

1 development revenue bonds under the provisions of the Act designated “City of Little Rock, Arkansas
2 Taxable Industrial Development Revenue Bonds (3M Project), Series 2018,” in the principal amount of
3 not to exceed Twenty-Five Million Dollars (\$25,000,000.00) (the “Bonds”); and

4 **WHEREAS**, the Bonds will be issued pursuant to the provisions of a Trust Indenture, (the “Trust
5 Indenture”) to be entered into between the City and a trustee to be selected upon the mutual agreement of
6 the City and the Company (the “Trustee”); and

7 **WHEREAS**, the City and the Company intend to enter into a Lease Agreement (the “Lease
8 Agreement”) relating to the real and personal property constituting the Project, which contemplates that
9 the Project will be leased to the Company, with an option to purchase for a nominal price, and the rental
10 payments therefor together with other moneys available shall be sufficient to pay debt service on the
11 Bonds and all related costs; and

12 **WHEREAS**, to induce the City to proceed with the issuance of the Bonds for the purpose indicated,
13 which will inure to the benefit of the Company, the City and the Company will enter into a Payment in
14 Lieu of Taxes Agreement (“PILOT Agreement”) in substantially the form presented at this meeting; and

15 **WHEREAS**, an open public hearing on the question of the issuance of the Bonds was held before the
16 Board of Directors of the City on February 20, 2018, following publication of notice of the hearing and
17 that having heard all persons desiring to be heard in the matter, the City has taken under advisement the
18 comments and statements of such persons; and

19 **WHEREAS**, the City proposes to sell the Bonds to an affiliate of the Company (the “Purchaser”)
20 pursuant to a Bond Purchase Agreement by and between the City and the Purchaser; and

21 **WHEREAS**, prior to issuance of the Bonds, the Company obtained independent loans from one (1)
22 or more lenders secured by liens on, or security interests in, title to all or part of the Project granted
23 pursuant to various agreements, instruments and documents; and

24 **WHEREAS**, the City acknowledges and consents to all liens and encumbrances on, security interests
25 in and rights to, the title to the Project granted by the Company and acknowledges that the Company’s
26 interests in the Project will be transferred to City subject to the such liens, encumbrances and security
27 interests and such acknowledgement and consent will be evidenced through the execution of a
28 Recognition of Prior Interests, Nondisturbance and Attornment Agreement between the City, the
29 Company, and the lenders of the Company (or such lenders’ agents) benefitting from such lien,
30 encumbrance or security interest (the “RNA Agreement”); and

31 **WHEREAS**, the completion of the Project will retain existing employment, may furnish additional
32 employment, and will furnish other benefits to and be in the best interest of the City and its residents;

33 **NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY**
34 **OF LITTLE ROCK, ARKANSAS:**

35 **Section 1.** There be, and there is hereby authorized and directed the following:

1 (a) The Bonds shall be issued in one or more series in an aggregate principal amount of not to exceed
2 Twenty-Five Million Dollars (\$25,000,000.00), and the Bonds shall be sold to the Purchaser for a price of
3 par plus costs of issuance upon the terms and conditions set forth in the Bond Purchase Agreement.

4 (b) The execution and delivery of the PILOT Agreement by the Mayor on behalf of the City, in
5 substantially the form submitted to this meeting, with such changes as shall be approved by such persons
6 executing the document, its execution to constitute conclusive evidence of such approval, is hereby
7 authorized and directed. An executed copy of the PILOT Agreement shall be filed in the City Clerk's
8 Office.

9 (c) The acquisition, construction, and equipping of the Project, and, in connection therewith, the
10 execution of any necessary architectural, engineering, or construction contracts or the acceptance of an
11 assignment of any such contracts previously executed by the Company for the construction and equipping
12 of the Project on behalf of the City is hereby authorized and directed.

13 **Section 2.** The issuance of the Bonds in the total principal amount of not to exceed Twenty-Five
14 Million Dollars (\$25,000,000.00) in one or more series is hereby authorized. The Bonds shall be issued
15 in the forms and denominations, shall be dated, shall be numbered, shall mature, shall bear interest (at a
16 rate or rates) and shall be subject to redemption prior to maturity, all upon the terms and conditions to be
17 set forth in the Trust Indenture.

18 That to further prescribe the terms and conditions upon which the Bonds are to be executed,
19 authenticated, issued, accepted, held and secured, the Mayor is hereby authorized and directed (when
20 requested to do so by the Company) to execute and acknowledge the Trust Indenture, and the City Clerk
21 is hereby authorized and directed to execute and acknowledge the Trust Indenture and to affix the seal of
22 the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Trust
23 Indenture to be accepted, executed and acknowledged by the Trustee. The Trust Indenture is hereby
24 approved in substantially the form submitted to this meeting (and a copy of such Trust Indenture is on file
25 with the City Clerk and available for inspection by any interested person), and the Mayor is hereby
26 authorized to confer with the Trustee and the Company in order to complete the Trust Indenture in
27 substantially the form submitted to this meeting with such changes as shall be approved by such persons
28 executing the document, their execution to constitute conclusive evidence of such approval.

