

Redevelopment Authority of the City of Milwaukee

Resolution No.:

Adopted on: November 21, 2013

Project / Area: Bonds

Aldermanic District: 4th

Resolution relating to issuance of redevelopment revenue bonds with respect to the Towne Club at The Brewery Project

Whereas, the Redevelopment Authority of the City of Milwaukee (the "Authority") is a public body corporate and politic duly organized 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"), to:

- (a) carry out redevelopment and urban renewal projects within the corporate limits of the City of Milwaukee (the "City");
- (b) assist private acquisition, improvement and development of blighted property for the purpose of eliminating the status as blighted property;
- (c) 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 of the property as blighted property; and
- (d) issue bonds or other indebtedness; and

Whereas, on January 17, 2013 this bond adopted a resolution titled "Resolution relating to issuance of redevelopment revenue bonds with respect to the Towne Club at The Brewery Project" (the "Prior Resolution") for a redevelopment project consisting of the acquisition of land and existing buildings, the rehabilitation and renovation of such buildings into multifamily housing facilities to contain approximately 127 units and the purchase of fixtures, furnishings and equipment and related improvements (the "Project") located at 1003 and 1023 West Juneau Avenue in the City (the "Project Site"); and

Whereas, the Project is now anticipated to consist of 124 units and to be owned by Milwaukee Pabst Senior Housing LP, a Wisconsin limited partnership, or an entity formed by or affiliated with Milwaukee Pabst Senior Housing LP (the "Borrower"); and

Whereas, the Authority has previously determined the Project Site is "blighted" within the meaning of the Act in the Resolution creating Tax Increment District 67; and

Whereas, the Borrower has estimated that the cost of the Project to be financed with bonds will be approximately \$46,000,000; 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; now, therefore, be it

Resolved:

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

(a) The Authority shall issue revenue bonds pursuant to the Act (the "Bonds") at one or more times in one or more series in such aggregate principal amount not in excess of \$46,000,000 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 providing the Project, plus the amount necessary to fund any reserve deemed necessary or desirable, plus the estimated financing and bond issuance costs.

(b) 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 sale, lease, loan or similar agreement (the "Revenue Agreement") to be entered into between the Authority and the Borrower.

(c) The Revenue Agreement shall require the Borrower to provide the Authority with revenues sufficient to pay when due the principal of, premium, if any, and interest on the Bonds.

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 general credit or 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 the terms of the Bonds and the Revenue Agreement.

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

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

(g) The Borrower shall enter into one or more agreements with the City and/or the Authority to use its "best efforts," as defined in such agreement(s), to use certified small business enterprises in the renovation and equipping of the Project.

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

4. This Resolution is the Authority's "official intent" within the meaning of section 1.150 2 of the Treasury Regulations promulgated under the Internal Revenue Code of 1986, as amended, to issue the Bonds in an amount up to the amount set forth in paragraph 1 above to finance costs of the Project including reimbursement of payments made by the Borrower prior to the date of issuance of the Bonds with respect to the Project.

5. This Resolution shall be effective immediately upon its passage and approval. Unless the Bonds shall have been issued prior thereto, the authorities and authorizations given by this Resolution shall expire on the second anniversary date of the date of adoption of this Resolution or on such later date as this body may specify by resolution adopted either before or after such date.

Further Resolved, As a condition to the issuance of the Bonds, the Borrower shall pay the Authority a fee of 3/4 of 1% of the principal amount of the Bonds and reimburse all costs of the Authority incurred in connection with the issuance of the Bonds.

Further Resolved, The staff of the Authority is authorized to conduct a public hearing satisfying the requirements of section 147(f) of the Internal Revenue Code of 1986, as amended, and to publish a notice of such public hearing in a newspaper of general circulation in the City in order to provide reasonable notice of such public hearing.

Further Resolved, This Resolution shall amend, restate and supercede the Prior 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
