

**CITY OF AUSTIN, LONOKE COUNTY, ARKANSAS**

**ORDINANCE NO. 5-2005**

**AN ORDINANCE ENCOURAGING THE GROWTH AND DEVELOPMENT OF  
THE CITY OF AUSTIN, ARKANSAS.**

WHEREAS, the City of Austin, as a way to stimulate growth, development, and encourage residential development within the City, will provide for the reimbursement of Pearl Stone, Inc. Developers investment in the infrastructure of the Austin, a water main along Main Street, by providing a mechanism for said Developers to recapture their investment.

**SECTION 1.** The City will reimburse the Pearl Stone, Inc. Developers for their installation of said water main by requiring a fee for all developers that attach to the water main provided by Pearl Stone, Inc. Developers.

**SECTION 2.** This fee shall be in effect for no more than three (3) years from the passage of the ordinance, or shall terminate once Pearl Stone, Inc. Developers have recouped the cost of the water main, which ever event occurs first.

**SECTION 3.** The City of Austin has no obligation to the Pearl Stone, Inc. Developers for the installation of the water main. This ordinance and reimbursement to the Pearl Stone, Inc. Developers is instituted as a way to encourage continued growth and investment in the City of Austin and to encourage home development within the city limits of Austin.

**SECTION 4.** The City of Austin is under no obligation to continue this program and may discontinue it at anytime. The City of Austin is under no obligation to make this a standard practice for all developers who invest in infrastructure, but does this as a way to encourage continued growth when it believes it is in the best interest of the City.

**SECTION 5.** The formula for determining the fee will be as follows: the cost of the installation of the water main (X) will be divided by the total number of expected lots to be connected to said water main (Y). The product of division of these two (X and Y) would be collected from every lot that was connected to the water main. As an example if there exists 200 lots connected to the water main and the cost of the installation was \$50,000.00 and a developer wishes to develop another 100 lots that will be connected to the water main then the number of lots connected to the water main is 300. \$50,000.00 divided by 300 would equal \$166.67. The new developer would have to pay a fee of \$166.67 for every lot that he connects to the water main. If later another developer wishes to develop another subdivision of 50 lots the formula would be \$50,000.00 divided by 350 which would equal \$142.86 per home.

**SECTION 6.** The fees will be paid to the City Clerk who would then distribute said amount to the Pearl Stone, Inc. Developers, who paid for the installation of the water main, minus \$20.00 per lot which will go into the general funds account. The fee will be collected at the time the final plat is presented and approved.

Passed and approved 12-29-05

APPROVED: \_\_\_\_\_

Mayor

ATTEST: \_\_\_\_\_

Clerk or Recorder