RESOLUTION No.: 26-1146

A RESOLUTION CALLING A SPECIAL ELECTION ON REFERENDUM PETITIONS CONCERNING CITY OF CLARKSVILLE ORDINANCE NO. 26-1008 (SF ARK1, LLC)

Whereas, the City Council of the City of Clarksville, Arkansas, finds that Ordinance No. 26-1008 (SF ARK1, LLC) was adopted by the City Council on July 30, 2026; and a referendum petition concerning such ordinance was thereafter filed with the City Clerk, a copy of which is attached hereto as Exhibit "1" and incorporated herein by reference; and the City Clerk transmitted the verified petitions and notice concerning their sufficiency on September 22, 2026.

Whereas, pursuant to Arkansas Constitution, Article 5, § 1, and Arkansas Code Annotated § 7-9-111(h), the City Council is authorized and, where applicable, directed to fix the date of a special election on a municipal referendum measure in accordance with Arkansas Code Annotated § 7-11-201 et seq.

Whereas, Arkansas Code Annotated § 7-11-201 authorizes a special election on a measure or question to be called by proclamation, ordinance, statute, resolution, order, or other authorized document of the properly constituted authority, and Arkansas Code Annotated § 7-11-205(a)(2)(C) permits a special election on a measure or question to be scheduled on the second Tuesday of another month when necessary to comply with Arkansas Constitution, Article 5, § 1.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CLARKSVILLE, ARKANSAS:

Section 1. The City Council hereby calls and fixes a special election for Tuesday, December 1, 2026 (or, if such date is not allowed by law, an alternate date of Tuesday, December 8, 2026), for the purpose of submitting to the qualified electors of the City of Clarksville the referendum measure concerning Ordinance No. 26-1008 (SF ARK1, LLC) subject to all applicable requirements of Arkansas election law.

Section 2. The full text of the referred ordinances and the ballot titles lawfully certified or established for the referendum measures shall accompany this Resolution for purposes of Arkansas Code Annotated § 7-11-204.

Section 3. the City Clerk is hereby authorized and directed to file a certified copy of this Resolution, together with the required referendum materials, with the County Clerk of Johnson County, Arkansas, in accordance with Arkansas Code Annotated § 7-11-203, for transmittal to the Johnson County Board of Election Commissioners and for conduct of the special election in accordance with law.

Passed this 28th day of September, 2026.

APPROVED: _____
David Rieder, Mayor of Clarksville

ATTEST: _____
Lisa Venson, City Clerk Treasurer



FILED

AUG 2 8 2026

COUNTY AND PROBATE CLERK
JOHNSON COUNTY, ARKANSAS

REFERENDUM PETITION

Petition to Refer City of Clarksville, Arkansas Ordinance No. 26-1008 (SF ARK1, LLC) to a Vote of the Electors

To the Honorable Lisa Venson, City Clerk of the City of Clarksville, Arkansas:

We, the undersigned registered voters of the City of Clarksville, Arkansas, respectfully order by this, our petition, that Ordinance No. 26-1008, passed by the Clarksville City Council on the 30th day of July, 2026, entitled "**AN ORDINANCE AUTHORIZING THE ISSUANCE OF A TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND, SERIES 2026, UNDER THE AUTHORITY OF ACT NO. 9 OF 1960, AS AMENDED, FOR THE PURPOSE OF SECURING AND DEVELOPING INDUSTRY WITHIN THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT PROVIDING FOR THE SALE OF THE BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT BETWEEN THE CITY, AS LESSOR, AND SF ARK1 LLC, AS LESSEE; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT FOR PAYMENTS IN LIEU OF TAXES; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS RELATING TO THE ISSUANCE OF THE BOND; AND PRESCRIBING OTHER MATTERS RELATING THERETO.**" be referred to the people of said city, to the end that the same may be approved or rejected by the vote of the registered voters of said city at a special election to be called by the City Council of Clarksville; and each of us for himself or herself says: I have personally signed this petition; I am a registered voter of the City of Clarksville, Arkansas, and my printed name, date of birth, residence, city or town of residence, and date of signing this petition are correctly written after my signature.

