

March 17, 1983

Mayor Neil J. Stallings
Jonesboro City Council
Jonesboro, Arkansas

Gentlemen:

It has come to our attention that a request has been presented to the City Council to amend an ordinance to permit issuance of Act 9 bonds for industrial development. The purpose of this request is for construction of a motel.

The undersigned feel it is the prerogative of any private entrepreneur to build any facility he desires with personal funds or privately secured financing. Using tax free bond money to finance a project in competition with businesses already in existence that were self-financed privately was not the intent of the law.

The intent of this law was to provide tax free funds for development of schools, municipal improvements, public utilities, hospitals and industrial development. Since many feel that this practice is an abuse of a good and well intended civic vehicle development, this practice has placed in jeopardy the future financing of schools and other worthwhile municipal endeavors.

Furthermore, according to the last quarterly Jonesboro Chamber of Commerce reports the motel occupancy was in the low 50% bracket in Jonesboro. This indicates a very soft market and the lack of need for additional rooms at present. Another significant motel project at this time could possibly drive one or more existing facilities out of business.

We respectfully urge that you decline to amend the ordinance as proposed.

Holiday Inn of Jonesboro
By: *Wm. J. Rainwater*

Ramada Inn of Jonesboro
By: *E. M. Ott*

Best Western Downtown Inn
By: *Richard M. Nutt*

Colonial Inn
By: *William B. Adams*

By: *Jim Mead*