

Local Emergency Financial Assistance Loan Board Meeting



December 17, 2018
11:00am

Richard H. Austin Building
State Treasurer's Board Room
430 West Allegan Street
Lansing, MI 48922

AGENDA

(PG 3)

**LOCAL EMERGENCY
FINANCIAL ASSISTANCE
LOAN BOARD MEETING**

**ALTERNATIVE DESIGNATIONS
(PGS 4-5)**

DECEMBER 17, 2018

11:00 A.M.

**MINUTES-PRIOR MEETING
(PGS 6-7)**

**RICHARD H. AUSTIN BUILDING
STATE TREASURERS'
BOARD ROOM
430 WEST ALLEGAN STREET
LANSING, MICHIGAN 48922**

**CITY OF HIGHLAND PARK
EMERGENCY LOAN NOTE AMENDMENT
SUMMARY MEMO
(PGS 8-10)**

**CITY OF HIGHLAND PARK
EMERGENCY LOAN AMENDMENT
REQUEST LETTER
(PGS 11-13)**

**CITY OF HIGHLAND PARK
EMERGENCY LOAN NOTE AMENDMENT
AUTHORIZING RESOLUTIONS
(PGS 14-25)**

**CITY OF HIGHLAND PARK
ORDER 2018-13
(PGS 26-33)**

Local Emergency Financial Assistance Loan Board
Monday, December 17, 2018
11:00 AM

Richard H. Austin Building
State Treasurers' Board Room, 1st Floor
430 W. Allegan Street
Lansing, Michigan 48922

I. CALL TO ORDER

II. APPROVAL OF MINUTES

A. Approval of Local Emergency Financial Assistance Loan Board (ELB) minutes

1. November 9, 2018 Special Meeting Minutes

III. PUBLIC COMMENT

IV. NEW BUSINESS

A. City of Highland Park: Emergency Loan Note Amendment

1. ELB Order 2018-13
 - a) Approval of Emergency Loan Note Amendment
 - b) Denial of Emergency Loan Note Amendment

V. ADJOURNMENT



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

ALTERNATE DESIGNATION

FOR MEETINGS OF THE

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

Members of the Board:

I am hereby designating the person named below as my representative at any meeting of the Local Emergency Financial Assistance Loan Board, and to sign on my behalf any Order of this Board.


Name: Anne Wohlfert

Title: Interim Deputy Treasurer

Office Name: State and Local Finance

N.A. Khouri, State Treasurer

10/8/18
Date



Signature



STATE OF MICHIGAN
DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET
LANSING

RICK SNYDER
GOVERNOR

DAVID L. DEVRIES
DIRECTOR

ALTERNATE DESIGNATION

FOR MEETINGS OF THE

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

Members of the Board:

I hereby designate the persons named below as my representatives at any meeting of the Local Emergency Financial Assistance Loan Board, and to sign on my behalf any Order of this Board.

These designations shall remain in effect until rescinded in writing.

Name: John J. Walsh
Title: State Budget Director
Office Name: State Budget Office

Name: Michael J. Moody
Title: Director
Office Name: Office of Financial Management

David L. DeVries, Director

1 Nov 2018
Date

David L. DeVries
Signature



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

**LOCAL EMERGENCY FINANCIAL ASSISTANCE
LOAN BOARD MINUTES**

November 9, 2018 - 10:00 A.M.

Richard H. Austin Building
State Treasurers' Board Room, 1st Floor
430 West Allegan Street
Lansing, Michigan 48922

Members Present:

Anne Wohlfert, Interim Deputy Treasurer for Finance, Department of Treasury
Mike Moody, Director, Office of Financial Management, Department of Technology,
Management and Budget
Shelly Edgerton, Director, Department of Licensing and Regulatory Affairs

Others Present:

Klein Allison, Office of the Attorney General
Jeff Aronoff, Miller Canfield
Kristin Brown, Department of Treasury
Harlan Goodrich, Department of Treasury
Ben McGuire, Hilltop Securities
John Naglick, City of Detroit
William Sanders, Department of Treasury
Jeffrey Schwartz, Department of Treasury
Rodney Taylor, Department of Treasury
Thy Tran, Department of Treasury

I. Call to Order

Anne Wohlfert called the meeting to order at 10:01 A.M.

II. Approval of Minutes

A motion was made by Mike Moody to approve the minutes from the special meeting of October 29, 2018, as presented. The motion was supported by Shelly Edgerton. The minutes were approved as presented.

III. Public Comment

None.


IV. Order 2018-12, City of Detroit, Approval of Financial Recovery Refunding Bonds

John Naglick, Finance Director from the City of Detroit, spoke regarding the rationale for the refunding and discussed some details of the transaction.


Jeff Aronoff from Miller Canfield spoke regarding additional details related to the refunding transaction.

Anne Wohlfert called for a motion regarding the Approval of Order 2018-12 in the amount of \$220,000,000. A motion was made by Mike Moody. The motion was supported by Shelly Edgerton. The motion was unanimously approved by the Board. 3 ayes, 0 nays.

The meeting was adjourned by Anne Wohlfert at 10:08 A.M.



