

ORDINANCE NO. 2023-54

AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF SEARCY, ARKANSAS ON THE QUESTION OF ISSUING BONDS UNDER AMENDMENT NO. 62 TO THE CONSTITUTION OF THE STATE OF ARKANSAS FOR THE PURPOSE OF FINANCING ALL OR A PORTION OF THE COSTS OF CAPITAL IMPROVEMENTS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the Advertising and Tourism Promotion Commission (the "Commission") of the City of Searcy, Arkansas (the "City") has determined that the City is in need of certain capital improvements, including particularly, without limitation, an outdoor aquatic center and improvements at Riverside Park and any necessary land acquisition, furnishings, equipment and parking, lighting, landscaping, street, drainage and utility improvements related thereto (the "Improvements"); and

WHEREAS, the Commission and the City Council of the City have determined that the Improvements will attract a substantial number of additional visitors to the City and thereby promote the development of tourism in the City; and

WHEREAS, the Commission has found, and the City Council hereby finds and determines, that the Improvements are capital improvements of a public nature within the meaning of Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation") and are tourist-oriented facilities within the meaning of Title 26, Chapter 75, Subchapter 6 of the Arkansas Code of 1987 Annotated (the "Tax Legislation"); and

WHEREAS, the City can finance all or a portion of the costs of the Improvements by the issuance of capital improvement bonds in one or more series in the maximum aggregate principal amount of \$13,900,000 (the "Bonds") under the authority of Amendment No. 62 to the Constitution of the State of Arkansas, the Authorizing Legislation and the Tax Legislation; and

WHEREAS, under the authority of the Authorizing Legislation and Ordinance No. 2019-08, adopted March 12, 2019, the City levies a tax upon the gross receipts or gross proceeds from activities in Arkansas Code Annotated Section 26-75-602(c)(1), as amended from time to time, which currently include renting, leasing or furnishing hotel, motel, house, cabin, bed and breakfast, campground, condominium or other similar rental accommodations for sleeping, meeting or party room facilities for profit in the City at the rate of 3% and upon the gross receipts or gross proceeds received from activities in Arkansas Code Annotated Section 26-75-602(c)(2), as amended from time to time, which currently include the sale of prepared food and beverages for on-premises or off-premises consumption by restaurants, cafes, cafeterias, delicatessens, drive-in restaurants, carry-out restaurants, concession stands, convenience stores, grocery-store restaurants or similar businesses within the City at the rate of 1% (collectively, the "Tax"); and

WHEREAS, the City can pay the principal of and interest on the Bonds from a pledge of collections of the Tax; and

WHEREAS, the purpose of this Ordinance is to submit to the electors of the City the question of issuing the Bonds for the Improvements at a special election to be called for that purpose;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Searcy, Arkansas:

Section 1. There is hereby called a special election to be held on March 5, 2024, at which election there shall be submitted to the electors of the City the question of issuing the Bonds in one or more series for the Improvements, in the aggregate principal amount of not to exceed \$13,900,000, to be payable from a pledge of collections of the Tax.

Section 2. The question of issuing the Bonds shall be placed on the ballot for the election in substantially the following form:

**TOURIST-ORIENTED FACILITIES BONDS**

Bonds of the City of Searcy in one or more series in the maximum aggregate principal amount of \$13,900,000 to finance all or a portion of the costs of certain capital improvements, including particularly, without limitation, an outdoor aquatic center and improvements at Riverside Park and any necessary land acquisition, furnishings, equipment and parking, lighting, landscaping, street, drainage and utility improvements related thereto. The bonds will be payable from a pledge of collections of the existing tax levied by the City upon the gross receipts or gross proceeds from activities in Arkansas Code Annotated Section 26-75-602(c)(1), as amended from time to time, which currently include renting, leasing or furnishing hotel, motel, house, cabin, bed and breakfast, campground, condominium or other similar rental accommodations for sleeping, meeting or party room facilities for profit in the City at the rate of 3% and upon the gross receipts or gross proceeds received from activities in Arkansas Code Annotated Section 26-75-602(c)(2), as amended from time to time, which currently include the sale of prepared food and beverages for on-premises or off-premises consumption by restaurants, cafes, cafeterias, delicatessens, drive-in restaurants, carry-out restaurants, concession stands, convenience stores, grocery-store restaurants or similar businesses within the City at the rate of 1%.

FOR.....

AGAINST.....

Section 3. The election shall be held and conducted and the vote canvassed and the results declared under the law and in the manner now provided for municipal elections unless otherwise provided in the Authorizing Legislation and only qualified voters of the City shall have the right to vote at the election.

Section 4. The results of the election shall be proclaimed by the Mayor, and the Proclamation shall be published one time in a newspaper having a general circulation in the City, which Proclamation shall advise that the results as proclaimed shall be conclusive unless attacked in the courts within thirty days after the date of publication

Section 5. A copy of this Ordinance shall be (a) filed with the White County Clerk at least 70 days prior to the election date and (b) given to the White County Board of Election Commissioners so that the necessary election officials and supplies may be provided.

Section 6. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to call and hold the special election as herein provided.

Section 7. If the Bonds are approved and issued, the City intends to negotiate with Crews & Associates, Inc., which has assisted the City in preparation of the Bond size and repayment structure, for the sale of the Bonds.

Section 8. The provisions of this Ordinance are hereby declared to be severable, and if any provision shall for any reason be held illegal or invalid, it shall not affect the validity of the remainder of the Ordinance.

Section 9. All ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

PASSED: December 12, 2023.

APPROVED:

ATTEST:

/s/ Jerry Morris  
City Clerk

/s/ Mat Faulkner  
Mayor of Searcy

(SEAL)

CERTIFICATE

The undersigned, City Clerk of Searcy, Arkansas, hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. 2023-54, passed at a regular session of the City Council of Searcy, Arkansas, held at the regular meeting place of the City Council at 5:00 o'clock p.m., on the 12th day of December, 2023.

GIVEN under my hand and seal this 12<sup>th</sup> day of December, 2023.

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City Clerk

(SEAL)