



To: The City of the Village of Douglas City Council

From: Lisa Nocerini, City Manager

RE: Engagement of Miller Canfield Bond Counsel for Capital Improvement Bonds – 415 Wiley Road Renovation

Date: October 7, 2024

This memo is to inform the City Council of the opportunity to engage bond counsel for the issuance of capital improvement bonds to finance the renovation of 415 Wiley Road for use as City Hall and the Police Department. The bond counsel has outlined the scope of their services, and we recommend moving forward with the engagement to ensure a smooth and legally compliant bond issuance process.

Bond counsel will serve as the legal expert responsible for providing an objective legal opinion regarding the issuance of the bonds. Their work includes:

Providing Legal Opinion: They will render an approving opinion on the bonds' legal validity, enforceability, and tax-exempt status. This opinion will be delivered upon the exchange of the bonds for their purchase price.

Document Preparation: They will prepare all necessary resolutions, notices, agreements, and other documents for bond authorization, issuance, and delivery.

Tax Compliance: An attorney specializing in tax law will examine and ensure compliance with federal tax regulations concerning municipal tax-exempt bonds.

Assistance with Treasury and IRS Filings: Bond counsel will assist with the required filings with the Michigan Department of Treasury and the Internal Revenue Service.

Sale and Delivery: They will participate in the bond sale and delivery process to handle any legal matters that may arise.

Bond counsel will work closely with the City to provide the following services:

- Meeting with City officials and the City Council (if requested) to explain the legal aspects of the bond issuance.

- Preparing all necessary legal documents.
- Assisting in developing a bond issuance timeline and structure.
- Providing guidance on tax-related issues.

I am respectfully recommending the City Council approve the engagement of bond counsel to support the issuance of the capital improvement bonds. This engagement is essential for ensuring the proper legal framework is in place as we proceed with financing the renovation of 415 Wiley Road.