Harlan Goodrich, Secretary
Local Emergency Financial Assistance Loan Board



Anne Wohlfert, Interim Deputy Treasurer for Finance
As Designee for Nick A. Khouri, State Treasurer
Local Emergency Financial Assistance Loan Board

Date Approved: 12-17-18



STATE OF MICHIGAN
DEPARTMENT OF TREASURY

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

DATE: December 7, 2018

TO: Local Emergency Financial Assistance Loan Board

FROM: Harlan Goodrich, Secretary, LEFALB

SUBJECT: City of Highland Park Emergency Loan

The City of Highland Park received a \$3,000,000 emergency loan in 2014. This loan currently has an outstanding balance of \$2,610,000. For tax year 2019 it is estimated that the City would levy 1.9 mills to cover the \$167,000 annual debt service on the loan. The debt retirement fund balance presently has an excess \$1,000,000 which is related to a 2014 settlement with Fifth Third Bank. Having a fund balance greater than 150% of next year's debt service payments is non-compliant with the Revised Municipal Finance Act, Public Act 34 of 2001. The City would like to remedy this by applying the excess \$1,000,000 towards the back-end principal (2032-2038) to avoid having to lower the tax levy and then raise it again in future years. However, the language in the emergency loan note stipulates that any early principal payments must first be applied to the front-end principal (2019-2027). Any change to the note would need to be approved by the Local Emergency Financial Assistance Loan Board.

Scenario 1: Amend note, prepay \$1,000,000 decrease estimated levy to 1.6 mills

The emergency loan note is amended by the Local Emergency Financial Assistance Loan Board. The City makes the \$1,000,000 additional principal payment which is applied to the back-end principal. The annual debt service is reduced from \$167,000 to \$140,000. The estimated levy would be dropped from 1.9 mills to 1.6 mills to provide tax relief to the City with the state's highest tax rate. The loan would be repaid from 2019-2032. From 2019-2032 the City would have a total nominal interest cost of approximately \$300,000. Treasury would be guaranteed to be paid in full six years sooner, by 2032. For illustrative purposes, see Exhibit A of this memo for the debt service and millage calculation for Scenario 1.

Scenario 2: Note is not amended, prepay \$1,000,000, decrease estimated levy to 0.5 mills for 2019-2027, increase estimated levy to 1.9 mills for 2028-2038

The emergency loan note is not amended. The City makes the \$1,000,000 additional principal payment which is applied to the front-end principal. The annual debt service is reduced to approximately \$39,500 from 2019-2027 and then increases back to \$167,000 for 2028-2038. The City drops the estimated levy from 1.9 mills to 0.5 mills for 2019-2027 and then increases the estimated levy back to 1.9 mills for 2028-2038. From 2019-2038 the City has a total nominal interest cost of approximately \$600,000. Treasury would be paid in full by 2038. For illustrative purposes, see Exhibit B of this memo for the debt service and millage calculation for Scenario 2.

Exhibit A

City of Highland Park, Michigan
Emergency Loan Note (General Obligation Limited Tax), 2013-14 Series I
Estimated New Tax Levy Rate After \$1,000,000 Principal Redemption | Redeem Later Maturities
Principal Redeemed on December 17, 2018 | Schedule Based on Calendar Year Annual Debt Service

Line	A Tax Year	B D/S Due in Calendar Year	Current Debt Service				Debt Service After Principal Redemption				K Taxable Value
			C Interest (5/1 & 11/1)	D Principal (11/1)	E Debt Service	F Estimated Millage[1]	G Interest (5/1 & 11/1)	H Principal (11/1)	I Debt Service	J Estimated Millage[1]	
1	2018	2019	63,945	100,000	163,945	1.5461*	39,445	100,000	139,445	1.5461*	113,457,568
2	2019	2020	61,495	105,000	166,495	1.9566	36,995	105,000	141,995	1.6687	113,457,568
3	2020	2021	58,923	105,000	163,923	1.9264	34,423	105,000	139,423	1.6385	113,457,568
4	2021	2022	56,350	110,000	166,350	1.9549	31,850	110,000	141,850	1.6670	113,457,568
5	2022	2023	53,655	115,000	168,655	1.9820	29,155	115,000	144,155	1.6941	113,457,568
6	2023	2024	50,838	115,000	165,838	1.9489	26,338	115,000	141,338	1.6610	113,457,568
7	2024	2025	48,020	120,000	168,020	1.9745	23,520	120,000	143,520	1.6866	113,457,568
8	2025	2026	45,080	120,000	165,080	1.9400	20,580	120,000	140,580	1.6521	113,457,568
9	2026	2027	42,140	125,000	167,140	1.9642	17,640	125,000	142,640	1.6763	113,457,568
10	2027	2028	39,078	130,000	169,078	1.9870	14,578	130,000	144,578	1.6990	113,457,568
11	2028	2029	35,893	130,000	165,893	1.9495	11,393	130,000	141,393	1.6616	113,457,568
12	2029	2030	32,708	135,000	167,708	1.9709	8,208	135,000	143,208	1.6829	113,457,568
13	2030	2031	29,400	135,000	164,400	1.9320	4,900	135,000	139,900	1.6441	113,457,568
14	2031	2032	26,093	140,000	166,093	1.9519	1,593	65,000	66,593	0.7826	113,457,568
15	2032	2033	22,663	145,000	167,663	1.9703	-	-	-	-	113,457,568
16	2033	2034	19,110	150,000	169,110	1.9874	-	-	-	-	113,457,568
17	2034	2035	15,435	150,000	165,435	1.9442	-	-	-	-	113,457,568
18	2035	2036	11,760	155,000	166,760	1.9597	-	-	-	-	113,457,568
19	2036	2037	7,963	160,000	167,963	1.9739	-	-	-	-	113,457,568
20	2037	2038	4,043	165,000	169,043	1.9866	-	-	-	-	113,457,568
TOTAL			724,588	2,610,000	3,334,588		300,615	1,610,000	1,910,615		