29 **Section 3.** There be, and there is hereby, authorized and directed the execution and delivery of the
30 Lease Agreement, and the Mayor and City Clerk are hereby authorized to execute, acknowledge, and
31 deliver the Lease Agreement for and on behalf of the City. The Lease Agreement is hereby approved in
32 substantially the form submitted to this meeting (and a copy of such Lease Agreement is on file with the
33 City Clerk and available for inspection by any interested person), and the Mayor is hereby authorized to
34 confer with the Company in order to complete the Lease Agreement in substantially the form submitted to

1 this meeting, with such changes as shall be approved by such persons executing the document, their
2 execution to constitute conclusive evidence of such approval.

3 **Section 4.** There be, and there is hereby, authorized and directed the execution and delivery of the
4 Bond Purchase Agreement, and the Mayor and City Clerk are hereby authorized to execute, acknowledge,
5 and deliver the Bond Purchase Agreement for and on behalf of the City. The Bond Purchase Agreement
6 is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby
7 authorized to confer with the Purchaser in order to complete the Bond Purchase Agreement in
8 substantially the form submitted to this meeting (and a copy of such Bond Purchase Agreement is on file
9 with the City Clerk and available for inspection by any interested person), with such changes as shall be
10 approved by such persons executing the document, their execution to constitute conclusive evidence of
11 such approval.

12 **Section 5.** There be, and there is hereby, authorized and directed the execution and delivery of the
13 RNA Agreement, and the Mayor and City Clerk are hereby authorized to execute, acknowledge, and
14 deliver the RNA Agreement for and on behalf of the City. The RNA Agreement is hereby approved in
15 substantially the form submitted to this meeting (and a copy of such RNA Agreement is on file with the
16 City Clerk and available for inspection by any interested person), and the Mayor is hereby authorized to
17 confer with the Company and lenders of the Company (or such lenders' agents) in order to complete the
18 RNA Agreement in substantially the form submitted to this meeting, with such changes as shall be
19 approved by such persons executing the document, their execution to constitute conclusive evidence of
20 such approval.

21 **Section 6.** The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and
22 directed to do any and all things necessary to effect (i) the execution of the Lease Agreement, (ii) the
23 performance of the City's obligations under the Lease Agreement, (iii) the execution and delivery of the
24 Trust Indenture, (iv) the performance of all obligations of the City under and pursuant to the Trust
25 Indenture, (v) the execution and delivery of the Bonds, (vi) the execution and delivery of the PILOT
26 Agreement, (vii) the performance of the City's obligations under the PILOT Agreement, (viii) the
27 execution and delivery of the Bond Purchase Agreement, (ix) the performance of the City's obligations
28 under the Bond Purchase Agreement, (x) the execution and delivery of the RNA Agreement, (xi) the
29 performance of the City's obligations under the RNA Agreement, and (xii) the performance of all other
30 acts of whatever nature necessary to effect and carry out the authority conferred by this Ordinance. The
31 Mayor and the City Clerk are further authorized and directed, for and on behalf of the City, in connection
32 with the issuance of the Bonds and in connection with on-going rights and obligations that arise after
33 issuance and prior to maturity of the Bonds, to execute all papers, documents, certificates, and other
34 instruments that may be required for the carrying out of such authority or to evidence the exercise thereof,

1 including, but not limited to, the execution of one or more Home Office Payment Agreements,
2 Memorandums of Lease, Delivery Instructions and other closing certificates.

3 **Section 7.** Since the City is involved with the acquisition, constructing, and equipping of a complex
4 industrial project, requiring highly specialized work and specialized types of machinery and equipment, it
5 has been and is hereby determined by the Board of Directors that competitive bidding be, and the same is
6 hereby, waived as to this particular industrial project. This action is taken by the Board of Directors
7 pursuant to applicable laws of the State of Arkansas, including particularly the Act.

8 **Section 8.** All actions heretofore taken by the City, the Company, and the Purchaser in connection
9 with the issuance, offer and sale of the Bonds and the development and completion of the Project are
10 hereby in all respects ratified and approved.

11 **Section 9. Severability.** In the event any title, section, paragraph, item, sentence, clause, phrase, or
12 word of this ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or
13 adjudication shall not affect the remaining portions of this ordinance, which shall remain in full force and
14 effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of this
15 ordinance.

16 **Section 10. Repealer.** All ordinances or resolutions of the City in conflict herewith are hereby
17 repealed to the extent of such conflict.

18 **Section 11.** There is hereby found and declared to be an immediate need for the securing and
19 developing of substantial industrial operations in order to retain exiting employment, provide additional
20 employment, alleviate unemployment, and otherwise benefit the public health, safety, and welfare of the
21 City and the inhabitants thereof, and the issuance of the Bonds authorized hereby and the taking of the
22 other action authorized herein are immediately necessary in connection with the securing and developing
23 of substantial industrial operations and deriving the public benefits referred to above. It is therefore,
24 declared that an emergency exists and this Ordinance, being necessary for the immediate preservation of
25 the public health, safety, and welfare, shall be in force and take effect immediately upon and after its
26 passage.

27 **PASSED: February 20, 2018**

28 **ATTEST:**

APPROVED:

29
30 _____
31 **Susan Langley, City Clerk**

Mark Stodola, Mayor

32 **APPROVED AS TO LEGAL FORM:**

33
34 _____
35 **Thomas M. Carpenter, City Attorney**