

1 **State of Arkansas**  
2 **78th General Assembly**  
3 **Regular Session, 1991**  
4 **By: Senator Howell**

**A BILL ACT 1173 OF 1991**  
**SENATE BILL 483**

**For An Act To Be Entitled**

8 "AN ACT TO AUTHORIZE THE STATE BUILDING SERVICES TO  
9 ACQUIRE AND MANAGE FACILITIES IN LITTLE ROCK, ARKANSAS,  
10 FOR HOUSING AND FOR PROVIDING APPROPRIATE PARKING  
11 FACILITIES FOR STATE AGENCIES, DEPARTMENTS, OFFICES,  
12 BOARDS, AND COMMISSIONS; TO AUTHORIZE THE STATE BUILDING  
13 SERVICES TO ESTABLISH A SYSTEM OF CHARGES FOR RENTS TO BE  
14 COLLECTED FROM STATE AGENCIES, DEPARTMENTS, BOARDS, AND  
15 COMMISSIONS HOUSED IN SUCH FACILITIES; TO AUTHORIZE THE  
16 ISSUANCE OF REVENUE BONDS TO PROVIDE FUNDS FOR THE  
17 ACQUISITION, RENOVATION AND REPAIR OF SUCH FACILITIES; AND  
18 FOR OTHER PURPOSES."

19  
20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

21  
22 SECTION 1. This act shall be known and cited as the "State Agencies  
23 Facilities Acquisition Act of 1991".

24  
25 SECTION 2. Definitions. Whenever used in this act, unless a different  
26 meaning clearly appears from the context:

27 (a) "Agency" or "state agency" means any agency, board, office,  
28 commission, department, division or institution of the state of Arkansas.

29 (b) "Bonds" or "revenue bonds" mean any bonds, notes, debentures,  
30 interim certificates, grant and revenue anticipation notes, interest in a  
31 lease, lease certificate(s) of participation or evidences of indebtedness,  
32 whether or not the interest on them is subject to federal income taxation.

33 (c) "State Building Services" means the public agency known as  
34 "Arkansas State Building Services" and the "State Building Services Council",  
35 as established under Arkansas Code 22-2-101 et seq.

36 (d) "Construct" means to acquire, construct, reconstruct, remodel,

1 install, and equip any lands, buildings, structures, improvements or other  
2 property, real, personal or mixed, useful in connection with buildings and  
3 facilities acquired under this act and to make other necessary expenditures in  
4 connection therewith, by such methods and in such manner as the State Building  
5 Services shall determine to be necessary or desirable to accomplish the  
6 powers, purposes, and authority set forth in this act.

7 (e) "Authority" means the Arkansas Development Finance Authority  
8 created pursuant to Act 1062 of 1985, as amended.

9

10 SECTION 3. (a) In addition to the purposes, powers, and authority set  
11 forth elsewhere in this act or in other laws, the State Building Services is  
12 hereby authorized and empowered to:

13 (1) acquire by purchase, exchange, barter, gift, eminent domain,  
14 long term lease or other means, building and facilities in Little Rock,  
15 Arkansas, to house state agencies, and to repair, remodel, renovate such  
16 buildings and facilities as it shall deem necessary and appropriate to  
17 accommodate state agencies;

18 (2) exercise the power of eminent domain for the purpose of  
19 acquiring buildings and facilities and to otherwise carry out the purposes and  
20 intent of this act, with such power to be exercised in the manner provided in  
21 Arkansas Code 22-2-109;

22 (3) arrange for the housing of state agencies in such buildings  
23 and facilities to the extent that space and facilities are available for such  
24 purpose, under such terms and conditions and for such rentals and charges as  
25 State Building Services may determine;

26 (4) acquire, construct or cause to be constructed parking  
27 facilities to serve the facility;

28 (5) purchase, lease or rent, and receive bequests or donations  
29 of or otherwise acquire, sell, trade or barter, any property (real, personal  
30 or mixed), and convert such property into money and/or other property;

31 (6) contract and be contracted with;

32 (7) apply for, receive, accept, and use any monies and property  
33 from the government of the United States of America, any agency, any state, or  
34 governmental body or political subdivision, any public or private organization  
35 or corporation, of any nature, or any individual;

36 (8) take such other actions not inconsistent with law as may be

1 necessary or desirable to carry out the powers, purposes, and authority as set  
2 forth herein, in accordance with the duly-promulgated policies of the State  
3 Building Services Council.

4 (b) In addition to the purposes, powers and authority set forth  
5 elsewhere in this act or in other laws, in connection with the construction  
6 and equipping of buildings and facilities in Little Rock, Arkansas, to house  
7 state agencies, the Authority is hereby authorized:

8 (1) to obtain the necessary funds for accomplishing the purposes  
9 set forth in this act, from any source or sources, including, without  
10 limitation, the proceeds of revenue bonds or lease financings as authorized  
11 herein, and other funds as may be appropriated or may be available therefor;  
12 and

13 (2) contract and to be contracted with; and

14 (3) invest and reinvest any of the proceeds of such revenue  
15 bonds as provided in such authorizing resolution or trust indenture,  
16 hereinafter authorized; and

17 (4) take such other actions not inconsistent with law as may be  
18 necessary or desirable to carry out the powers, purposes and authority set  
19 forth herein, in accordance with the duly promulgated policies of the  
20 Authority as authorized by law.

