

RESOLUTION 2019-008  
Town of Lawrence, Wisconsin

Authorizing Investors Community Bank Loan for Purchase of VanGheem Trust Land in Town of  
Lawrence TIF District #2

Adopted at an Open Meeting held May 13, 2019

WHEREAS the Town of Lawrence, Brown County, Wisconsin ("Town"), is presently in need of funds up to a maximum aggregate amount of \$613,000 for the public purpose of:

Acquiring land located in or adjacent to the boundaries of the Town in order to sell it to developers to be subdivided and/or appropriately developed in accordance with the best interests of the economic development of the Town. and;

WHEREAS, the Town Board deems it necessary and in the best interests of the Town that, pursuant to the provisions of Section 67.12(1), Wisconsin Statutes, it shall borrow the sum of up to \$613,000 for such purposes upon the terms and conditions hereinafter set forth, and;

WHEREAS, the Town has or will enter into contracts to sell the property intended to be acquired at a price in excess of \$613,000 within six months of the date of issuance of the Note;

NOW, THEREFORE, BE IT RESOLVED, that for the purposes hereinabove set forth the Town, by its Chairperson, and Clerk, pursuant to Section 67.12(12), Wisconsin Statutes, shall borrow from Investors Community Bank, ("Lender"), in a single advance, a maximum aggregate amount of \$613,000, or, if less, the aggregate principal amount as may be required to meet the above stated purpose; and

BE IT FURTHER RESOLVED, that such advance shall be requested in writing by the Town Clerk and/or Town Chairman, which request may be conclusively relied upon by Lender; and

BE IT FURTHER RESOLVED, that to evidence such indebtedness, said Chairperson and Town Clerk shall make, execute and deliver to the Lender for and on behalf of the Town the promissory note of the Town to be dated May 20, 2019 (the "Promissory Note"), in said principal amount with interest at the rate of 6.32% per annum and payable as set forth in the form of promissory note attached hereto and made a part hereof.

BE IT FURTHER RESOLVED, that in the event the Note is not paid in full at the time of the levy of the 2020 taxes, that a direct annual irrepealable tax sufficient in amount to pay the interest and principal due on said Promissory Note in calendar year 2020 shall be imposed, and that the Promissory Note shall be paid in full upon collection of sufficient taxes for such purpose. Notwithstanding that proceeds from the sale of the properties being acquired with the proceeds of the loan are intended to be used to pay the principal and interest on the Promissory Note, the Promissory Note shall be a general obligation of the Town. If at any time there shall be on hand insufficient funds from the aforesaid sources to meet principal and/or interest payments on said Promissory Note when due, the requisite amount shall be paid from other funds of the Town then available.

BE IT FURTHER RESOLVED, that there be and there hereby is established in the treasury of the Town, if one has not already been established, a debt service fund, separate and distinct from every other fund, which shall be maintained in accordance with generally accepted accounting principles. Sinking funds established for obligations previously issued by the Town may be considered as separate and distinct accounts within the debt service fund. Within the debt service fund, there be and there hereby is established a separate and distinct account designated as the "Debt Service Account for Promissory Note dated May 20, 2019," which account shall be used solely for the purpose of paying principal of and interest on said Promissory Note. There shall be deposited in said account any accrued interest paid on said Promissory Note at the time it is delivered to the Lender, all money raised by the sale of the properties being acquired with the proceeds of the loan evidenced by the Promissory Note, and such other sums as may be necessary to pay principal and interest on said Promissory Note when the same shall become due.


BE IT FURTHER RESOLVED, that the Town Clerk shall keep records for the registration and for the transfer of the Promissory Note. The person in whose name the Promissory Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes and payment of either principal or interest on the Promissory Note shall be made only to the registered owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Promissory Note to the extent of the sum or sums so paid. The Promissory Note may be transferred by the registered owner thereof by presentation of the Promissory Note at the office of the Town Clerk, duly endorsed for the transfer or accompanied by an assignment duly executed by the registered owner or his legal representative duly authorized in writing. Upon such presentation, the Promissory Note shall be transferred by appropriate entry in the registration records and a similar notation, including date of registration, name of new registered owner and signature of the Town Clerk, shall be made on such Promissory Note.

BE IT FURTHER RESOLVED, that the Town officials are hereby authorized and directed, so long as said note is outstanding, to deliver to the Lender any audit statement or other financial information the Lender may reasonably request and to discuss its affairs and finances with the Lender.

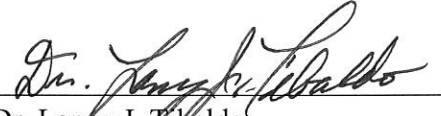
BE IT FURTHER RESOLVED, that said Promissory Note shall be delivered to the Lender on or after the date of said Promissory Note, upon receipt of the total principal amount of the loan evidenced thereby, plus accrued interest, if any, to date of delivery, provided that, as this is a current refunding with respect to a portion of the loan, the notes being refunded shall be immediately cancelled upon the issuance of the Promissory Note.

TOWN OF LAWRENCE

Adopted May 13, 2019

By:   
Cindy Kocken, Town  
Clerk-Treasurer

Approved May 13, 2019

By:   
Dr. Lanny J. Tibaldo,  
Town Chairman