Redevelopment Authority of the City of Milwaukee

Resolution No.:	**10344**
Adopted on:	March 15, 2012
Project / Area:	Avenues West/27th and Wisconsin
Aldermanic District:	4th

Initial Resolution Regarding Midwestern Disaster Area Revenue Bond Financing for WIS27, LLC.

Whereas, the Redevelopment Authority of the City of Milwaukee, Wisconsin (the "Authority") is a redevelopment authority organized and existing under and pursuant to the laws of the State of Wisconsin and is authorized by Section 6.1333 of the Wisconsin Statutes, as amended (the "Act"):

(a) to acquire any real or personal property necessary or incidental to a redevelopment project; to improve any such property; and to sell, lease, or otherwise dispose of such property; and

(b) to enter into contracts with redevelopers of property containing covenants, restrictions, and conditions regarding the use of such property for the purpose of eliminating the status as blighted property; and

(c) to issue bonds or other indebtedness to finance its activities under the Act; and

Whereas, WIS27, LLC, a Wisconsin limited liability company (the "Company"), and/or some or all of the members of the Company or principals of member(s) of the Company (individually or as a part of any combination, joint venture, limited liability company, limited liability partnership or partnership of which any of the foregoing are a part) (the foregoing are collectively referred to herein as the "Project Owner"), desires to finance a project to be owned by the Project Owner consisting of the (a) acquisition of approximately two acres of land located at the corner of West Wisconsin Avenue and North 27th Street in the City of Milwaukee, Wisconsin (the "Land"), (b) construction of an approximately 64,000 square foot office building and associated parking on the Land (the "Facility"), (c) acquisition and installation of furniture, fixtures and equipment at the Facility and (d) payment of professional fees associated with the financing (collectively, the "Project"), all of which would contribute to the well-being of the City of Milwaukee, Wisconsin (the "City"); and

Whereas, the Project Owner has represented to the Authority that it would be an encouragement and inducement for the Project Owner to proceed if all or a portion of the Project could be financed with Midwestern disaster area revenue bonds; and

Whereas, the eligible costs of the Project are presently estimated to be $10,400,000 and the amount proposed to be financed with Midwestern disaster area revenue bonds, to be issued in one or more series of tax-exempt and/or taxable bonds, does not exceed $10,400,000; and

Whereas, JPMorgan Chase Bank, N.A. or another lender to be selected by the Project Owner shall be the underwriter/purchaser for said Midwestern disaster area revenue bonds; and

Whereas, it is the finding and determination of this body that the public interest will be served if the Authority were to provide financing under the Act for the Project in the City; now therefore, be it

Resolved, by the commissioners of the Authority as follows:

1. Subject to the conditions specified in paragraph 2, the Authority shall pursue and consummate a financing having the following elements:

(a) The borrower under such financing shall be the Project Owner or any other entity that the Project Owner designates to obtain a loan of the proceeds of said Midwestern disaster area revenue bonds (the foregoing are collectively referred to herein as the "Borrower").

(b) The Authority shall issue Midwestern disaster area revenue bonds, in one or more series of tax-exempt and/or taxable bonds, pursuant to the Act, at one or more times and in one or more series, in such aggregate principal amount not in excess of $10,4 00,000 as the Borrower shall request; provided, however, that the actual aggregate principal amount shall not be greater than the sum of the then estimated aggregate cost of financing the Project, plus the amount necessary to fund any reserve deemed necessary or desirable, plus the estimated financing and bond issuance costs (the "Bonds").

(c) The Bonds shall be limited obligations of the Authority payable by the Authority solely out of revenues derived from the Borrower or otherwise provided for pursuant to the terms of a loan agreement to be entered into between the Authority and the Borrower.

(d) The Borrower shall acquire, construct, or install the Project and provide the Authority with revenues sufficient to pay when due the principal of, premium, if any, and interest on the Bonds.

(e) The Bonds shall have such maturities, interest rates, and redemption limitations as the Borrower and the initial bond purchaser(s) shall propose.

2. The issuance of the Bonds by the Authority shall be on the following conditions:

(a) The Bonds shall not constitute an indebtedness of the Authority or the City within the meaning of any State constitutional provision or statutory limitation.

(b) The Bonds shall not constitute or give rise to a pecuniary liability of the Authority or the City or a charge against the City's or Authority's general credit or the City's taxing powers.

(c) The Borrower shall be responsible for finding a purchaser or purchasers for all of the Bonds.

(d) Prior to the issuance of the Bonds, this body, by further resolution, shall have authorized and approved all of the terms and conditions of the Bonds and the terms and conditions of the financing.

(e) The Bonds shall be issued pursuant to the Act, and the delivery of the Bonds shall be accompanied by the unqualified approving legal opinion of a nationally recognized firm of bond attorneys as shall be acceptable to the Authority and the Borrower.

(f) All out-of-pocket costs of the Authority and City, including attorneys' fees and the customary fee of the Authority in connection with the issuance and sale of the Bonds shall be paid either from the proceeds of the Bonds or by the Borrower.

(g) A notice of public hearing required by federal law for purposes of Section 147(f) of the Internal Revenue Code, as amended, shall be published in a newspaper of general circulation in the City of Milwaukee to provide interested individuals or parties the opportunity to testify.

(h) All documents in connection with the issuance of the Bonds shall have been duly executed and delivered by the parties.

(i) The Borrower shall enter into one or more agreements with the Authority to use its "best efforts," as defined in such agreement(s), that it has used and will use certified small business enterprises in renovating, rehabilitating and equipping future projects.

3. This Resolution is an official action toward the issuance of the Bonds for purposes of Section 103 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

4. Based upon representations by the Borrower, the Authority reasonably expects to reimburse the expenditures with proceeds of the Bonds issued by the Authority in a principal amount which will not exceed $10,400,000.

5. No Bonds shall be issued until the terms and conditions of any guidelines or resolutions governing the issuance of revenue bonds which may be adopted by the Authority have been complied with.

6. Upon the issuance of the Bonds, the Borrower shall pay to the Authority an issuance fee of 0.75% of the principal amount of the Bonds.

7. This Resolution shall be effective immediately upon its passage and approval.

CERTIFICATION

I certify that the forgoing is a true and exact copy of a resolution adopted by the Redevelopment Authority of the City of Milwaukee, WI on the date set forth above.

(seal)

David P. Misky
Assistant Executive Director – Secretary