

Conway, Arkansas
Tuesday, 5:00 pm
April 1, 2025

SPECIAL CITY COUNCIL MEETING

On this date the City Council of the City of Conway, Arkansas met in special session. The following members being a quorum were present and acting: Councilman Hawkins, Councilman Grimes, Councilman Spurgers, Councilwoman Mehl, Councilman Ledbetter, Councilman Hawks, Councilman Jones, and Councilwoman Isby. Also, present and acting: Mayor Bart Castleberry, and City Clerk Denise Hurd.

Call to Order: Mayor Bart Castleberry

Roll Call: Denise Hurd, City Clerk

A. Economic Development Committee (Conway Area Chamber of Commerce, Conway Development Corporation, Conway Downtown Partnership, & Conway Corporation)

1. Consideration to approve a memorandum of understanding for a special economic development project.

Brad Lacy, of the Conway Chamber of Commerce, addressed the Council stating that this community development project is larger and more involved than has been common. He told them that this action is the first formal piece of what will be multiple agreements as the project moves forward. He added that this MOU is different in that it involves three entities and the company: the company, the City, Conway Corporation and the Conway Foundation. He told the Council that each of the entities would evaluate the project and decide whether or not to move forward. He said that the Council's part is very important primarily because of the property tax abatement consideration, which is a considerable piece of overall project, and without which the company would not consider continuing the project in Conway. Not being able to share the name of the company, Mr. Lacy shared some characteristics of the company with the Council. Councilman Hawkins confirmed that Conway Corp had reviewed the matter and was in accord with the proposal. Councilman Grimes asked at what point the name of the company would be released. Mr. Lacy was not able to give a timeline on that point. There was discussion among the Council as to the size and financial impact of this particular project. Councilwoman Mehl confirmed that at the end of the 30-year period stated in the MOU with regard to the property tax abatement, the tax would revert back to the tax rolls. Mr. Lacy explained that the tax abatement would result from an Act 9 Bond, or Industrial Revenue Bond, so however long that agreement is, it would be the length of term for the property tax abatement. Councilman Jones inquired about the 30-year period, and Mr. Lacy replied that 25-30 years has been a standard term length. Mr. Lacy continued by outlining the details of the MOU for the Council. He confirmed that this project is not a data mining center. He added that the City is not obligated to any debt associated with the project.

Jamie Gates, of the Conway Chamber of Commerce, addressed the Council explaining that this project is different from past community development projects in that it would be a long-term project with many re-visitations for planning and permitting processes. He pointed out to them the terms in the MOU stating that the City would not increase the costs for the permitting and fees greater than the amount of the Consumer Price Index during the course of

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the project or add special fees. He explained the process that would be used to handle grey water studies and design. He explained the medium and high voltage requirements for electricity to be negotiated by Conway Corp. Mr. Gates went through the final points of the MOU with the Council, explaining the infrastructure improvement agreements that would come before them as the project move forward.

Brett Carroll, of Conway Corporation addressed the Council stating that grey water use in this type of project has been done in other places, but not in Arkansas to his knowledge.

Councilman Spurgers asked Mr. Lacy to comment on the Conway Foundation and Mr. Lacy stated that Conway Foundation is governed by a board and was created to accept gifts or donations and then oversee the reinvestment into the community.

There was no one from the public to speak for or against the matter. Mayor Castleberry brought the matter back to the Council. Councilman Hawkins made a motion to approve the memorandum of understanding and Councilwoman Mehl seconded it. A vote was called and the motion carried 8-0.

Adjournment-----

PASSED this 1st day of April 2025

APPROVED: _____
Mayor, Bart Castleberry

City Clerk, Denise Hurd