21

22 SECTION 4. No single acquisition under the provisions of this act may  
23 exceed a total cost of eight million dollars (\$8,000,000) in value, whether  
24 acquired by purchase, exchange, eminent domain, long-term lease, or other  
25 means, exclusive of the cost of any repairs, remodeling and renovation of such  
26 buildings and facilities as State Building Services deems necessary and  
27 appropriate to accommodate state agencies. Provided, such repairs, remodeling  
28 and renovation shall not result in increasing the area of the structure of any  
29 such existing building or facility by more than ten percent (10%). Provided  
30 further, nothing in this act shall be construed to authorize or permit  
31 construction of any new buildings.

32

33 SECTION 5. REVENUE BONDS.

34 (a) Pursuant to the intention of the General Assembly expressed in  
35 Arkansas Code Annotated §15-5-303, the Authority, in cooperation with State

1 *Building Services, is hereby authorized and empowered to issue revenue bonds,*  
2 *at one time or from time to time, and to use the proceeds thereof for*  
3 *defraying the costs of accomplishing all or part of the powers, purposes and*  
4 *authorities set forth in this act, pay all incidental expenses in connection*  
5 *therewith, pay the expenses of authorizing and issuing the bonds, establishing*  
6 *a debt service reserve to secure the payment of the bonds, if the Authority*  
7 *deems such desirable, and making provision for the payment of interest and*  
8 *trustee's fees on the bonds. The bonds outstanding under this act may be in*  
9 *such principal amount as the Authority and State Building Services shall*  
10 *determine to be necessary for the accomplishment of the purposes of this act.*

11       **(b)** *The bonds shall be authorized, shall be sold by such means, shall*  
12 *bear such rate or rates of interest, and shall be executed and delivered in*  
13 *such manner as the Authority may determine pursuant to the provisions of*  
14 *Arkansas Code Annotated §15-5-301 to §15-5-316, inclusive. The Authority is*  
15 *authorized to enter into such authorizing resolutions and trust indentures as*  
16 *it deems necessary to secure the revenue bonds.*

17       **(c)** *Nothing in the provisions of this act shall be deemed to remove,*  
18 *modify or amend Arkansas Code Section 15-5-303.*

19

20       **SECTION 6. (a)** *It shall be plainly stated on the face of each bond*  
21 *that it has been issued under the provisions of this act, that the bonds shall*  
22 *be obligations only of the Authority, that in no event shall they constitute*  
23 *indebtedness for which the faith and credit of the State of Arkansas or any of*  
24 *its revenues (within the meaning of Amendment 20 to the Constitution of the*  
25 *State of Arkansas) are pledged. No member of the Authority shall be*  
26 *personally liable on the bonds.*

27       **(b)** *The principal of, premiums, if any, interest on, and trustees' and*  
28 *paying agents' fees in connection with the bonds shall be secured by a lien on*  
29 *and pledge of and shall be payable from the pledged revenues defined in*  
30 *Section 6 hereof. The authorizing resolution or trust indenture shall set*  
31 *forth details of the nature and extent of the lien and pledge, including*  
32 *provisions for the use of surplus revenues, if any, for any other lawful*  
33 *purposes.*

34

35       **SECTION 7. (a)** *The principal of, premiums, if any, interest on, and*

1 trustees' and paying agents' fees in connection with all bonds issued under  
2 this act shall be secured solely by a lien on and pledge of the gross revenues  
3 derived from the leasing or renting to state agencies or other tenants of  
4 space in the buildings and facilities acquired pursuant to this act and the  
5 pledging of such revenues (the "pledged revenues") is hereby authorized. All  
6 pledged revenues are hereby specifically declared to be cash funds restricted  
7 in their use and dedicated and to be used solely as provided and authorized in  
8 this act. Commencing the first day of the month succeeding the issuance of  
9 the bonds hereunder and so long as any bonds are outstanding hereunder, the  
10 pledged revenues shall not be deposited into the State Treasury and shall not  
11 be subject to legislative appropriation, but, as and when received (by the  
12 *Authority*, or by any other state agency, as the case may be) shall be  
13 deposited in a bank or banks selected by the *Authority*, to the credit of funds  
14 designated the "State Agencies Facilities Revenue Bond Fund", with appropriate  
15 identification for separate issues or series. So long as any bonds are  
16 outstanding hereunder, all monies in any bond fund shall be used solely for  
17 the payment of the principal of, premiums, if any, interest on, and trustees'  
18 and paying agents' fees in connection with the bonds, with the maintenance of  
19 necessary funds and reserves, except that the authorizing resolution or trust  
20 indenture may provide for the withdrawal, for other purposes, of surplus  
21 monies, as defined in the authorizing resolution or trust indenture. Nothing  
22 in this section is intended to prohibit the *Authority* from investing monies  
23 received hereunder, as provided in this Act.

