ECONOMIC DEVELOPMENT CORPORATION

Hospital Finance & Brownfield Redevelopment Authorities

Kimberly L. Murphy
County Administrator

301 N. Main St, Adrian, MI 49221
p: 517-264-4508 | **f:** 517-264-4512
lenawee.mi.us

MEMBERS
Thomas Boldt, David Maxwell, Michael Jacobitz,
Dawn Bales, Jeff Ehlert, Jessica Sattler, David Stimpson
Heidi Cannon, Kimberly Murphy, Steve Muth, Robert Fox

MEETING LOCATION
Chambers
301 N. Main Street - Adrian, MI

Agenda: Wednesday, June 21, 2023 – 10:00 a.m.

I. **Approval of Minutes –** October 26, 2021

II. **Bond re-issuance – Siena Heights University**

III. **Public comment**

IV. **Adjournment**

Economic Development Corporation of Lenawee

Brownfield Redevelopment Authority of Lenawee County

And the Hospital Finance Authority

Meeting Minutes

October 26, 2021

Opening: The meeting of the EDC / BRA / HFA Board of Lenawee County was called to order at 4:00 pm on October 26, 2021 at 113 Front St., 2nd Floor, Adrian, MI 49221, by Vice-Chair Boldt.

Present: Dawn Bales, Tom Boldt, Robert Fox, Mike Jacobitz, Kim Murphy, David Stimpson, Jeff Ehlert, Chris Wittenbach, Steve Muth

Absent: Jim Driskill, Jim Decker
Staff: Tim Robinson, Lenawee Now
Guests: None

I. Call to Order: Vice-Chair T. Boldt called the meeting to order at 4:00 pm.

II. Approval of the Agenda: Motion by D. Bales to approve the agenda as presented. Supported by R. Fox. Motion unanimously approved.

III. Approval of Minutes: The minutes of June 16, 2020 were reviewed. Motion by M. Jacobitz to approve the minutes as presented. Supported by D. Bales. Motion unanimously approved.

IV. Board Business:

1. Accept and consider nominations for retiring board seats. David Stimpson, Steve Muth and Robert Fox agreed to serve for an additional five year term. Staff was instructed to contact Directors Driskill and Decker to determine if they wished to serve for an additional term. Staff will get those responses to the Chair as soon as possible. Motion by M. Jacobitz to recommend to the Board of Commissioners that Stimpson, Muth and Fox be appointed for an additional term ending December 31, 2026. Supported by T. Boldt. Motion unanimously approved.

2. Discuss open seat for Raisin Township: staff was directed to contact Jessica Sattler to see if she would be interested in the Raisin Township seat.

Motion by T. Boldt to close the EDC session of the Board meeting and open the HFA session at 4:10pm. Supported by M. Jacobitz. Motion unanimously approved.

HFA Session

V. Consider Resolution to approve ProMedica's redemption of their 2017H bond issue.

After brief discussion the Board agreed to approve the resolution as presented and authorize appropriate HFA signatories to sign the resolution and other required documents for the bond redemption. Motion by T. Boldt to approve the resolution as presented and authorize appropriate HFA signatories to sign the resolution and other required documents for the bond redemption. Supported by M. Jacobitz. Roll call vote. **Yeas:** Dawn Bales, Tom Boldt, Robert Fox, Mike Jacobitz, Kim Murphy, David Stimpson, Jeff Ehlert, Chris Wittenbach, Steve Muth. **Nays:** NONE. Motion approved.

Motion by T. Boldt to close the HFA session of the Board meeting and open the BRA session at 4:20pm. Supported by M. Jacobitz. Motion unanimously approved.

BRA Session

VI. Discuss potential project for BRA

Staff described a current real estate project in downtown Adrian that will come to this Board for BRA incentives in the next twelve months. This project will require environmental remediation and the BRA Tax Increment Financing (TIF) program is the most appropriate economic development tool. This was an informational update only and no action is required by the Board at this point.

