ORDINANCE NO. _____

AN ORDINANCE TO AUTHORIZE THE EXECUTION OF A MASTER NOTE PURCHASE AND CONTINUING COVENANT AGREEMENT (THE "MASTER AGREEMENT") TO PROVIDE SHORT-TERM FINANCING UNDER AMENDMENT NO. 78 TO THE ARKANSAS CONSTITUTION FOR THE ACQUISITION OF POLICE VEHICLES AND RELATED EQUIPMENT FOR THE LITTLE ROCK POLICE DEPARTMENT; TO AUTHORIZE THE ISSUANCE OF ONE OR MORE PROMISSORY NOTES UNDER THE MASTER AGREEMENT IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF $15,000,000; TO PERSCRIBE OTHER MATTERS PERTAINING THERETO; AND TO DECLARE AN EMERGENCY.

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") and 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 costs 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 proposes to finance the acquisition of police vehicles and related equipment for the Little Rock Police Department (the "Property to be Financed") by the issuance and sale of one or more promissory notes under Amendment No. 78 (each a "Note" and collectively, the "Notes") in the maximum aggregate principal amount of $15,000,000; and

WHEREAS, the City solicited proposals from financial institutions for the purchase of one or more Notes, and the proposal of JPMorgan Chase Bank, National Association ("JPM") was selected as the best proposal; and

WHEREAS, the financing will be provided in accordance with the terms and conditions set forth in a Master Note Purchase and Continuing Covenant Agreement between the City and JPM or one of its affiliates (the "Purchaser"), a copy of which has been presented to and is before this meeting (the "Master Agreement"); and

WHEREAS, each Note may be issued and sold under the Master Agreement without separate approval of the Board of Directors so long as the sale parameters set forth herein are met;

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

Section 1. The Board of Directors hereby finds that the Property to be Financed is tangible personal property and will have a useful life of more than one (1)-year.

Section 2. Under the authority of the Constitution and the laws of the State of Arkansas (the "State"), the Mayor and City Clerk are hereby authorized to execute and deliver the Master Agreement for and on behalf of the City. The Master Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor and the Chief Financial Officer are hereby authorized to complete the Master Agreement with such changes as deemed necessary to effectuate the purposes of this Ordinance, subject to all terms and conditions set forth herein.

Section 3. Under the authority of the Constitution and laws of the State, including particularly Amendment No. 78 and the Act, and pursuant to the Master Agreement, the Notes in the maximum aggregate principal amount of $15,000,000 are hereby authorized and ordered issued for the purpose of financing the costs of the Property to be Financed and paying the expenses of issuing the Notes. Each Note shall be dated the date of issuance and shall be repaid in five substantially equal annual amortized installments of principal and interest, commencing one year from the date of each Note and on the same day of each year thereafter, with the final installment due five years from the date of issuance of that Note. Each Note shall be issued in fully registered form. Each Note shall be executed by the Mayor and the City Clerk and the seal of the City shall be affixed thereto.

Section 4. Each Note may be issued and sold pursuant to the Master Agreement so long as the following parameters are met:

(i) the principal amount of the Note plus the principal amount of all previous Notes issued and sold pursuant to the Master Agreement does not exceed $15,000,000;

(ii) the interest rate on the Note is a fixed rate that does not exceed 7% per annum;

(iii) 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 defined by the then last tax assessment; and

(iv) the Note is issued on or before November 1, 2028.

Section 5. Each Note shall be sold upon the terms and conditions set forth in the Master Agreement.

Section 6. As provided in Amendment No. 78, the annual debt service payments on each Note authorized hereunder in each fiscal year shall be charged against and paid from the general revenues of the City for such fiscal year. For the purpose of making the annual debt service payments, there is hereby, and shall be, appropriated to pay each Note, an amount of general revenues of the City sufficient for such purposes. The Treasury Manager is hereby authorized and directed to withdraw from the General Fund of the City the amounts and at the times necessary to make the annual debt service payments on each Note.

Section 7. (a) With respect to each Note issued on a federally tax-exempt basis (a "Tax-Exempt Note"), the City covenants that it shall not take any action or suffer or permit any action to be taken or condition to exist which causes or may cause the interest payable on the Tax-Exempt Note to be included in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the City covenants that the proceeds of the sale of each Tax-Exempt Note will not be used directly or indirectly in such manner as to cause such Tax-Exempt Note to be treated as an "arbitrage bond" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the "Code").

(b) The City covenants that it will not use or permit the use of the proceeds of any Tax-Exempt Note in such manner as to cause such Tax-Exempt Note to be a "private activity bond" within the meaning of Section 141 of the Code.

(c) The City covenants that it will not reimburse itself from proceeds of a Tax-Exempt Note for any costs paid prior to the date such Tax-Exempt Note is issued except in compliance with United States Treasury Regulation § 1.150-2 (the "Regulation"). This ordinance shall constitute an "official intent" for purposes of the Regulation.

(d) The City covenants that it will submit to the Secretary of the Treasury of the United States, not later than the 15th day of the second calendar month after the close of the calendar quarter in which each Tax-Exempt Note is issued, a statement concerning such Tax-Exempt Note which contains the information required by Section 149(e) of the Code.

Section 8. The City shall provide such financial information to the Purchaser as the Purchaser may reasonably request.

Section 9. The Mayor, City Manager, Treasury Manager, City Attorney and City Clerk are hereby authorized and directed, for and on behalf of the City, to perform all acts of whatever nature necessary to effect and carry out the authority conferred by this ordinance and to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 10. ***Severability.*** In the event any title, section, paragraph, item, sentence, clause, phrase, or word of this Ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of this ordinance which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional were not originally part of this ordinance.

Section 11. ***Repealer.*** All laws, ordinances, resolutions, or parts of the same which are inconsistent with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency.

Section 12. ***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: September 29, 2026

ATTEST:	**APPROVED:**
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Allison Segars, City Clerk	**Frank Scott., Jr., Mayor**

APPROVED AS TO LEGAL FORM:

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Thomas M. Carpenter, City Attorney

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