Popular Name: TO REFER ORDINANCE NO. 26-1008 (AUTHORIZING THE ISSUANCE OF TAXABLE INDUSTRIAL DEVELOPMENT BONDS IN THE PRINCIPAL AMOUNT NOT TO EXCEED FIVE BILLION DOLLARS ($5,000,000,000)) TO THE VOTERS OF CLARKSVILLE, ARKANSAS FOR APPROVAL OR REJECTION

Ballot Title: THIS REFERENDUM ENABLES THE PEOPLE OF CLARKSVILLE, ARKANSAS TO VOTE FOR OR AGAINST ORDINANCE NO. 26-1008 (THE "ORDINANCE"), PASSED AND APPROVED BY THE CITY COUNCIL OF CLARKSVILLE, ARKANSAS. A VOTE "FOR" WILL APPROVE THE ORDINANCE; A VOTE "AGAINST" WILL REJECT THE ORDINANCE.

The Ordinance authorizes the issuance of taxable industrial development bonds in the principal amount not to exceed Five Billion Dollars ($5,000,000,000) to finance an industrial project, consisting of the acquisition of land at 101 Big Danger Road in the City to be utilized for data center operations (the "Project"); authorizes the lease of the Project to SF ARK1, LLC; authorizes a Payment in Lieu of Taxes Agreement; and authorizes the execution and delivery of related documents.

REFERRED TO THE PEOPLE OF CLARKSVILLE, ARKANSAS

A full and correct copy of Ordinance No. 26-1008 must be physically attached to this sheet at all times during circulation.

Signature	Printed Name	Date of Birth	Residence Address	City of Residence	County	Date Signed
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						

I, _____, being sworn, state that each of the foregoing persons signed his or her own name to this sheet of the petition in my presence. To the best of my knowledge and belief, each signature is genuine and each signer is a registered voter of the State of Arkansas, in Johnson County and the City of Clarksville. At all times during the circulation of this signature sheet, an exact copy of the Popular Name, Ballot Title, and text was attached to this signature sheet, and each signer read the ballot title of the petition or had the ballot title of the petition read to the signer in my presence. My current residence address is correctly stated below.

Signature _____

Current Residence _____

Indicate one: (___) Paid Canvasser (___) Volunteer/Unpaid Canvasser

On this ____ day of August, 2026, before me, the undersigned Notary Public, personally appeared _____, well known to me (or satisfactorily proven by identification documents provided) to be the person described in the foregoing Canvasser Affidavit and acknowledged that s/he executed the same in capacity of a Canvasser for the purposes of fulfilling legal requirements of a Canvasser in the State of Arkansas; and that I personally witnessed the signature of the Canvasser.

Signature of Notary _____

My Commission Expires _____

Residence County of Notary _____

[Notary Seal Above]

ORDINANCE NO. 26-1008
(SF ARK1, LLC)

AN ORDINANCE AUTHORIZING THE ISSUANCE OF A TAXABLE INDUSTRIAL DEVELOPMENT REVENUE BOND, SERIES 2026, UNDER THE AUTHORITY OF ACT NO. 9 OF 1960, AS AMENDED, FOR THE PURPOSE OF SECURING AND DEVELOPING INDUSTRY WITHIN THE CITY; AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT PROVIDING FOR THE SALE OF THE BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF A TRUST INDENTURE SECURING THE BOND; AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT BETWEEN THE CITY, AS LESSOR, AND SF ARK1, LLC, AS LESSEE; AUTHORIZING THE EXECUTION AND DELIVERY OF AN AGREEMENT FOR PAYMENTS IN LIEU OF TAXES; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS RELATING TO THE ISSUANCE OF THE BOND; AND PRESCRIBING OTHER MATTERS RELATING THERETO.