VII. Adjournment

Motion by T. Boldt to adjourn the meeting at 4:25 PM, supported by M. Jacobitz. Motion unanimously approved

Minutes submitted by: Tim Robinson

MILLER CANFIELD

MEMORANDUM

TO: The Economic Development Corporation of the County of Lenawee

FROM: Steven M. Frank, Esq.
Miller, Canfield, Paddock and Stone, P.L.C.

RE: Siena Heights University

DATE: June 16, 2023

We are enclosing a resolution for consideration by the Board of Directors of The Economic Development Corporation of the County of Lenawee (the "EDC") at its meeting on June 21, 2023 relating to proposed amendments to the terms of certain bonds previously issued by the EDC for the benefit of Siena Heights University (the "University"). Set forth below is a summary of the proposed actions to be taken with respect to the bonds and a description of the purpose of the enclosed resolution.

Background

The EDC has previously issued several series of bonds for the benefit of the University, including the following: (i) Variable Rate Demand Revenue Bonds, Series 2010 (Siena Heights University Project) (the "Series 2010 Bonds"); (ii) Variable Rate Limited Obligation Revenue Bonds, Series 2016 (Siena Heights University Project) (the "Series 2016 Bonds"); and (iii) Variable Rate Limited Obligation Revenue Bonds, Series 2019 (Siena Heights University Project) (the "Series 2019 Bonds").

The Series 2010 Bonds, the Series 2016 Bonds and the Series 2019 Bonds (collectively, the "Outstanding Bonds") were issued for the purpose of making certain loans to the University, the proceeds of which were used to finance various capital improvements on or adjacent to the University's campus in Adrian, Michigan.

Each series of the Outstanding Bonds was issued pursuant to a separate Trust Indenture (collectively, the "Trust Indentures") between the EDC and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The Outstanding Bonds were purchased by, and are currently held by, First American Bank (the "Bank"). The Bank has committed to hold the Outstanding Bonds for certain specified periods of time as determined by the Bank's internal credit approvals.

The University and the Bank propose to make certain amendments to the terms of the Outstanding Bonds, as summarized below. The amendments will be accomplished pursuant to the terms of a supplemental indenture to each of the Trust Indentures to be entered into between the EDC and the Trustee (collectively, the "Supplemental Indentures").

LIBOR Benchmark Replacement

The Outstanding Bonds currently bear interest at variable rates based on the London Interbank Offered Rate ("LIBOR"). Effective June 30, 2023, LIBOR will cease to be available as a representative interest rate benchmark. As a result, it is necessary to amend the Trust Indentures in order to establish a replacement benchmark for LIBOR prior to its discontinuation. Under the terms of the Supplemental Indentures, LIBOR will be replaced with One-Month Term SOFR for the purpose of calculating the applicable interest rates on the Outstanding Bonds.

Principal Payment Modifications

The University proposes to make certain modifications to the principal amortization schedules for the Series 2010 Bonds and the Series 2016 Bonds in order to achieve more level aggregate annual debt service. The amended principal amortization schedules for the Series 2010 Bonds and the Series 2016 Bonds are set forth in the related Supplemental Indentures.

Extension of Bank's Credit Commitment Periods

At the request of the University, the Bank has agreed to extend its credit commitment period for each series of the Outstanding Bonds, during which period the Bank will agree to continue to hold all of the Outstanding Bonds. Pursuant to the Bank's commitment letter, the commitment periods for the Series 2010 Bonds, the Series 2016 Bonds and the Series 2019 Bonds will be extended to on or about July 1, 2028, January 1, 2027 and January 1, 2030, respectively. In order to implement the terms of the commitment period extensions, it is necessary to make certain amendments to the Trust Indentures, as set forth in the Supplemental Indentures.

Public Approval Requirements

Miller, Canfield, Paddock and Stone, P.L.C., Bond Counsel to the EDC, has reviewed the terms of the foregoing amendments to the Trust Indentures and has determined that the amendments will result in the reissuance of the Outstanding Bonds for federal income tax purposes.

As a result of the reissuance of the Outstanding Bonds for federal income tax purposes, it is necessary for the County of Lenawee to comply with the "public approval" requirements of the Internal Revenue Code of 1986, as amended (the "Code"). To satisfy these requirements, a public hearing must be held on the reissuance of the Outstanding Bonds. Following the public hearing, the reissuance of the Outstanding Bonds must be approved by resolution of the Board of Commissioners.

