “Project” or together, the “Projects”).

15 **WHEREAS**, the estimated costs of the Projects, the costs of refunding the Bonds Refunded, and paying
16 costs of issuing the Bonds will not exceed Forty-Two Million Dollars (\$42,000,000.00); and,

17 **WHEREAS**, the Board of Directors covenants to levy in 2022 for collection in 2023, and covenants to
18 levy in subsequent years, an ad valorem property tax at the rate of one and three tenths of one mil (.0013) on
19 the dollar of the assessed valuation of taxable real and personal property in the City together with all penalties
20 and interest payable with respect thereto (the “Library Tax”) to be used to pay debt service on the Bonds; and,

21 **WHEREAS**, the City will receive its allocable portion of the one half of one percent (0.5%) Statewide
22 Sales and Use Tax implemented pursuant to Amendment No. 79 to the Arkansas Constitution (“Amendment
23 79”) which is intended to offset any decrease in collections resulting from the homestead exemption also
24 implemented pursuant to Amendment 79 (the “Special Tax Collections”); and,

25 **WHEREAS**, the City will covenant to pledge the Library Tax and the Special Tax Collections to pay the
26 Debt Service on the Bonds; and,

27 **WHEREAS**, in order to serve and fulfill the purposes for which it has been created and to provide funds
28 for the financing of the Projects and refunding the Bonds Refunded, the City desires to adopt this ordinance
29 authorizing the issuance and sale of the Bonds in the aggregate principal amount not to exceed Forty-Two
30 Million Dollars (\$42,000,000.00) and other matters pertaining thereto.

31 **WHEREAS**, the City and CALS have made arrangements for the sale of the Bonds to Crews &
32 Associates, Inc. (the “Purchaser”) on a negotiated basis pursuant to a Bond Purchase Agreement (the
33 “Agreement”) which has been presented to and is before this meeting; and,

34 **WHEREAS**, the Preliminary Official Statement, offering the Bonds for sale (the “Preliminary Official
35 Statement”) has been presented to and is before this meeting; and,

1 **WHEREAS**, in order to comply with the applicable securities laws, it is necessary that the City and
2 CALS enter into a Continuing Disclosure Agreement among the City, CALS, and Regions Bank, Little
3 Rock, Arkansas (the “Disclosure Agreement”), providing for the ongoing disclosure obligations of the City
4 and CALS with respect to the Bonds, and a copy of the Disclosure Agreement has been presented to and is
5 before this meeting.

6 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY**
7 **OF LITTLE ROCK, ARKANSAS:**

8 **Section 1.** The Projects and the refunding of the Bonds Refunded shall be accomplished. The Mayor,
9 City Clerk, Director of Finance, and Assistant Director of Finance are hereby authorized to take or cause to
10 be taken all action necessary to accomplish the acquisition, construction, and equipping of the Projects,
11 Refunding of the Bonds Refunded and to execute all required documents.

12 **Section 2.** Under the authority of the Constitution and laws of the State of Arkansas, including
13 particularly Amendment No. 30 to the Constitution of the State of Arkansas, as amended by Amendment No.
14 72 to the Arkansas Constitution, and Arkansas Code Annotated §§14-142-201 through 222 (Act 920 of the
15 Acts of Arkansas of 1993), the City of Little Rock, Arkansas Library Construction and Refunding Bonds,
16 Series 2022 are hereby authorized and ordered issued in the total aggregate principal amount not to exceed
17 Forty-Two Million Dollars (\$42,000,000.00), with a final maturity to be not later than March 1, 2045. The
18 true interest cost of the Bonds (after taking into account any underwriter’s discount and net original issue
19 premium or discount, if any), shall not exceed four and ninety-five one hundredths of one percent (4.95%) per
20 annum. The underwriter’s discount shall not exceed shall not exceed eight tenths of one percent (0.8%) of
21 the par amount of the Bonds. The Bonds shall be subject to optional redemption at the option of the City as
22 described in the Trust Indenture and Official Statement (and identified hereinafter) for the Bonds. The Bonds
23 shall not be general obligations of the City, but shall be special obligations payable solely from the proceeds
24 of the Library Tax, the Special Tax Collections and other moneys, funds, and amounts, more specifically
25 identified in the Trust Indenture. The City hereby pledges the Library Tax and the Special Tax Collections to
26 secure payment of the Bonds.

27 **Section 3.** In order to pay the principal of and interest on the Bonds as they mature and are called for
28 redemption prior to maturity, together with fees and costs incidental thereto, there are hereby appropriated out
29 of the proceeds of the Library Tax and the Special Tax Collections, the sums necessary to pay the same as
30 shall be confirmed by subsequent resolution of the City confirming the final terms of the sale of the Bonds.

31 **Section 4.** The proceeds of the Bonds, together with investment earnings thereon, shall be used to (i)
32 finance the Projects; (ii) refund the Bonds Refunded; (iii) pay interest on the Bonds on March 1, 2023; and
33 (iv) pay the costs of issuance of the Bonds. The Bonds, will mature, bear interest, and be subject to redemption
34 in accordance with the provisions of the Trust Indenture.

