

September 27, 2022 SPECIAL MEETING

Ingham County Land Bank
Mason Historical Courthouse, 315 S Jefferson St, Mason, MI
September 27, 2022 – 5:45 p.m.
In-person and virtually via Zoom

<https://us02web.zoom.us/j/81454787832?pwd=VENPamt2cldva25ucXdwNEJhRDgoZz09>

By Phone: 1 929 205 6099 US (New York)

Meeting ID: 814 5478 7832

Passcode: 857109

CALL TO ORDER

Chairperson Fox called the September 27, 2022 Special Meeting of the Ingham County Land Bank to order at 5:45 p.m., held in-person at the Historical Mason Courthouse.

Members Present: Fox, Grebner, Crenshaw, Frischman

Members Absent: Slaughter

Others Present: Roxanne Case

ADDITIONS TO THE AGENDA

None

LIMITED PUBLIC COMMENT

None

1. Resolution to Authorize the Issuance of Series 2022 Note

COMMISSIONER CRENSHAW MOVED THE RESOLUTION. SUPPORTED BY
COMMISSIONER GREBNER.

RESOLUTION AUTHORIZING
THE ISSUANCE OF SERIES 2022 NOTE

At a special meeting of the Board of Directors of the Ingham County Land Bank Fast Track Authority (the “Board”) held on the 27th day of September, 2022.

PRESENT: Chairperson Fox, Commissioner Grebner, Commissioner Crenshaw,
Member Frischman

ABSENT: Commissioner Slaughter

The following resolution was offered by Commissioner Crenshaw and seconded by Commissioner Grebner:

WHEREAS, the Ingham County Land Bank Fast Track Authority (the “Authority”) is in need of funds in an amount not to exceed \$3,700,000 to (i) pay at maturity the balance of amounts outstanding pursuant to the Authority’s Series 2019 Note originally delivered in the principal amount of \$5,000,000 to PNC Bank, National Association (the “Bank”), as such Series 2019 Note has been amended (the “Prior Note”) and (ii) pay the costs of acquiring, developing, improving, using, assembling and disposing of tax-foreclosed and other distressed property, including necessary administrative and operational costs related thereto (together with payment of the Prior Note, the “Project Costs”) in accordance with the Land Bank Fast Track Act, Act 258, Public Acts of Michigan, 2003 (“Act 258”) to foster the development of that property and promote economic growth; and

WHEREAS, the Authority is authorized to borrow money and issue its note for such purposes pursuant to section 24 of Act 258; and

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WHEREAS, the Authority has received a proposal from the Bank to purchase the Authority's note as hereinafter set forth.

NOW, THEREFORE, BE IT RESOLVED by the Board, as follows:

AUTHORIZATION OF NOTE - PURPOSE. A note in the principal sum of not to exceed Three Million Seven Hundred Thousand Dollars (\$3,700,000) (the “Note”) shall be issued and sold pursuant to the provisions of Act 258 for the purpose of paying Project Costs as authorized by the provisions of Act 258. The Board hereby declares the necessity of the Note for the aforestated purpose.

NOTE DETAILS. The Note shall be issued in the form of a single note, designated Note No. 1, in the principal amount of \$3,700,000, or such lesser amount as determined by the Chairperson of the Authority (the “Authorized Officer”), that shall be designated “Series 2022 Note”. The Note shall be dated as of the date of its delivery to the Bank and shall bear interest on the outstanding principal amount thereof for each day as shown on the books and records of the Bank from its date of delivery, payable on such date or dates as may be approved by the Authorized Officer. Interest on the Note will be payable at a variable rate reset each day until payment in full of the Note. The variable rate shall be the rate that is equal to the sum of (i) 0.60%, plus (ii) the Bank’s Daily BSBY Rate (as defined in the Note). The Note shall be sold to the Bank at a price and subject to such other terms as may be approved by the Authorized Officer. The principal of the Note shall be disbursed to the Authority in installments as shown on the books and records of the Bank; provided, however, that (i) no more than one disbursement of principal of the Note shall be made to the Authority within any thirty (30) day period and (ii) the outstanding principal balance of the Note shall not exceed \$3,700,000. The principal of and interest on the Note shall be due in full three (3) years from the date of closing. In the absence of the Authorized Officer, the Secretary of the Authority shall exercise any authority granted to the Authorized Officer as contemplated by and in furtherance of the provisions of this resolution.

