

RESOLUTION NO. *R-155-20*RESOLUTION OF INTENT TO ISSUE
INDUSTRIAL DEVELOPMENT REVENUE BONDS

WHEREAS, the City of Fort Smith, Arkansas (the "City") is authorized by the laws of the State of Arkansas, including particularly Title 14, Chapter 164, Subchapter 2 of the Arkansas Code of 1987 Annotated (the "Act"), to issue revenue bonds for financing the costs of acquiring, constructing and equipping industrial facilities; and

WHEREAS, it is proposed that the City issue its revenue bonds under the Act for the purpose of financing new manufacturing and warehouse facilities to be located within or near the City (collectively, the "Projects") for use by Owens Corning Composite Materials, LLC, a Delaware limited liability company (the "Company"); and

WHEREAS, the Projects will generally consist of (i) a manufacturing facility (the "Manufacturing Project"), and (ii) a warehouse (the "Warehouse Project"), together with related machinery, equipment and other personal property, to be used for the manufacture and shipping of composite mat for use in roofs, ceilings, floors, and more; and

WHEREAS, the Manufacturing Project will be leased to the Company pursuant to a lease agreement to be entered into between the City, as lessor, and the Company, as lessee; and

WHEREAS, the Warehouse Project will be (i) leased to an Arkansas corporation or limited liability company to be determined by the Company (the "Warehouse Lessee") pursuant to a lease agreement to be entered into between the City, as lessor, and the Warehouse Lessee, as lessee, and (ii) subleased to the Company pursuant to a sublease agreement to be entered into between the Warehouse Lessee and the Company; and

WHEREAS, the Company will petition to annex the land currently owned and the land to be purchased into the City of Fort Smith due to the availability of revenue bond financing, which is an important factor under consideration by the Company in determining the feasibility of the proposed Projects from a financial standpoint; and

WHEREAS, in order to secure and develop industry in furtherance of the public purpose of the Act, the City is willing to proceed with the issuance of the bonds as and when requested by the Company, subject to compliance with all conditions set forth in the Act;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the City of Fort Smith, Arkansas:

Section 1. The City hereby states its intention to assist in the accomplishment of the Projects and at such time as it may be properly called upon to do so to issue its revenue bonds to finance the same, subject to the following:

(a) It is estimated at this time that revenue bonds in the approximate principal amount of \$115,000,000 will be issued to finance the Manufacturing Project, and that revenue bonds in the approximate principal amount of \$20,000,000 will be issued to finance the Warehouse Project. However, the City's commitment is to issue revenue bonds under the Act in such amounts for accomplishing all or any part of the Projects, whether those amounts are more or less than the above estimates.

(b) The bonds will be special obligations of the City, and in no event will they constitute an indebtedness for which the faith and credit of the City or any of its revenues are pledged.

(c) The City will not be called upon to pay any costs or expenses incurred in connection with the authorization and issuance of the bonds, and all such costs and expenses will be paid out of the proceeds of the bonds or by the Company.

Section 2. The City is informed and understands that the properties comprising the Projects may be exempt from ad valorem taxes. In such case, the City desires to enter into agreements with the Company for payments in lieu of taxes. The amount and other details concerning such payments will be embodied in appropriate agreements which are mutually acceptable to the Company and the City. In the case of the Warehouse Project, it is understood that the benefit of the property tax abatement, either directly or indirectly, shall accrue to the Company.


Section 3. As part of the overall economic development package for the Projects, the City of Fort Smith will provide \$450,000 for the construction of ingress and egress infrastructure.

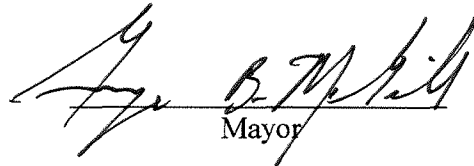
Section 4. This Resolution shall be effective immediately upon its passage.

PASSED: December 15, 2020.

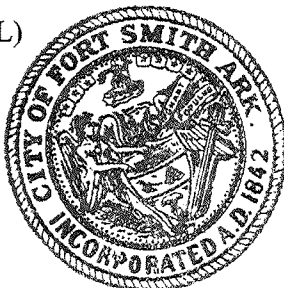
APPROVED:

ATTEST:


City Clerk


Mayor

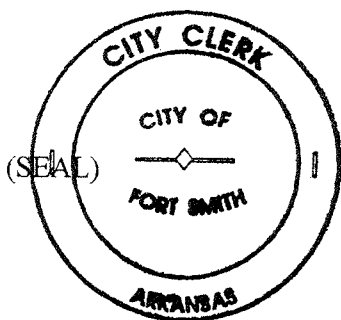
(SEAL)



CERTIFICATE

The undersigned, City Clerk of the City of Fort Smith, Arkansas, hereby certifies that the foregoing is a true copy of a Resolution duly passed at a regular session of the Board of Directors of the City of Fort Smith, Arkansas, held at the regular meeting place of the Board at 6:00 o'clock p.m., on the 15th day of December, 2020.

CERTIFIED this 16th day of December, 2020.



Sherril Gard
City Clerk