



Legislation Text

File #: ORD-84:1657, Version: 1

AN ORDINANCE CONFIRMING THE AUTHORIZATION TO ISSUE INDUSTRIAL DEVELOPMENT REVENUE BONDS; AMENDING ORDINANCE NO.1864, PASSED AND APPROVED ON THE 16th DAY OF APRIL, 1984, PERTAINING TO THE ISSUANCE OF SUCH BONDS; AUTHORIZING AND PRESCRIBING OTHER MATTERS PERTAINING THERETO; AND DECLARING AN EMERGENCY **(NOTE: THIS ORDINANCE WAS AMENDED BY ORD-84:1651 ON DECEMBER 17, 1984)**

WHEREAS, the City of Jonesboro, Arkansas (the “City”) adopted Ordinance No.1864, passed and approved on the 16th of day April, 1984 (“Ordinance No.1864”), which authorized the issuance and sale of \$1,200,000 in principal amount of the City’s Industrial Development Revenue Bonds - Colson Caster Corporation Project, Series 1984 (the “Bonds”), pursuant to the provisions of Act No.9 of the First Extraordinary Session of the Sixty-Second General Assembly of the State of Arkansas, approved January 21, 1960, as amended; and

WHEREAS, Ordinance No.1864 authorized the execution and delivery of a Trust Indenture by and between the City and a bank or trust company which will act as Trustee there under, securing the Bonds (the “Indenture”), and the execution and delivery of a Loan Agreement by and between the City and the Company (the “Loan Agreement”); and

WHEREAS, it has been determined that the payment of the principal of and premium, if any, and interest on the Bonds will not be guaranteed by the Colson Group, Inc., a Delaware corporation, as provided in Ordinance No. 1864, but will be secured by a letter of credit issued by National Westminster Bank PLC, Chicago Branch; and

WHEREAS, certain other terms of the Bonds and their issuance and sale have been revised; and

WHEREAS, revised copies of the Indenture and Loan Agreement have been presented to and are before this meeting;

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

Section 1: That the authorization to issue the Bonds is hereby confirmed and ratified. The Bonds shall be issued in the forms and denominations, shall be dated, shall be numbered, shall bear interest (at a fixed rate not to exceed the maximum permitted by law), and shall be subject to redemption prior to maturity all upon the terms and conditions recommended by the Company and to be set forth in the Indenture. The Bonds shall mature in the year 1991.

Section 2: That the Bonds be sold by Continental Illinois National Bank and Trust Company of Chicago, Chicago, Illinois, as placement agent of the City, to such purchaser of purchases as it may determine and which are acceptable to the Company, for the purchase price of 100 cents on the dollar, which purchase price is recommended by the Company, and upon such other terms and conditions recommended by the Company.

Section 3: That, the Trustee under Indenture shall be Continental Illinois Bank and Trust Company of Chicago, Chicago, Illinois. The Indenture hereby approved in substantially the form submitted to this meeting, and the

Mayor is hereby authorized to confer with the Trustee and others in order to complete the Indenture in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

Section 4: That the Loan Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the Company and others in order to complete the Loan Agreement in substantially the form submitted to this meeting with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

Section 5: That the City Clerk is hereby authorized and directed to file in the office of the City Clerk, as a part of the minutes of the meeting at which this Ordinance is adopted, for inspection by any interested person a copy of the Indenture and Loan Agreement, and such documents shall be on file for inspection by any interested person.

Section 6: That the provisions of this Ordinance are hereby declared to be separable, and if any section, phrase of provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrase and provisions.

Section 7: That Ordinance No. 1864, as amended hereby, is continued in full force and effect.

Section 8: That there is hereby found and declared to be an immediate need for the securing and developing of industry in order to provide the continuation of substantial employment and payroll, alleviate unemployment and otherwise benefit the public health, safety and welfare of the City and the inhabitants thereof, and the issuance of the Bonds authorized hereby and the taking of the other action authorized hereby are immediately necessary for the accomplishing of these public benefits and purposes, It is, therefore, declared that an emergency exists and this Ordinance being necessary for the immediate preservation of the public peace, health and safety shall be in force and effect immediately upon and after its passage.

PASSED and APPROVED this 5th day of November, 1984.