PAYMENT OF PRINCIPAL AND INTEREST. The principal of and interest on the Note shall be payable in lawful money of the United States. Principal and interest shall be paid when due by check or draft that shall be mailed to the registered owner. In the event that the Bank is the registered owner, such payment also may be made by wire transfer or internal accounting transfer.

PREPAYMENT OF PRINCIPAL. Principal installments of the Note may be prepaid by the Authority prior to maturity in whole or in part without premium on the first business day of each month upon the terms and conditions set forth in the form of the Note contained in section 7 hereof. Principal installments that have been prepaid shall be noted on books and records of the Bank and such installments no longer shall be considered outstanding; provided, however, that principal installments of the Note that have been prepaid may be disbursed again to the Authority within the limitations set forth in section 2 hereof.

SALE OF NOTE-FINANCED FACILITIES. The Authority hereby covenants and agrees that it shall use the proceeds of the sale of each facility financed by proceeds of the Note to make optional redemptions of principal installments of the Note as soon as practicable after the receipt of such sale proceeds in an amount at least equal to the amount of Note proceeds expended on such facility.

EXECUTION, AUTHENTICATION AND DELIVERY OF NOTE. The Note shall be executed in the name of the Authority by the manual signatures of the Chairperson and the Secretary. After the Note has been executed, it shall be delivered by the Chairperson or the Treasurer to the Bank upon receipt of the first principal installment of the Note from the Bank. The first and each subsequent principal payment received by the Authority from the Bank, and each payment of principal of the Note by the Authority to the Bank, shall be noted on the books and records of the Bank.

FORM OF NOTE. The Note shall be in substantially the following form, with such changes thereto as are approved by the Authorized Officer within the parameters of this resolution:

No. 1

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF INGHAM

INGHAM COUNTY LAND BANK FAST TRACK AUTHORITY

SERIES 2022 NOTE

The Ingham County Land Bank Fast Track Authority, County of Ingham, Michigan (the "Authority"), acknowledges itself indebted to, and for value received, hereby promises to pay to PNC Bank, National

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Association (the "Bank") the sum of \$3,700,000, or such lesser amount as shown on the books and records of the Bank, payable on _____, 2022, together with interest on such principal sum from time to time outstanding for each day from the date each principal payment is received by the Authority as set forth on the books and records of the Bank. Principal and interest shall be payable in lawful money of the United States of America and shall be paid by wire transfer or internal accounting transfer, or such other method as agreed to by the Authority and the Bank. Principal and interest are payable in lawful money of the United States of America.

Interest on this note will be payable at a Variable Rate (as described below) reset each Business Day (as defined below) until payment in full of this note. The Variable Rate shall be determined on each reset day and shall be the rate that is equal to the sum of (i) 0.60%, plus (ii) the Bank's Daily BSBY Rate (as defined below).

As used herein: "Business Day" means any day other than a Saturday or Sunday or a legal holiday on which commercial banks are authorized or required by law to be closed for business in Lansing, Michigan.

"Daily BSBY Rate" means, for any day, the rate per annum determined by the Bank by dividing (the resulting quotient rounded upwards, at the Bank's discretion, to the nearest 1/100th of 1%) (A) the Published Rate by (B) a number equal to 1.00 minus the BSBY Reserve Percentage; provided, however, if the Daily BSBY Rate determined as provided above would be less than zero, then such rate shall be deemed to be zero. The rate of interest will be adjusted automatically as of each Business Day based on changes in the Daily BSBY Rate without notice to the Authority.

"BSBY" shall mean the Bloomberg Short-Term Bank Yield Index rate administered by Bloomberg and published by Bloomberg or another commercially available source providing such quotations as may be designated by the Bank from time to time.

"BSBY Reserve Percentage" shall mean, as of any day, the maximum effective percentage in effect on such day, if any, as prescribed by the Board of Governors of the Federal Reserve System (or any successor) for determining the reserve requirements (including, without limitation, supplemental, marginal and emergency reserve requirements) with respect to BSBY funding.

"Published Rate" shall mean the 1-month BSBY.

Interest hereon shall be calculated on the basis of the actual number of days elapsed and a 360-day year.

The principal of this note shall be disbursed to the Authority in installments as shown on the books and records of the Bank; provided, however, that (i) no more than one disbursement shall be made within any thirty (30) day period and (ii) the outstanding principal balance of the Note shall not exceed \$3,700,000.

