

AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF EUREKA SPRINGS, ARKANSAS ON THE QUESTION OF ISSUING BONDS UNDER AMENDMENT NO. 62 TO THE CONSTITUTION OF THE STATE OF ARKANSAS FOR THE PURPOSE OF FINANCING THE COST OF CAPITAL IMPROVEMENTS; PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY.

WHEREAS, the City Council of the City of Eureka Springs, Arkansas (the "City") has determined that it would be in the best interests of the City to make improvements and renovations to, and acquire and install necessary fixtures, furnishings and equipment for, the City's Auditorium, which is owned by the City and operated by the City Auditorium Commission as part of the City's Performing Arts and Convention Center; and

WHEREAS, the City Council hereby finds and determines that the City Auditorium is a capital improvement 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 is a tourist-oriented facility within the meaning of Title 26, Chapter 75, Subchapter 6 of the Arkansas Code of 1987 Annotated (the "Tax Legislation"); and

WHEREAS, it has been determined that the estimated cost of the Improvements, including incidental expenses and expenditures in connection with accomplishing the Improvements and expenses in connection with authorizing and issuing bonds, is \$200,000; and

WHEREAS, the City can finance such costs by the issuance of capital improvement bonds in the maximum aggregate principal amount of \$200,000 (the "Bonds") under the authority of Amendment No. 62 to the Constitution of the State of Arkansas and the Authorizing Legislation; and

WHEREAS, the City can pay the principal of and interest on the Bonds from a pledge of up to \$20,000 of annual collections of the City's 2% tax upon the gross receipts or gross proceeds from motels, hotels, restaurants, cafes and cafeterias within the City levied by the City under the authority of the Tax Legislation and Ordinance No. 936, adopted May 4, 1972, as amended by Ordinance No. 942, adopted September 7, 1972, Ordinance No. 1018, adopted March 26, 1977 and Ordinance No. 1227, adopted May 14, 1985 (but excluding gross receipts or gross proceeds from souvenir or gift shops) (the "Tax"); and

WHEREAS, the City Advertising and Promotion Commission has approved the pledging of up to \$20,000 of annual collections of the Tax to the payment of the Bonds; 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 under Amendment 62 and the Authorizing Legislation at a special election to be called for that purpose;

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

Section 1. That there be, and there is hereby called, a special election to be held on November 5, 1991, at which election there shall be submitted to the electors of the City, the question of issuing the Bonds under Amendment 62 and the Authorizing Legislation to accomplish the Improvements in the aggregate principal amount of not to exceed \$200,000 to be payable from a pledge of up to \$20,000 of annual collections of the Tax.

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

Vote on measure by placing an "X" in the square opposite the measure either for or against:

FOR an issue of bonds of the City of Eureka Springs in the maximum amount of \$200,000 for the purpose of making improvements and renovations to, and acquiring and installing necessary fixtures, furnishings and equipment for, the City Auditorium, to be payable from a pledge of up to \$20,000 of annual collections of the 2% tax levied by the City upon the gross receipts or gross proceeds from motels, hotels, restaurants, cafes and cafeterias within the City

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AGAINST an issue of bonds of the City of Eureka Springs in the maximum amount of \$200,000 for the purpose of making improvements and renovations to, and acquiring and installing necessary fixtures, furnishings and equipment for, the City Auditorium, to be payable from a pledge of up to \$20,000 of annual collections of the 2% tax levied by the City upon the gross receipts or gross proceeds from motels, hotels, restaurants, cafes and cafeterias within the City

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Section 3. That 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. That the results of the election shall be proclaimed by the Mayor, and his 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. That a copy of this Ordinance shall be given to the Carroll County Board of Election Commissioners so that the necessary election officials and supplies may be provided.

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

Section 7. That all ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. It is hereby ascertained and declared that there is an immediate need for the Improvements in order to promote and protect the health, safety and welfare of the City and its inhabitants, and that the Improvements can be accomplished only by the issuance of the Bonds. It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of public peace, health and safety shall be in force and take effect immediately from and after its passage.

PASSED: September 24, 1991.

ATTEST:

Quenta S. Barner
City Clerk

APPROVED:

Randy D. P. P. P.
Mayor

(SEAL)

CERTIFICATE

The undersigned, City Clerk of Eureka Springs, Arkansas, hereby certifies that the foregoing pages, numbered 1 to 5, inclusive, are a true and perfect copy of Ordinance No. 1458, passed at a regular session of the City Council of Eureka Springs, Arkansas, held at the regular meeting place of the City Council at 9:00 o'clock a.m., on the 24th day of September, 1991, and that the Ordinance is of record in Ordinance Record Book No. 5, Page 156, now in my possession.

GIVEN under my hand and seal this 24th day of SEPT., 1991.

Janita S. Barner
City Clerk

(SEAL)