1	ORDINANCE NO	
2		
3	AN ORDINANCE AUTHORIZING THE ENTRY INTO AN AGREEMENT	
4	TO ISSUE BONDS FOR THE PURPOSE OF ASSISTING IN THE	
5	FINANCING OF INDUSTRIAL FACILITIES WITHIN THE CITY OF	
6	LITTLE ROCK, ARKANSAS, TO BE LEASED TO DASSAULT FALCON	
7	JET CORPORATION, OR ITS AFFILIATE, PURSUANT TO THE	
8	AUTHORITY OF THE LAWS OF THE STATE OF ARKANSAS,	
9	INCLUDING PARTICULARLY AMENDMENT 65 TO THE ARKANSAS	
10	CONSTITUTION AND THE MUNICIPALITIES AND COUNTIES	
11	INDUSTRIAL DEVELOPMENT REVENUE BOND LAW; TO DECLARE	
12	AN EMERGENCY; AND FOR OTHER PURPOSES.	
13		
14	WHEREAS, the City of Little Rock, Arkansas, is authorized under the provisions of Amendment 65	
15	to the Arkansas Constitution and the Municipalities and Counties Industrial Development Revenue Bo	
16	Law, Ark. Code Ann. §§ 14-164-201 et seq. (the "Act"), to own, acquire, construct, equip, and lease	
17	facilities to secure and develop industry and to assist in the financing thereof by the issuance of Bon	
18	payable from the revenues derived from such facilities; and,	
19	WHEREAS, Dassault Falcon Jet Corporation (the "Company"), has evidenced its interest is	
20	acquiring, constructing, and equipping one or more industrial facilities within the City if the permane	
21	financing can be provided through the issuance of one or more series of Industrial Development Reven	
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23	WHEREAS, the City desires to assist the Company in order to secure and develop industry within	
24	the City, and to aid in the financing thereof under the provisions of the Act; and,	
25	WHEREAS, it is desirable that the City enter into an Agreement to Issue Bonds for such purpose.	
26	NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITY	
27	OF LITTLE ROCK, ARKANSAS:	
28	Section 1. The Mayor and the City Clerk of the City are hereby authorized to enter into an	
29	Agreement to Issue Bonds in substantially the form and substance attached as Exhibit A and in a for	
30	acceptable to the City Attorney.	
31	Section 2. Subject to compliance with the statutory notice requirements, one or more Payment in	

Lieu of Taxes Agreements ("PILOT Agreements") shall be considered for approval at the meetings of the

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1 Board of Directors at which the ordinances authorizing the issuance of a series of Bonds is considered for 2 approval. 3 **Section 3.** Severability. In the event any title, section, paragraph, item, sentence, clause, phrase, or 4 word of this resolution is declared or adjudged to be invalid or unconstitutional, such declaration or 5 adjudication shall not affect the remaining portions of this resolution, which shall remain in full force 6 and effect as if the portion so declared or adjudged invalid or unconstitutional was not originally a part of 7 this resolution. 8 Section 4. Repealer. All ordinances or resolutions of the City in conflict herewith are hereby 9 repealed to the extent of such conflict. 10 Section 5. Emergency Clause. There is hereby found and declared to be an immediate need for the 11 securing and developing of substantial industrial operations in order to retain existing employment, 12 provide additional employment, alleviate unemployment, and otherwise benefit the public health, safety, 13 and welfare of the City and the inhabitants thereof, and the taking of the action authorized herein is 14 immediately necessary in connection with the securing and developing of substantial industrial 15 operations and deriving the public benefits referred to above; therefore, an emergency is declared to 16 exist, and this ordinance, being necessary for the immediate preservation of the public health, safety, and 17 welfare, shall be in force and take effect immediately upon and after its passage. 18 PASSED: December 12, 2023 19 **ATTEST: APPROVED:** 20 21 22 Susan Langley, City Clerk Frank Scott, Jr., Mayor 23 APPROVED AS TO LEGAL FORM: 24 25 26 Thomas M. Carpenter, City Attorney 27 // 28 // 29 // 30 // 31 //32 // 33 //

Exhibit A

3 AGREEMENT TO ISSUE BONDS

THIS AGREEMENT is made as of December 12, 2023, by and between the City of Little Rock, Arkansas, a City of the First-Class under the laws of the State of Arkansas (the "City"), and Dassault Falcon Jet Corporation (the "Company"), for the purpose of carrying out the purposes set forth in the Municipalities and Counties Industrial Development Revenue Bond Law, Ark. Code Ann. §§ 14-164-201 *et seq.* (collectively, the "Act").

