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CERTIFICATE OF RECORD
FAULKNER CO, AR FEE \$30.00
I hereby certify that this instrument was
Filed and Recorded in the Official Records
In Doc Num **L202410664** 4 Pages
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NANCY EASTHAM
FAULKNER COUNTY CIRCUIT CLERK
BY: DIANA VARNER, D.C.
ORDINANCE

ORDINANCE NO. O-24-47

AN ORDINANCE AUTHORIZING THE RECONVEYANCE OF CERTAIN INDUSTRIAL PROPERTY AND CONSENT TO AN ASSIGNMENT AND ASSUMPTION AGREEMENT RELATING TO THE CITY'S TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND (DBG ARKANSAS PROJECT), SERIES 2018.

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 Sections 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 and refinancing thereof by the issuance of bonds payable from the revenues derived from such facilities; and

WHEREAS, pursuant to the Act and as approved by Ordinance No. O-17-138 of the City Council adopted on December 12, 2017, the City has previously issued its \$5,200,000 Taxable Industrial Development Revenue Bond (DBG Arkansas Project), Series 2018 (the "Bond"), for the purpose of financing the acquisition, renovation, refurbishment and equipping of an industrial facility (the "Project") located at 600 Dave Ward Drive within the corporate boundaries of the City; and

WHEREAS, the Bond was issued and secured pursuant to the terms and provisions of a Trust Indenture dated as of December 1, 2018 (the "Indenture"), by and between the City and Simmons Bank, as trustee (the "Trustee"); and

WHEREAS, the Project facilities were leased by the City to DBG Arkansas, LLC, a Delaware limited liability company ("DBG") pursuant to the terms and provisions of a Lease Agreement dated as of December 1, 2018 (the "Lease Agreement"); and

WHEREAS, in connection with the issuance of the Bond, the City and DBG also entered in an Agreement for Payments in Lieu of Taxes dated December 28, 2018 (the "PILOT Agreement"), with respect to the real and personal property comprising the Project; and

WHEREAS, DBG has requested the release and reconveyance by the City to DBG of a portion of the Project real property subject to the Lease Agreement and the PILOT Agreement; and

WHEREAS, in connection with the proposed sale and leaseback of DBG's interest in the remaining portion of the Project, DBG desires to assign its rights and obligations under the Lease Agreement and PILOT Agreement to Terry Wood Inc., an Arkansas corporation, or an affiliate

thereof (the "Purchaser"), pursuant to an Assignment and Assumption Agreement to be dated as of the date of its execution by and between DBG and the Purchaser (the "Assignment and Assumption Agreement"), and has requested the City's consent to the Assignment and Assumption Agreement;

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

Section 1. In order to reconvey to DBG that portion of the Project real property subject to the Lease Agreement and the PILOT Agreement as requested by DBG, there is hereby authorized the execution and delivery of a Quitclaim Deed by the City. The Quitclaim Deed is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to execute and deliver the Quitclaim Deed.

(Advice is given that a copy of the Quitclaim Deed in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 2. In order to evidence the City's consent to DBG's assignments of its rights and obligations under the Lease Agreement and PILOT Agreement, and the Purchaser's assumption of such rights and obligations, there is hereby authorized the execution and delivery of the consent to the Assignment and Assumption Agreement by the City. The Assignment and Assumption Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to execute the consent to the Assignment and Assumption Agreement.

(Advice is given that a copy of the Assignment and Assumption Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 3. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Quitclaim Deed and the Assignment and Assumption Agreement and the amendment of the property description in the Lease Agreement and PILOT Agreement. The Mayor and the City Clerk are hereby further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 4. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.


Section 5. All ordinances, resolutions and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

ADOPTED: 7-23, 2024.

ATTEST:



Mayor



City Clerk

(SEAL)



CERTIFICATE

**STATE OF ARKANSAS
COUNTY OF FAULKNER
CITY OF CONWAY**

I, Michael Garrett, the duly elected, qualified, and acting: Clerk-Treasurer of the City of Conway, Arkansas, do hereby certify that the attached and foregoing is a true and correct copy of an ordinance presented to the City Council of the City of Conway, Arkansas, at a meeting of that body held on the 23rd day of July, 2024 same is duly recorded in the minutes of meeting of said Council.

Witness, my hand, and seal of the City of Conway, Arkansas this 25th day of July 2024.


CITY CLERK-TREASURER