[1]Estimated millage rate to pay debt service in noted calendar year assuming 100% levied on July 1, no growth in taxable value, and a tax collections rate of approximately 75%

* Represents actual FY 2019 millage on the City's 2018 L-4029

Exhibit B

City of Highland Park, Michigan
Emergency Loan Note (General Obligation Limited Tax), 2013-14 Series I
Estimated New Tax Levy Rate After \$1,000,000 Principal Redemption | Redeem Earlier Maturities
Principal Redeemed on December 17, 2018 | Schedule Based on Calendar Year Annual Debt Service

Line	A Tax Year	B D/S Due in Calendar Year	Current Debt Service				Debt Service After Principal Redemption				K Taxable Value
			C Interest (5/1 & 11/1)	D Principal (11/1)	E Debt Service	F Estimated Millage[1]	G Interest (5/1 & 11/1)	H Principal (11/1)	I Debt Service	J Estimated Millage[1]	
1	2018	2019	63,945	100,000	163,945	1.5461*	39,445		39,445	1.5461*	113,457,568
2	2019	2020	61,495	105,000	166,495	1.9566	39,445		39,445	0.4636	113,457,568
3	2020	2021	58,923	105,000	163,923	1.9264	39,445		39,445	0.4636	113,457,568
4	2021	2022	56,350	110,000	166,350	1.9549	39,445		39,445	0.4636	113,457,568
5	2022	2023	53,655	115,000	168,655	1.9820	39,445		39,445	0.4636	113,457,568
6	2023	2024	50,838	115,000	165,838	1.9489	39,445		39,445	0.4636	113,457,568
7	2024	2025	48,020	120,000	168,020	1.9745	39,445		39,445	0.4636	113,457,568
8	2025	2026	45,080	120,000	165,080	1.9400	39,445		39,445	0.4636	113,457,568
9	2026	2027	42,140	125,000	167,140	1.9642	39,445	15,000	54,445	0.6398	113,457,568
10	2027	2028	39,078	130,000	169,078	1.9870	39,078	130,000	169,078	1.9870	113,457,568
11	2028	2029	35,893	130,000	165,893	1.9495	35,893	130,000	165,893	1.9495	113,457,568
12	2029	2030	32,708	135,000	167,708	1.9709	32,708	135,000	167,708	1.9709	113,457,568
13	2030	2031	29,400	135,000	164,400	1.9320	29,400	135,000	164,400	1.9320	113,457,568
14	2031	2032	26,093	140,000	166,093	1.9519	26,093	140,000	166,093	1.9519	113,457,568
15	2032	2033	22,663	145,000	167,663	1.9703	22,663	145,000	167,663	1.9703	113,457,568
16	2033	2034	19,110	150,000	169,110	1.9874	19,110	150,000	169,110	1.9874	113,457,568
17	2034	2035	15,435	150,000	165,435	1.9442	15,435	150,000	165,435	1.9442	113,457,568
18	2035	2036	11,760	155,000	166,760	1.9597	11,760	155,000	166,760	1.9597	113,457,568
19	2036	2037	7,963	160,000	167,963	1.9739	7,963	160,000	167,963	1.9739	113,457,568
20	2037	2038	4,043	165,000	169,043	1.9866	4,043	165,000	169,043	1.9866	113,457,568
TOTAL			724,588	2,610,000	3,334,588		599,148	1,610,000	2,209,148		

[1]Estimated millage rate to pay debt service in noted calendar year assuming 100% levied on July 1, no growth in taxable value, and a tax collections rate of approximately 75%

* Represents actual FY 2019 millage on the City's 2018 L-4029



DEPARTMENT OF FINANCE

**ELEANOR WILLIAMSON
DIRECTOR OF FINANCE**

MY PRIORITY IS TO SERVE YOU

ROBERT B. BLACKWELL MUNICIPAL BUILDING
12050 WOODWARD AVENUE - HIGHLAND PARK, MI 48203-3578
TELEPHONE: (313) 252-0050 EXT. 226
FAX: (313) 868-8256
E-MAIL: EWILLIAMSON@HIGHLANDPARKMI.GOV

December 3, 2018

State of Michigan
Department of Treasury
Local Emergency Financial Assistance Loan Board
430 W. Allegan
Lansing, MI 48912

Ladies and Gentlemen:

I am writing to formally request the amendment of the Emergency Loan Note (General Obligation Limited Tax), 2013-14, Series I (the "Note"), issued by the City of Highland Park, County of Wayne, State of Michigan (the "City") on September 25, 2014 and delivered to the Local Emergency Financial Assistance Loan Board (the "Board") pursuant to the provisions of Act 243, Public Acts of Michigan, 1980, as amended.