9 WITNESSETH:

WHEREAS, the City is authorized by Amendment 65 to the Arkansas Constitution and the Act to own, acquire, construct, reconstruct, extend, equip, improve, operate, maintain, sell, lease, or contract concerning, or otherwise deal in or dispose of any land, buildings, or facilities of any and every nature that can be used in securing or developing industry within or near the City; and,

WHEREAS, the City has determined that such purposes are public purposes and may be served by cooperation with the Company in the acquisition, construction, and equipping of one or more industrial facilities (as defined by the Act) within the City, consisting of the acquisition of leasehold rights, construction and refurbishing of buildings, and acquisition and installation of equipment (the "Projects"), located on property leased to the Company by the Little Rock Municipal Airport Commission (the "Commission"); and,

WHEREAS, the City and the Company desire to cooperate in the acquisition, constructing, and equipping of the Projects and to secure and develop the Project with the proceeds of one or more series of Revenue Bonds of the City (the "Bonds") to be issued in one or more series pursuant to the Act in an aggregate principal amount now estimated not to exceed One Hundred Fifty Million Dollars (\$150,000,000.00); and,

WHEREAS, the City and the Company intend to enter into lease agreements relating to the real and personal property constituting the individual Projects, which contemplate that the Projects will be leased to and operated by the Company and that the rental payments due thereunder together with other moneys available therefor shall be sufficient to pay debt service on the Bonds and all related costs; and,

WHEREAS, the Company confirms to the City, and the City acknowledges, that the terms and conditions set forth in this Agreement were material considerations and inducements for the Company to enter into a long-term lease with the Commission in which the Company agrees to invest at least One Hundred Million Dollars (\$100,000,000.00) in tangible capital improvements on or before December 31, 2034.

NOW, THEREFORE, in consideration of the premises, mutual benefits, covenants, and agreements herein expressed and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Company agree as follows:

- **1. Proceedings.** All proceedings in connection with the issuance of the Bonds shall be consistent with the requirements of the Act. All references contained herein to the issuance of the Bonds shall be subject to compliance with the formalities of the Act when the facts required to do so are determined.
- 2. Acquisition, Construction, and Equipping. The City and the Company will cooperate in causing to be commenced and continued the required acquisition, construction, and equipping of the Projects, and the Company may provide, or cause to be provided, the necessary interim financing to permit work on the Projects to commence and continue expeditiously pending the issuance of Bonds. Not later than the date of issuance of the Bonds, the Company will convey and transfer or cause to be conveyed and transferred to the City, the Projects or portions thereof previously acquired, constructed, and equipped. There shall also be conveyed to the City any easements and rights-of-way necessary to permit construction, equipping, installation, operation, and maintenance of the Projects. The City acknowledges that the Projects, or portions of the Projects, may be subject to liens or security interests in favor of third-party creditors at the time that the Project is transferred to the City.

Since the City is involved with the acquisition, constructing, and equipping of a complex project, requiring highly specialized work and specialized types of machinery and equipment, it has been and is hereby determined by the Board of Directors in compliance with Ark. Code. Ann. § 14-164-204, that it is impractical and unfeasible to bid these Projects, and that competitive bidding be, and the same is hereby, waived as to these particular Projects. This action is taken by the Board of Directors pursuant to applicable laws of the State of Arkansas, including particularly the Act.

- **3. Lease.** The City and the Company or an affiliate of the Company will enter into one or more lease agreements (the "Leases") relating to the real and personal property constituting the Projects, which contemplates that the Projects will be leased to and operated by the Company and that the rental payments due thereunder together with other moneys available shall be sufficient to pay debt service on the Bonds and all related costs. The Leases shall include such terms and conditions as are agreed to by the City and the Company, including, but not limited to, purchase options for nominal consideration and transferability of ownership.
- **4. Sale of Bonds, Security.** The City will take such steps as are necessary to issue, sell, and deliver the Bonds, pursuant to the terms of the Act, for the purposes of financing the costs of the Projects, in each case only upon receipt of the written designation by the Company of the purchasers thereof, such Bonds to be in such series, to be in such principal amount, to mature in such amount and times, to bear

