

ORDINANCE NO. _____

AN ORDINANCE COMBINING CERTAIN REDEVELOPMENT DISTRICTS OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS AS THE COMBINED DOWNTOWN REDEVELOPMENT DISTRICT NO. 8 OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS; ESTABLISHING A SPECIAL FUND FOR THE REVENUE AND EXPENDITURES GENERATED ON ACCOUNT OF SUCH COMBINED REDEVELOPMENT DISTRICT; DECLARING AN EMERGENCY; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, on February 9, 2004, the City Council of the City of North Little Rock, Arkansas (the "City") adopted Ordinance No. 7618 creating Redevelopment District Number One ("Redevelopment District One") of the City of North Little Rock, under the authority of the Constitution and laws of the State of Arkansas, including particularly Amendment 78 to the Constitution of the State of Arkansas and Ark. Code Ann. § 14-168-301 et seq., (collectively referred to herein as "the Act"); and

WHEREAS, on September 24, 2007, the City adopted Ordinance No. 7988 creating Redevelopment District #4 ("Argenta Redevelopment District") of the City of North Little Rock, under the authority of the Act; and

WHEREAS, on September 24, 2007, the City adopted Ordinance No. 7989 creating Redevelopment District #5 ("Maple Redevelopment District") of the City of North Little Rock, under the authority of the Act; and

WHEREAS, Ark. Code Ann. § 14-168-307(c) provides that one or more existing redevelopment districts may be combined pursuant to lawfully adopted amendments to the original plan for each district so long as the combination of the districts will not impair the security for any bonds previously issued under the Act; and

WHEREAS, no bonds, notes, or other obligations are outstanding with respect to Redevelopment District One, the Argenta Redevelopment District, or the Maple Redevelopment District; and

WHEREAS, the City of North Little Rock, Arkansas held a public hearing at which all interested parties desiring to be heard in connection with this matter were afforded a reasonable opportunity to express their views on the proposed combining of such redevelopment districts and the proposed boundaries of the combined district (the "Hearing"), and

WHEREAS, the City of North Little Rock, Arkansas published notice of the Hearing in The Arkansas Democrat-Gazette, a newspaper of general circulation in the City of North Little Rock, Arkansas, on December 5, 2007, which was fifteen (15) days prior to the Hearing, and

WHEREAS, prior to the City of North Little Rock, Arkansas publishing such notice, the City of North Little Rock, Arkansas sent a copy of the notice by first-class mail to the chief executive officer of all local governmental and taxing units having the power to levy taxes on property located within the proposed redevelopment district and to the superintendent of any school district which includes property located within the proposed redevelopment district, such persons being Honorable Mike Beebe, Governor of the State of Arkansas, Honorable Floyd "Buddy" Villines, Pulaski County Judge, Honorable Patrick H. Hays, Mayor of the City of North Little Rock and Mr. Kenneth A. Kirspel, Superintendent, North Little Rock School District; and

WHEREAS, after holding the Hearing and duly considering the comments and advice therein, the City finds it is proper to combine Redevelopment District One, the Argenta Redevelopment District, and the Maple Redevelopment District as the Combined Downtown Redevelopment District No. 8 ("Combined Downtown Redevelopment District") of the City of North Little Rock, Arkansas to jointly fund a project plan that is beneficial to each district, both individually and collectively.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That Redevelopment District One, the Argenta Redevelopment District, and the Maple Redevelopment District are hereby combined pursuant to the authority of Ark. Code Ann. § 14-168-307(c) to form the Combined Downtown Redevelopment District, the boundaries of which are defined by the individual districts and graphically depicted on the attached Exhibit "A."

SECTION 2: That the City of North Little Rock, Arkansas hereby finds the creation of the Combined Downtown Redevelopment District as provided in Section 1 will benefit the real property within the Combined Downtown Redevelopment District because it will encourage the improvement of the real property thereby eliminating and preventing the development and spread of slums or blighted, deteriorated and deteriorating areas, and discouraging the loss of commerce, industry, and employment, and increasing employment.

SECTION 3: That the City of North Little Rock, Arkansas hereby finds that the real property within the Combined Downtown Redevelopment District is in a partially unimproved condition and contains substandard and deteriorated property, and hereby determines that the unimproved real property within the Combined Downtown Redevelopment District is in a blighted area, due to the fact that the area surrounding the Maple Redevelopment District is predominantly developed, and such unimproved real property is substantially impairing the growth of the city and the county due to the absence of structures, infrastructure and site improvements.

