

ORDINANCE NO. 22: _____

AN ORDINANCE TO AUTHORIZE THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS UNDER THE MUNICIPALITIES AND COUNTIES INDUSTRIAL DEVELOPMENT REVENUE BOND LAW FOR THE PURPOSE OF SECURING AND DEVELOPING INDUSTRY; TO AUTHORIZE THE SALE OF THE BONDS AND THE APPROVAL OF BOND PURCHASE AGREEMENTS, A PAYMENT IN LIEU OF TAXES AGREEMENT AND RELATED AGREEMENTS; TO AUTHORIZE THE EXECUTION AND DELIVERY OF TRUST INDENTURES SECURING THE BONDS; TO AUTHORIZE AND PRESCRIBE CERTAIN MATTERS PERTAINING TO THE PROJECT, THE ACQUISITION, CONSTRUCTION, AND EQUIPPING THEREOF, AND THE FINANCING THEREOF; TO AUTHORIZE THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT RELATING TO THE PROJECT; AND FOR OTHER PURPOSES.

WHEREAS, the City of Jonesboro, Arkansas (the “City”) is authorized under the provisions of Amendment 65 to the Arkansas Constitution and the Municipalities and Counties Industrial Development Revenue Bond Law, Ark. Code Ann. §§ 14-164-201 *et seq.* and Ark. Code Ann. §§ 14-164-701 *et seq.*, each as amended from time to time (collectively, the “Act”), to own, acquire, construct, equip, and lease facilities to secure and develop industry and to assist

which ADFA, AEDC and the Series B Purchaser will share on a ratable basis the Security Documents as pledged on a parity basis for the Series B Bonds and the Guaranties and a collateral agent (the “Collateral Agent”) will be appointed upon mutual agreement of the parties thereto to act on behalf of ADFA, AEDC and the Series B Purchaser; and

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

WHEREAS, the Series C Bonds will be special obligations of the City payable solely from moneys derived from payments by the Company to the City pursuant to the Lease Agreement on a subordinate basis with the Series A Bonds and the Series B Bonds; and

WHEREAS, to induce the City to proceed with the issuance of the ~~Series C~~ Bonds for the purpose indicated, which will inure to the benefit of the Company, the City and the Company will enter into a Payment in Lieu of Taxes Agreement (the “PILOT Agreement”); and

WHEREAS, the City caused a form of a notice of public hearing to be published on November 20, 2020, and the City hereby ratifies the form of notice published; and

WHEREAS, an open public hearing on the question of the issuance of the Bonds was held before the City Council on December 1, 2020 following publication of notice of the hearing and that having heard all persons desiring to be heard in the matter, the City has taken under advisement the comments and statements of such persons, and declared the public hearing duly closed; and

WHEREAS, the completion of the Project will furnish additional employment and other benefits to and be in the best interest of the City and its residents.