On June 14, 2023, the Board of Commissioners conducted a public hearing on the reissuance of the Outstanding Bonds. Following the public hearing, the Board of Commissioners adopted a resolution granting public approval of the reissuance in satisfaction of the public approval requirements of the Code.

Requested EDC Action

The University has requested that the Board of Directors of the EDC consider approval of the enclosed resolution at its special meeting on June 21, 2023. The resolution approves the Supplemental Indentures for the purpose of making the amendments to the terms of the Outstanding Bonds as summarized above, and authorizes the President, the Secretary and the Treasurer (the "Authorized Officers") to execute and deliver the Supplemental Indentures on behalf of the EDC when they are in final form. The resolution also authorizes the Authorized Officers to execute a new tax certificate, Internal Revenue Service Form 8038, and other documents and certificates necessary to maintain the tax-exempt status of the interest on the Outstanding Bonds.

The Outstanding Bonds will continue to be limited obligations of the EDC payable solely and only from moneys and other security provided by the University. Neither the EDC nor the County will be liable under any circumstance for repayment of the Outstanding Bonds.

A representative of the University, and myself, will be in attendance at the meeting of the EDC to present the resolution and answer any questions that the Board of Directors may have relating to the enclosed resolution. Thank you for your consideration of this request.

40790061.1/051877.00051

WEDNESDAY, JUNE 14, 2023

PRESENT: Comm. Van Doren, Bales, Bolton, Collins, Jenkins-Arno, Krasny, Martis, Stimpson, and Tillotson

ALSO PRESENT: Rebecca Borton, Kim Murphy, John Gillooly, Shannon Elliott, Jennifer Ambrose, Ian Wendt (WLEN), Mary Lowe (Daily Telegram), Adrian Mayor Angie Sword Heath, Wendy Chekovich, Todd Gillman, Jackie Bradley, Matt Turgeon, Craig Tanis, Ed Scheffler, Katie Fry, Francine Zysk, Cara Snyder, Aleana Chandler, Mary Bohling, Jim and Sandie Brissette, Undersheriff Jeff Ewald, Pam Howard, Lee Johnson, Jason Schnaidt, Beth Hunt, Scott Merillat, Bob Emery, Stan Wilson, and Mike Slusarski

Invocation and Pledge of Allegiance.

Comm. Bolton moved to approve the minutes from the May 10 and the June 1, 2023, meetings, Comm. Martis seconded. Motion CARRIED.

Communications: Kim Murphy shared a letter from Clinton Township regarding carbon dioxide wells. Comm. Van Doren referred the matter to the Human Services Committee.

Comm. Tillotson moved to approve the agenda as presented, Comm. Martis seconded. Motion CARRIED.

Comm. Martis introduced Scott Merillat, Stan Wilson, Mike Slusarski from the Lenawee County Road Commission.

Comm. Van Doren introduced Lee Johnson and Pam Howard from Siena Heights University.

Limited Public Comment was opened for any agenda item.
There were no public comments.

Comm. Van Doren opened the Public Hearing at 1:37 p.m. on the approval of the re-issuance of bonds issued by the Economic Development Corporation of Lenawee for the benefit of Siena Heights University.

Lee Johnson from Siena Heights provided an update on bond projects and thanked the commissioners.

No further comments were received.

Comm. Collins moved to close the public hearing at 1:40 p.m., Comm. Bales seconded. Motion CARRIED.