SECTION 4: That there is hereby created, established and designated a special fund to be known as "The Combined Downtown Redevelopment District of the City of

North Little Rock, Arkansas Special Fund" ("Combined Downtown Redevelopment District Special Fund"). The Combined Downtown Redevelopment District Special Fund shall be a separate fund set apart from any other funds or accounts of the City of North Little Rock, Arkansas, and shall be used only for the benefit of the Combined Downtown Redevelopment District as provided in this Ordinance and any subsequent ordinances or resolutions concerning the Combined Downtown Redevelopment District and no revenues or sums contained in such special fund shall be commingled with revenues or sums of any other funds or accounts of the City of North Little Rock, Arkansas. The Combined Downtown Redevelopment District Special Fund shall receive all tax increment revenues and any other revenues generated under the Arkansas Constitution or Arkansas law and designated by the City of North Little Rock, Arkansas for the benefit of Redevelopment District One, the Argenta Redevelopment District, and the Maple Redevelopment District, and all such tax increment revenues and other revenues shall be deposited in such special fund and all project costs related to the Combined Downtown Redevelopment District shall be paid from such special fund. The Combined Downtown Redevelopment District Special Fund may be assigned to and held by a trustee for the benefit of bondholders if the City of North Little Rock, Arkansas elects to use tax increment financing for the benefit of the Combined Downtown Redevelopment District. The funds deposited in the Combined Downtown Redevelopment District Special Fund may be used for the following purposes, including without limitation expenditures made in preparation of a project plan and made, or estimated to be made, or monetary obligations incurred, or estimated to be incurred, by the City of North Little Rock, Arkansas, which are listed in a project plan as costs of public works or improvements benefiting the Combined Downtown Redevelopment District, plus any costs incidental thereto; provided the following list of purposes and uses shall not limit in any way the potential uses of such funds:

- (i) Capital costs, including, but not limited to, the actual costs of the construction of public works or improvements, new buildings, structures, and fixtures, the demolition, alteration, remodeling, repair, or reconstruction of existing buildings, structures, and fixtures, environmental remediation, parking and landscaping, the acquisition of equipment, and site clearing, grading, and preparation;
- (ii) Financing costs, including, but not limited to, all interest paid to holders of evidences of indebtedness issued to pay for project costs, all costs of issuance, and any redemption premiums, credit enhancement, or other related costs;
- (iii) Real property assembly costs, meaning any deficit incurred resulting from the sale or lease as lessor by the City of North Little Rock, Arkansas of real or personal property within the Combined Downtown Redevelopment District for consideration which is less than its cost to the City of North Little Rock, Arkansas;
- (iv) Professional service costs, including, but not limited to, those costs incurred for architectural, planning, engineering and legal advice and services;

(v) Imputed administrative costs, including, but not limited to, reasonable charges for the time spent by City of North Little Rock, Arkansas employees in connection with the implementation of a project plan;

(vi) Relocation costs, including, but not limited to, those relocation payments made following condemnation and job training and retraining;

(vii) Organizational costs, including, but not limited to, the costs of conducting environmental impact and other studies, and the costs of informing the public with respect to the creation of the Combined Downtown Redevelopment District and the implementation of project plans;

(viii) The amount of any contributions made in connection with the implementation of a project plan;

(ix) Payments made, in the discretion of the City of North Little Rock, Arkansas, which are found to be necessary or convenient to the creation of the Combined Downtown Redevelopment District or the implementation of project plans; and

(x) That portion of costs related to the construction of environmental protection devices, storm or sanitary sewer lines, water lines, amenities, federal or state highways, or city or county streets or the rebuilding or expansion of highways or streets, the construction, alteration, rebuilding, or expansion of which is necessitated by the project plan for the Combined Downtown Redevelopment District, whether or not the construction, alteration, rebuilding, or expansion is within the area encompassing the Combined Downtown Redevelopment District.

The City of North Little Rock acknowledges that any such revenues deposited into the special fund shall only be used for project costs as set forth above, which are incurred in connection with capital improvements of a public nature.

SECTION 5: That a copy of this ordinance duly certified by the City Clerk shall be filed in the office of Circuit Clerk and Ex-Officio Recorder of Pulaski County at Little Rock, Arkansas.

SECTION 6: That all ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of the conflict.

SECTION 7: That the provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall be declared or held invalid, such invalidity shall not affect the remainder of the sections, phrases or provisions.

SECTION 8: It is hereby found and determined that the immediate passage of

this ordinance is necessary in order to insure the proper and orderly growth and development of the real property of the combined district and the City of North Little Rock, Arkansas, and being necessary for the immediate preservation of the public health, safety and welfare, THEREFORE, an emergency is hereby declared to exist and this Ordinance shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Patrick H. Hays

SPONSOR:

ATTEST:

Mayor Patrick H. Hays

Diane Whitbey, City Clerk

APROVED AS TO FORM:

C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY