

As Engrossed: 2/7/91

1 **State of Arkansas**
2 **78th General Assembly**
3 **Regular Session, 1991**

A BILL ACT 235 OF 1991
HOUSE BILL 1540

4 **By: Representative John Miller**

5

6

7

For An Act To Be Entitled

8 "AN ACT TO AUTHORIZE THE STATE BUILDING SERVICES TO
9 CONSTRUCT, IN PHASES OVER A TEN-YEAR PERIOD, AND TO
10 OPERATE, FACILITIES TO BE KNOWN AS THE 'CAPITOL MALL
11 FACILITY' ON THE STATE CAPITOL GROUNDS, FOR HOUSING OF
12 STATE AGENCIES, DEPARTMENTS, BOARDS AND COMMISSIONS; TO
13 AUTHORIZE THE STATE BUILDING SERVICES TO ESTABLISH A
14 SYSTEM OF CHARGES FOR RENTS TO BE COLLECTED FROM STATE
15 AGENCIES, DEPARTMENTS, BOARDS, AND COMMISSIONS HOUSED IN
16 SAID FACILITY; TO AUTHORIZE STATE BUILDING SERVICES TO
17 ACQUIRE BUILDINGS AND FACILITIES IN THE CITY IN WHICH THE
18 SEAT OF STATE GOVERNMENT IS LOCATED TO HOUSE STATE
19 AGENCIES PROVIDED THAT NO SINGLE ACQUISITION MAY EXCEED A
20 TOTAL COST OF \$4,000,000 IN VALUE EXCLUSIVE OF THE COST OF
21 REPAIRS, REMODELING, AND RENOVATIONS THAT DO NOT EXPAND
22 THE BUILDING OR FACILITY MORE THAN TEN PERCENT; TO
23 AUTHORIZE THE CONSTRUCTION OF PARKING FACILITIES AND
24 NECESSARY STREETS, CURBS, AND GUTTERS IN CONNECTION WITH
25 SUCH NEW CONSTRUCTION OR ACQUISITIONS; TO AUTHORIZE THE
26 ISSUANCE OF REVENUE BONDS TO PROVIDE FUNDS FOR FINANCING
27 THE CONSTRUCTION OR ACQUISITION OF SAID FACILITIES; AND
28 FOR OTHER PURPOSES."

29

30 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

31

32 SECTION 1. This act shall be known and cited as the "Capitol Mall
33 Facility and State Agencies Facilities Acquisition Act of 1991".

34

35 SECTION 2. DEFINITIONS. Whenever used in this act, unless a different
36 meaning clearly appears from the context:

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

3 (b) "Bonds" or "revenue bonds" means revenue bonds and any series of
4 revenue bonds authorized by and issued pursuant to the authority granted in
5 this act.

6 (c) "The Capitol Mall Facility" or the term "the facility" means those
7 structures contained in the "Facilities -- Master Plan -- Year 1985" on page
8 79 of the Arkansas State Capitol Complex Master Plan, as prepared under the
9 direction of the Arkansas Public Building Authority authorized by Act 236 of
10 1973, dated June, 1974, and any architectural drawings prepared in connection
11 therewith which are on file with State Building Services, to include the
12 following:

13 (i) Building Number 1 under the Legend, entitled "Agency Office,
14 Module A; Visitor Center, 220 Car Garage;"

15 (ii) Building Number 2 under the Legend, entitled "Agency Office,
16 Module B;"

17 (iii) Building and Facility Number 4 under Legend, entitled "750
18 Car Garage;"

19 (iv) the necessary tie-in to the State Capitol Building and to
20 connect Building Number 3 under the Legend, entitled "Library Archives --
21 Museum Module" now existing, which is commonly referred to as the "Big Mac" or
22 "Capitol Mall No. 1" Building;

23 (v) such modifications to the aforementioned buildings and
24 facilities, and the architectural drawings prepared in connection therewith,
25 as are deemed necessary to meet current and projected needs;

26 (vi) landscaping and other improvements in connection with the
27 project deemed necessary to accommodate the overall architectural and
28 topographical scheme of the State Capitol grounds; and

29 (vii) related structures, fixtures, and facilities (including,
30 without limitation, utilities, parking facilities, streets, curbs, gutters,
31 and a maintenance/operations center necessary to accommodate such facility),
32 as may be determined to be appropriate.

33 (viii) construction of such additional parking decks and parking
34 facilities that are not identified in the "Facilities -- Master Plan -- Year
35 1985" on page 79 of the Arkansas State Capitol Complex Master Plan, which
36 State Building Services deems necessary to meet parking needs on the State

1 Capitol grounds, provided that the construction thereof does not conflict with
2 the basic design and location of proposed buildings and facilities included
3 within the long-range Capitol Complex Master Plan.

4 (d) "State Building Services" means the public agency known as
5 "Arkansas State Building Services" and the "State Building Services Council",
6 as established under Arkansas Code 22-2-101 et seq.

7 (e) "Construct" means to acquire, construct, reconstruct, remodel,
8 install, and equip any lands, buildings, structures, improvements or other
9 property, real, personal or mixed, useful in connection with buildings and
10 facilities constructed or acquired under this act and to make other necessary
11 expenditures in connection therewith, by such methods and in such manner as
12 the State Building Services shall determine to be necessary or desirable to
13 accomplish the powers, purposes, and authority set forth in this act.

14

15 SECTION 3. (a) CAPITOL MALL FACILITY. In addition to the purposes,
16 powers, and authority set forth elsewhere in this act or in other laws, the
17 State Building Services is hereby authorized and empowered to construct on the
18 State Capitol grounds the Capitol Mall Facility, as defined herein, with
19 construction of new enclosed buildings not to exceed a cumulative gross
20 building area of one hundred thousand (100,000) square feet commenced through
21 calendar year 1992, two hundred thousand (200,000) square feet commenced
22 through calendar year 1994, three hundred thousand (300,000) square feet
23 commenced through calendar year 1996, four hundred thousand (400,000) square
24 feet commenced through calendar year 1998, and five hundred thousand (500,000)
25 square feet commenced through calendar year 2000, with such restrictions to
26 apply to enclosed buildings only and shall not apply to square feet area of
27 parking structures or parking space required in connection with or
28 necessitated by the construction of new buildings or to meet the needs of
29 parking space on the State capitol grounds; and in furtherance thereof to:

30 (1) arrange for the housing in the Capitol Mall Facility of state
31 agencies to the extent that space and facilities are available for such
32 purpose, under such terms and conditions and for such rentals and charges as
33 State Building Services may determine;

34 (2) construct or cause to be constructed streets, curbs, gutters,
35 utilities, landscaping, and parking facilities to serve the facility;

36 (3) obtain the necessary funds for accomplishing its powers,

1 purposes, and authority from any source or sources, including, without
2 limitation, the proceeds of revenue bonds issued hereunder and other funds as
3 may be appropriated or made available therefor;

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

7 (5) contract and be contracted with;

8 (6) apply for, receive, accept, and use any monies and property
9 from the government of the United States of America, provided by the General
10 Assembly, any agency, any state, or governmental body or political
11 subdivision, any public or private organization or corporation, of any nature,
12 or any individual;

13 (7) invest and reinvest any of its money (in securities selected
14 by State Building Services);

15 (8) take such other actions not inconsistent with law as may be
16 necessary or desirable to carry out the powers, purposes, and authority as set
17 forth herein, in accordance with the duly promulgated policies of the State
18 Building Services as authorized by law.

19 (b) ACQUISITION OF BUILDINGS AND FACILITIES. In addition to the
20 purposes, powers, and authority set forth in subsection (a) of this section
21 and as set forth elsewhere in this act or in other laws, the State Building
22 Services is hereby authorized and empowered to acquire buildings and
23 facilities located in the city in which the seat of State Government is
24 located to house state agencies, and repair, remodel, and renovate such
25 buildings and facilities as State Building Services shall deem necessary and
26 appropriate to accommodate state agencies, provided that no single acquisition
27 may exceed a total cost of four million dollars (\$4,000,000) in value, whether
28 acquired by purchase, exchange, eminent domain, long-term lease, or other
29 means, exclusive of the cost of repairs, remodeling, and renovation of such
30 buildings and facilities as State Building Services deems necessary and
31 appropriate to accommodate state agencies, provided that the area of the
32 structure of any such existing building or facility is not expanded by more
33 than ten percent (10%) in connection therewith. All property acquired on a
34 specific site shall be considered as a part of a single acquisition. In
35 furtherance of the purposes authorized by this subsection, State Building
36 Services is hereby authorized and empowered to:

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

5 (2) arrange for the housing of state agencies in such buildings
6 and facilities to the extent that space and facilities are available for such
7 purpose, under such terms and conditions and for such rentals and charges as
8 State Building Services may determine;

9 (3) acquire, construct, or cause to be constructed parking
10 facilities to serve the facility;

11 (4) obtain the necessary funds for accomplishing its powers,
12 purposes, and authority from any source or sources, including, without
13 limitation, the proceeds of revenue bonds issued hereunder and other funds as
14 may be appropriated or made available therefor;

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

18 (6) contract and be contracted with;

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

23 (8) invest and reinvest any of its money (in securities selected
24 by State Building Services);

25 (9) take such other actions not inconsistent with law as may be
26 necessary or desirable to carry out the powers, purposes, and authority as set
27 forth herein, in accordance with the duly promulgated policies of the State
28 Building Services Council.

29 (c) It is the intent of this section to authorize State Building
30 Services to undertake, in the manner and subject to the limitations set forth
31 in subsection (a), the construction of the Capitol Mall Facility and that,
32 excepting parking structures, new building construction shall not be permitted
33 under this act except to implement the Capitol Mall Facility as defined in
34 subsection (c) of Section 2 of this act. In addition, it is the purpose of
35 this act to authorize State Building Services to acquire buildings and
36 facilities ("acquired structures") in the city in which the seat of State

1 Government is located in the manner authorized in subsection (b) of this
2 section and to provide that the repair, remodeling, and renovation of such
3 facilities by State Building Services shall not be considered new building
4 construction if such repair, remodeling, and renovation does not expand the
5 existing structure by more than ten percent (10%) in area. The restrictions
6 contained in subsection (a) of this section with respect to the limitations on
7 the square footage of new construction to be undertaken on the Capitol Mall
8 Facility during each biennium, and the restrictions on the cost of a single
9 "acquired structure" under subsection (b) of this section, shall not apply to
10 the acquisition, construction, or improvement of parking structures or parking
11 areas as authorized under subsection (a) of this section or in connection with
12 "acquired structures" under subsection (b) of this section.

13

14 SECTION 4. REVENUE BONDS.

15 (a) The State Building Services is hereby authorized and empowered to
16 issue revenue bonds, at one (1) time or from time to time, and to use the
17 proceeds thereof for defraying the cost of accomplishing all or part of the
18 powers, purposes, and authorities set forth in this act, pay all incidental
19 expenses in connection therewith, paying the expenses of authorizing and
20 issuing the bonds, establishing a debt service reserve to secure the payment
21 of the bonds, if the State Building Services deems such desirable, and making
22 provisions for the payment of interest on the bonds during and up to one (1)
23 year after construction, if the State Building Services deems such desirable.
24 Bonds outstanding under this act may be in such principal amount as the State
25 Building Services shall determine to be necessary for the accomplishment of
26 the purposes of this act.

27 (b) The bonds shall be authorized by resolution of the State Building
28 Services Council ("authorizing resolution"). The bonds may be coupon bonds,
29 payable to bearer, or may be registrable as to principal only or as to
30 principal and interest, may be made exchangeable for bonds of another
31 denomination, may be in such form and denomination, may have such date or
32 dates, may be stated to mature at such time or times, may bear interest
33 payable at such times and at such rate or rates, may be payable at such place
34 or places within or without the state of Arkansas, may be made subject to such
35 terms of redemption in advance of maturity at such prices, and may contain
36 such terms and conditions, all as the State Building Services shall determine.

1 The bonds shall have the quality of negotiable instruments under the laws of
2 the State of Arkansas, subject to provisions as to registration, as set forth
3 above. The authorizing resolution may contain any other terms, covenants, and
4 conditions that are deemed desirable by the State Building Services,
5 including, without limitation, those pertaining to the maintenance of various
6 funds and reserves, the nature and extent of the security, the issuance of
7 additional bonds and the nature of the lien and pledge (parity or priority) in
8 that event, the custody and application of the proceeds of the bonds, the
9 collection and disposition of revenues, the investing and reinvesting (in
10 securities specified by the State Building Services) of any bond proceeds or
11 other funds received under this act during periods not needed for authorized
12 purposes, and the rights, duties, and obligations of the State Building
13 Services and of the holders and registered owners of the bonds.

14 The authorizing resolution may provide for the execution by the State
15 Building Services with a bank or trust company within or without the state of
16 Arkansas of a trust indenture. The trust indenture may contain any terms,
17 covenants, and conditions that are deemed desirable by the State Building
18 Services, including, without limitation, those pertaining to the maintenance
19 of various funds and reserves, the nature and extent of the security, the
20 issuance of additional bonds, and the nature of the lien and pledge (parity or
21 priority) in that event, the custody and application of the proceeds of the
22 bonds, the collection and disposition of revenues, the investment or
23 reinvesting (in securities specified by the State Building Services) of any
24 bonds during periods not needed for authorized purposes, and the rights,
25 duties, and obligations of the State Building Services and the holders and
26 registered owners of the bonds.