Comm. Bolton moved to adopt the following resolution, Comm. Martis seconded,
RESOLUTION APPROVING THE REISSUANCE OF BONDS ISSUED BY THE ECONOMIC DEVELOPMENT CORPORATION OF THE COUNTY OF LENAWEE FOR THE BENEFIT OF SIENA

WHEREAS, the County of Lenawee (the "County") has previously established The Economic Development Corporation of the County of Lenawee (the "EDC") pursuant to the provisions of Act 338, Public Acts of Michigan, 1974, as amended ("Act 338"); and

WHEREAS, pursuant to Act 338, the EDC has previously issued several series of bonds for the benefit of Siena Heights University, a Michigan nonprofit corporation (the "University"), including the following: (i) Variable Rate Demand Revenue Bonds, Series 2010 (Siena Heights University Project) (the "Series 2010 Bonds"); (ii) Variable Rate Limited Obligation Revenue Bonds, Series 2016 (Siena Heights University Project) (the "Series 2016 Bonds"); and (iii) Variable Rate Limited Obligation Revenue Bonds, Series 2019 (Siena Heights University Project) (the "Series 2019 Bonds"); and

WHEREAS, the Series 2010 Bonds, the Series 2016 Bonds and the Series 2019 Bonds (collectively, the "Outstanding Bonds") were purchased by First American Bank (the "Bank"); and

WHEREAS, the University proposes to make certain modifications to the terms of the Outstanding Bonds, including (i) reamortization of the principal maturity schedules for the Series 2010 Bonds and the Series 2016 Bonds, and (ii) extension of the Bank's credit commitment period for all of the Outstanding Bonds (collectively, the "Bond Modifications"); and

WHEREAS, Bond Counsel to the EDC has determined that the Bond Modifications will result in the reissuance of the Outstanding Bonds for federal income tax purposes (the Outstanding Bonds, as reissued for federal income tax purposes, are referred to herein as the "Reissued Bonds"); and

WHEREAS, as a result of the reissuance of the Outstanding Bonds for federal income tax purposes, it is necessary for the County to comply with the public notice, hearing and approval requirements provided in Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"); and

WHEREAS, on June 14, 2023, the Board of Commissioners of the County conducted a public hearing on the reissuance of the Reissued Bonds after posting public notice of such hearing as provided in, and in satisfaction of, the public hearing requirements of Section 147(f) of the Code; and

WHEREAS, in order to satisfy the public approval requirements of Section 147(f) of the Code, the Board of Commissioners of the County has been requested to approve the reissuance of the Reissued Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Solely for the purpose of fulfilling the public approval requirements of the Code, the Board of Commissioners of the County hereby approves of the reissuance of the Reissued Bonds in the aggregate principal amount of not to exceed Ten Million Dollars ($10,000,000).
2. The EDC is hereby authorized to designate the Reissued Bonds as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.
3. The Reissued Bonds will continue to be limited obligations of the EDC and do not and will not constitute debt of the EDC or the County within the meaning of any constitutional or statutory limitation.
4. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

Motion to approve the resolution CARRIED by a Unanimous Roll Call Vote.

Scott Merillat, Managing Director, presented the Annual Road Commission Report.

Comm. Tillotson moved to accept the Lenawee County Road Commission Annual Report and place it on file, Comm. Martis seconded. Motion CARRIED.

Comm. Bolton moved to approve the following consent agenda items, Comm. Collins seconded.

Board Appointments: The following appointments are CONFIRMED.

Lenawee Department on Aging

Gloria Bortnichak, District #2 Rep 9/25

THIRD QUARTER: JULY 1, 2023 – SEPTEMBER 30, 2023 RES#2023-09

Resolution Enacting Third Quarterly Allotment of Allocations

WHEREAS, the 2023 General Appropriations Act provided for the allotment of appropriations on a periodic basis when financial circumstances warrant; and

WHEREAS, the Lenawee County Board of Commissioners deems that financial circumstances exist whereby the quarterly allotment of appropriations contained in the 2023 General Fund Budget is deemed desirable; and

WHEREAS, the financial circumstances dictate that other steps also be taken to contain expenditures during the fiscal year.

THEREFORE, BE IT RESOLVED by the Lenawee County Board of Commissioners, that the expenditure of the 2023 appropriations as contained in the 2023 General Fund Budget be established for the period beginning January 1, 2023, and ending December 31, 2023, and that the elected and appointed officials responsible for appropriations be so notified, and;

BE IT RESOLVED that said County officials shall not cause obligations to be incurred against, nor shall payment be made from appropriations in excess of the amount provided in the schedule (on file).

Resolution #2023-09 is ADOPTED.

