



Legislation Text

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AN ORDINANCE AUTHORIZING THE ISSUANCE OF INDUSTRIAL DEVELOPMENT REVENUE BONDS UNDER 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, FOR THE PURPOSE OF PROVIDING PERMANENT FINANCING OF THE COSTS OF SECURING AND DEVELOPING INDUSTRY (THE PARTICULAR INDUSTRIAL PROJECT IS DESCRIBED IN THE ORDINANCE); AUTHORIZING THE EXECUTING AND PRESCRIBING OTHER MATTERS PERTAINING TO THE ACQUISITION AND CONSTRUCTION THEREOF; AND DECLARING AN EMERGENCY

WHEREAS, the City of Jonesboro, Arkansas (the “City”) is authorized by Act 9 of the First extraordinary Session of the Sixty-Second General Assembly of the State of Arkansas, approved January 21, 1960, as amended (Act No. 9), to acquire lands, construct and equip manufacturing buildings, improvements and facilities and to incur other costs and expenses and make other expenditures incidental to and for the implementing and accomplishing of the conduct of manufacturing operations; and

WHEREAS, the City is authorized by Act No. 9 to issue Industrial Development Revenue Bonds payable from revenues derived from the Industrial Project so acquired and constructed and secured by a lien thereon and security interest therein; and

WHEREAS, the necessary arrangements have been made with Delta, Inc. of Arkansas, an Arkansas Corporation (“Delta”), for the acquisition and construction of manufacturing facilities consisting of lands, buildings and improvements (the “Project”); and

WHEREAS, the Project will be financed by the proceeds of Industrial Development Revenue Bonds of the City issued under Act No. 9 and designated Series 1977 (the “Bonds”); and

WHEREAS, the Bonds are in the principal amount of \$400,000; and

WHEREAS, the proceeds of the Bonds will be used to acquire lands, constructing buildings and improvements; and

WHEREAS, the properties financed by the Bonds will be owned by the City and Leased to Delta pursuant to the provisions of a Lease and Agreement (the “Lease Agreement”); and

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

Section 1: That there be, and there is hereby authorized and directed the following:

- (a) The sale of the Bonds to Powell & Satterfield, Inc., Little Rock, Arkansas, and the execution by the Mayor and City Clerk of a Bond purchase Contract with such purchaser for the price and pursuant to the terms recommended by Delta (a copy of which shall be filed in the office of the City Clerk);
- (b) The acquiring and construction of the Project, and in connection therewith, the execution of contracts, and

the acceptance of assignments of contracts, for the acquiring and construction of the Project; and
(c) The performance of all obligations of the City under the Lease Agreement pertaining to the acquiring and constructing of the Project and the performance of all obligations of the City under the contracts referred to in (b) above.

Section 2: That the issuance of the Bonds is hereby authorized to prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, issued, accepted, held and secured, the Mayor is hereby authorized and directed to execute and acknowledge a trust Indenture (the "Indenture"), and the City Clerk is hereby authorized and directed to execute and acknowledge the Indenture and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Indenture to be accepted, executed and acknowledged by the Trustee. The Indenture, which constitutes and is hereby made a part of this Ordinance, shall be in substantially the following form, to wit.

Section 3: That the Mayor and City Clerk, for and on behalf of the City, be, they are hereby, authorized and directed to do any and all things necessary to effect the execution of the Indenture, its execution and acceptance by the trustee, the performance of all obligations of the City under and pursuant to the Indenture, the execution and delivery of the Bonds, and the performance of all acts of whatever nature necessary to effect and carry out the authority conferred by the Indenture and by this Ordinance. That the Mayor and City Clerk be, and they are hereby, further authorized and directed, for and on the behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 4: That the City is here involved with the acquiring and constructing of industrial facilities, and therefore competitive bidding is waived, pursuant to applicable laws of the State of Arkansas, including particularly Act No. 9.

Section 5: 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, phrases and provisions.

Section 6: That all ordinances, resolutions and parts thereof in conflict wherewith are hereby repealed to the extent of such conflict.

Section 7: That there is hereby found and declared to be an immediate need for the securing and developing of industry in order to provide employment and payrolls, alleviate unemployment and otherwise benefit the public health, safety and welfare of the City and the inhabitants thereof, and the issuance of 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 6th day of September, 1977.