



Legislation Details (With Text)

File #: ORD-17:002 **Version:** 1 **Name:** Modification of promissory note for the Miracle League Park park refunding

Type: Ordinance **Status:** Passed

File created: 1/19/2017 **In control:** Finance & Administration Council Committee

On agenda: **Final action:** 2/7/2017

Title: AN ORDINANCE AUTHORIZING THE MODIFICATION OF A GENERAL REVENUE PROMISSORY NOTE (MIRACLE LEAGUE PARK PROJECT REFUNDING), SERIES 2016; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE; DECLARING AN EMERGENCY; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

Sponsors: Finance, Parks & Recreation

Indexes: Contract

Code sections:

Attachments: 1. 2017-1-13 Miracle League Note modification

Date	Ver.	Action By	Action	Result
2/7/2017	1	City Council	Passed	Pass
1/31/2017	1	Finance & Administration Council Committee	Recommended to Council	Pass

AN ORDINANCE AUTHORIZING THE MODIFICATION OF A GENERAL REVENUE PROMISSORY NOTE (MIRACLE LEAGUE PARK PROJECT REFUNDING), SERIES 2016; PROVIDING FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE NOTE; DECLARING AN EMERGENCY; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Jonesboro, Arkansas (the “City”) is authorized and empowered under the provisions of Amendment 78 to the Arkansas Constitution and the provisions of Arkansas Code Annotated Section 14-78-1001 *et seq* (the “Act”) to issue notes and expend the proceeds thereof for purpose of acquiring, constructing, installing and renting real property; and

WHEREAS, the City is indebted to First Security Bank on a Note dated February 5, 2016 in the original principal amount of \$400,000 issued pursuant to the Act (the “Note”) the proceeds of which were utilized to refund a loan made by Bancorp South made for certain improvements to Miracle League Park in the City (the “Miracle League Park Project”).

WHEREAS, the Note matures on February 5, 2017; and

WHEREAS, the City proposes to extend the maturity date of the Note for one (1) year until February 5, 2018; and

WHEREAS, the Note is secured by a pledge of a Certificate of Deposit account in the amount of \$400,000.00 issued by the Lender.

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

Section 1. The Mayor and City Clerk are hereby authorized to execute and deliver a modification agreement by

which the maturity of the Note is extended until February 5, 2018 at the same rate of interest and the same security as provided in the Note.

Section 2. As provided in Amendment No. 78, the debt service payments on the Note in each fiscal year shall be charged against and paid from the general revenues of the City for such fiscal year. For the purpose of making the debt service payments, there is hereby, and shall be appropriated to pay the Note, an amount of general revenues of the City sufficient for such purposes.

Section 3. The City reaffirms all covenants with the Lender as found in Ordinance No. 16:009 of 2016.

Section 4. If there be any default in the payment of the principal of or interest on the Note, or in the performance of any of the other covenants contained in this Ordinance, Lender may, in addition to any other remedies available to Lender, by proper suit, compel the performance of the duties of the officials of the City under the laws of Arkansas. No remedy conferred upon or reserved to Lender is intended to be exclusive of any other remedy or remedies, and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Ordinance or by law. Lender may waive any default which shall have been remedied before the entry of final judgment or decree in any suit, action or proceeding instituted under the provisions of this Ordinance or the Note, or before the completion of the enforcement of any other remedy, but no such waiver shall extend to or affect any other existing or any subsequent default or defaults or impair any rights or remedies of Lender with respect thereto. No delay or omission of Lender to exercise any right or power accrued upon any default shall impair any such right of power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Ordinance to Lender may be exercised from time to time and as often as may be deemed expedient. In any proceeding to enforce the provisions of this Ordinance or the Note, Lender shall be entitled to recover from the City all costs of such proceeding, including reasonable attorney's fees.

Section 5. The terms of this Ordinance and Ordinance No 16:009 of 2016 shall constitute a contract between the City and the Lender and no variation or change in the undertaking herein set forth shall be made while the Note is outstanding, except as may be agreed in writing as between the City and Lender.

Emergency Clause. The need to extend the maturity of the Note being necessary for the preservation of the public peace, health, safety and welfare, an emergency is hereby found to exist and this Ordinance shall be in full force and effect from and after its passage.

PASSED AND APPROVED this 7th day of February, 2017.