

**OFFICE OF THE CITY MANAGER  
LITTLE ROCK, ARKANSAS**

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**BOARD OF DIRECTORS COMMUNICATION  
APRIL 15, 2025 BOARD MEETING**

<b>Subject</b> A resolution to certify local government endorsement of Lexicon, Inc. to participate in the Arkansas Tax Back Program for expansion purposes at the Port of Little Rock, Arkansas  <b>Submitted by:</b>  City Attorney's Office	<b>Action Required</b>  Ordinance ✓ <b>Resolution</b> Approval	<b>Approved By</b>       Susan Altrui Acting City Manager
<b>SYNOPSIS</b>	A resolution to certify local government endorsement of Lexicon, Inc. to participate in the Arkansas Tax Back Program for the following expansion project plan to their corporate headquarters and steel fabrication operations at the Port of Little Rock, Arkansas:	
<b>FISCAL IMPACT</b>	The total cost of the expansion project plan is estimated to be Thirty-Seven Million Six Hundred Thousand Dollars (\$37,600,000.00) to be subsidized by Arkansas Tax Back Program Sales and Use Tax Refund, this money would be City Sales and Compensating Use Taxes but instead they will be refunded by the Arkansas Department of Finance and Administration.	
<b>RECOMMENDATION</b>	Approval of the Resolution.	
<b>BACKGROUND</b>	The Arkansas' investment incentive, Tax Back, (a/k/a The Consolidated Incentive Act 182 of 2023) is a sales and use tax refund for the purchase of building materials, machinery and equipment.	

**BACKGROUND  
CONTINUED**

Eligible participants must have entered into a financial incentive agreement with the Arkansas Economic Development Commission (AEDC). In addition, it expands the opportunities for qualified businesses to earn income tax credits based on research and development expenditures and promotes economic development.

Lexicon, Inc. has its corporate headquarters and steel fabrication operations at the Port of Little Rock, Arkansas. Tom Schueck launched Schueck Steel Products in 1968 in a converted home garage in Little Rock, and the company quickly expanded into sheet metal, fabrication, erection, and the settling of heavy machinery equipment. Today, Lexicon provides a range of services, including structural steel fabrication and erection, mechanical equipment installation, crude oil and chemical storage terminal installation, golf course construction, industrial plant maintenance, plate fabrication, construction management, and more. With more than 2,000 employees nationwide, Lexicon has 523 employees in Arkansas. This expansion will add 60 new jobs.

(1) Remodel of existing corporate office located at 8900 Fourche Dam, Little Rock, Arkansas; (2) the purchase of 40,000 sq. ft. building at 7773 Sloane, Little Rock, Arkansas to be remodeled as additional HQ space and will replace leased space; (3) construction of a new 6,165 sq. ft building to perform blasting of raw steel and (4) a 48,314 sq. ft. expansion of the existing fabrication facility.