1 **Section 5.** All actions heretofore taken by the Mayor, City Clerk, Chief Financial Officer, and Deputy
2 Director of Finance in connection with the offering of the Bonds, including the preparation and distribution
3 of the Preliminary Official Statement, preparation of the Official Statement, and preparation of this Ordinance
4 (the “Authorizing Ordinance”) are hereby in all respects ratified and approved. The Official Statement is
5 deemed a final Official Statement for purposes of the Securities and Exchange Commission Rule 15c2-12.
6 The Official Statement of the City in the form presented at this meeting with such changes, omissions,
7 insertions, and revisions as the Mayor, City Clerk, Chief Financial Officer and Deputy Director of Finance
8 shall deem advisable, is hereby authorized and approved, and the Mayor shall sign and deliver such final
9 Official Statement to the Underwriter for distribution to the owners of the Bonds and other interested persons.

10 **Section 6.** The appointment of Regions Bank, Little Rock, Arkansas, as Trustee (“Trustee”), for the
11 Bonds is hereby approved.

12 **Section 7.** To prescribe the terms and conditions upon which the Bonds authorized by the voters at the
13 May 24, 2022, Special Election are to be executed, issued, accepted, held, and secured, the Mayor is hereby
14 authorized and directed to execute and acknowledge a Series 2022 Trust Indenture between the City and the
15 Trustee and a Continuing Disclosure Agreement among the City, CALS and Regions Bank identified therein,
16 and the City Clerk is hereby authorized and directed to execute and acknowledge the Series 2022 Trust
17 Indenture and the Continuing Disclosure Agreement and to affix the seal of the City thereto, and the Mayor
18 and City Clerk are hereby authorized and directed to cause the Series 2022 Trust Indenture to be accepted,
19 executed, and acknowledged by the Trustee, and the Continuing Disclosure Agreement by the Dissemination
20 Agent, respectively. The Series 2022 Trust Indenture and the Continuing Disclosure Agreement are hereby
21 approved in substantially the forms submitted to this meeting with such changes as shall be approved by such
22 persons executing the documents, their execution to constitute conclusive evidence of such approval.

23 **Section 8.** That pursuant to the provisions of the Trust Indenture, the City hereby covenants to comply
24 with provisions of Federal and State Tax Law following the issuance of the Bonds. In order to enable the
25 City’s post issuance compliance, the City hereby adopts, approves, and reaffirms the “Post Issuance
26 Compliance Policy Manual” dated September 27, 2012, as amended from time to time, (the “Manual”)
27 substantially in the form submitted to the Board of Directors at this meeting, with such changes, omissions,
28 insertions, and revisions as the Mayor, City Clerk, Chief Financial Officer, and Deputy Director of Finance
29 with the advice of legal counsel, shall deem advisable, the execution and delivery by the Mayor and the City
30 Clerk of the Manual to constitute conclusive evidence of the City’s acceptance and approval thereof.

31 **Section 9.** The Mayor, City Clerk, Chief Financial Officer, Deputy Director of Finance, and CALS, for
32 and on behalf of the City, are authorized and directed to do any and all things necessary to effect the execution
33 and delivery of the Series 2022 Trust Indenture, the Continuing Disclosure Agreement and the Manual, the
34 performance of all obligations of the City under the Series 2022 Trust Indenture, the Continuing Disclosure
35 Agreement and the Manual, the issuance, execution, sale, and delivery of the Bonds, including the execution

1 of a Bond Purchase Agreement between the City and the Underwriter, and the performance of all acts of
2 whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The Mayor, City
3 Clerk, Chief Financial Officer, Deputy Director of Finance, and CALS are further authorized and directed,
4 for and on behalf of the City, to execute all papers, documents, certificates, and other instruments that may be
5 required for the carrying out of such authority or to evidence the exercise thereof.

6 **Section 10.** The appointments of Wright, Lindsey & Jennings, LLP, as Bond Counsel and Crews &
7 Associates, Inc., as Underwriter, respectively, are hereby approved and ratified.

8 **Section 11.** It is hereby found and declared that an immediate need exists for the accomplishment of the
9 Projects and the refunding of the Bonds Refunded in order to achieve the most cost-effective financing for the
10 City's public libraries. It is, therefore, declared that an emergency exists. This ordinance, being necessary
11 for the immediate preservation of the public peace, health, and safety, shall take effect and be in force from
12 and after its passage.

13 **Section 12. Severability.** In the event any title, section, paragraph, item, sentence, clause, phrase, or
14 word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or
15 adjudication shall not affect the remaining portions of the ordinance which shall remain in full force and
16 effect as if the portion so declared or adjudged invalid or unconstitutional were not originally a part of the
17 ordinance.

18 **Section 13. Repealer.** All laws, ordinances, resolutions, or parts of the same, that are inconsistent with
19 the provisions of this resolution, are hereby repealed to the extent of such inconsistency.

20 **Section 14. Emergency Clause.** *It is hereby found and declared that an immediate need exists for*
21 *the accomplishments of the Projects and the Bonds Refunded in order to achieve the most cost effective*
22 *financing for the City's public libraries. It is therefore, declared that an emergency exists. This ordinance,*
23 *being necessary for the immediate preservation of the public peace, health and safety, shall be in full force*
24 *and effect from and after the date of its passage and publication.*

25 **PASSED: September 6, 2022**

26 **ATTEST:**

APPROVED:

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28 _____
29 **Susan Langley, City Clerk**

_____ **Frank Scott, Jr., Mayor**

30 **APPROVED AS TO LEGAL FORM:**

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32 _____
33 **Thomas M. Carpenter, City Attorney**

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