WHEREAS, the City of Clarksville, Arkansas (the "City") is authorized under the provisions of the Municipalities and Counties Industrial Development Revenue Bond Law, Arkansas Code Annotated Sections 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, the necessary arrangements have been made with SF ARK1, LLC, a Delaware limited liability company (the "Company"), to provide for the financing of an industrial project consisting of the acquisition of approximately 205 acres of land located at 101 Big Danger Road within the corporate boundaries of the City and the construction of buildings and other real and personal property components of facilities thereon for use in data center operations (collectively, the "Project"); and

WHEREAS, permanent financing of the Project costs, necessary costs and expenditures incidental thereto and the cost of the issuance of bonds is being furnished by the City pursuant to the Act through the issuance of its Taxable Industrial Development Revenue Bond (SF ARK1, LLC Project), Series 2026, in the principal amount of not to exceed Five Billion Dollars ($5,000,000,000) (the "Bond"); and

WHEREAS, an open public hearing on the question of the issuance of the Bond was held before the City Council on July 30, 2026, following publication of notice thereof in *The Johnson County Graphic* on July 15, 2026; and

WHEREAS, the Bond will be issued pursuant to the terms and provisions of a Trust Indenture to be dated as of the date of delivery of the Bond (the "Indenture"), by and between the City and a financial institution with corporate trust powers mutually acceptable to the Company and the Company, as trustee (the "Trustee"); and

WHEREAS, the necessary arrangements have been made by the City to lease the Project to the Company pursuant to the terms of a Lease Agreement to be dated as of the date of delivery of the Bond (the "Lease Agreement");

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CLARKSVILLE, ARKANSAS, THAT:

Section 1. The City Council makes the following findings and determinations:

(a) Based on information compiled and released by the Arkansas Division of Workforce Services, unemployment in Johnson County during May of 2026 averaged 5.0%. Construction and operation of the Project is expected to provide additional employment and other benefits to residents of the City.

(b) The Company currently intends to utilize the Project in its data center operations business.

(c) The Company's presence within the City is expected to be an important factor in the economic well-being and employment base for the City and its inhabitants.

(d) The Bond will not constitute a general obligation of the City within the meaning of any constitutional or statutory limitation, but will be a special limited obligation of the City as provided in the Act, the principal and interest on which shall be payable solely from the revenues or other receipts, funds, monies and property pledged therefor under the Indenture.

Section 2. There is hereby authorized and directed the issuance from time to time of the Bond and the sale thereof to an affiliate of the Company (the "Purchaser"), pursuant to the terms and provisions of a Bond Purchase Agreement to be dated as of the date of delivery of the Bond (the "Bond Purchase Agreement"), which Bond Purchase Agreement is specifically approved in Section 3 hereof. The Bond shall be sold at the purchase price of par plus accrued interest, if any, and shall be issued and delivered according to the terms and provisions of the Bond Purchase Agreement. The Bond shall be issued in the original aggregate principal amount of not to exceed Five Billion Dollars ($5,000,000,000), shall be dated as of the date of its delivery, shall have a final maturity of thirty (30) years from its date of issuance, shall bear interest at the rate of 5.0% per annum, shall be in the form, and shall be issued upon the terms and conditions recommended by the Company, all as more particularly set forth in the Trust Indenture approved in Section 4 hereof. The Mayor is hereby authorized and directed to execute and deliver the Bond at such time as requested by the Company, and the City Clerk is hereby authorized and directed to execute and deliver the Bond and to affix the seal of the City thereto, and the Mayor and City Clerk are hereby authorized and directed to cause the Bond to be authenticated by the Trustee.

