

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

RESOLUTION NO. 23 - _____

**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 for financing in part the purchase of the Property; and

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

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

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.