24

25 SECTION 8. Any authorizing resolution and trust indenture shall,  
26 together with this act, constitute a contract between the *Authority* and the  
27 holders and registered owners of the bonds, which contract, and all covenants,  
28 agreements and obligations therein, shall be promptly performed in strict  
29 compliance with the terms and provisions of such contract, and the covenants,  
30 agreements, and obligations of the State Building Services may be enforced by  
31 mandamus or other appropriate proceedings at law or in equity. In this  
32 regard, in addition to other provisions referred to above, the State Building  
33 Services is hereby expressly authorized to include in any authorizing  
34 resolution or trust indenture assurance that, to the fullest extent possible,  
35 it will always charge, impose and collect sufficient rentals and other revenue

1 to meet, as due, all debt service requirements, maintain reserves at proper  
2 levels, and otherwise comply with any provisions of authorizing resolutions or  
3 trust indentures concerning revenues and bonds.

4  
5 SECTION 9. Bonds issued under the provisions of this act, and the  
6 interest thereon, shall be exempt from all state, county, and municipal taxes,  
7 and the exemption shall include income, inheritance, and estate taxes.

8  
9 SECTION 10. *The Authority shall include necessary provisions in the*  
10 *authorizing resolution or trust indenture to provide for the deposit of the*  
11 *proceeds of the bonds pursuant to the provisions of Arkansas Code Annotated*  
12 *§15-5-209. The Authority may create and establish one or more special funds*  
13 *in such depositories and make such investment as it may designate to provide*  
14 *for the construction, secure the bonds, establish reserves, and fund other*  
15 *necessary functions or activities authorized by the act.*

16  
17 SECTION 11. *REFUNDING BONDS. Bonds may be issued for the purpose of*  
18 *refunding any bonds issued under this act. Refunding bonds may be issued by*  
19 *the Authority pursuant to the provisions of Arkansas Code §15-5-314.*

20  
21 SECTION 12. No member of the State Building Services Council shall be  
22 held personally liable for any act taken by the Council or for any damages  
23 sustained by anyone in any contract entered into in carrying out the purposes  
24 and intent of this act, unless he (she) shall have acted with a corrupt  
25 intent.

26  
27 SECTION 13. (a) The State Building Services is hereby authorized to  
28 supervise and manage buildings and other facilities acquired pursuant to the  
29 authority granted herein and to manage, maintain and repair said buildings and  
30 facilities to provide rental space to be made available for the housing of  
31 state agencies, departments, boards, commissions and institutions, or other  
32 tenants, at such rental rates as deemed necessary:

33 (i) *to provide sufficient funds to enable the Authority to meet,*  
34 *when due, the payment of principal of, interest on, and trustee's and paying*  
35 *agents' fees in connection with all bonds issued under this act;*

1                   (ii) to enable the Authority to establish and maintain such  
2 reserves, and other financial obligations in regard to the bonds issued under  
3 the provisions of this act, as shall be set forth in any authorizing  
4 resolution or trust indenture utilized for that purpose; and

5                   (iii) in addition thereto, to pay the costs of utilities,  
6 insurance, janitorial supplies and services, building maintenance, upkeep,  
7 repair, and remodeling as deemed necessary, including the accumulation of  
8 reserves deemed necessary for such purposes as authorized under the provisions  
9 of this act, and, in connection therewith, the State Building Services may  
10 establish one or more accounts in one or more banks authorized to do business  
11 in this state to accomplish such purposes.

12           (b) The State Building Services is hereby authorized to hire legal  
13 counsel of its choice to assist in the administration of this act.

14           (c) State Building Services is hereby prohibited from utilizing the  
15 proceeds of any bonds issued under this act to acquire by purchase, exchange,  
16 barter, gift, eminent domain, long term lease or other means the capital  
17 improvements located on the property described as Lots 7, 8, 9, 13, 14, and 15  
18 and the East 33 feet 4 inches of Lots 10 and 12 in Block 344 of Beach's  
19 Subdivision, and Addition to the city of Little Rock, Arkansas, as designated  
20 on the plat of said Addition now appearing of record in Deed Book 4, Page 586,  
21 in the office of the Recorder of Pulaski County, Arkansas.

22  
23           SECTION 14. This act shall not create any right in any bondholder for  
24 bonds issued pursuant to this act, and no right of such bondholders shall  
25 arise under it, until bonds authorized by this act (of the initial issue or  
26 series) shall have been sold and delivered by the Authority.

27  
28           SECTION 15. This act shall be construed liberally. The enumeration of  
29 any object, purpose, power, manner, method, and thing shall not be deemed to  
30 exclude like or similar objects, purposes, powers, manners, methods, and  
31 things.

32  
33           SECTION 16. Nothing in this act shall be construed to provide or allow  
34 for the construction of a new office building to house any governmental agency  
35 of the State of Arkansas.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35

SECTION 17. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 18. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 19. All laws or parts of laws in conflict with this act are hereby repealed.

*/s/Howell*

APPROVED: 4/10/91

- 1
- 2
- 3
- 4
- 5
- 6