# BLISSFIELD TOWNSHIP SPECIAL BOARD MEETING RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE AGREEMENT BLISSFIELD, MI 49228 NOVEMBER 20, 2023 9:15 AM

**AGENDA** 

MEETING CALLED TO ORDER

APPROVAL OF AGENDA

**NEW BUSINESS** 

Resolution Authorizing Execution and Delivery of an Installment Purchase

**ADJOURN** 

#### TOWNSHIP OF BLISSFIELD

<b>RESOLUTION NO. 23 -</b>	
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### RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE AGREEMENT AND NOTE (PROPERTY PURCHASE)

At a meeting of the Board of Trustees (the "Board") of the Township of Blissfield, County of Lenawee, State of Michigan, 120 Lane Street, Blissfield, Michigan 49228 (the "Township") held at the Township offices at the foregoing address on the day of, 2023, at: p.m.
PRESENT:
ABSENT:
The following preamble and resolution were offered by and seconded by
WHEREAS, the Township desires to purchase for public purposes real property located at 177 W. Brooke Lane, Blissfield, Michigan 49228, pursuant to the attached purchase agreement (Exhibit 1) (the "Property"); and
WHEREAS, to finance, in part, the cost of purchasing the Property, the Township deems it necessary to borrow the sum of One Hundred Eight Five Thousand Dollars (\$185,000); and
WHEREAS, the Michigan Installment Purchase Act, Act 99 of 1933, as amended ("Act 99"), authorizes the Township to enter into agreements for the purchase of property and equipment for public purposes, to be paid for in installments; and
WHEREAS, the Township has received from Blissfield State Bank (the "Bank") a proposal

WHEREAS, the Township has determined that the proposal received from the Bank is the best and most appropriate proposal; and

for financing in part the purchase of the Property; and

WHEREAS, the Township has entered into a contract for the purchase of the Property with Jeffrey A. McClure and Janelle S. McClure (the "Seller") pursuant to the attached contract dated on or about September 29, 2023, as may have been amended; and

WHEREAS, the Bank has agreed to finance in part the purchase of the Property by entering into an Installment Purchase Agreement and Note pursuant to which the Township will make payments of principal and interest to the Bank; and

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Resolution Authorizing	Execution and Delivery of an IPA and Note
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WHEREAS, the outstanding borrowed money under Act 99 of the Township does not exceed 1.25% of the taxable valuation of the taxable property within the Township.

#### NOW THEREFORE, BE IT RESOLVED AS FOLLOWS:

- 1. The purchase of the Property is found to be a public purpose and in the best interests of the health, safety and welfare of the Township and the public.
- 2. The Township approves the proposal of the Bank and authorizes and directs the Supervisor and the Treasurer, or their designees, to execute the Installment Purchase Agreement and the Note (collectively the "IPA Documents"), in substantially the forms attached as Exhibit 2, in the principal amount of \$185,000 with an interest rate on the principal amount outstanding of 4.00% per annum and with a term of not more than fifteen (15) years, as finally determined by the Supervisor and the Treasurer.
- 3. The obligation of the Township to make the principal and interest payments pursuant to the IPA Documents is the general obligation of the Township, and the Township pledges its general obligation, limited tax, full faith and credit, to the payment of principal and interest on the IPA Documents, subject to constitutional and statutory limitations.
- 4. The Township covenants and agrees for the benefit of the Bank and any assigns that the Township will comply with all applicable requirements of the Internal Revenue Code of 1986, as amended (the "Code") and, except as required by law, will take no action and will not omit to take any action which in either case would cause the interest portion of the payments on the IPA Documents ("Installment Payments") to be included in the gross income of the Bank for federal income tax purposes or cause the IPA Documents to be "arbitrage bonds" as defined in Section 148 of the Code and any successor provision, act or statute and the regulations from time to time promulgated or proposed thereunder. The Township will take such actions as are permitted by law relating to any required rebate of arbitrage earnings and the expenditure and investment of IPA Note proceeds and moneys deemed to be IPA Note proceeds, and to prevent the IPA Note from being or becoming "private activity bonds" as that term is used in Section 141 of the Code.
- 5. The Township hereby designates the IPA Documents and the Installment Payments as "qualified tax-exempt obligations" for the purpose of Section 265(b)(3)(B) of the Code.
- 6. The proceeds of the IPA Documents shall be used by the Township to pay the costs of purchasing the Property, including to the Seller and for related purposes.
- 7. If the installments under the IPA Documents are found by the Internal Revenue Service or other competent authority not to be qualified tax exempt obligations, then, if permitted by law, the interest rate on the indebtedness under the IPA Documents may be adjusted, and the Township Supervisor, working with the Bank, shall adjust the IPA Documents and the Installment Payments accordingly, and the Township Supervisor and the Township Treasurer, or their

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designees, are authorized to execute new IPA Documents to reflect the adjusted interest rate. If not permitted by law to be so adjusted, then upon 30 days' written notice to Township from Bank, all indebtedness under the IPA Documents shall be due and payable in full.
8. The authority granted herein shall not be construed to require the Township to levy taxes in excess of any constitutional or statutory limitations.
9. The Township Supervisor and the Township Treasurer, or their designees, are hereby authorized to do all acts and things, and to execute the IPA Documents and any documents or certificates as may be necessary or desirable including, but not limited to, approving immaterial revisions to the IPA Documents (the material terms are limited to the amount borrowed, the interest rate and the maturity period) and related documents, and to deliver such documents to the parties to effectuate the transactions described in the IPA Documents.
10. The Township Supervisor and the Township Treasurer, or either of them acting alone, are authorized to execute any and all documents and to take any and all actions, as may be necessary to close upon the purchase of the Real Property and to pay the purchase price for the Property and related costs, including attorney fees.
11. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution shall be and they are rescinded.
ADOPTED:
YEAS:
NAYS:
STATE OF MICHIGAN ) ss.
COUNTY OF LENAWEE )
I, the undersigned, the duly qualified and acting Clerk of the Township of Blissfield, Lenawee County, Michigan, DO HEREBY CERTIFY that the foregoing is a true and complete copy of certain proceedings taken by the Township Board at a meeting held on the day of, 2023.

Diann Paul-Warner, Township Clerk

#### **PUBLIC NOTICE**

SPECIAL MEETING
BLISSFIELD TOWNSHIP BOARD
120 S. Lane Street
Blissfield, MI 49228
(517)-486-2626

A Special Meeting of the Blissfield Township Board will be held on Monday, November 20, 2023, at 9:15 A.M., at the Blissfield Township Office, 120 S. Lane Street, P.O. Box 58, Blissfield, MI, 49228.

## RE: BLISSFIELD TOWNSHIP RESOLUTION AUTHORIZING EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE AGREEMENT

The purpose of this meeting is the Blissfield Township resolution authorizing execution and delivery of an installment agreement. All interested resident's wishing to comment should attend said meeting or provide written comments prior to meeting.

Adolio Q. Navarro, Jr. Blissfield Township Supervisor This notice is posted in compliance with PA 267 of 1976 as amended (Open Meetings Act), MCLA 41.72(1)(4) and with the Americans with Disabilities Act MCLA 41.72a.