



City of Conway Council Agenda

Special Council Meeting Date:

July 31st, 2017 @ 12:30pm
City Hall Downstairs Conference

Mayor Bart Castleberry
City Clerk Michael O. Garrett
City Attorney Chuck Clawson

City Council Members

Ward 1 Position 1 – Andy Hawkins
Ward 1 Position 2 – David Grimes
Ward 2 Position 1 – Wesley Pruitt
Ward 2 Position 2 – Shelley Mehl
Ward 3 Position 1 – Mark Ledbetter
Ward 3 Position 2 – Mary Smith
Ward 4 Position 1 – Theodore Jones Jr.
Ward 4 Position 2 – Shelia Isby

Call to Order:

Mayor Bart Castleberry

Roll Call:

Michael O. Garrett, City Clerk/Treasurer

1. Report of Standing Committees:

A. New Business

1. Resolution of intent of the Council regarding issuance of bonds for the purpose of assisting in the financing of the acquisition of an industrial facility.

Adjournment



**City of Conway, Arkansas
Resolution No. R-17-__**

**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 OF THE ACQUISITION OF AN INDUSTRIAL FACILITY LOCATED WITHIN THE
CITY**

WHEREAS, the City of Conway, Arkansas (the "City") is authorized under the provisions of the Municipalities and Counties Industrial Development Revenue Bond Law, Arkansas Code Annotated §§14-164-201 *et seq.* (1998 Repl. & 2015 Supp.) (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 and distribution facilities and corporate and management offices for industry; and

WHEREAS, a Canadian private limited company engaged in the manufacturing of custom metal products for the military, heavy truck, automotive and industrial applications (the "Company"), has evidenced its interest in acquiring the real property and equipment comprising certain existing industrial facilities (the "Project") located at 600 Dave Ward Drive within the corporate boundaries of the City if permanent financing for the Project can be provided through the issuance of revenue bonds under the authority of 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 or an affiliate thereof (the "Company") in the financing of the Project through the issuance of the City's Not to Exceed \$3,200,000 Taxable Industrial Development Revenue Bonds, Series 2017;

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 of the proposed Project through the issuance of industrial development revenue bonds under the authority of the Act. It is presently estimated by the Company that bonds in the aggregate principal amount of approximately \$3,200,000 would be required for this purpose. However, the City's intent is to issue the bonds from time to time, pursuant to the terms of the Act, in such amount as shall be requested by the Company for 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/or 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 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 twenty (20) 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 31st day of July, 2017.

By: _____
Mayor Bart Castleberry

Attest:

By: _____
Michael O. Garrett
City Clerk/Treasurer

(SEAL)