The Note was originally issued for the purpose of restructuring certain reimbursement obligations the City owed to Fifth Third Bank (the "Bank") pursuant to a certain Amended and Restated Reimbursement Agreement, dated July 15, 2011, related to the Bank's payment under a letter of credit securing the City's Variable Rate Demand Financial Recovery Bonds, Series 2008 (the "Bonds"). The Bonds are an unlimited tax general obligation of the City. As part of the restructuring, the Bank assigned its full rights, title and interests to receive payments under the Bonds to the State Department of Treasury as security for the Note. Due to the timing of the issuance of the Note in relation to the City's levy of the annual unlimited tax debt millage to pay the debt service on the Bonds, a balance accumulated in the City's debt service account, which the City would like to apply to the principal payments of the Note in inverse order of maturity.

The Note currently provides that the City may prepay annual principal installments in direct order of maturity. The City hereby requests that this provision be amended to authorize the prior redemption of principal payments in any order of maturity, in whole or in part, as mutually agreed to by the City and the State.



DEPARTMENT OF FINANCE

ELEANOR WILLIAMSON
DIRECTOR OF FINANCE

MY PRIORITY IS TO SERVE YOU

ROBERT B. BLACKWELL MUNICIPAL BUILDING
12050 WOODWARD AVENUE - HIGHLAND PARK, MI 48203-3578
TELEPHONE: (313) 252-0050 EXT. 226
FAX: (313) 868-8256
E-MAIL: EWILLIAMSON@HIGHLANDPARKMI.GOV

Further, the City requests the Board's agreement to the City's redemption on December 17, 2018 of all or a portion of the annual principal installments due on the Note in the years 2032 through and including 2038, as further described on the attached Exhibit A.

Thank you for your consideration in this matter.

Sincerely yours,

Eleanor Williamson
Finance Director



DEPARTMENT OF FINANCE

ELEANOR WILLIAMSON
DIRECTOR OF FINANCE

MY PRIORITY IS TO SERVE YOU

ROBERT B. BLACKWELL MUNICIPAL BUILDING
12050 WOODWARD AVENUE - HIGHLAND PARK, MI 48203-3578
TELEPHONE: (313) 252-0050 EXT. 226
FAX: (313) 868-8256
E-MAIL: EWILLIAMSON@HIGHLANDPARKMI.GOV

EXHIBIT A PRINCIPAL INSTALLMENTS OF NOTE TO BE REDEEMED

<u>Maturity Date</u>	<u>Principal Installment</u>	<u>Principal Installment Being Redeemed</u>	<u>Interest Rate</u>	<u>Call Date</u>	<u>Call Price</u>
November 1, 2032	\$140,000	\$75,000	2.450%	December 17, 2018	100.000%
November 1, 2033	145,000	145,000	2.450	December 17, 2018	100.000
November 1, 2034	150,000	150,000	2.450	December 17, 2018	100.000
November 1, 2035	150,000	150,000	2.450	December 17, 2018	100.000
November 1, 2036	155,000	155,000	2.450	December 17, 2018	100.000
November 1, 2037	160,000	160,000	2.450	December 17, 2018	100.000
November 1, 2038	165,000	165,000	2.450	December 17, 2018	100.000

32491353.3\040441-00026

STATE OF MICHIGAN
COUNTY OF WAYNE
CITY OF HIGHLAND PARK

I, Brenda Green, Clerk of the City of Highland Park,
do hereby certify that the annexed is a true copy of:
Resolution authorizing Redemption + Amendment of
emergency loan note approved by H.P. Council
Regular Meeting, Oct. 15, 2018

As appears by the files and records in my office, that I
have compared the same with the original and it is a
true transcript there from and of the whole thereof.

IN WITNESS WHEREOF, I have hereunto set my hand and
Affixed the corporate seal o the City of Highland Park

This 20th day of November 20 18
City Clerk Brenda Green

RESOLUTION AUTHORIZING
**REDEMPTION AND AMENDMENT OF
EMERGENCY LOAN NOTE (GENERAL OBLIGATION LIMITED TAX) 2013-14
SERIES I**

**City of Highland Park
County of Wayne, State of Michigan**

Minutes of a regular meeting of the City Council of the City of Highland Park, County of Wayne, State of Michigan, held on October 15, 2018, at 7:00 p.m., prevailing Eastern Time.

