

VILLAGE OF ALMONT

**RESOLUTION AUTHORIZING INSTALLMENT PURCHASE
CONTRACT FOR DDA PARKING LOT PROJECT**

At a meeting of the Village Council of the Village of Almont held on the 2nd day of October, 2012, the following resolution was offered by Dyke and supported by Peltier:

R E C I T A L S:

A. The Village has entered into a construction contract with Novak Construction for the Phase I reconstruction of a parking lot at 123 W. St. Clair Street (the DDA Parking Lot Project).

B. Public Act No. 99 of 1933, as amended, being Michigan Compiled Law 123.721 et seq., authorizes a village to acquire real or personal property for public purposes by installment purchase contract.

C. The Village desires to finance \$50,000 of the contract sum by installment contract financing.

D. The Village has received a bid from Tri-County Bank to accept an assignment of an installment purchase contract from Novak Construction providing for payments in installments over a period of 2 years with interest at a rate of 2.5% per year, with the option of extending the payoff to three years at 2.75% for the additional year, and the possibility of further extending the payoff at current market rates as determined by Tri-County Bank.

E. The Downtown Development Authority of the Village of Almont (the DDA) has presented a proposed contract to the Village under which the DDA would agree to pay on behalf of the Village all principal and interest under the installment purchase contract and all additional costs of the DDA Parking Lot Project).

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The DDA Parking Lot Project constitutes a public purpose.
2. The Village Council hereby determines that the anticipated useful life of the improvements is at least 5 years.
3. The Village Council hereby authorizes the Village Manager and Village Clerk to enter into an installment purchase contract in an amount not to exceed \$50,000 Dollars with Novak Construction providing for payment of the purchase price over a period of two years with interest at the rate of 2.5%

per annum, with the with the option of extending the payoff to three years at 2.75% for the additional year, and the possibility of extending the payoff at current market rates as determined by Tri-County Bank, which installment purchase contract will be assigned to Tri-County Bank.

4. The Village Council hereby designates the obligation as a "qualified tax exempt obligation" for the purposes of Section 265(b)(3) of the Internal Revenue Code.

5. The Village Council hereby certifies that the amount of qualified tax exempt obligations which will be issued by it during the calendar year 2012 will not exceed \$10,000,000.00 including this obligation.

6. The Village Council hereby certifies that the aggregate face amount of all tax exempt bonds issued by it during the calendar year will not exceed \$5,000,000.00.

7. The Village Council hereby authorizes the Village Manager and Village Clerk to enter into a Contract to Make Installment Purchase Contract Payments for Phase I Reconstruction of 123 W. St Clair Street Parking Lot in substantially the form presented.

AYES: Umphenour, Dyke, Lauer, Love, Peltier, Tobias, Schneider

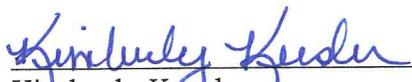
NAYS: None

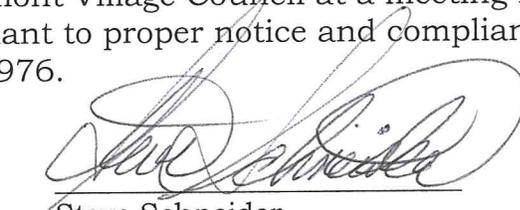
ABSTAIN: None

ABSENT: None

Resolution declared adopted.

The undersigned Clerk of the Village of Almont hereby certifies that this Resolution was duly adopted by the Almont Village Council at a meeting held on October 2, 2012 at 7:30 p.m., pursuant to proper notice and compliance with Act No. 267 of the Public Acts of 1976.


Kimberly Keesler
Clerk/Treasurer


Steve Schneider
Village President