1	ORDINANCE NO
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3	AN ORDINANCE AUTHORIZING THE ISSUANCE OF INDUSTRIAL
4	DEVELOPMENT REVENUE BONDS TO FINANCE CERTAIN INDUSTRIAL
5	FACILITIES; AUTHORIZING THE LEASING OF SUCH FACILITIES TO
6	TREX COMPANY, INC.; AUTHORIZING A TRUST INDENTURE
7	SECURING THE BONDS; AUTHORIZING THE SALE OF THE BONDS; AND
8	AUTHORIZING AND PRESCRIBING OTHER MATTERS PERTAINING
9	THERETO; AND FOR OTHER PURPOSES.
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11	WHEREAS, the City of Little Rock, Arkansas (the "City") is authorized and empowered under the
12	provisions of Title 14, Chapter 164, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Act"), to
13	issue revenue bonds and to expend the proceeds thereof to finance buildings or facilities which can be used
14	in securing or developing industry; and
15	WHEREAS, the Board of Directors (the "Board") of the City has heretofore adopted Resolution No.
16	15,553 stating the City's intention to issue revenue bonds under the Act to finance an industrial project to
17	be located in the City (the "Project") for use by Trex Company, Inc., a Delaware corporation (the
18	"Company"); and
19	WHEREAS, the Project consists of the acquisition, construction and equipping of certain industrial
20	facilities to be located in the Little Rock Port Industrial Park, together with the acquisition and installation
21	of various machinery, equipment and other personal property, which industrial facilities will be used to
22	manufacture composite decking, composite cladding and related products; and
23	WHEREAS, after due consideration, the City has determined to proceed with financing the Project
24	and to issue and sell its revenue bonds under the provisions of the Act in the aggregate principal amount of
25	not to exceed \$450,000,000 (the "Bonds"), and in connection therewith to enter into a Trust Indenture (the
26	"Indenture"), between the City and Regions Bank, as Trustee (the "Trustee"), to secure the Bonds; and
27	WHEREAS, the Project will be owned by the City and leased to the Company, pursuant to the
28	provisions of a Lease Agreement (the "Lease Agreement") between the City and the Company; and
29	WHEREAS, the Company will enter into an Agreement for Payments in Lieu of Taxes (the "PILOT
30	Agreement") with the City as hereinafter provided; and
31	WHEREAS, pursuant to and in accordance with applicable provisions of Arkansas law, a public
32	hearing was held on the date hereof before the Board on the question of the issuance of such revenue bonds
33	under the Act; and

WHEREAS, forms of the Indenture, the Lease Agreement, and the PILOT Agreement have been presented to and are before this meeting;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS:

- **Section 1**. The Board hereby finds that the accomplishment of the Project, and the issuance of the Bonds to finance the same, will provide substantial employment and payrolls and will thereby secure and develop industry within and near the City.
- Section 2. The issuance of the Bonds in the aggregate principal amount of \$450,000,000, or such lesser amount as shall be requested by the Company, is hereby authorized. The Bonds shall be designated "City of Little Rock, Arkansas Taxable Industrial Development Revenue Bonds (Trex Company, Inc. Project), Series 2024." The Bonds shall bear interest at the rate of 4.0% per annum, payable as set forth in the Indenture, and shall mature not later than twenty (20) years after their dated date, which terms are recommended by the Company. The Bonds shall be in the forms and denominations, shall be numbered, shall be dated, shall be payable, and shall be subject to redemption prior to maturity all upon the terms and conditions recommended by the Company and set forth in the Indenture.
 - **Section 3**. The Bonds shall be sold to the Company or its designee for the purchase price of 100% of par, which price is recommended by the Company.
 - **Section 4**. To prescribe the terms and conditions upon which the Bonds are to be executed, authenticated, issued, accepted, held and secured, the Mayor and City Clerk are hereby authorized and directed to execute, acknowledge and deliver the Indenture for and on behalf of the City. The Indenture is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the Trustee and others in order to complete the Indenture in substantially the form submitted to this meeting with such changes as shall be approved by him, his execution to constitute conclusive evidence of such approval.
 - **Section 5**. There is hereby authorized the execution and delivery of the Lease Agreement, and the Mayor and City Clerk are hereby authorized to execute, acknowledge and deliver the Lease Agreement for and on behalf of the City. The Lease Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the Company and others in order to complete the Lease Agreement in substantially the form submitted to this meeting with such changes as shall be approved by him, his execution to constitute conclusive evidence of such approval.
 - **Section 6**. There is hereby authorized the execution and delivery of the PILOT Agreement, and the Mayor is hereby authorized to execute and deliver the PILOT Agreement for and on behalf of the City. The PILOT Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor is hereby authorized to confer with the Company and others in order to complete the PILOT

1 Agreement in substantially the form submitted to this meeting with such changes as shall be approved by 2 him, his execution to constitute conclusive evidence of such approval. 3 Section 7. The acquisition and installation of the Project, and the issuance and sale of the Bonds, are 4 exceptional situations in which the City has no responsibility for payment of the costs and expenses thereof, 5 all of which are payable by the Company, and the Company's recommendations with respect thereto are 6 acceptable to the City. Therefore, pursuant to applicable laws of the State of Arkansas, including the Act, 7 competitive bidding is hereby waived. 8 Section 8. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed 9 to do any and all things necessary to effect the execution and delivery of the documents herein authorized 10 and the performance of all obligations of the City thereunder, the issuance, execution, sale and delivery of 11 the Bonds, and the performance of all acts of whatever nature necessary to effect and carry out the authority 12 conferred by this Ordinance. The Mayor and City Clerk are hereby further authorized and directed, for 13 and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be 14 required for the carrying out of such authority or to evidence the exercise thereof. 15 **Section 9.** The City Clerk is hereby authorized and directed to file in the office of the City Clerk, as 16 a part of the minutes of the meeting at which this Ordinance is adopted, for inspection by any interested 17 person copies of the Indenture, the Lease Agreement, and the PILOT Agreement, and such documents shall 18 be on file for inspection by any interested person. 19 Section 10. Severability. In the event any title, section, paragraph, item, sentence, clause, phrase, 20 or word of this Ordinance is declared or adjudged to be invalid or unconstitutional, such declaration or 21 adjudication shall not affect the remaining portions of this Ordinance which shall remain in full force and 22 effect as if the portion so declared or adjudged invalid or unconstitutional were not originally part of this 23 Ordinance. 24 Section 11. Repealer. All laws, ordinances, resolutions, or parts of the same which are inconsistent 25 with the provisions of this Ordinance are hereby repealed to the extent of such inconsistency. 26 PASSED: October 2, 2024 27 **APPROVED:** ATTEST: 28 29 30 Allison Segars, Acting City Clerk Frank Scott, Jr., Mayor 31 APPROVED AS TO LEGAL FORM: 32

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Thomas M. Carpenter, City Attorney