This note is issued by the Authority under and pursuant to and in full conformity with the Constitution and statutes of Michigan (especially Section 24 of Act No. 258, Public Acts of Michigan, 2003) and a note authorizing resolution (the "Resolution") of the Board of Directors of the Authority to (i) pay at maturity the balance of amounts outstanding pursuant to the Authority's Series 2019 Note originally delivered in the principal amount of \$5,000,000 the Bank, as such Series 2019 Note has been amended, and (ii) pay the costs of acquiring, developing, improving, using, assembling and disposing of tax-foreclosed and other distressed property, including necessary administrative and operational costs related thereto. This note is issued in anticipation of and is payable from and secured by the net revenues of the Authority (the "Net Revenues"). The Resolution has created a lien on the Net Revenues that shall be a statutory lien as provided in the Resolution. This note is of equal standing and parity of lien with any additional notes of the Authority hereafter issued as to the Net Revenues. As additional security, the County of Ingham (the "County") has pledged its full faith and credit to the prompt payment of the principal of and interest on this note. In the event and to the extent that the Net Revenues are not sufficient to pay the principal of and interest on this note, such principal and interest are payable as a first budget obligation of the County from its general funds. The ability of the County to raise such funds is subject to applicable constitutional and statutory limitations on the taxing power of the County.

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The Authority has reserved the right to issue additional notes of equal standing and parity of lien with this note as to the Net Revenues upon such terms as the Authority may determine.

This note is subject to redemption prior to maturity, in whole or in part, on the first Business Day of each month at the option of the Authority, upon at least 14 days notice to the holder hereof, at a redemption price equal to the principal amount to be redeemed plus accrued interest to the redemption date. Principal of this note that has been redeemed shall be noted on the books and records of the Bank and no longer shall be considered outstanding; provided, however, that such principal may be disbursed again to the Authority within the limitations set forth in this note.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of this note, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the Authority, including this note, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Ingham County Land Bank Fast Track Authority, County of Ingham, Michigan, has caused this note to be executed in its name by the manual signatures of its Chairperson and its Secretary as of this _____ day of October, 2022.

INGHAM COUNTY LAND BANK FAST TRACK
AUTHORITY

By: _____
Chairperson

And: _____
Secretary

[END OF NOTE FORM]

SECURITY. The principal of and interest on the Note shall be payable from and are secured by the net revenues of the Authority (the “Net Revenues”), and there is hereby created a lien on the Net Revenues, which lien shall be a statutory lien on the Net Revenues. The Note is of equal standing and parity of lien with any additional notes of the Authority hereafter issued as to the Net Revenues. As additional security, the County of Ingham (the “County”) is expected to pledge its full faith and credit to the prompt payment of the principal of and interest on the Note. In the event and to the extent that the Net Revenues are not sufficient to pay the principal of and interest on the Note, such principal and interest will be payable as a first budget obligation of the County from its general funds. The ability of the County to raise such funds will be subject to applicable constitutional and statutory limitations on the taxing power of the County. The Authority hereby reserves the right to issue notes of equal standing and parity of lien with the Note as to the Net Revenues upon such terms as the Authority may determine.

USE OF NOTE PROCEEDS; PROJECT FUND. Proceeds of the sale of the Note as received from time to time shall be used to pay the Prior Note at maturity and the remainder shall be set aside in a project fund and used to pay Project Costs. Any such proceeds and investment earnings thereon remaining in the project fund at the time of maturity of the Note may be used to pay principal of and interest on the Note.

SALE, ISSUANCE, DELIVERY AND TRANSFER OF THE NOTE. The Chairperson, the Secretary, the Treasurer and the other officers, agents and employees of the Authority are authorized to execute such documents and certificates and to take all other actions necessary and convenient to facilitate the sale and delivery of the Note.

CONFLICTING RESOLUTIONS. All resolutions and parts of resolutions insofar as they may be in conflict herewith are hereby rescinded.

STATE OF MICHIGAN)
)ss
COUNTY OF INGHAM)

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I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the Board of Directors of the Ingham County Land Bank Fast Track Authority at a special meeting held on the 27th day of September, 2022, and that the resolution has been recorded in the minutes of the Board of Directors. I further certify that notice of said meeting was given in accordance with the provisions of the open meetings act.

Secretary
Ingham County Land Bank Fast Track Authority

YEAS: Chairperson Fox, Commissioner Grebner, Commissioner Crenshaw, Member Frischman

NAYS: None

ABSENT: Commissioner Slaughter

RESOLUTION DECLARED ADOPTED.

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Brief discussion

2. Limited Public Comment

None

3. Adjournment - accepted. THE MOTION CARRIED UNANIMOUSLY.

Chairperson Fox adjourned the meeting at 5:49pm.

Next meeting on October 17, 2022, at 4:45pm at the Land Bank office.