PRESENT: Members: President Patrick, Pro-Tem McDonald
Councilmember Woodward, Lewis + Marshall

ABSENT: Members: Ø

The following preamble and resolution were offered by Member Pro-Tem McDonald and supported by Member Lewis:

WHEREAS, the City of Highland Park, County of Wayne, State of Michigan (the "City"), a municipal corporation of the State of Michigan (the "State"), has been duly created under the provisions of The Home Rule City Act, Act 279, Public Acts of Michigan, 1909, as amended ("Act 279"), pursuant to which the City has the comprehensive home rule power conferred upon it by Act 279 and the Constitution of the State of 1963 (the "Constitution"), subject only to the limitations on the exercise of that power contained in the Constitution, by statute of the State or by City Charter (the "City Charter") provisions; and

WHEREAS, pursuant to the City Charter, the City may borrow money for any purpose within the scope of its powers, may issue bonds or other evidences of indebtedness therefor, and may when permitted by the Constitution and the law, pledge the full faith, credit and resources of the City for the payment of those obligations; and

WHEREAS, the State has enacted the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), relative, inter alia, to the borrowing of money and the issuance of certain debt and securities, providing for tax levies, authorizing the issuance of certain debt and securities and to generally govern municipal finance practices in the State; and

WHEREAS, the City is defined to be a "municipality" under Act 34 that has the power to issue a security such as bonds, notes, contracts, obligations or other similar instruments; and

WHEREAS, the City previously issued its Unlimited Tax General Obligation Financial Recovery Bonds, Series 2008 (the "2008 Bonds"), and levies taxes without limitation as to rate

or amount (the "Unlimited Tax Levy") to pay the debt service on the 2008 Bonds, each pursuant to voter authorization approved at the general election held on November 6, 2007; and

WHEREAS, in connection with the restructuring of the 2008 Bonds, the City issued its Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I (the "2014 Note) pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended ("Act 243") and pledged for the payment of debt service on the 2014 Note the Unlimited Tax Levy and the City's revenue sharing payments; and

WHEREAS, as a result of the timing of the collection of taxes pursuant to the Unlimited Tax Levy in 2014 in relation to the issuance of 2014 Note, the City has accrued a balance (the "Accrued Balance") in its debt service fund related to the 2008 Bonds now securing payment of the 2014 Note; and

WHEREAS, in connection with the issuance of its 2018 Capital Improvement Bonds (Limited Tax General Obligation) (the "2018 Bonds"), the City entered into that certain Amended and Restated Debt Retirement Trust Agreement (the "Trust Agreement"), dated as of August 1, 2018, by and between the City and U.S. Bank National Association (the "Trustee"); and

WHEREAS, the Trust Agreement, which provides for the payment of the 2018 Bonds, the 2014 Note and all other City obligations secured by revenue sharing payments, requires the City to transfer all funds collected pursuant to the Unlimited Tax Levy to the Trustee; and

WHEREAS, in order to comply with the provisions of Act 34, the City must use the Accrued Balance to redeem a portion of the next annual principal maturities of the 2014 Note; and

WHEREAS, in connection with the redemption of a portion of the next annual principal maturities of the 2014 Note, the City desires to authorize the amendment of the 2014 Note in order to adjust to a level and/or accelerated debt service thereon to provide for an even Unlimited Tax Levy through final maturity date of the 2014 Note; and

WHEREAS, in connection with the amendment of the 2014 Note, the City desires to authorize certain officers of the City to take certain actions and to execute such documents as may be necessary, and make filings with the State of Michigan Department of Treasury (the "Department") and the Local Emergency Financial Assistance Loan Board (the "Board").

NOW, THEREFORE, BE IT ORDERED AND RESOLVED by the City Council of the City of Highland Park, that:

Section 1. The Mayor, the City Administrator, and the Finance Director of the City (each, an "Authorized Officer") are each authorized and directed to utilize up to One Million Two Hundred Thousand Dollars (\$1,200,000) of the Accrued Balance in order to redeem the next successive annual principal maturities on the 2014 Note in accordance with the terms thereof.

Section 2. Each Authorized Officer is hereby authorized to provide all notices, to execute such documents as may be necessary, and to make all required filings and applications with the Department and the Board to effectuate the redemption of certain maturities of the 2014 Note and to effectuate the amendment of the 2014 Note in order to amend the annual principal maturities thereof to achieve an even annual Unlimited Tax Levy through the final maturity date of the 2014 Note, as such maturity date may be accelerated as authorized herein.

Section 3. The Mayor and the City Clerk shall execute the amended 2014 Note on behalf of the City and the City's seal or facsimile thereof shall be imprinted or affixed thereon, and the fully executed amended 2014 Note shall be delivered to the Board as agent for the State.

Section 4. The City hereby acknowledges that the amendment of the 2014 Note may require the amendment of the underlying loan (the "Loan") which is evidenced by the 2014 Note. Each Authorized Officer is hereby authorized and directed to execute an amendment to the loan agreement (the "Amended Emergency Loan Agreement") pursuant to an Order of the Board (the "Order"), which Order and Amended Emergency Loan Agreement may contain terms and conditions of the Loan as amended. Each Authorized Officer is hereby authorized to accept such terms and conditions if he/she determines that accepting such terms and conditions is in the best interest of the City, and once accepted, such terms and conditions of any such Order and Amended Emergency Loan Agreement shall be binding on the City.

Section 5. Notwithstanding anything herein to the contrary, the Authorized Officers, City Clerk, City Attorney and any other official or employee of the City are each hereby authorized and ordered to take such action or execute such documents and certificates as may be necessary or desirable and in the best interest of the City in connection with the amendment delivery of the Note.