Section 3. To prescribe the terms and conditions upon which the Bond is to be sold to the Purchaser, the Mayor is hereby authorized and directed to execute at the request of the Company the Bond Purchase Agreement on behalf of the City, by and between the City and the Purchaser, and approved by the Company. The Bond Purchase Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Purchaser, the Company and Kutak Rock LLP, Little Rock, Arkansas ("Bond Counsel"), in order to complete the Bond Purchase Agreement in

substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Bond Purchase Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 4. To prescribe the terms and conditions upon which the Bond is to be secured, executed, authenticated, issued, accepted and held, the Mayor and the City Clerk are hereby authorized and directed to execute, acknowledge and deliver the Trust Indenture, by and between the City and the Trustee, and the Mayor and City Clerk are hereby authorized and directed to cause the Trust Indenture to be accepted, executed and acknowledged by the Trustee. The Trust Indenture is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Trustee, the Company, the Purchaser and Bond Counsel in order to complete the Trust Indenture in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Trust Indenture in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 5. There is hereby authorized and directed acceptance of the conveyance by the Company (or any affiliate thereof) to the City of the real and personal property comprising the Project and the lease of such property to the Company pursuant to the Lease Agreement. The execution and delivery of the Lease Agreement by and between the City, as lessor, and the Company, as lessee, is hereby authorized and directed, and the Mayor and the City Clerk are hereby authorized to execute, acknowledge and deliver the Lease Agreement for and on behalf of the City. The Lease Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Company, the Trustee, the Purchaser and Bond Counsel in order to complete the Lease Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the Lease Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 6. The City and the Company recognize that under Article 16, Section 5, of the Constitution of the State of Arkansas, as interpreted under past decisions of the Supreme Court of the State of Arkansas applicable to facilities financed pursuant to the Act, including particularly the case of Wayland v. Snapp, 232 Ark. 57, 334 S.W.2d 663 (1960), the Project will be exempt from *ad valorem* taxation. Although the City makes no representation as to the continued precedential value of such past decisions, the Company has agreed to enter into an Agreement for Payments in Lieu of Taxes to be dated as of the date of its execution (the "PILOT Agreement") requiring the Company to make certain payments in lieu of all *ad valorem* taxes which would

otherwise be levied on the Project by local public bodies with taxing power. In order to provide for such payments, there is hereby authorized and directed the execution and delivery of the PILOT Agreement, and the Mayor is hereby authorized to execute and deliver the PILOT Agreement for and on behalf of the City. The PILOT Agreement is hereby approved in substantially the form submitted to this meeting, and the Mayor, with the counsel of the City Attorney, is hereby authorized to confer with the Company and Bond Counsel in order to complete the PILOT Agreement in substantially the form submitted to this meeting, with such changes as shall be approved by such persons executing the document, their execution to constitute conclusive evidence of such approval.

(Advice is given that a copy of the PILOT Agreement in substantially the form authorized to be executed is on file with the City Clerk and is available for inspection by any interested person.)

Section 7. The Mayor and City Clerk, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to effect the execution and delivery of the Bond, the Bond Purchase Agreement, the Trust Indenture, the Lease Agreement and the PILOT Agreement, and to perform all of the City's obligations under and pursuant thereto. The Mayor and the City Clerk are hereby further authorized and directed, for and on behalf of the City, to execute all papers, documents, certificates and other instruments that may be required for the carrying out of such authority or to evidence the exercise thereof.

Section 8. Because the City is here involved with the acquisition, construction and equipping of a complex industrial project requiring highly specialized work and specialized types of machinery and equipment, it has been and is hereby determined by the City Council that competitive bidding be, and the same is hereby, waived as to this particular industrial project. This action is taken by the City pursuant to applicable laws of the State of Arkansas, including particularly the Act.

Section 9. Kutak Rock LLP, Little Rock, Arkansas, is hereby appointed as Bond Counsel with respect to the issuance of the Bond, the fees and expenses of which firm shall be costs of the Project and paid from the proceeds of the Bond or by the Company.

Section 10. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions.