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**Resolution of the Board of Directors of the  
Brownfield Redevelopment Authority of the City of East Lansing  
Authorizing the Issuance and Delivery of Limited Obligation Tax Increment Revenue  
Bonds and Providing for Other Matters Relating thereto**

Minutes of a special meeting of the Board of the Brownfield Redevelopment Authority of the City of East Lansing, Counties of Ingham and Clinton, State of Michigan held on October 6, 2017 at 12:00 p.m., prevailing Eastern Time.

PRESENT: Members: Peter Dewan, Douglas Jester, James Croom, George Lahanas,  
Jeffrey Kusler, Mayor Mark Meadows, Eric Sudol, Lynsey Clayton

ABSENT: Members: Brad Ballein, Colin Cronin, Tricia Foster

The following preamble and resolution were offered by Member Douglas Jester and supported by Member George Lahanas:

WHEREAS, the Brownfield Redevelopment Authority of the City of East Lansing (the “**Authority**”) has been created pursuant to Act 381, Public Acts of Michigan, 1996, as amended, (“**Act 381**”) as a municipal public body corporate and politic with the powers set forth in Act and other applicable state laws; and

WHEREAS, pursuant to Act 381 the Board of Directors of the Authority (the “**Board**”) is the governing body for the Authority; and

WHEREAS, Brownfield Plan No. 24 (the “**Brownfield Plan**”) was approved by the Authority on May 23, 2017, and was approved and amended by resolution of the City Council of the City of East Lansing (the “**City**”) at its June 20, 2017 City Council Meeting; and

WHEREAS, the Brownfield Plan provides for the capture of tax increment revenues derived from Eligible Activities performed pursuant to the Brownfield Plan and captured from certain eligible property, all as defined in Act 381 (the “**Property**”); and

WHEREAS, Section 17 of Act 381 permits the Authority to issue limited obligation tax increment bonds to finance the costs of acquiring, constructing, furnishing and equipping Eligible Activities that directly benefit Property; and

WHEREAS, the City, the Downtown Development Authority and the Authority have approved a Master Development Agreement (the “**Development Agreement**”) with HB BM East Lansing LLC (the “**Developer**”) for the purpose of developing the project described in the Brownfield Plan; and

WHEREAS, under the Development Agreement, the Authority agrees to finance the costs of certain Infrastructure Improvements and the Building B2 Parking Structure (collectively, the “**Project**”) through issuance of Limited Obligation Tax Increment Revenue Bonds, Series 2017 (the “**Bonds**”); and

WHEREAS, the Bonds shall be issued in anticipation of and payable by the Authority solely from the tax increment revenues generated by the Property pursuant to the Brownfield Plan (the “**Tax Increment Revenues**”), and the Bonds shall not represent a general obligation of the Authority or the City, and will not constitute or give rise to any pecuniary liability or charge against the general credit of the Authority or the general credit or taxing powers of the City, and will not constitute an indebtedness of the City within any constitutional, statutory or charter limitation; and

WHEREAS, the Board has determined that it is in the best interests of the Authority to issue its Limited Obligation Tax Increment Revenue Bonds in an amount not to exceed an aggregate principal amount of \$31,000,000 to pay costs of the Project, to pay the costs of issuance of the Bonds, to fund a debt service reserve fund (if any) for the Bonds, and to pay capitalized interest (if any) related to the Bonds; and

WHEREAS, the Board has determined that it is appropriate and necessary for the Authority to enter into a Trust Indenture (the “**Trust Indenture**”) with a Trustee for the Bonds (the “**Bond Trustee**”), pursuant to which the Bonds will be issued and secured, and it is appropriate and necessary for the Authority to enter into a Purchase Contract (“**Purchase Contract**”) with a Purchaser of the Bonds (the “**Purchaser**”); and