- 1 interest at such rate or rates, to be payable on such dates, and to have such optional and mandatory
- 2 redemption features and prices as are determined by the City and approved in writing by the Company.
- 3 The City further agrees that it will enter into the Leases with the Company or an affiliate of the Company
- 4 for the purpose of providing rental payments sufficient, with other amounts available from the Company
- 5 or directly or indirectly from the proceeds of the Bonds, to pay the principal of and interest on the Bonds
- 6 as they become due, and pledging and otherwise securing the payment of such rental payments for the
- 7 benefit of the holder(s) of the Bonds. The City will cooperate in consummating the transactions so
- 8 contemplated.
- 9 **5. Bonds to be Special Obligations.** The City shall have no financial responsibility with respect to
- the Projects, the Bonds, or the costs associated with either, and the Bonds shall be special obligations of
- the City and shall never constitute a general obligation, indebtedness, or pledge of the credit of the City
- within the meaning of any constitutional or statutory provision and shall never be paid in whole or in part
- out of any funds raised or to be raised by taxation or any other revenues or other funds of the City except
- those (including unexpended Bond proceeds) derived from or in connection with the sale or lease of the
- 15 Projects as provided for herein.
- 6. Conditions of Issuance. The Bonds may be issued either at one time or in several series from
- 17 time to time, in such aggregate principal amount or amounts as the Company shall request in writing;
- provided, however, that all conditions of the Act shall have been met.
- 7. Costs to be Financed. The costs of the Projects may include any costs permissible under the Act,
- 20 including but not limited to reasonable and necessary costs, expenses, and fees incurred by the City in
- 21 connection with the issuance of the Bonds or in connection with the Project, including, but not limited to,
- fees and out-of-pocket expenses of Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C. ("bond
- counsel") and other counsel to the Company. The City will upon request provide or cause to be provided
- any data or information which may be reasonably required to verify any of the costs, expenses, and fees
- 25 enumerated above.
- **8. Termination.** In the event that none of the Bonds shall be sold within twelve (12) years from the
- date hereof, this Agreement shall automatically terminate unless the parties hereto shall agree in writing
- 28 to its extension for a further period of time specified in such writing, which agreement on the part of the
- 29 City shall not be unreasonably withheld. The Company may unilaterally terminate this Agreement
- 30 without liability to the City (except for any amounts due and owing by the Company to the City arising
- 31 out of the transactions occurring on or before the time of such termination, which shall be promptly paid
- 32 by the Company to the City) by giving notice by ordinary mail, postage prepaid, to the City specifying
- therein the date of termination, which may be the date of the notice.

I	9. Protection to the City. The Company shall pay all of the City's costs and expenses reasonably		
2	and necessarily incurred in connection with this Agreement or any other related document or instrument.		
3	10. Ad Valorem Taxation Exemption. The City and the Company recognize that under		
4	Arkansas Constitution and decisions of the Supreme Court of Arkansas and in accordance with Ar		
5	Code Ann. §§ 14-164-701 et seq., the Projects will be exempt from ad valorem taxation. The City agree		
6	that the Company or an affiliate of the Company shall be required to enter into Payment in Lieu of Tax		
7	Agreements ("PILOT Agreements") with the City providing for payments in lieu of a portion of the		
8	valorem taxes that would otherwise be levied by local public bodies with taxing authority. The City a		
9	the Company agree that the final form of the PILOT Agreements will be considered for approval at		
10	meeting of the Board of Directors at which the ordinance authorizing the issuance of the applicable serie		
11	of Bonds is considered for approval, subject to compliance with the terms of the Act, including, but no		
12	limited to statutory notice requirements. Currently, the City and the Company anticipate that the PILO		
13	Agreements will provide 65% ad valorem tax abatement for a period of thirty (30) years.		
14	11. Purpose and Effect. The Bonds are to be issued, sold, and delivered under the authority of the		
15	Act and all related actions and documents shall be in conformity therewith. The City intends thi		
16	Agreement to be the expression of its present intent, pursuant to the terms hereof, to issue the Bonds is		
17	an aggregate amount not to exceed One Hundred Fifty Million Dollars (\$150,000,000.00) and to expen		
18	the Bond proceeds to defray the costs of the Projects.		
19	12. Assignment. The Company may assign this Agreement in whole or in part to an affiliate of the		
20	Company without the prior written consent of the City and to an entity which is not an affiliate of the		
21	Company with the prior written consent of the City, which consent shall not be unreasonably withheld		
22	Notwithstanding the foregoing, no assignment and no dealings or transactions between the City and any		
23	assignee shall relieve the Company of any of its obligations under this Agreement.		
24	IN WITNESS WHEREOF, the City of Little Rock, Arkansas, acting pursuant to an Ordinance of its		
25	Board of Directors, has caused its name to be hereunto subscribed by its Mayor and City Clerk and the		
26	Company has caused its corporate name to be subscribed hereto by its duly authorized officer, all as of		
27	the year and date first above written.		
28	CITY OF LITTLE ROCK, ARKANSAS		
29	ATTEST: APPROVED:		
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31	Cusan Langlay City Clauk		
32	Susan Langley, City Clerk Frank Scott, Jr., Mayor		
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