

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 FARQUHAR ENTERPRISES LLC DBA PELLA PRODUCTS OF ARKANSAS AND MISSOURI, SUNNY SLOPE HOLDINGS LLC, 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, Farquhar Enterprises LLC DBA Pella Products of Arkansas and Missouri, Sunny Slope Holdings LLC, or an affiliate of either (collectively, the “Company”) have evidenced their interest in financing the acquisition of land and/or leasehold improvements and the construction and expansion of buildings, infrastructure and improvements, and acquisition and installation of equipment for the warehousing of windows and doors located on an approximately 3-acre site located at 8740 Maumelle Boulevard, North Little Rock, Arkansas (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, construction, and equipment 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 Five Million and 00/100 Dollars (\$5,000,000.00). The Bonds may be issued in different series to reflect the underlying business arrangements between Farquhar Enterprises LLC DBA Pella Products of Arkansas and Missouri and Sunny Slope Holdings LLC, including, but not limited to, the lease of the real estate and building to Sunny Slope Holdings LLC with a sub-lease to Farquhar Enterprises LLC DBA Pella Products of Arkansas and Missouri and the lease of personal property to Farquhar Enterprises LLC DBA Pella Products of Arkansas and Missouri; however, Farquhar Enterprises LLC DBA Pella Products of Arkansas and Missouri 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 December 11, 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 Agreements for Payments in Lieu of Taxes (“PILOT Agreements”) with Farquhar Enterprises LLC DBA Pella Products of Arkansas and Missouri and Sunny Slope Holdings LLC, 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 Agreement will be for 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 December 11, 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

FORMATTED BY THE OFFICE OF THE CITY ATTORNEY

FILED	11:27	A.M.	___	P.M.
By	Amy Fields, CA			
DATE	11/21/23			
Diane Whitbey, City Clerk and Collector North Little Rock, Arkansas				
RECEIVED BY	