

RESOLUTION NO. _____

A RESOLUTION OF INTENT OF THE BOARD OF DIRECTORS OF THE CITY OF LITTLE ROCK, ARKANSAS REGARDING THE ISSUANCE OF BONDS FOR THE PURPOSE OF ASSISTING IN THE FINANCING OF THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN INDUSTRIAL FACILITY TO BE LOCATED WITHIN THE CITY; AND, FOR OTHER PURPOSES.

WHEREAS, the City of Little Rock, Arkansas (the “City”) is authorized under the provisions of Amendment 65 to the Constitution of the State of Arkansas (“Amendment 65”) and the Municipalities and Counties Industrial Development Revenue Bond Law, Arkansas Code Annotated §§ 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 thereof by the issuance of bonds payable from the revenues derived from such facilities; and,

WHEREAS, as referenced in the Act, “industry” includes “technology-based enterprises” (as defined in the Act); and,

WHEREAS, Willowbend Capital LLC, a Delaware limited liability company and a “technology-based enterprise” within the meaning of the Act, or an affiliate thereof and also a technology-based enterprise (collectively, the “Company”), has evidenced its interest in acquiring, constructing and equipping a data center facility (the “Project”) to be located within the corporate boundaries of the City if permanent financing for the Project can be provided through the issuance of revenue bonds under the authority of the Act; and,

WHEREAS, in order to secure and develop industry within the City in accordance with the provisions of the Act, the City desires to assist the Company in the financing of the Project through the issuance of the City's not to exceed \$60,000,000,000 Taxable Industrial Development Revenue Bonds, Series 2025 or Series 2026; and,

WHEREAS, the Project will be owned by the City and leased to the Company pursuant to a lease agreement having a lease term of approximately, but not in excess of thirty (30) years (the "Lease Agreement") for lease rentals sufficient to pay the debt-service on the bonds when due.

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

1 **Section 1.** It is the City's present intention to assist the Company in the financing of the proposed
2 Project in one or more phases through the issuance of industrial development revenue bonds under the
3 authority of Amendment 65 and the Act. It is presently estimated by the Company that bonds in the
4 aggregate principal amount of approximately \$60,000,000,000 would be required for this purpose.
5 However, the City's intent is to issue the bonds from time to time, pursuant to the terms of the Act, in such
6 amount as shall be requested by the Company for accomplishing all or any part of the Project, whether or
7 not such amount is more or less than the above estimate and whether or not the facilities and improvements
8 finally acquired, constructed and/or equipped are identical to or different from the facilities and
9 improvements presently expected to constitute the Project.

10 **Section 2.** The bonds will be special obligations of the City payable solely from rentals paid by the
11 Company under the Lease Agreement.

12 **Section 3.** The City will not be called upon to pay any costs or expenses incurred in connection with
13 the authorization and issuance of the bonds, and all such costs and expenses will be paid out of the proceeds
14 of the bonds or by the Company.

15 **Section 4.** In conjunction with any issuance of bonds to assist in the financing of the Project, the City
16 states its intention to enter into an agreement with the Company providing for annual payments by the
17 Company in lieu of ad valorem taxes in an amount equal to thirty-five percent (35%) of the aggregate
18 amount of ad valorem taxes that would otherwise be due with respect to the Project facilities but for the
19 City's issuance of the bonds and the leasing of the Project to the Company. It is the City's present intention
20 that said bonds and the corresponding agreement for payments in lieu of ad valorem taxes would have a
21 term of approximately, but not more than, thirty (30) years. Any payment made in lieu of ad valorem taxes
22 would be distributed to the political subdivisions which would have received ad valorem tax payments with
23 respect to the Project facilities in the proportion that the millage levied by each affected political subdivision
24 bears to the total millage levied by all affected political subdivisions.

25 **Section 5.** All resolutions and parts thereof in conflict herewith are hereby repealed to the extent of
26 such conflict.

27 **Section 6.** This Resolution shall be in full force and effect from and after its adoption.

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1 **ADOPTED: April 29, 2025**

2 **ATTEST:**

APPROVED:

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Allison Segars, City Clerk

Frank Scott, Jr., Mayor

7 **APPROVED AS TO LEGAL FORM:**

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Thomas M. Carpenter, City Attorney

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