



**City of Conway, Arkansas**  
**Resolution No. R-23-45**

**A RESOLUTION OF INTENT OF THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS REGARDING THE ISSUANCE OF BONDS FOR THE PURPOSE OF ASSISTING IN THE FINANCING AND REFINANCING OF THE ACQUISITION, RENOVATION, REHABILITATION AND EQUIPPING OF AN INDUSTRIAL FACILITY LOCATED WITHIN THE CITY**

**WHEREAS**, the City of Conway, Arkansas (the “City”) is authorized under the provisions of Amendment 65 to the Constitution of the State of Arkansas (“Amendment 65”) and the Municipalities and Counties Industrial Development Revenue Bond Law, Arkansas Code Annotated §§14-164-201 *et seq.* (the “Act”), to own, acquire, construct, reconstruct, improve, equip and lease facilities to secure and develop industry and to assist in the financing thereof by the issuance of bonds payable from the revenues derived from such facilities; and

**WHEREAS**, as defined in the Act, “industry” includes manufacturing facilities, warehouses, distribution facilities, repair and maintenance facilities, and corporate and management offices for industry; and

**WHEREAS**, Westrock Beverage Company, LLC, an Arkansas limited liability corporation engaged in the production and sale of coffee, tea, liquid extracts, and allied products (the “Company”), has acquired and is in the process of renovating, rehabilitating, and equipping, a production facility (the “Project”) located on approximately 44 acres at 480 Exchange Avenue within the corporate boundaries of the City;

**WHEREAS**, in accordance with the Act, by the adoption of Ordinance No. O-21-125 on December 27, 2021, the City Council has previously authorized, and there has previously been issued the City’s Not to Exceed \$160,000,000 Taxable Industrial Development Revenue Bond (Westrock Beverage Company, LLC Project), Series 2021 (the “Series 2021 Bond”), for the purpose of financing acquisition, renovation, rehabilitation and equipment costs associated with the Project; and

**WHEREAS**, because the scope of the Project has expanded beyond the Company’s expectations at the time of issuance of the Series 2021 Bond, the Company has requested the City’s assistance in financing and refinancing the total costs of the Project through the issuance of a revenue bond under the authority of Amendment 65 and the Act; and

**WHEREAS**, in order to secure and develop industry within the City in accordance with the provisions of the Act, the City desires to assist the Company in the financing of the total costs of the Project and the refunding of the Series 2021 Bond through the issuance of the City’s Not to Exceed \$300,000,000 Taxable Industrial Development Revenue Improvement and Refunding Bond (Westrock Beverage Company, LLC Project), Series 2023 (the “Series 2023 Bond”);

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CONWAY, ARKANSAS, THAT:**

**Section 1.** It is the City's present intention to assist the Company in the financing and refinancing of the total costs of the Project through the issuance of industrial development revenue bonds under the authority of Amendment 65 and the Act. It is presently estimated by the Company that bonds in the aggregate principal amount of not to exceed \$300,000,000 would be required for this purpose. However, the City's intent is to issue the bonds from time to time, pursuant to Amendment 65 and the terms of the Act, in such amount as shall be requested by the Company for refunding the Series 2021 Bonds and accomplishing all or any part of the Project, whether or not such amount is more or less than the above estimate and whether or not the facilities and improvements finally acquired, constructed and equipped are identical to or different from the facilities presently expected to constitute the Project.

**Section 2.** In conjunction with any issuance of bonds to assist in the financing and refinancing of the Project, the City states its intention to enter into an agreement with the Company providing for annual payments by the Company in lieu of ad valorem taxes in an amount equal to thirty-five percent (35%) of the aggregate amount of ad valorem taxes that would otherwise be due with respect to the Project facilities but for the City's issuance of the bonds. It is the City's present intention that said bonds and the corresponding agreement for payments in lieu of ad valorem taxes would have a term of approximately thirty (30) years. Any payment made in lieu of ad valorem taxes would be distributed to the political subdivisions which would have received ad valorem tax payments with respect to the Project facilities in the proportion that the millage levied by each affected political subdivision bears to the total millage levied by all affected political subdivisions.


**Section 3.** All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

**Section 4.** This Resolution shall be in full force and effect from and after its adoption.

ADOPTED this 12<sup>th</sup> day of September 2023.

By:   
Mayor Bart Castleberry

**ATTEST:**

By:   
Michael O. Garrett  
City Clerk/Treasurer

(SEAL)