Section 6. The appointment of the law firm of Miller, Canfield, Paddock and Stone, P.L.C. of Detroit, Michigan as Note Counsel for the redemption and amendment of the 2014 Note is hereby ratified and confirmed notwithstanding the periodic representation by Miller, Canfield, Paddock and Stone, P.L.C. in unrelated matters of the State and other parties and potential parties, if any, to the issuance of the Note.

Section 7. The appointment of Robert W. Baird & Co., Incorporated, to act as Municipal Advisor to the City with respect to the redemption and amendment of the 2014 Note is hereby ratified and confirmed.

Section 8. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: 5 Members: President Patrick, Pro-Tem McDonald
Council member Woodard, Lewis + Marshall

NAYS: Members: ⊖

RESOLUTION DECLARED ADOPTED.

Brenda Green
Brenda Green
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Highland Park, County of Wayne , State of Michigan, at a regular meeting held on October 15, 2018, 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.

Brenda Green
Brenda Green
City Clerk

32233958.4\040441-00025

STATE OF MICHIGAN
COUNTY OF WAYNE
CITY OF HIGHLAND PARK

I, Brenda Green, Clerk of the City of Highland Park,
do hereby certify that the annexed is a true copy of:

Resolution amending resolution authorizing
redemption amendment of emergency loan note
approved by H.P. Council Regular Mtg Dec. 3, 2018

As appears by the files and records in my office, that I
have compared the same with the original and it is a
true transcript there from and of the whole thereof.
IN WITNESS WHEREOF, I have hereunto set my hand and
Affixed the corporate seal o the City of Highland Park

This 3rd day of December 20 18
City Clerk Brenda Green

**RESOLUTION AMENDING
RESOLUTION AUTHORIZING
REDEMPTION AND AMENDMENT OF
EMERGENCY LOAN NOTE (GENERAL OBLIGATION LIMITED TAX) 2013-14
SERIES I**

**City of Highland Park
County of Wayne, State of Michigan**

Minutes of a regular meeting of the City Council (the "City Council") of the City of Highland Park, County of Wayne, State of Michigan (the "City"), held on December 3, 2018, at 7:00 p.m., prevailing Eastern Time.

PRESENT: Members: President Patrick, Pro-Tem McDonald
Councilmembers Woodard, Lewis + Batts

ABSENT: Members: Ø

The following preamble and resolution were offered by Member Lewis and supported by Member Pro-Tem McDonald:

WHEREAS, the City previously issued its Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I (the "2014 Note") pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended ("Act 243"); and

WHEREAS, the City Council by resolution adopted on October 15, 2018 (the "Original Resolution"), authorized the Authorized Officers to (1) apply all or a portion of the Accrued Balance to redeem a portion of the next, successive annual principal maturities of the 2014 Note and (2) amend the 2014 Note in order to adjust to a level and/or accelerated debt service thereon to provide for an even Unlimited Tax Levy through final maturity date of the 2014 Note; and

WHEREAS, based on negotiations with representatives of the Department, the Board and their attorneys since the Original Resolution was adopted, the City Council desires to amend the Original Resolution to authorize the Authorized Officers to: (1) amend the 2014 Note (as amended, the "Amended Note") by a written instrument (the "Amendment to the Note") to provide for the prior redemption of all or a portion of the annual principal payments thereof in such order and in such amounts as mutually determined by the State of Michigan and the City and (2) apply all or a portion of the Accrued Balance to redeem a portion of the annual principal installments in accordance with the redemption provisions of the Amended Note.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Defined Terms. Capitalized terms used herein but not defined herein shall have the meanings assigned them in the Original Resolution.

2. Amendment to Section 1 of the Original Resolution. Section 1 of the Original Resolution is hereby amended and restated in its entirety as follows:

Section 1. The Mayor, the City Administrator, and the Finance Director of the City (each, an “Authorized Officer”) are each authorized and directed to utilize up to One Million Two Hundred Thousand Dollars (\$1,200,000) of the Accrued Balance in order to redeem the annual principal maturities on the 2014 Note in inverse order, or such other order as approved by an Authorized Officer upon the recommendation of the City’s Municipal Advisor and agreed to by the State, in accordance with the terms of the Amended Note.

3. Amendment to Section 2 of the Original Resolution. Section 2 of the Original Resolution is hereby amended and restated in its entirety as follows:

Section 2. Each Authorized Officer is hereby authorized to provide all notices, to execute such documents and certificates as may be necessary, and to submit and/or make all required requests, filings and applications with the Department and the Board to effectuate the redemption of certain maturities of the 2014 Note and to effectuate the amendment of the 2014 Note.

4. Amendment to Section 3 of the Original Resolution. Section 3 of the Original Resolution is hereby amended and restated in its entirety as follows:

Section 3. The Amendment to the Note shall be executed by the Mayor and the City Clerk on behalf of the City, and the fully executed Amendment to the Note shall be delivered to State in accordance with its delivery instructions.

