Redevelopment Authority of the City of Milwaukee

Resolution No.:	**10384**
Adopted on:	November 15, 2012
Project / Area:	Bonds
Aldermanic District:	4th

Resolution Authorizing Issuance and Sale of Multifamily Housing Revenue Refunding Bonds, Series 2012 (Boulevard Apartments Project).

Whereas, the Redevelopment Authority of the City of Milwaukee, Wisconsin (the "Authority") is a redevelopment authority organized by the City of Milwaukee, Wisconsin (the "City"), and existing under and pursuant to the laws of the State of Wisconsin and is authorized by Wisconsin Statutes section 66.1333, as amended (the "Act"):

1. To assist private acquisition, improvement and development of blighted property;

2. To enter into contracts with redevelopers of property; and

3. To issue bonds or other indebtedness to finance its activities.

Whereas, on July 31, 2007 the Authority issued its Multifamily Housing Revenue Bonds, Series 2007 (Boulevard Apartments Project) (the "Refunded Bonds") to finance the acquisition and renovation of six buildings containing 235 rental units for occupancy by persons and families of low and moderate income located at 2736, 2830, 2850, 2900 and 3006 West Highland Avenue and 1130 North 29th Street (the "Project") in the City of Milwaukee (the "City") by SA Boulevard Apartments LLC, a Wisconsin limited liability company (the "Owner"); and

Whereas, the Refunded Bonds were purchased by Citibank, N.A. (the "Lender") and the proceeds were loaned to the Owner; and

Whereas, the revenues of the Project have not been sufficient to pay principal of and interest on the Refunded Bonds when due, in accordance with their terms, and the Owner and the Lender have agreed upon terms of restructuring of the loan.

Whereas, the Owner has requested the Authority to issue its Multifamily Housing Revenue Refunding Bond, Series 2012A (Boulevard Apartments Project) (the "Series 2012A Bond") and its Multifamily Housing Revenue Refunding Bond, Series 2012B (Boulevard Apartments Project) (the "Series 2012B Bond," and together with the Series 2012A Bond, the "Bonds") in an aggregate amount of up to $3,800,000, to be delivered to the Lender in exchange for the Refunded Bonds; and

Whereas, the Owner has presented the Authority with proposed documentation for the Bonds (collectively, the "Bond Documents"), as follows:

(a) an Amended and Restated Loan Agreement (the "Loan Agreement") to be entered into between the Authority and the Owner providing for a loan of the Bond proceeds to the Owner on repayment terms scheduled to provide the Authority with revenues sufficient to retire the Bonds in accordance with their terms;

(b) a Pledge Agreement (the "Pledge Agreement") to be entered into between the Authority and the Lender pursuant to which the Authority will pledge its right, title and interest in and to the Loan Agreement as security for the Bonds;

(c) Amendments to Regulatory Agreements (collectively, the "Regulatory Agreement") to be entered into among the Authority, the Owner and the Lender updating the existing Regulatory Agreements with respect to the operation of the Project;

(d) a Tax Agreement (the "Tax Agreement") to be entered into between the Authority and the Owner containing representations and covenants relating to the exemption of interest on the Series 2012A Bond from federal income tax; and

(e) the forms of the Series 2012A Bond and the Series 2012B Bond; and

Whereas, it is the finding and determination of this body that the public interest will be served if the Authority were to issue the Bonds under the Act to refinance the Project; now, therefore, be it

Resolved:

1. Additional Findings and Determinations. The Authority finds and determines and hereby declares that:

(a) the Loan Agreement will constitute a revenue agreement to provide the Authority with income and revenues sufficient for the prompt payment of the principal of and interest on the Bonds; and

(b) based solely on the representations of the Owner, the estimated costs of the refinancing will not be less than $3,800,000.

2. Approval of Loan Agreement. The Loan Agreement is hereby approved. The Chairperson or Vice Chairperson and the Executive Director or Assistant Executive Director are hereby authorized for and in the name of the Authority to execute and deliver the Loan Agreement in the form thereof presented herewith or with such insertions therein or corrections thereto as shall be approved by them consistent with this resolution, their execution thereof to constitute conclusive evidence of their approval of any such insertions and corrections.

3. Authorization to Borrow and to Lend. The Authority, at the request of the Owner, shall borrow, but only in the manner herein recited, the sum of up to $3,800,000 for the purpose of refunding the Refunded Bonds. Said borrowing shall be accomplished through the sale of the Bonds issued pursuant to the Act. The Lender shall exchange the Refunded Bonds for the Bonds, thereby refinancing the existing loan which financed the Project.

4. Designation, Denomination, Tenor and Maturity of Bonds Created for Issuance. The Bonds shall be issued in two series, the Series 2012A Bond and the Series 2012B Bond, in the aggregate principal amount of up to $3,800,000. The Series 2012A Bond shall be designated:

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE
MULTIFAMILY HOUSING REVENUE REFUNDING BOND, SERIES 2012A
(BOULEVARD APARTMENTS PROJECT)

The Series 2012B Bond shall be designated:

REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE
MULTIFAMILY HOUSING REVENUE REFUNDING BOND,
SERIES 2012B (BOULEVARD APARTMENTS PROJECT)

The Bonds shall initially bear interest at the rate of 5.50% per annum. The Bonds shall be issued in such denominations, numbered, be payable, mature, be subject to redemption prior to maturity and have such other provisions as are set forth in the forms of the Bonds (including, without limitation, provisions which authorize the establishment of a new interest rate under the circumstances set forth therein). The execution and delivery of the Bonds by the officers of the Authority authorized to do so under section 5 of this Resolution shall be conclusive evidence of their approval of thereof.

