

**A RESOLUTION CERTIFYING LOCAL GOVERNMENT
ENDORSEMENT OF ORBEA USA LLC TO PARTICIPATE IN
THE TAX BACK PROGRAM AS AUTHORIZED BY SECTION
15-4-2706(D) OF THE CONSOLIDATED INCENTIVE ACT OF
2003; AND FOR OTHER PURPOSES.**

WHEREAS, in order to be considered for participation in the Tax Back Program, the local government must endorse a business to participate in the Tax Back Program and benefit from the sales and use tax refunds as provided in the Consolidated Incentive Act of 2003; and

WHEREAS, said endorsement must be made on specific form available from the Arkansas Department of Economic Development (Incentive Application form provided by Todd Larson of North Little Rock Economic Development attached hereto as Exhibit "A"); and

WHEREAS, Orbea USA LLC, 119 Main Street, Little Rock, AR 72201, has sought to participate in the program and more specifically has requested benefits accruing from the new construction and expansion of its facility to be located at 700 Broadway in North Little Rock; and

WHEREAS, Orbea USA LLC, has agreed to furnish the local government all necessary information for compliance.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That Orbea USA LLC is hereby endorsed by the City Council of North Little Rock, Arkansas for benefits from the sales and use tax refunds as provided by Section 15-4-2706(d) of the Consolidated Incentive Act of 2003.

SECTION 2: That the Department of Finance and Administration is authorized to refund local sales and use tax to Orbea USA LLC.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Joe A. Smith

SPONSOR:

Joe A. Smith

Mayor Joe A. Smith

ATTEST:

Diane Whitbey, City Clerk

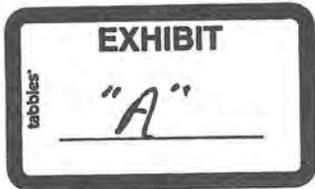
APPROVED AS TO FORM:

C. Jason Carter

C. Jason Carter, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/b

FILED _____ A.M. _____ P.M.
By _____
DATE _____
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas
RECEIVED BY _____



ARKANSAS Consolidated Incentive Act of 2003 Incentive Application	OFFICE USE ONLY
	Project #
	Project Manager
	Date Received

Incentive Program	Please select which of the following program(s) are applicable to this application: <u>Job Creation:</u> <input checked="" type="checkbox"/> Advantage Arkansas (Income Tax Credit program) <u>Investment:</u> (construction, expansion, modernization) <u>Applicants may only select one of the following programs:</u> <input checked="" type="checkbox"/> Tax Back (Sales and Use Tax Refund program) For new or expanding businesses with a \$100,000 minimum investment OR <input type="checkbox"/> InvestArk (Sales and Use Tax Credit program) For existing businesses only, with two (2) or more years of operating in Arkansas, investing a minimum of \$5,000,000 and obtaining a direct-pay sales/use tax permit.
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Applicant	ORBEA USA LLC Local Operating Name of Company		
	119 MAIN STREET	LITTLE ROCK AR	72201
	Mailing Address	City/State	Zip
	700 BROADWAY	NLR AR 72114	Pulaski
	Physical Location of Project	City/State/Zip	County
	GONZALO GARCIA DE SARAZAR	501 280-2700	318-328 1142
	Name and Title of Local Company Contact	Phone	Fax
	GONZALO.GARCIA@ORBEA.COM	www.orbea.com	
	Company Contact e-mail address	Company Website	
	Complete Company Name, if company is filing for tax credit under a different name		

Project Cost Estimate	
Land	\$ <u>750,000</u>
Building (a) New construction	\$
(b) Existing building.....	\$ <u>350,000</u>
Equipment.....	\$ <u>40,000</u>
TOTAL	
\$ <u>1,140,000</u>	

Employment

Present employment: 14

Number of new employees resulting from this project: ~~4~~ 4

Average Hourly wage of new employees hired for this project: \$ 40k

Total annual payroll of new employees hired for this project: \$ 130k

NOTE: To qualify for the income tax credits provided by the Advantage Arkansas program, the company must be an eligible business and meet the minimum payroll requirements for the Tier (county) in which the project is located. The Tier Map is available on line at www.B.ArkansasEUI.com.

NAICS Classification Code 423910

wholesale distribution of bicycles
 Description of principal business activity, products manufactured, etc.

What percentage of the applicant's gross sales are retail sales to the public? 2 %
 (An eligible company must not derive more than 10% of its revenue from sales to the general public)

If the applicant is a computer-related company, a distribution center, office sector business, motion picture company or a scientific and technical services business, 75% of the applicant's sales revenue must be derived from out of state.

What percentage of the applicant's sales is derived from out of state? 98 %

NOTE: Information contained in this application is subject to audit by the Arkansas Department of Finance and Administration. If any of the above information is found to be inaccurate and does not qualify, the business will be decertified and shall not receive any benefits and may be required to repay any benefits received, plus penalty.

Project Plan

Please indicate the activity planned by the company associated with this application.
(Check all that apply)

New Construction
 Expansion of existing business
 Modernization

Estimated Start Date of Project: 4/15/16 Estimated Completion Date of Project: _____

Project Description: RENOVATION OF THE SUPERIOR TRADING BUILDING INTO THE WORKS AT ROCKWATER WHICH WILL HOUSE THE NORTH AMERICAN DISTRIBUTION FOR ORBER BICYCLES

Project Cost Estimates:		
Land:	Description: LOT & EXISTING BUILDING @ 700 BROADWAY NLR	
		\$ 750,000
	Land Total:	\$ 750,000
Building:	New construction:	\$
	Expansion or Purchase of existing facility: Renovate building, clean, construct new offices, install new fixtures, HVAC, restrooms, update code, ADA compliance, repair & replace parking lot	\$ 550,000
	Building Total:	\$ 550,000
Machinery and Equipment:	Description: Forklift, Rack Heater	
		\$
	Machinery & Equipment Total:	\$ 40,000
Total Estimated Project Cost:		\$ 1,340,000