5. Amendment to Section 4 of the Original Resolution. Section 4 of the Original Resolution is hereby amended and restated in its entirety as follows:

Section 4. The City hereby acknowledges that the amendment of the 2014 Note may require amendment of the underlying loan (the “Loan”) which is evidenced by the 2014 Note. If necessary, each Authorized Officer is hereby authorized to execute an amendment to the loan agreement (the “Amended Emergency Loan Agreement”) pursuant to an Order of the Board (the “Order”), which Order and Amended Emergency Loan Agreement may contain terms and conditions of the Loan as amended. Each Authorized Officer is hereby authorized to accept such terms and conditions if he/she determines that accepting such terms and conditions is in the best interest of the City, and once accepted, such terms and conditions of any such Order and Amended Emergency Loan Agreement shall be binding on the City.

6. Addition of Section 9 to the Original Resolution. The Original Resolution is hereby amended to add a new Section 9 as follows:

Section 9. The Amendment to the Note shall be in substantially the following form, with such modifications, additions, changes and deletions as may be required by the Board and approved by an Authorized Officer:

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION LIMITED TAX)
2013-14 SERIES I
OF THE
CITY OF HIGHLAND PARK
COUNTY OF WAYNE
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I, issued by the City of Highland Park, County of Wayne, State of Michigan (the "City"), is hereby agreed to by and between the City and the State of Michigan, as registered owner, on this ___ day of December, 2018.

WHEREAS, the City previously issued its Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I (the "2014 Note") pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended ("Act 243"); and

WHEREAS, the City and the State desire to amend the 2014 Note in order to authorize the redemption of the 2014 Note in any order of maturity as agreed to by the City and the State.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to the Note. The fourth full paragraph of the 2014 Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

2. 2014 Note Otherwise Unchanged. Except as explicitly amended hereby, the 2014 Note remains unchanged and in full force and effect.

IN WITNESS WHEREOF, this Agreement to Amend 2014 Note has been signed on behalf of the City and the State of Michigan as of the date first above written.

CITY OF HIGHLAND PARK

By _____

Hubert Yopp

Its: _____

Mayor

By Brenda Green
Brenda Green
Its: City Clerk

STATE OF MICHIGAN
as Registered Owner


By _____

Its: _____


7. Rescission and Amendment to Original Resolution. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be, and the same hereby are, rescinded. Except as otherwise amended by this resolution, all provisions of the Original Resolution shall remain in full force and effect.

8. Immediate Effect. This Resolution shall be effective immediately upon approval by the City Council.

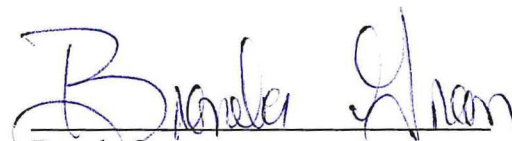
AYES: Members: President Patrick; Pro-Tom McDonald
Councilmembers Woodard, Lewis + Bates

NAYS: Members: 

RESOLUTION DECLARED ADOPTED.


Brenda Green
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Highland Park, County of Wayne, State of Michigan, at a regular meeting held on December 3, 2018, 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.


Brenda Green
City Clerk



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

NICK A. KHOURI
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2018-13

ORDER OF APPROVAL OF EMERGENCY LOAN NOTE AMENDMENT

**THE LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD,
ACTING UPON THE REQUEST OF**

**THE CITY OF HIGHLAND PARK
CHARTER COUNTY OF WAYNE
STATE OF MICHIGAN**

WHEREAS, The Local Emergency Financial Assistance Loan Board (the "Board") previously issued Order 2014-11 approving an emergency loan to the City of Highland Park (the "City") pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended ("Act 243");

WHEREAS, the City previously issued its Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I (the "2014 Note") pursuant to the provisions of Act 243 and Order 2014-11;

WHEREAS, the 2014 Note currently only permits redemptions of annual principal installments in direct order of maturity;

WHEREAS, the City and the Board desire to amend the 2014 Note (as amended, the "Amended 2014 Note") to authorize the redemption of the 2014 Note in any order of maturity agreed to by the City and the State of Michigan; and

WHEREAS, the City is also requesting the Board approve the redemption of all or a portion of the annual principal installments due on the Amended 2014 Note in the years 2032 through and including 2038.

NOW, THEREFORE, the Board orders the following:

1. Approval of Amendment. The Agreement to Amend the 2014 Note attached to this order as Exhibit A (the "Amendment to the 2014 Note") is hereby approved. The State Treasurer is hereby authorized and directed to execute the Amendment to the 2014 Note in the form attached hereto as Exhibit A.

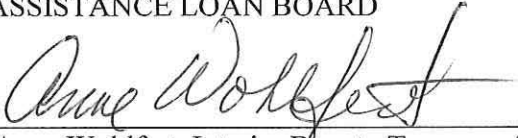
2. Redemption. The City is hereby authorized to redeem all or a portion of the annual principal installments due on the Amended 2014 Note in the years 2032 through and including 2038 in the amounts requested by the City. The State Treasurer is hereby authorized to execute on behalf of the Board any such agreements and take whatever actions he deems necessary to effectuate this redemption.

3. Future Redemptions. The State Treasurer is hereby delegated the authority to agree with the City on the application of future redemption proceeds to specific principal installments on the Amended 2014 Note and to execute on behalf of the Board any such agreements and to take whatever actions he deems necessary to effectuate any such future redemptions.


