

CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN

RESOLUTION SUBMITTING PUBLIC SAFETY FACILITIES BOND PROPOSAL

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on March 10, 2025, at 7 o'clock P.M. Prevailing Eastern Time.

PRESENT: Councilmembers_____

ABSENT: Councilmembers_____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS, the City Council (the "City Council") of the City of Novi (the "City") has determined that it is necessary to pay the cost of acquiring, constructing, furnishing and equipping a new public safety facility including police department and fire department facilities, two new fire department facilities to replace Fire Stations 2 and 3, and renovations to Fire Station 4, including site acquisition, demolition, and related road and site improvements (the "Project"); and

WHEREAS, the City Council has determined that the City should borrow money in an amount not to exceed One Hundred Twenty Million Dollars (\$120,000,000) and issue general obligation unlimited tax bonds of the City, in one or more series, in such amount for the purpose of paying all or part of the cost of the Project; and

WHEREAS, the City Council has determined that a proposal to issue the bonds for the Project shall be submitted to the qualified electors of the City at an election to be held in the City on Tuesday, August 5, 2025 (the "Election Date"); and

WHEREAS, in order for the bond proposal to be submitted to the qualified electors, it is necessary for the City Council to certify the ballot wording of the proposal to the City Clerk and to the County Clerk of the County of Oakland (the "County Clerk"), as required by Act 116, Public Acts of Michigan, 1954, as amended (the "Michigan Election Law").

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The bond proposal attached hereto as Exhibit A (the "Bond Proposal") shall be submitted to a vote of the qualified electors of the City on the Election Date.

2. The ballot wording of the Bond Proposal is hereby certified to the City Clerk and the County Clerk of the County of Oakland for submission to the City's electors on the Election Date. The City Clerk is hereby authorized and directed to file this Resolution and/or complete any such forms, certificates or documents as may be required by the County Clerk to evidence the foregoing certification and/or submission by no later than Tuesday, May 13, 2025.
3. The City Clerk and the County Clerk are hereby directed to (a) post and publish notice of last day of registration and notice of election as required by the Michigan Election Law; and (b) have prepared and printed, as provided by the Michigan Election Law, ballots for submitting the bond proposal at the election, which ballots shall contain the proposal appearing herein, or the proposition shall be stated as a proposal on the voting machines, which ballots may include other matters presented to the electorate on the same date.
4. The estimated millage rate in the first year and simple average annual millage rate set forth in the Bond Proposal, which have been prepared for the City by PFM Financial Advisors, LLC, financial advisors to the City, are reasonable estimates of such millage rates based on current assumptions.
5. The City may incur expenditures for the Project prior to receipt of proceeds of the Bonds and may advance moneys for that purpose from funds available to the City, to be reimbursed from proceeds of the Bonds when available. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:
 - a) If the ballot proposal is approved by the electors, the City reasonably expects to reimburse itself with proceeds of the Bonds for certain costs of the Project which were paid or will be paid from available funds of the City subsequent to sixty (60) days prior to today.
 - b) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$120,000,000.
 - c) A reimbursement allocation of the capital expenditures described above with the proceeds of the Bonds will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the Bonds to reimburse the City for a capital expenditure made pursuant to this resolution.

6. All resolutions and parts of resolutions, insofar as they conflict with the provisions of this resolution, are hereby repealed.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson, City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this 10th day of March, 2025, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi

EXHIBIT A

Public Safety Facilities Bond Proposal

Shall the City of Novi, Michigan, borrow the principal sum of not to exceed One Hundred Twenty Million Dollars (\$120,000,000), and issue its unlimited tax general obligation bonds, in one or more series, payable in not to exceed twenty-five (25) years from the date of issue, to pay the cost of acquiring, constructing, furnishing and equipping a new public safety facility including police department and fire department facilities, two new fire department facilities to replace Fire Stations 2 and 3, and renovations to Fire Station 4, including site acquisition, demolition, and related road and site improvements? If approved, the estimated millage to be levied in 2026 is 1.0 mills (\$1.00 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 0.95 mills (\$0.95 per \$1,000 of taxable value).

YES ☐

NO ☐

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