Bid Acceptance – Architect / Engineering MSC Project: The bid from Byce & Associates IS APPROVED for the Architect and Engineering work associated with the Maurice Spear Campus renovation project.

RFP Solicitation of bids for Judicial Building: The Administrator IS AUTHORIZED to solicit proposals for a Needs Assessment of the Judicial Building.

RESOLUTION PLEDGING FULL FAITH AND CREDIT TO 2023 DRAINAGE DISTRICT NOTES RES#2023-10

WHEREAS, pursuant to petitions filed with the Drain Commissioner of the County of Lenawee, State of Michigan (the "Drain Commissioner"), proceedings have been taken under the provisions of Act 40, Public Acts of Michigan, 1956, as amended (the "Act") to establish various drainage districts in the County of Lenawee (the "County"); and

WHEREAS, in certain drainage districts petitions have been filed with the Drain Commissioner for the making of certain improvements to the drains located in the respective drainage districts (each, a "Petition Project" and collectively, the "Petition Projects"), each of which Petition Project is being undertaken by the drainage district having jurisdiction over the drain; and

THE ECONOMIC DEVELOPMENT CORPORATION
OF THE COUNTY OF LENAWEE

RESOLUTION APPROVING EXECUTION AND DELIVERY OF SUPPLEMENTAL TRUST INDENTURES FOR CERTAIN OUTSTANDING BONDS
AND APPROVING CERTAIN OTHER MATTERS RELATING THERETO
(Siena Heights University Projects)

Minutes of a special meeting of the Board of Directors of The Economic Development Corporation of the County of Lenawee, Michigan, held on June 21, 2023, at 10:30 a.m., prevailing Eastern Time.

PRESENT: Directors ____

____

ABSENT: Directors ____

The following preamble and resolution were offered by Director ______________ and supported by Director ____________:

A. The Economic Development Corporation of the County of Lenawee (the "Issuer") has previously issued several series of bonds for the benefit of Siena Heights University, a Michigan nonprofit corporation (the "University"), including the following: (i) Variable Rate Demand Revenue Bonds, Series 2010 (Siena Heights University Project) (the "Series 2010 Bonds"); (ii) Variable Rate Limited Obligation Revenue Bonds, Series 2016 (Siena Heights University Project) (the "Series 2016 Bonds"); and (iii) Variable Rate Limited Obligation Revenue Bonds, Series 2019 (Siena Heights University Project) (the "Series 2019 Bonds").

B. The Series 2010 Bonds were issued pursuant to a Trust Indenture, dated as of December 1, 2010, as previously supplemented and amended (the "2010 Indenture"), between the Issuer and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"). The Series 2016 Bonds were issued pursuant to a Trust Indenture, dated as of December 1, 2016, as previously supplemented and amended (the "2016 Indenture"), between the Issuer and the Trustee. The Series 2019 Bonds were issued pursuant to a Trust Indenture, dated as of December 1, 2019 (the "2019 Indenture"), between the Issuer and the Trustee.

C. The Series 2010 Bonds, the Series 2016 Bonds and the Series 2019 Bonds (collectively, the "Outstanding Bonds") were purchased by First American Bank (the "Bank").

D. The Outstanding Bonds bear interest at variable rates based on the London Interbank Offered Rate ("LIBOR"). Effective June 30, 2023, LIBOR will cease to be available as a representative interest rate benchmark. As a result, it is necessary to amend the terms of each of the 2010 Indenture, the 2016 Indenture and the 2019 Indenture in order to establish a replacement interest rate benchmark for LIBOR prior to the discontinuation of LIBOR (collectively, the "LIBOR Replacement Amendments").

E. The University and the Bank also propose to make certain modifications to the principal amortization schedules for the Series 2010 Bonds and the Series 2016 Bonds in order to achieve more level aggregate annual debt service (the "Principal Payment Amendments").

F. At the request of the University, the Bank has agreed to extend its credit commitment period for each series of the Outstanding Bonds, during which period the Bank will agree to continue to hold all of the Outstanding Bonds. It is necessary to make certain amendment to the terms of each of the 2010 Indenture, the 2016 Indenture and the 2019 Indenture in order to implement the extension of the Bank's credit commitment period for each series of the Outstanding Bonds (collectively, the "Commitment Extension Amendments").

