



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 EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE BONDS; AUTHORIZING AND PRESCRIBING OTHER MATTERS PERTAINING TO THE ACQUISITION, CONSTRUCTION AND EQUIPMENT OF THE INDUSTRIAL PROJECT AND THE FINANCING THEREOF; AND DECLARING AN EMERGENCY

WHEREAS, the City of Jonesboro, Arkansas (the "City") is authorized by 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 ("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, constructed and equipped and secured by a lien thereon and security interest therein; and

WHEREAS, the necessary arrangements have been made with Delta of Arkansas, Inc., an Arkansas corporation ("Delta"), for the acquisition and construction and expansion of a manufacturing plant, consisting of lands, buildings, improvements and facilities, which will be utilized for the manufacturing of such products as Delta shall elect to manufacture (the "Project") and to lease the Project to Delta pursuant to the terms of a Lease and Agreement subsequently identified herein and referred to as the "Lease and Agreement subsequently identified herein and referred to as the "Lease Agreement"; and

WHEREAS, permanent financing of the Project costs, necessary costs and expenditures incidental thereto and expenses of authorizing and issuing Bonds, is being furnished by the City issuing Industrial Development revenue Bonds under the provisions of Act No. 9 (the "Bonds"); and

WHEREAS, the Bonds are in the principal amount, bear interest, maturing and are subject to redemption as hereinafter set forth in the form of Indenture authorized by this Ordinance;

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 an Underwriting Agreement 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, constructing and equipping of the Project in accordance with the provisions of the Lease

Agreement; and

(c) The performance of all obligation of the City under the Lease Agreement pertaining to the acquiring, constructing and equipping of the Project.

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, and they are hereby, authorized and directed to do any and all things necessary to effect the execution and delivery 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, the execution and delivery of an Official Statement, 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 an on 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, constructing and equipping of complex industrial facilities, and pursuant to applicable laws of the State of Arkansas, including particularly Act No. 9, competitive bidding is waived.

Section 5: That the provisions of this Ordinance are hereby declared to be separable, and if any section, phrase or 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 herewith, 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 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 ADOPTED on this 7th day of June, 1976.