27 (c) *The bonds may be sold at public or private sale. If the State*
28 *Building Services shall determine that a negotiated sale of the taxable bonds*
29 *is in the best interest of the state, then the State Building Services may*
30 *negotiate for the sale of the bonds. If the bonds are sold at public sale,*
31 *then notice of the sale shall be published once in a newspaper published in*
32 *city of Little Rock, Arkansas, having a general circulation throughout the*
33 *state of Arkansas at least twenty (20) days prior to the date of sale, and may*
34 *be published in such other publications as the State Building Services may*
35 *determine. The bonds may be sold at such prices as the State Building*
36 *Services may accept, including sale at a discount, but in no event shall any*

1 bid be accepted which results in a net interest cost (determined by computing
2 the aggregate interest cost from date to maturity at the rate or rates bid and
3 deducting any premium or adding the amount of any discount) in excess of the
4 interest cost computed at par for bonds bearing interest at the rate of eight
5 percent (8%) per annum. The award, if made, shall be to the bidder whose bid
6 results in the lowest net interest cost.

7 (d) The bonds shall be executed by the manual or facsimile signature of
8 the chairman and secretary of the State Building Services Council, provided
9 that one of such signatures must be manual. The coupons attached to the bonds
10 shall be executed by the facsimile signature of the chairman of the Council.
11 In case any of the officers whose signatures appear on the bonds or coupons
12 shall cease to be such officers before the delivery of such bonds or coupons,
13 their signatures shall, nevertheless, be valid and sufficient for all
14 purposes. The State Building Services shall adopt and use a seal in the
15 execution and issuance of the bonds, and each bond shall be sealed with the
16 seal of the State Building Services.

17 (e) There may be issued separate bonds hereunder and separate series
18 within each issue. In any event, the authorizing resolution may specify the
19 amount of revenues, as defined herein, to be pledged for the security and
20 payment of bonds authorized hereby.

21

22 SECTION 5. (a) It shall be plainly stated on the face of each bond
23 that it has been issued under the provisions of this act, that the bonds shall
24 be obligations only of the State Building Services, that in no event shall
25 they constitute an indebtedness for which the faith and credit of the State of
26 Arkansas or any of its revenues (within the meaning of Amendment 20 to the
27 Constitution of the State of Arkansas) are pledged, and that they are not
28 secured by a mortgage or lien on any land or buildings belonging to the State
29 of Arkansas. No member of the State Building Services Council shall be
30 personally liable for the bonds or for any damages sustained by anyone in
31 connection with any contracts entered into in carrying out the purposes and
32 intent of this act, unless he shall have acted with a corrupt intent.

33 (b) The principal of, premiums, if any, interest on, and trustees' and
34 paying agents' fees in connection with the bonds shall be secured by a lien on
35 and pledge of and shall be payable from the pledged revenues, defined in

1 Section 6 hereof. The authorizing resolution or trust indenture shall set
2 forth details of the nature and extent of the lien and pledge, including
3 provisions for the use of surplus revenues, if any, for other lawful purposes.
4

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

30 (b) So long as there are outstanding any bonds issued under this act,
31 the General Assembly shall pass no laws or take any action to eliminate or
32 change the schedule of rental fees as promulgated by the State Building
33 Services or in any other respect diminish the revenues pledged under the
34 provisions of this act except on condition that there is always maintained in
35 effect and made available for the payment of outstanding bonds sources of

1 revenue which produce revenues at least sufficient in amount to provide for
2 the payment when due of the principal of, premiums, if any, interest on, and
3 trustees' and paying agents' fees in connection with the outstanding bonds and
4 to comply with all covenants (including, without limitation, the maintenance
5 of funds and reserves) in favor of the holders or registered owners of such
6 outstanding bonds.

7

8 SECTION 7. Any authorizing resolution and trust indenture shall,
9 together with this act, constitute a contract between the State Building
10 Services and the holders and registered owners of the bonds, which contract,
11 and all covenants, agreements and obligations therein, shall be promptly
12 performed in strict compliance with the terms and provisions of such contract,
13 and the covenants, agreements, and obligations of the State Building Services
14 may be enforced by mandamus or other appropriate proceedings at law or in
15 equity. In this regard, in addition to other provisions referred to above,
16 the State Building Services is hereby expressly authorized to include in any
17 authorizing resolution or trust indenture all or any part of the following
18 covenants:

19 (1) that, to the fullest extent possible, it will continuously operate
20 the Capitol Mall Facility and other buildings and facilities acquired under
21 this act as revenue-producing undertakings, including the maintenance of
22 occupancy and the use of facilities and space so as to avoid any impairment of
23 the security for the bonds; and

24 (2) that, to the fullest extent possible, it will always charge, impose
25 and collect sufficient rentals and other revenue to meet, as due, all debt
26 service requirements, maintain reserves at proper levels, and otherwise comply
27 with any provisions of authorizing resolutions or trust indentures concerning
28 revenues and bonds.

29

30 SECTION 8. Bonds issued under the provisions of this act, and the
31 interest thereon, shall be exempt from all state, county, and municipal taxes,
32 and the exemption shall include income, inheritance, and estate taxes.

33

34 SECTION 9. The State Building Services shall include necessary
35 provisions in the authorizing resolution or trust indenture to require the

1 deposit of the proceeds of the bonds or any series thereof (except amounts for
2 interest or reserve, which may be deposited in the Bond Fund) into a special
3 Construction Fund ("Construction Fund") which shall be a trust fund in such
4 depository as the State Building Services shall designate, which depository
5 shall be a member of the Federal Deposit Insurance Corporation, and all monies
6 in the Construction Fund in excess of the amount insured by the Federal
7 Deposit Insurance Corporation must be secured by direct obligations of the
8 United States of America, unless invested in securities specified by the State
9 Building Services. The monies in the Construction Fund shall be used solely
10 for the powers, purposes, and authorities set forth in this act.

11

12 SECTION 10. REFUNDING BONDS. Bonds may be issued for the purpose of
13 refunding any bonds issued under this act. Refunding bonds may either be sold
14 or delivered in exchange for the bonds being refunded. If sold, the proceeds
15 may be either applied to the payment of the bonds being refunded or deposited
16 in trust and there maintained in cash or authorized investments for the
17 retirement of the bonds being refunded, as shall be specified by the State
18 Building Services in the authorizing resolution or trust indenture securing
19 the refunding bonds and subject to compliance with the provisions of the
20 authorizing resolution or trust indenture securing the bonds being refunded.
21 The authorizing resolution or trust indenture securing the refunding bonds may
22 provide that the refunding bonds shall have the same priority of pledge as was
23 enjoyed by the bonds refunded. Refunding bonds shall be sold and secured in
24 accordance with the provisions of this act pertaining to the sale and security
25 of revenue bonds. The refunding bonds issued as herein authorized shall not
26 carry an interest rate greater than the interest rate on the outstanding bonds
27 to be refunded. The resolution authorizing issuance of refunding bonds shall
28 specifically set forth all fees to be paid to bond counsels and underwriters,
29 and all other fees incurred in the issuance of the refunding bonds under the
30 provisions of this act. It shall also specify the intended use to be made of
31 all proceeds made available through the refunding process.

32

33 SECTION 11. No member of the State Building Services Council shall be
34 held personally liable for any act taken by the Council or for any damages
35 sustained by anyone in any contract entered into in carrying out the purposes

1 and intent of this act, unless he (she) shall have acted with a corrupt
2 intent.

3

4 SECTION 12. (a) The State Building Services is hereby authorized to
5 supervise and manage the Capitol Mall Facility and the other buildings and
6 facilities acquired pursuant to the authority granted herein and to manage,
7 maintain and repair said buildings and facilities to provide rental space to
8 be made available for the housing of state agencies, departments, boards,
9 commissions and institutions, or other tenants, at such rental rates as deemed
10 necessary:

11 (i) to provide sufficient funds to be paid into the Bond Fund to
12 enable the State Building Services to meet, when due, the payment of principal
13 of, interest on, and paying agents' fees in connection with all bonds issued
14 under this act;

15 (ii) to establish and maintain such reserves, and other financial
16 obligations in regard to the bonds issued under the provisions of this act as
17 set forth in the bond agreement; and

18 (iii) in addition thereto, to pay the costs of utilities,
19 insurance, janitorial supplies and services, building maintenance, upkeep,
20 repair, and remodeling as deemed necessary, including the accumulation of
21 reserves deemed necessary for such purposes as authorized under the provisions
22 of this act, and, in connection therewith, the State Building Services may
23 establish one or more accounts in one or more banks authorized to do business
24 in this state to accomplish such purposes.

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

27

28 SECTION 13. The following provisions shall apply to the Capitol Mall
29 Facility:

30 (a) The General Assembly recognizes that the State Building Services
31 has in its possession the original architectural drawings and plans for the
32 construction of the Capitol Mall Facility as developed for and in behalf of
33 the Public Building Authority under the authority of Act 236 of 1973, and the
34 State Building Services is hereby authorized to employ architects to review
35 such plans and to prepare such additional plans, specifications and estimates

1 of costs for the construction of the Capitol Mall Facility as defined herein
2 and the various facilities in connection therewith and to supervise and
3 inspect such construction. After the State Building Services shall have
4 approved the plans and specifications reviewed, modified and prepared by the
5 architect, it may proceed to advertise for bids and award a contract for the
6 construction of the facility in accordance with applicable laws governing the
7 construction of public buildings. In addition, the State Building Services is
8 hereby authorized to engage and pay such professional, technical, and other
9 help as it shall determine to be necessary or desirable in assisting it to
10 carry out effectively the authorities, functions, powers, and duties conferred
11 and imposed upon it by this act.

12 (b) (1) In the event the provisions of this act are implemented, the
13 following-described lands acquired in the name of the State of Arkansas by the
14 Arkansas Revenue Department Building Commission pursuant to the provisions of
15 Act 151 of 1965 and any laws amendatory thereto, shall be transferred by said
16 commission to the State Building Services, to be held in the name of the State
17 of Arkansas, to be used by the State Building Services for the purposes
18 provided in this act, all of said lands being situated in the city of Little
19 Rock, Pulaski County, Arkansas, to wit:

20 "A tract of land located in the E 1/2 of S4, T1N, R12W of the 5th
21 Principal Meridian, said tract being located within the limits of the State
22 Office Complex for the State Capitol at Little Rock, Pulaski County, Arkansas,
23 as shown on the map titled Boundary Survey, State Office Complex by Edward G.
24 Smith & Associates dated October 30, 1974, more particularly described as
25 follows:

26 Commencing at the SW corner of Lot 12, Block 345 of Barton's
27 Subdivision; thence S89 deg. 57'-45W 1430.81 feet to a point; thence North
28 569.68 feet to the point of beginning; thence West 320.0 feet to a point;
29 thence North 115.0 feet to a point; thence East 320.0 feet to a point; thence
30 South 115.0 feet to the point of beginning, said tract containing .8448 acres
31 more or less."

32 (2) In the event revenue bonds are issued for the purpose of
33 constructing the Capitol Mall Facility, as defined herein, the State Building
34 Services shall have jurisdiction and control over the following lands, which
35 include the lands described in subsection (1) of this subsection, located on

1 the State Capitol Grounds, to wit:

2 "A tract of land located in the E 1/2 of S4, T1N, R12W of the 5th
3 Principal Meridian, said tract being located within the limits of the State
4 Office Complex for the State Capitol at Little Rock, Pulaski County, Arkansas,
5 as shown on the map titled Boundary Survey State Office Complex by Edward G.
6 Smith & Associates dated October 30, 1974. The tract is more particularly
7 described as follows:

8 Commencing at the SW corner of Lot 12, Block 345 of Barton's Sub-
9 division; thence S89-57-45W 985.81 feet along the North Boundary of 7th Street
10 to point of beginning; thence continuing S-89-57-45W 445.0 feet to a point;
11 thence North 569.68 feet to a point; thence West 320.0 feet to a point; thence
12 North 115.0 feet to a point; thence East 320.0 feet to a point; thence North
13 692.27 feet to a point on the South Right-of-Way of the Missouri Pacific RR
14 and the North Boundary of the State Office Complex; thence N54-57E 35.83 feet
15 to a point; thence N88-09E 63.5 feet to a point; thence S 01-56E 18.18 feet to
16 a point; thence North 54-55E 83.29 feet to a point on the South Right-of-Way
17 of West 3rd Street being the North Boundary of the State Office Complex;
18 thence S89-29E 783.47 feet along the South Boundary of 3rd Street to a point;
19 thence S 967.54 feet to a point; thence West 380.0 feet to a point; thence
20 North 200.0 feet to a point; thence West 390.0 feet to a point; thence South
21 300.0 feet to a point; thence East 270.0 feet to a point; thence South 354.39
22 feet to the point of beginning, said tract containing 24.04 acres more or
23 less."

24 (3) The State Building Services, on behalf of the State of
25 Arkansas, is hereby granted an easement or license over the State Capitol, the
26 various buildings on the State Capitol grounds, and the State Capitol grounds,
27 for the purpose of installing or relocating utilities, connecting the Capitol
28 Mall Facility to existing structures, and such other purposes necessary and
29 consistent with the Capitol Mall Facility project, as authorized in this act.

30 (4) Expenses incurred in utility installation or relocation and
31 those directly associated with the connection of the Capitol Mall Facility to
32 existing structures on the State Capitol grounds, shall be paid as a part of
33 the project cost.

34 (5) Should it be necessary to relocate the cafeteria now located
35 in the State Capitol Building, to connect the Capitol Mall Facility with the

1 State Capitol Building, the Secretary of State may make necessary arrangements
2 for the cafeteria to be temporarily relocated in the State Capitol Building if
3 the area in the Capitol Mall Facility for the cafeteria is not yet completed
4 for its relocation. The cost of relocation of the cafeteria, if the Secretary
5 of State deems the same to be necessary, shall be defrayed from funds
6 appropriated or provided for the operation and support of the Secretary of
7 State's office.

8 (6) The State Building Services shall coordinate with the
9 affected agencies and the Secretary of State efforts to relocate state agency
10 occupants of existing structures on the State Capitol grounds during
11 construction, into State-owned facilities if available, and to pay any
12 additional rentals for space used to house such state agencies as a part of
13 the cost of the project for the term of the construction of the project unless
14 funds are otherwise provided by the General Assembly therefor.

15 (7) The granite boulder placed June 15, 1936, in celebration of
16 the State's centennial, and the bauxite boulder placed March 1943, honoring
17 the State's contribution to the World War II effort, now located on the site
18 of the proposed Capitol Mall Facility, shall be relocated by the State
19 Building Services to such other areas or sites as may be designated by the
20 Secretary of State. Costs of relocating these monuments shall be considered a
21 cost of the project unless funds are otherwise provided for such purposes.

22 (c) The State Building Services is hereby authorized to:

23 (1) acquire from the Employment Security Division of the
24 Department of Labor any title and interest in the building it now has or may
25 hereafter acquire, located on the State Capitol grounds, known as the
26 "Employment Security Building", in exchange for which the Employment Security
27 Division may be granted an advance rental payment credit in an amount to be
28 determined by the value of the building, reduce the Division's rental payment
29 for occupancy in the Capitol Mall Facility, or,

30 (2) purchase, on behalf of the State of Arkansas, from the
31 Employment Security Division the building on the State Capitol grounds at a
32 price agreed to by the parties involved. If the building is purchased by the
33 State Building Services, then no relocation costs shall be paid to the
34 Employment Security Division.

35 As evidence of this transfer, the Director of the Department of Labor is

1 hereby authorized to execute any instrument or conveyance or contract as the
2 Attorney General of the State of Arkansas shall deem necessary.

3 (d) (1) The State Building Services is hereby authorized to lease
4 additional temporary parking areas near the State Capitol Building during the
5 construction phase of the Capitol Mall Facility project and to provide and
6 operate, if necessary, one or more shuttle buses between such parking areas
7 and the State Capitol grounds. The State Highway and Transportation
8 Department shall assist the State Building Services in ground preparation and
9 surfacing of additional temporary parking spaces as authorized in this act.

10 (2) Upon completion of the construction phase of the Capitol Mall
11 Facility project, the State Building Services shall develop parking
12 regulations which will maintain equitable parking among the tenants of the
13 Capitol Mall Facility and the public, and may establish reasonable rental or
14 other charges for parking therein. The State Capitol Police shall provide the
15 necessary traffic patrols and policing of the Capitol Mall Facility parking
16 areas.

17 (3) The State Building Services is hereby authorized to negotiate
18 with any state agency or department now occupying existing structures on the
19 site of the Capitol Mall Facility and to provide for the relocation of the
20 agency or department during the construction of the Capitol Mall Facility, or
21 may provide compensation for the existing structure(s) should acquisition of
22 the structure(s) be necessary in connection with the project. The
23 compensation paid for acquisition of existing structure(s) must be submitted
24 to and approved by the Governor and the same shall constitute a cost of the
25 Capitol Mall Facility project.