5. Execution and Authentication of Bonds. The Bonds shall be executed on behalf of the Authority by the Chairperson or Vice Chairperson and by its Executive Director/Secretary or Assistant Executive Director/Secretary. The signatures of the Chairperson or Vice Chairperson and the Executive Director/Secretary or Assistant Executive Director/Secretary may be manual or facsimile.

6. Bonds as Limited Obligations. The Bonds shall be limited obligations of the Authority, payable by it solely from the payments provided by the Owner pursuant to the Loan Agreement and shall not constitute a general or moral obligation or a pledge of the faith or credit of the Authority or the City or any taxing power of the City. The Bonds and the interest thereon shall not be a debt of the City, the State of Wisconsin or any subdivision thereof nor shall any of them be liable thereon. The members of the governing body of the Authority and all officers or employees of the Authority shall have no personal liability on the Bonds or for any act or omission related to the authorization or issuance of the Bonds.

7. Pledge of Revenues. The Bonds shall be limited obligations of the Authority payable by it solely from revenues and income derived by or for the account of the Authority from or for the account of the Owner pursuant to the terms of the Loan Agreement; but excluding any amounts derived by the Authority for its own account pursuant to the terms of the Loan Agreement.

As security for the payment of the principal of, premium, if any, and interest on the Bonds, the Authority shall pledge and assign to the Lender all of its right, title and interest in and to the Loan Agreement (except for its rights to receive and enforce payment of certain expenses and indemnity payments from the Owner as set forth in the Loan Agreement) as set forth in the Pledge Agreement.

8. Determination of Revenue Payment. The amount necessary in each year to pay the principal of, premium, if any, and interest on the Bonds is the sum of (i) the amount of principal becoming due in such year (as reduced from time to time by reason of prior redemptions of Bonds); plus (ii) the amount of interest on the Bonds becoming due in such year.

In expressing the Owner's obligation to make the necessary revenue payments, it shall suffice herein and in the Loan Agreement to state that the Owner shall be obligated to pay the Authority (or the Lender for the account of the Authority) amounts sufficient to pay when due the principal of, premium, if any, and interest on the Bonds.

The Loan Agreement contains provisions, adequate in the judgment of the Lender, requiring the Owner to provide for the maintenance of the Project and the carrying of all proper insurance with respect thereto. Consequently, the Owner need not be required to pay amounts into any reserve funds for the retirement of the Bonds or for the maintenance of the Project.

9. Award of Bonds. The Owner has negotiated with the Lender for the exchange of the Bonds for the Refunded Bonds upon the terms and conditions set forth in the Bond Documents. Given the purposes of the financing and the involvement of the Authority therewith, it is the determination of this body that the Bonds shall be hereby awarded to the Lender on such terms and conditions.

10. Execution and Delivery of the Bond Documents. The terms and provisions of the Bond Documents are hereby approved. The Chairperson or Vice Chairperson and the Executive Director/Secretary or Assistant Executive Director/Secretary are hereby authorized for and in the name of the Authority to execute and deliver the Bond Documents in the respective forms thereof presented herewith, or with such insertions therein or corrections thereto as shall be approved by the Chairperson or Vice Chairperson and Executive Director/Secretary or Assistant Executive Director/Secretary consistent with this Resolution and the terms of the Act, their execution thereof to constitute conclusive evidence of their approval of any such insertions and corrections.

11. Execution and Delivery of the Bonds. The Chairperson or Vice Chairperson and the Executive Director/Secretary or Assistant Executive Director/Secretary are hereby authorized for and in the name of the Authority to execute the Bonds in the manner authorized by paragraph 5 of this Resolution. The Authority shall deliver the Bonds to the Lender.

12. General Authorizations. The Chairperson or Vice Chairperson and the Executive Director/Secretary or Assistant Executive Director/Secretary and the appropriate deputies and officials of the Authority in accordance with their assigned responsibilities are hereby each authorized to execute, publish, file and record such other documents, instruments, notices (including Internal Revenue Service form 8038) and records and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution and to comply with and perform the obligations of the Authority under the Bond Documents. In particular, they are authorized and directed to publish the Notice to Electors (attached hereto as Exhibit A) pursuant to Wis. Stats. § 893.77.

In the event that said officers shall be unable by reason of death, disability, absence or vacancy of office to perform in timely fashion any of the duties specified herein (such as the execution of the Bonds and the Bond Documents), such duties shall be performed by the officer or official succeeding to such duties in accordance with law and the rules of the Authority.

13. Fee. The Bond Documents shall contain provisions requiring the Owner to pay a fee of 1/4 of 1% of the principal amount of the Bonds to the Authority on the date of issuance of the Bonds.

14. Effective Date; Conformity. This Resolution shall be effective immediately upon its passage and approval. To the extent that any prior resolutions of this body are inconsistent with the provisions hereof, this Resolution shall control and such prior resolutions shall be deemed amended to such extent as may be necessary to bring them in conformity with this Resolution.

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

EXHIBIT A

NOTICE TO ELECTORS OF THE CITY OF MILWAUKEE RELATING TO BOND SALE

On November 15, 2012, a resolution was offered, adopted and approved by the Redevelopment Authority of the City of Milwaukee, whereby said Authority was authorized to sell revenue bonds in the face amount of up to $3,800,000. It is anticipated that the closing of this bond sale will be held on or about December 15, 2012. A copy of all proceedings had to date with respect to the authorization and sale of said bonds is on file and may be examined in the office of the said Authority.

This notice is given pursuant to Section 893.77, Wisconsin Statutes, which provides that an action or proceeding to contest the validity of such municipal financing, for other than constitutional reasons, must be commenced within 30 days after the date of publication of this Notice.

/s/ David P. Misky

Assistant Executive Director

Publication Date: _____, 2012