4. Effective Date. This Order of Approval shall have immediate effect.

IN WITNESS WHEREOF, the members of the Board have signed and executed this Order of Approval.

LOCAL EMERGENCY FINANCIAL
ASSISTANCE LOAN BOARD

By 
Anne Wohlfert, Interim Deputy Treasurer for Finance
As Designee for Nick A. Khouri, State Treasurer

By 
Mike Moody, Director, Office of Financial
Management
As Designee for David L. DeVries, Director
Department of Technology, Management and Budget

By 
Shelly Edgerton, Director
Department of Licensing and Regulatory Affairs

Dated: December 17, 2018
Lansing, Michigan

Exhibit A

AGREEMENT TO AMEND
EMERGENCY LOAN NOTE
(GENERAL OBLIGATION LIMITED TAX)
2013-14 SERIES I
OF THE
CITY OF HIGHLAND PARK
COUNTY OF WAYNE
STATE OF MICHIGAN

THIS Agreement to Amend Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I, issued by the City of Highland Park, County of Wayne, State of Michigan (the “City”), is hereby agreed to by and between the City and the State of Michigan, as registered owner, on this 17th day of December, 2018.

WHEREAS, the City previously issued its Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I (the “2014 Note”) pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended; and

WHEREAS, the City and the State desire to amend the 2014 Note in order to authorize the redemption of the 2014 Note in any order of maturity as agreed to by the City and the State.

NOW THEREFORE, in consideration of the foregoing, the parties hereby agree as follows:

1. Amendment to the Note. The fourth full paragraph of the 2014 Note is hereby amended and restated in its entirety as follows:

The Issuer shall have the right to pay at any time or times prior to maturity, without penalty or premium, all or any portion of this note. Prepayments shall be credited to principal payments in any order, in whole or in part, as mutually agreed to by the Issuer and the State of Michigan.

2. 2014 Note Otherwise Unchanged. Except as explicitly amended hereby, the 2014 Note remains unchanged and in full force and effect.

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IN WITNESS WHEREOF, this Agreement to Amend 2014 Note has been signed on behalf of the City of Highland Park and the State of Michigan as of the date first above written.

CITY OF HIGHLAND PARK

By _____
Hubert Yopp
Its: Mayor

By _____
Brenda Green
Its: City Clerk

STATE OF MICHIGAN
as Registered Owner

By _____
Its: _____



STATE OF MICHIGAN
DEPARTMENT OF TREASURY
LANSING

RICK SNYDER
GOVERNOR

NICK A. KHOURI
STATE TREASURER

LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD

ORDER 2018-13

ORDER OF DENIAL OF EMERGENCY LOAN NOTE AMENDMENT

**THE LOCAL EMERGENCY FINANCIAL ASSISTANCE LOAN BOARD,
ACTING UPON THE REQUEST OF**

**THE CITY OF HIGHLAND PARK
CHARTER COUNTY OF WAYNE
STATE OF MICHIGAN**

WHEREAS, The Local Emergency Financial Assistance Loan Board (the "Board") previously issued Order 2014-11 approving an emergency loan to the City of Highland Park (the "City") pursuant to the provisions of the Emergency Municipal Loan Act, Act 243, Public Acts of Michigan, 1980, as amended ("Act 243");

WHEREAS, the City previously issued its Emergency Loan Note (General Obligation Limited Tax) 2013-14 Series I (the "2014 Note") pursuant to the provisions of Act 243 and Order 2014-11;

WHEREAS, the 2014 Note currently only permits redemptions of annual principal installments in direct order of maturity;

WHEREAS, the City is requesting the Board to approve an amendment to the 2014 Note (as amended, the "Amended 2014 Note") to authorize the redemption of the 2014 Note in any order of maturity agreed to by the City and the State of Michigan; and

WHEREAS, the City is also requesting the Board approve the redemption of all or a portion of the annual principal installments due on the Amended 2014 Note in the years 2032 through and including 2038.

NOW, THEREFORE, the Board orders the following:

1. Denial of Amendment. The Agreement to Amend the 2014 Note attached to this order as Exhibit A is hereby denied.

2. Redemption. The City's request to redeem all or a portion of the annual principal installments due on the 2014 Note in the years 2032 through and including 2038 is hereby denied.

3. Effective Date. This Order of Denial shall have immediate effect.

IN WITNESS WHEREOF, the members of the Board have signed and executed this Order of Denial.

LOCAL EMERGENCY FINANCIAL
ASSISTANCE LOAN BOARD

By _____
Anne Wohlfert, Interim Deputy Treasurer for Finance
As Designee for Nick A. Khouri, State Treasurer

By _____
Mike Moody, Director, Office of Financial
Management
As Designee for David L. DeVries, Director
Department of Technology, Management and Budget

By _____
Shelly Edgerton, Director
Department of Licensing and Regulatory Affairs

Dated: December 17, 2018
Lansing, Michigan

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CITY OF HIGHLAND PARK

By _____
Hubert Yopp
Its: Mayor

By _____
Brenda Green
Its: City Clerk

STATE OF MICHIGAN
as Registered Owner

By _____
Its: _____