26 (4) The State Building Services, shall, prior to the beginning of
27 the project, develop a proposed master plan of housing state agencies and
28 departments within the facilities of the Capitol Mall project, and shall
29 recommend in such plan the priorities by which space is to be provided for
30 rental by state agencies and departments identified in the plan, and shall
31 submit such plan, together with the recommended schedule of rental payments
32 deemed necessary by the State Building Services to defray the cost of the
33 project on a year-to-year basis, to the Governor for his review and approval,
34 and shall submit a copy thereof to the Legislative Council for its information
35 and review. Upon receipt of such proposed plan the Governor shall review the

1 same and may make such changes therein, including the priorities in providing
 2 space for state agencies and departments, as he deems appropriate, and shall
 3 endorse his approval thereon.

4 It is the intent of this subsection that the Governor shall determine
 5 the needs and priorities for locating or relocating state agencies and
 6 departments into space in the Capitol Mall project facilities. After the
 7 proposed plan is approved by the Governor, the State Building Services shall
 8 confer from time to time with the Governor in connection with priorities in
 9 the location or relocation of state agencies and departments in said Facility.

10 (e) In furtherance of the construction of the Capitol Mall Facility as
 11 authorized in subsection (a) of Section 3, State Building Services is
 12 authorized to enter into agreements with the respective Boards of Trustees of
 13 the Arkansas Teacher Retirement System, the Arkansas Public Employees
 14 Retirement System, and the Arkansas State Police Retirement System for the
 15 construction of a building which shall be a portion of the building identified
 16 as Building No. 1 contained in the "Facilities -- Master Plan -- Year 1985" on
 17 page 79 of the Arkansas State Capitol Complex Master Plan as defined in
 18 subsection (c) of Section 2, deemed adequate for the office space needs of
 19 their respective retirement systems for current and anticipated future
 20 expansion, provided that:

21 (1) such facilities shall be constructed by the State Building
 22 Services in accordance with a contract entered into by the State Building
 23 Services Council and the Boards of Trustees of the respective retirement
 24 systems setting forth the square footage of space to be allocated to and owned
 25 by the respective retirement systems upon completion of this project, with the
 26 cost thereof to be defrayed by each of the retirement systems in such manner
 27 and under such terms and conditions as may be agreed to by the respective
 28 retirement systems and the State Building Services Council;

29 (2) the agreement provides that the facilities shall, during
 30 construction and upon completion thereof, be managed by State Building
 31 Services in accordance with the provisions of Section 22-2-101 and subsequent
 32 sections of the Arkansas Code.

33 (3) to manage and rent any surplus space that each of the
 34 retirement systems may designate for lease to other state agencies under such
 35 terms and conditions, and for such duration, that may be agreed to by the

1 respective retirement systems and State Building Services, with all rental
2 income over and above management costs defrayed by State Building Services to
3 be remitted to the respective retirement systems as income to each of the
4 respective systems.

5 (4) such respective retirement systems may utilize funds
6 available to them for investment purposes for payment to the State Building
7 Services for the cost of construction of the facilities authorized in this
8 subsection, in which event the construction cost of the facilities acquired
9 for the respective retirement systems may be amortized in accordance with the
10 amortization plan for funding their retirement systems, but in no event
11 extending over a period exceeding forty (40) years. The respective retirement
12 systems shall enter into agreements with State Building Services to pay all
13 costs of maintenance, janitorial, and other services as operating expenses for
14 the use of the facilities assigned to the respective retirement systems.

15

16 SECTION 14. From and after the effective date of this act, no new
17 buildings or facilities to provide office space for State agencies shall be
18 constructed on the State Capitol grounds unless the same are part of and in
19 conformance with the Capitol Mall Facilities -- Master Plan -- Year 1985 on
20 page 79 of the Arkansas State Capitol Complex Master Plan as prepared under
21 the direction of the Arkansas Public Building Authority authorized by Act 236
22 of 1973, dated June 1974, or as contained in such Plan as expanded in the
23 Proposed Facilities Master Plan -- Year 2000 on page 80 of said Arkansas State
24 Capitol Complex Master Plan. Nothing in this act shall restrict or prohibit
25 the construction of surface parking or parking decks on the State Capitol
26 grounds, provided that parking facilities shall be constructed in areas now
27 utilized as parking or designated as parking on the Arkansas State Capitol
28 Complex Master Plan -- Year 1985 or in accordance with the Facilities Master
29 Plan -- Year 2000 as prepared by the Arkansas Public Building Authority.

30

31 SECTION 15. This act shall not create any right in any bondholder for
32 bonds issued pursuant to this act, and no right of such bondholder shall arise
33 under it, until bonds authorized by this act (of the initial issue or series)
34 shall have been sold and delivered by the State Building Services.

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