



# REQUEST FOR PROPOSAL

INSTALLMENT PURCHASE FINANCING

Responses to this proposal are due by 2:00 p.m.,  
Monday December 12, 2016

# CHARTER TOWNSHIP OF TEXAS

## REQUEST FOR PROPOSALS

December 12, 2016

To Interested Parties:

The Charter Township of Texas, Michigan (the "Township") is currently planning to enter into an Installment Purchase Contract, pursuant to Act 99 of the Public Acts of Michigan of 1933, as amended, with a third party vendor or vendors in the aggregate principal financed amount not to exceed this \$525,000, to provide funds for the purpose of financing the Township's portion of the cost of the sidewalk project for the Texas Township Downtown Development Authority (DDA) and Texas Corners Corridor and Pathway Enhancement Special Assessment District. Security for the funds to be received pursuant to the Installment Purchase Contract will be the pledge of the Township's limited full faith and credit and limited taxing power.

It is the intent of the Township to solicit bids from investors who may be interested in receiving an assignment of the vendor's interest in the Installment Purchase Contract. Enclosed with this letter is a list of the minimum information required for a bid to receive consideration. Sealed bids will be accepted in person by 2 p.m., Monday December 12, 2016, in the office of the Township Clerk, Charter Township of Texas, 7110 West Q Avenue, Kalamazoo, MI 49009.

The Township reserves the right to reject any and all bids, or to negotiate separately with any source whatsoever in any manner necessary to serve the best interests of the Township.

Thank you for your interest in this matter.

Sincerely,

Julie VanderWiere

Texas Township Superintendent

# CHARTER TOWNSHIP OF TEXAS

## REQUEST FOR PROPOSALS

### *Installment Purchase Contract*

|                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Issuer</b>                | Charter Township of Texas, County of Kalamazoo, Michigan (the "Township")                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Statutory Authority</b>   | Act 99 of the Public Acts of Michigan of 1933, as amended                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Security</b>              | The payments of principal and interest under the Installment Purchase Contract will be secured by a limited tax general obligation full faith and credit pledge of the Township and payable from the general funds of the Township and such other funds as are lawfully available. The full faith and credit and limited taxing power of the Township is pledged for payment of the principal and interest, subject to applicable constitutional and statutory tax rate limitations.                                                                                                                                                                              |
| <b>Amount to be Financed</b> | Not to exceed \$525,000.00                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Date of Issue</b>         | Date of Delivery, estimated on or about February 1, 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Interest</b>              | Interest will be based upon a 30-day month and a 365 day year. Interest will be payable from the date funds are disbursed.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Financing Term</b>        | Approximately ten (10) years, with principal and interest due semi-annually on March 1st and September 1st of each year, commencing on March 1, 2017                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Ratings</b>               | No request for a rating on the debt will be made by the Township                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Funding Amount</b>        | Up to \$525,000                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Form of Debt</b>          | Installment Purchase Contract. The successful bidder will be required to receive an assignment of the Installment Purchase Contract.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Delivery</b>              | Delivery/Closing to occur within the Township or by overnight courier                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Tax Exemption:</b>        | <p>The Township intends to comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied in order that interest on the Installment Purchase Contract be and continue to be excludable from gross income for federal and Michigan income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Installment Purchase Contract to be included in gross income retroactively to the date of issuance of the Installment Purchase Contract.</p> <p>NO OTHER PROVISIONS OR CONDITIONS TO THE TAX EXEMPTION OF THE INTEREST UNDER THE CONTRACT WILL BE ACCEPTED BY THE TOWNSHIP,</p> |

AND EACH BIDDER, BY SUBMISSION OF SUCH A BID AGREES THAT ANY LANGUAGE IN A BID PURPORTING TO INCLUDE ANY ADDITIONAL PROVISIONS OR CONDITIONS SHALL BE INEFFECTIVE.

**Bank Qualified**

The Township will designate the Installment Purchase Contract as a “qualified tax exempt obligation” pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended, for the purpose of deduction of interest expense by financial institutions.

**Contact**

For further information contact:  
Julie VanderWiere, Township Superintendent  
Charter Township of Texas  
7110 West Q Avenue  
Kalamazoo, MI 49009  
269.375.1591

# CHARTER TOWNSHIP OF TEXAS

## REQUEST FOR PROPOSALS

### *Installment Purchase Contract*

#### Proposals

All proposals received in response to the RFP will be retained. To be considered bidders:

- A. Must submit a complete response which must be consistent with the RFP.
- B. Proposals must be signed by an official authorized to bind the bidder to its provisions.
- C. Proposals must include a statement as to the period during which the proposal remains valid, until January 9, 2017.
- D. Must not include additional provisions or conditions or otherwise qualify their bid. Each bidder, by submission of such bid to the Township, agrees that any language in a bid purporting to include any additional provisions or conditions or qualification shall be ineffective.

#### Rejection of Proposals

The Township reserves the right to reject any and all proposals received as a result of this RFP, or to negotiate separately with any source whatsoever in any manner necessary to serve the best interests of the Township.

#### Special Information

- A. **Addenda to the RFP.** In the event it becomes necessary to revise any part of this RFP, addenda will be provided to all parties who received the original RFP.
- B. **Response Date and Award.** Sealed Bids must be received either in person or by mail by December 12, 2016 at 2:00 p.m., in the office of the Township Clerk, Charter Township of Texas, 7110 West Q Avenue, Kalamazoo, MI 49009, and the award, if any, is expected to be made on January 9, 2017, at a regular meeting of the Township Board of Trustees.
- C. **Incurred Costs.** The Township is not liable for costs incurred by any parties prior to issuance of the Installment Purchase Contract. The Township will not pay for any legal expense incurred by a bidder in connection with the Request for Proposal.

# CHARTER TOWNSHIP OF TEXAS

## REQUEST FOR PROPOSALS

### *Bid Response Form*

December 12, 2016

Ms. Linda Kerr  
Township Clerk  
Charter Township of Texas, Michigan

Re: Charter Township of Texas, County of Kalamazoo, State of Michigan Act 99  
Installment Purchase Contract

Reference is made to your "Request for Proposal" covering the Installment Purchase Contract which is incorporated herein by reference.

For the assignment of the vendors' interests in the legally issued Installment Purchase Contract, we will pay you the aggregate principal amount of \$525,000.00 and we understand that the Township may reduce the amount to be financed prior to closing. Interest will begin to accrue on the date funds are delivered at the following rate of interest per annum:

| <b>Financing Term</b> | <b>Rate of Interest</b> |
|-----------------------|-------------------------|
| Ten (10) Years        | _____ %                 |

The installment payments of principal and interest are due semi-annually on each March 1 and September 1, commencing March 1, 2017. Payments of principal and interest for the Installment Purchase Contract shall be as follows:

(please include payment schedules for a ten (10) year financing term detailing principal maturities, interest payments and interest rate per annum.)

Name of Institution: \_\_\_\_\_

Contact Name: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone #: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

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