

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

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**BOARD OF DIRECTORS COMMUNICATION  
MAY 6, 2025 AGENDA**

<b>Subject:</b>	<b>Action Required:</b>	<b>Approved By:</b>
<p>Tax Back Program Certification for Headlands Tech Holdings, LLC d/b/a Arkansas Tech Systems, LLC</p> <p><b>Submitted By:</b> Little Rock Regional Chamber of Commerce</p>	<p style="text-align: center;">Ordinance √ <b>Resolution</b></p>	<p style="text-align: center;">Delphone Hubbard Acting City Manager</p>
<b>SYNOPSIS</b>	A resolution to authorize the City Manager to certify local government endorsement of Headlands Tech Holdings, LLC, to participate in the Arkansas Tax Back Program, per AR Code Ann. § 15-4-2706(d) of the 2003 Consolidated Incentive Act.	
<b>FISCAL IMPACT</b>	This is not a purchase. This is \$120 million in new taxable capital investment coming into the City of Little Rock.	
<b>RECOMMENDATION</b>	Approval of the Resolution.	
<b>BACKGROUND</b>	Headlands Tech Holdings, LLC is located at 15900 Arkansas Systems Drive, Little Rock, AR, 72223. Arkansas Tech Systems, LLC (ATS) is a wholly owned subsidiary of Headlands Tech Holdings, LLC. ATS is considering purchasing a vacant end-of-life data center and renovating the facility to operate a state-of-the-art supercomputer. The data center will leverage extremely efficient direct to chip liquid cooling to accommodate extremely dense server cabinets, innovative battery storage systems and the world's fastest computer hardware. The project will entail several phases to renovate and expand the electrical and mechanical systems to support the scale and efficiency of the data center. The project will require the labor and services of many local companies to facilitate the expansion and operation of the mechanical, electrical, and plumbing systems. For example, immediately after acquisition, ATS will contract with Entergy Arkansas to expand the electrical capacity of the premises.	