

City of Milwaukee

Office of the City Clerk

200 E. Wells Street

Milwaukee, Wisconsin 53202

Certified Copy of Resolution-Immediate Adoption

FILE NO: 230541

Title:

Resolution approving the issuance of revenue bonds by the Public Finance Authority for the benefit of Germania Historic, LLC to finance renovations and capital improvements, among other items, to its multifamily housing facility located at 135 West Wells Street, in the 4th Aldermanic District.

Body:

Whereas, the Public Finance Authority (the "PFA") is a unit of government and body corporate and politic of the State of Wisconsin (the "State") created pursuant to the provisions of Sections 66.0301, 66.0303 and 66.0304 of the Wisconsin Statutes, commonly known as the "Joint Exercise of Powers Law" (as amended, the "Act") and an Amended and Restated Joint Exercise of Powers Agreement, dated September 28, 2010, (the "Joint Exercise Agreement") by and among Adams County, Wisconsin; Bayfield County, Wisconsin; Marathon County, Wisconsin; Waupaca County, Wisconsin; and the City of Lancaster, Wisconsin together with any other political subdivision that may from time to time be designated as a "Member" of the PFA pursuant to the Joint Exercise Agreement (collectively, the "Members"); and

Whereas, the PFA is authorized and empowered under the Act and by the Joint Exercise Agreement to, among other things, issue bonds, notes or other evidences of indebtedness in connection with, and to make loans to assist in the financing of, "projects" located inside and outside of the State; and

Whereas, Germania Historic, LLC (the "Borrower") is requesting the assistance of the PFA in financing the following through the issuance by the PFA of its multifamily housing revenue bonds in an amount not to exceed \$18,000,000 (the "Series 2023 Bonds") in order to finance and refinance, including through reimbursement, (i) the refunding of a loan from the Wisconsin Housing and Economic Development Authority ("WHEDA") to the Borrower, the proceeds of which were used by the Borrower to (a) acquire, rehabilitate and equip a multifamily housing facility located at 135 W. Wells St., Milwaukee, Wisconsin, consisting of 46 market-rate apartments and 44 apartments for people with low and moderate incomes, five underground parking spaces, and approximately 8,500 square feet of commercial and office space (collectively, the "Facility"), managed by Cardinal Capital Management, Inc., and (b) to pay certain costs of issuance related thereto; (ii) certain capital improvements to the Facility, including, repairing, replacing, and improving the Facility's roof and HVAC system; (iii) fund a debt service reserve fund, if any; (iv) pay capitalized interest, if any; (v) pay working capital, if any; and (vi) pay certain costs of issuance of the Series 2023 Bonds, (collectively, the "Project"); and

Whereas, Section 66.0304(11)(a) of the Act provides that the PFA may not issue bonds to finance a capital improvement project in the State unless all of the political subdivisions within whose boundaries the project is to be located have approved the financing of the project, and further provides that in 1st class cities, such approval may only be given by the governing body

of such city; and

Whereas, the Project includes capital improvements and is located in the City of Milwaukee, a 1st class city, and the Borrower has requested that the Common Council approve the Project for purposes of Section 66.0304(11)(a) of the Act; and

Whereas, pursuant to the Act and the Joint Exercise Agreement, bonds issued by the PFA are special limited obligations of the PFA payable solely from funds pledged for their payment in accordance with the related bond indenture, shall not be a debt of the State, any political subdivision or agency thereof (including any political subdivision or agency approving the issuance of the bonds), or any Member and shall not obligate the State, any political subdivision or agency thereof (including any political subdivision or agency approving the issuance of the bonds), or any Member to levy any tax or make any appropriations for payment of such bonds; and

Whereas, no political subdivision or agency approving the issuance of the Series 2023 Bonds, including the City of Milwaukee, shall be obligated to pay the principal of, premium, if any, or interest thereon or any costs incidental thereto; and

Whereas, the Series 2023 Bonds or a portion thereof will be "private activity bonds" for purposes of the Internal Revenue Code of 1986, as amended (the "Code"); and pursuant to Section 147(f) of the Code, prior to their issuance, the issuance of the Series 2023 Bonds is required to be approved by (i) the PFA as the governmental unit issuing the Series 2023 Bonds; and (ii) the "applicable elected representative" of a governmental unit having jurisdiction over the area in which the Project is located, in each case after a public hearing regarding the financing of the Project and the issuance of the Series 2023 Bonds (commonly known as a "TEFRA Hearing") held following reasonable public notice (commonly known as a "TEFRA Notice"); and

Whereas, City of Milwaukee staff will administratively undertake the issuance of a TEFRA Notice, in a form to be approved by the Office of the City Attorney, and then conduct a TEFRA Hearing;

Whereas, subject to satisfactory completion of the TEFRA Hearing and a report of the proceedings thereto, the Borrower expects to request the Mayor, as the "applicable elected representative" of the City of Milwaukee, to approve the Series 2023 Bonds and the financing of the Project for purposes of Section 147(f) of the Code; and, therefore, be it Resolved, By the Common Council of the City of Milwaukee, that:

1. The financing of the Project by the PFA through the issuance of the Series 2023 Bonds is approved for purposes of Section 66.0304(11)(a) of the Act.
2. The publication of the TEFRA Notice, as described above, in a form approved by the Office of the City Attorney, is hereby approved.
3. The conduct of the TEFRA Hearing as described above is hereby approved.
4. The Series 2023 Bonds, when and if issued, shall not constitute a debt or pecuniary liability or a legal or moral obligation of the City of Milwaukee for any reason whatsoever.

Requestor
City Attorney

Drafter
ARC
7/11/2023



I, James R. Owczarski, City Clerk, do hereby certify that the foregoing is a true and correct copy of a(n) Resolution-Immediate Adoption Passed by the COMMON COUNCIL of the City of Milwaukee, Wisconsin on July 31, 2023.

James R. Owczarski

August 08, 2023

Date Certified