WHEREAS, the Board has determined that it is appropriate and necessary to authorize the Chairperson of the Authority, the Vice Chairperson and Treasurer of the Board (each, an “**Authorized Officer**”, and collectively, the “**Authorized Officers**”) to approve the final terms of the sale of the Bonds to the Purchaser and set forth the terms and conditions upon which the Purchaser will agree to purchase the Bonds, the interest rates thereof and the purchase price therefor, all of which shall be subject to the parameters set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE BROWNFIELD REDEVELOPMENT AUTHORITY OF THE CITY OF EAST LANSING AS FOLLOWS:

1. Pursuant to the authorization contained in Act 381 and Act 34, Public Acts of Michigan, 2001, the Board hereby authorizes the issuance, execution and delivery of the Bonds in one or more series to be designated Brownfield Authority of the City of East Lansing Limited Obligation Tax Increment Revenue Bonds, Series 2017A and/or City of East Lansing Limited Obligation Tax Increment Revenue Bonds, Series 2017A (Federally Taxable), provided that the aggregate principal amounts of Bonds issued shall not exceed Thirty One Million Dollars \$31,000,000, the interest rate per annum on the Bonds shall not exceed five percent (5%), the purchase price for the Bonds, exclusive of any discount attributable to a debt service reserve fund for the Bonds, capitalized interest related to the Bonds, and costs of issuance related to the Bonds, shall not be less than 95% or the par amount of the Bonds, and the Bonds shall mature in not more than thirty (30) years. The Bonds shall be dated as of the closing on the Bonds, and shall be issued for the purpose of providing funds which, together with other available funds, will be used to (i) pay for the Project, (ii) pay the costs of issuance of the Bonds, (iii) fund a debt service reserve fund (if any) for the Bonds in an amount determined by an Authorized Officer,

and (iv) pay capitalized interest (if any) related to the Bonds in an amount determined by an Authorized Officer.

The Bonds shall be serial bonds or term bonds, or both, which may be subject to redemption requirements as shall be established by an Authorized Officer at the time of sale. The Bonds shall bear interest at rates to be determined at sale thereof and shall be set forth in the Trust Indenture and the Bonds, but in any event not to exceed the terms provided for herein.

The Bonds shall be issued in fully registered form, shall be payable as to principal and interest in the manner and at such times, shall be subject to transfer and exchange, and shall be executed and authenticated, all as shall be provided in the Trust Indenture. The Bonds shall be sold to the Purchaser at a price to be established by an Authorized Officer, subject to the parameters included in this Resolution.

2. The Authority hereby authorizes any Authorized Officer to execute and deliver the Trust Indenture, Brownfield Bonding/Reimbursement Agreement and Inter Local Agreement in substantially the forms on file with the Authority with such changes as determined necessary and advisable by the Authorized Officer; provided that, any such changes shall conform to the provisions of this Resolution, the Brownfield Plan and the Development Agreement; provided further that, any such changes shall not detrimentally impair the interests of the Authority. An Authorized Officer may negotiate, approve and execute a Purchase Contract with the Purchaser for the sale of the Bonds. The form of Bonds shall be in substantially the form contained in the Trust Indenture with such changes as shall be approved by an Authorized Officer. Prior to the delivery of the Bonds, an Authorized Officer shall designate an institution to serve as Bond Trustee under the Trust Indenture.

3. The Bonds shall be issued in anticipation of and payable from Tax Increment Revenues pursuant to the Brownfield Plan, which Tax Increment Revenues are anticipated to be in amounts sufficient to pay principal of and interest on the Bonds. There is hereby created a statutory first lien on the Tax Increment Revenues in favor of the Bonds. The Authority reserves the right to issue additional bonds payable from Tax Increment Revenues to the extent permitted by law and the Trust Indenture. The Authority also contemplates using other Legally Available Funds (as such term is defined in the Trust Indenture) to pay debt service on the Bonds.

The Bonds, and the obligations of the Authority thereunder, shall be revenue bonds and not general obligations of the Authority and shall be paid exclusively as provided by the Trust Indenture.

No recourse shall be had for the payment of the principal amount of or interest or other obligations on the Bonds, or any claim based thereon, against the Authority, or any member or agent of the Board (including, without limitation, any officer or employee of the Authority), as individuals, either directly or indirectly, except as specifically provided in the Trust Indenture or the instruments entered into in connection therewith.

4. Pursuant to Section 309(1) of Act 34, the Board determines to sell the Bonds at a negotiated sale to the Purchaser on the terms and conditions provided herein and in the Purchase Contract. The reasons for choosing a negotiated sale instead of a competitive sale include the

determination by the Board that a negotiated sale will allow the Bonds to be sold in the most efficient manner possible while also allowing sufficient flexibility to adjust to market structuring and timing demands in order to result in the lowest possible borrowing costs for the Authority.

5. The Authorized Officers are authorized, empowered and directed, in the name and on behalf of the Board, to execute the Bonds by manual or facsimile signature and each Authorized Officer is authorized to deliver the Bonds to the Purchaser in exchange for the purchase price therefor.

6. The Authorized Officers and all other appropriate officers or representatives of the Board or the Authority are each authorized to perform all acts and deeds and to execute and deliver for and on behalf of the Board the Trust Indenture, the Brownfield Bonding/Reimbursement Agreement, the Inter Local Agreement, the Purchase Contract, any Letter of Representations required in connection with the Purchase Contract, and any other documents, as necessary, expedient and proper in connection with the issuance, sale and delivery of the Bonds, as contemplated hereby. Such actions include but are not limited to entering approving Requests for Disbursement pursuant to the Indenture.

Each Authorized Officer is each hereby authorized to execute and deliver a Sale Order approving the final terms of the Bonds, including the principal amount of the Bonds to be issued, and to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transactions authorized herein, and in pursuance of the foregoing are authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, Public Acts of Michigan, 2001, as amended, including but not limited to determinations regarding the principal amount of the Bonds, interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, designation of series, and other matters, provided that the aggregate principal amounts of Bonds issued shall not exceed the principal amounts authorized in this Resolution

7. The Authority hereby appoints Miller, Canfield, Paddock and Stone, P.L.C. as Bond Counsel to the Authority for the Bonds notwithstanding the periodic representation by Bond Counsel of other parties to this transaction in unrelated matters.

8. The estimated period of usefulness of the proposed Project is hereby declared to be not less than thirty (30) years and its total cost is estimated to be not less than Thirty One Million Dollars (\$31,000,000).

9. The Authority hereby finds that the accomplishment and completion of the Project is in the best interest of the health and welfare of the Authority and the City, is in the furtherance of the purposes of Act 381 and constitutes a public purpose. The Authority expressly approves obtaining and using funds derived from the proceeds of the Bonds to finance the Project.

10. All covenants, agreements and obligations of the Authority contained in this Resolution, the Trust Indenture, the Purchase Contract or any other documents related to the Bonds shall be deemed to be the covenants, agreements and obligations of the Authority and not of any member, officer or employee of the Authority in his or her individual capacity, and no recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on this Resolution or any related document against any member, officer or

employee of the Authority or any person executing the Bonds in his or her official individual capacity.

11. The authorization contained in this Resolution to issue and deliver the Bonds shall lapse if such Bonds are not delivered by December 31, 2017.

12. All actions taken to date by any Authorized Officers in the name of and on behalf of the Authority in connection with the foregoing resolution and the issuance of the Bonds, are authorized, approved, ratified and confirmed in all respects.

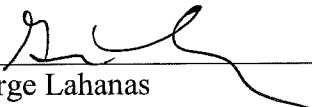
13. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

14. This Resolution shall become effective immediately upon its adoption.

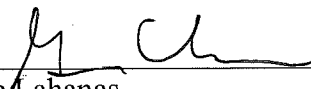
AYES: Members: All

NAYS: Members: None

RESOLUTION DECLARED ADOPTED.

  
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George Lahanas  
Executive Secretary

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of the Brownfield Redevelopment Authority of the City of East Lansing, Counties of Ingham and Clinton, State of Michigan, at a special meeting held on the 6<sup>th</sup> day, October, 2017, at 12:00 p.m., prevailing Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

  
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George Lahanas  
Executive Secretary

Dated: October 6, 2017

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