G. In order to effectuate the LIBOR Replacement Amendments, the Principal Payment Amendments and the Commitment Extension Amendments, as applicable to each series of the Outstanding Bonds, the University has requested that the Issuer and the Trustee approve (i) certain amendments to the 2010 Indenture pursuant to Supplemental Indenture Number 3 to the 2010 Indenture (the "2010 Supplemental Indenture"), (ii) certain amendments to the 2016 Indenture pursuant to Supplemental Indenture Number 2 to the 2016 Indenture (the "2016 Supplemental Indenture"), and (iii) certain amendments to the 2019 Indenture pursuant to Supplemental Indenture Number 1 to the 2019 Indenture (the "2019 Supplemental Indenture").

H. The Issuer desires to authorize the President, the Secretary and the Treasurer (each, an "Authorized Officer"), or any of them individually, to negotiate, execute and deliver, on behalf of the Issuer, the 2010 Supplemental Indenture, the 2016 Supplemental Indenture and the 2019 Supplemental Indenture.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Approval of Supplemental Indentures; Replacement Bonds. The forms of the 2010 Supplemental Indenture, the 2016 Supplemental Indenture and the 2019 Supplemental Indenture (collectively, the "Supplemental Indentures") on file with the Secretary are hereby approved, subject to such changes and insertions as, upon the advice of Bond Counsel, are not materially adverse to the Issuer. Each Authorized Officer is individually authorized to execute and deliver the Supplemental Indentures in the forms approved hereby, with such changes and insertions as may be necessary or desirable, permitted by applicable law, and not materially adverse to the Issuer in the opinion of Bond Counsel.

In connection with the execution and delivery of the Supplemental Indentures, the President and the Secretary are hereby authorized to execute and deliver replacement bonds on behalf of the Issuer in substitution for, and in replacement of, the definitive Series 2010 Bonds, Series 2016 Bonds and Series 2019 Bonds previously issued and delivered by the Issuer (each, a "Replacement Bond"). The Replacement Bond for each of the Series 2010 Bonds, the Series 2016 Bonds and the Series 2019 Bonds shall be substantially as set forth in the 2010 Supplemental Indenture, the 2016 Supplemental Indenture and the 2019 Supplemental Indenture, respectively, with such appropriate variations, omissions and insertions as are approved by Bond Counsel to the Issuer. Each Replacement bond shall be executed on behalf of the Issuer, and authenticated by the

Trustee, in the manner provided in the 2010 Indenture, the 2016 Indenture and the 2019 Indenture, as the case may be.

2. Authorization of Tax Certificate and Other Documents. If determined to be necessary or advisable by Bond Counsel in connection with the execution and delivery of the Supplemental Indentures, each Authorized Officer is individually authorized to approve and execute one or more Non-Arbitrage Certificates relating to the Outstanding Bonds and to execute and file, or cause to be filed with the Internal Revenue Service, one or more IRS Forms 8038, together with such other certificates and documents as may be required in order that the interest on the Outstanding Bonds continue to be excluded from gross income for federal income tax purposes.

3. Bond Counsel. The firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan, is hereby designated and retained by the Issuer as Bond Counsel with respect to the transactions authorized by this Resolution. All fees and expenses of Bond Counsel in connection with the transactions authorized by this Resolution shall be the sole responsibility of the University, and the Issuer shall have no obligation for the payment of such fees and expenses.

4. Approval of Other Actions. Each Authorized Officer is hereby individually authorized to approve, execute and deliver such other agreements, certificates and documents as may be necessary in order to carry out and give effect to the transactions authorized by this Resolution.

5. Conflicting Resolutions. All resolutions or parts of resolutions to the extent that they conflict with the provisions of this Resolution are hereby rescinded.

AYES: Directors ____

____

NAYS: Directors ____

ABSTAIN: Directors ____

RESOLUTION DECLARED ADOPTED.

____
Secretary

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Directors of The Economic Development Corporation of the County of Lenawee, Michigan, at a special meeting held on June 21, 2023, 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.

____

Secretary

40789412.1/051877.00051