

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION CONFIRMING THE CITY'S INTENT TO ISSUE BONDS FOR THE PURPOSE OF ASSISTING IN THE FINANCING OF FACILITIES THAT WILL BE USEFUL IN SECURING OR DEVELOPING INDUSTRY WITHIN THE CITY OF NORTH LITTLE ROCK, ARKANSAS, TO BE LEASED TO ACE GLASS AND PLASTIC RECYCLING, LLC, NABHOLZ CONSTRUCTION COMPANY OR AN AFFILIATE OF EITHER; AND FOR OTHER PURPOSES.**

WHEREAS, the City of North Little Rock, Arkansas (the "City") is authorized under the provisions of Amendment 65 to the Arkansas Constitution and the Municipalities and Counties Industrial Development Revenue Bond Law, Ark. Code Ann. §§ 14-164-201 *et seq.* (the "Act"), to own, acquire, construct, 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, Ace Glass and Plastic Recycling, LLC, Nabholz Construction Company or an affiliate of either (collectively, the "Company") have evidenced their interest in financing the acquisition of land and/or leasehold rights, construction of infrastructure and improvements, and acquisition and installation of equipment related to a glass and plastic recycling facility (the "Project") through the issuance of bonds under the authority of the Act; and

WHEREAS, the City desires to assist the Company in order to secure and develop industry within the City, and to aid in the financing thereof under the provisions of the Act.

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

SECTION 1: That the City and the Company desire to cooperate in the acquisition, constructing, and equipping of the Project and to have the costs of the Project financed from the proceeds of revenue bonds of the City (the "Bonds") to be issued pursuant to the Act in an aggregate principal amount now estimated not to exceed \$60,000,000.00. The Bonds may be issued in different series to reflect the underlying business arrangements between Ace Glass and Plastic Recycling, LLC and Nabholz Construction Company, including, but not limited to, the lease of the real estate and building to Nabholz Construction Company with a sub-lease to Ace Glass and Plastic Recycling, LLC and the lease of personal property to Ace Glass and Plastic Recycling, LLC; however, Ace Glass and Plastic Recycling, LLC. shall be the on-site user and operator of the Project. The City confirms its intent to issue Bonds for the purposes stated in this Resolution. The City shall hold a public hearing on the question of the issuance of the Bonds on July 24, 2023 in conjunction with the regularly scheduled City Council meeting. The publication of the notice of public hearing is hereby ratified and confirmed.

SECTION 2. That the City and the Company recognize that under the Arkansas Constitution and decisions of the Supreme Court of Arkansas and in accordance with Ark. Code

Ann. §§ 14-164-701 *et seq.*, the Project may be exempt from ad valorem taxation. The City confirms its intent to enter into one or more Agreements for Payments in Lieu of Taxes ("PILOT Agreements") with Ace Glass and Plastic Recycling, LLC and Nabholz Construction Company, providing for payments in lieu of a portion of the ad valorem taxes that would otherwise be levied by local public bodies with taxing authority. Based on the information available to the City and the Company as of the date of adoption of this Resolution, each intend that the PILOT Agreements will provide for an abatement of 65% percent of the ad valorem taxes that would otherwise be due with respect to the Project. Further, the City and Company intend that the term of the PILOT Agreements will not exceed 30 years.

SECTION 3: The final form of and terms of the PILOT Agreements shall be considered for approval by the City Council after the holding of a public hearing and compliance with the statutory notice requirements of Ark. Code Ann. §§ 14-164-701 *et seq.* at or prior to the meeting of the City Council at which the ordinance authorizing the issuance of the Bonds is considered for approval which is currently anticipated to be July 24, 2023.

SECTION 4: That this Resolution shall be in full force and effect from and after its adoption.

SECTION 5: That in the event any title, section, paragraph, item, sentence, clause, phrase, or word of this Resolution is declared or adjudged to be invalid or unconstitutional, such declaration or adjudication shall not affect the remaining portions of this Resolution, which shall remain in full force and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of this Resolution.

SECTION 6. All ordinances, orders or resolutions of the City in conflict herewith are hereby repealed to the extent of such conflict.

PASSED:

APPROVED:

\_\_\_\_\_  
Mayor Terry C. Hartwick

SPONSOR:

ATTEST:

  
\_\_\_\_\_  
Mayor Terry C. Hartwick

\_\_\_\_\_  
Diane Whitbey, City Clerk

APPROVED AS TO FORM:

  
Amy Beckman Fields, City Attorney

Prepared by Michele Allgood  
Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.

FORMATTED BY THE OFFICE OF THE CITY ATTORNEY

FILED	<u>11:15</u>	A.M.	___	P.M.
By	<u>A. Fields</u>			
DATE	<u>7-5-23</u>			
<b>Diane Whitbey, City Clerk and Collector</b> <b>North Little Rock, Arkansas</b>				
RECEIVED BY	<u>S. W. Serry</u>			