REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE

Resolution No.:	**11091**
Adopted on:	July 16, 2026
Project / Area:	Bond
Aldermanic District:	14th

Resolution authorizing the issuance of a Governmental Lender Note, Series 2026 (Austin Commons Project).

WHEREAS, the Redevelopment Authority of the City of Milwaukee, Wisconsin (the "**Redevelopment Authority**") is a body corporate and politic, duly created, organized, and existing under and by virtue of Section 66.1333 of the Wisconsin Statutes, as amended (the "**Act**"); and

WHEREAS, the Act authorizes the Redevelopment Authority to issue notes, bonds and other obligations to finance blight elimination, slum clearance and urban renewal programs and projects within the City of Milwaukee; and

WHEREAS, Austin Commons, LLC, a Wisconsin limited liability company (the "**Borrower**"), has requested that the Redevelopment Authority issue its Governmental Lender Note (as hereinafter defined) the proceeds of which will be loaned to the Borrower and used to finance the construction, acquisition and equipping of a 100-unit multifamily residential rental housing project to be located at 2332 S. Austin Street in the City of Milwaukee to be known as Austin Commons (the "**Project**"); and

WHEREAS, pursuant to the Act, the Common Council of the City of Milwaukee has declared the area in which the Project is located to be a blighted area in need of a blight elimination, slum clearance and urban renewal project; and

WHEREAS, the Redevelopment Authority has determined that the issuance of the Governmental Lender Note to finance the construction, acquisition and equipping of the Project within such blighted area will further the blight elimination and urban renewal purposes of the Act; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "**Code**"), a public hearing was conducted on July 16, 2026 (the "**Public Hearing**") and a report of such hearing will be submitted to the Mayor of the City of Milwaukee in connection with the Mayor's approval of the issuance of the Governmental Lender Note (as defined below); and

WHEREAS, the Borrower has represented that the Project will be constructed and operated so that (i) 23 units will be set aside for occupancy by persons earning no more than 30% of area median income, (ii) 40 units will be set aside for occupancy by persons earning no more than 50% of area median income, (iii) 37 units will be set aside for occupancy by persons earning no more than 80% of area median income, and (iv) 11 units will be covered by Project Based Vouchers, all in furtherance of the public purposes of the Act; and

WHEREAS, the Borrower has presented the Redevelopment Authority with proposed documentation for the transaction, as follows:

(a) a Funding Loan Agreement (the "**Funding Loan Agreement**"), to be entered into between the Redevelopment Authority, as Governmental Lender, and BMO Bank N.A. (the "**Funding Lender**"), providing for the issuance of the Governmental Lender Note, the terms thereof and the security therefor; and

(b) a Borrower Loan Agreement (the "**Borrower Loan Agreement**"), to be entered into between the Redevelopment Authority, as Governmental Lender, and the Borrower, providing for a loan of the proceeds of the Governmental Lender Note to the Borrower on repayment terms scheduled to provide the Redevelopment Authority with revenues sufficient to pay principal of and interest on the Governmental Lender Note in accordance with its terms; and

(c) a Borrower Note (the "**Borrower Note**"), to be issued by the Borrower payable to the order of the Redevelopment Authority in the principal amount of the Governmental Lender Note as evidence of the borrowing provided for in the Borrower Loan Agreement, to be endorsed and assigned by the Redevelopment Authority to the Funding Lender; and

(d) a Governmental Lender Note, Series 2026 (Austin Commons Project) (the "**Governmental Lender Note**"), to be issued by the Redevelopment Authority payable to the Funding Lender, evidencing the Redevelopment Authority's obligation to repay the Funding Lender; and

(e) a Land Use Restriction Agreement (the "**LURA**") among the Borrower, the Redevelopment Authority, and the Funding Lender, setting forth certain covenants of the Borrower in respect to the Project; and

(f) a Tax Compliance Agreement (the "**Tax Agreement**") between the Redevelopment Authority and the Borrower, setting forth their representations and covenants with respect to the tax-exempt status of the Governmental Lender Note; and

(f) a Forward Purchase Agreement (the "**Forward Purchase Agreement**") among the Borrower, BMO Bank N.A. and Citibank, N.A. (the "**Permanent Lender**"), pursuant to which the Permanent Lender will purchase the Governmental Lender Note from the Funding Lender upon conversion from the construction phase to the permanent phase; and

(g) a Construction Funding Agreement (the "**Construction Funding Agreement**"), between BMO Bank N.A. (as agent for the Governmental Lender) and the Borrower, providing for the disbursement of Funding Loan proceeds during the construction phase. The Funding Loan Agreement, the Borrower Loan Agreement, the Borrower Note, the Governmental Lender Note, the LURA, the Tax Agreement, the Forward Purchase Agreement, and the Construction Funding Agreement are referred to herein collectively as the "**Transaction Documents**".

NOW, THEREFORE, BE IT RESOLVED:

1. <u>Findings and Determinations</u>.

It has been found and determined and is hereby declared:

(a) that the Project constitutes a "redevelopment project" within the meaning of the Act, and that the Borrower Loan Agreement will constitute a revenue agreement to provide the Redevelopment Authority with income and revenues sufficient for the prompt payment of principal of and interest on the Governmental Lender Note; and

(b) that the financing of the construction of the Project through the issuance of the Governmental Lender Note will serve the public purposes of the Act by eliminating blighted conditions in the project area, providing safe and sanitary dwelling accommodations for persons of low and moderate income, enhancing the tax base in the City, and stimulating economic development, and will in all respects conform to the provisions and requirements of the Act.

2. Borrower Loan Agreement and Funding Loan Agreement.

The Borrower Loan Agreement and Funding Loan Agreement are 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 Redevelopment Authority to execute and deliver the Borrower Loan Agreement and the Funding Loan Agreement in the form thereof presented herewith or with such insertions therein or modifications 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 Issue Governmental Lender Note.

The Redevelopment Authority is hereby authorized to issue the Governmental Lender Note in the principal amount of up to $9,875,000 for the purpose of financing the costs of construction of the Project. The Governmental Lender Note shall be issued to the Funding Lender pursuant to the Funding Loan Agreement. The proceeds received by the Redevelopment Authority upon issuance of the Governmental Lender Note shall be loaned to the Borrower pursuant to the terms of the Borrower Loan Agreement, and the Borrower's repayment obligations shall be evidenced by the Borrower Note. The Governmental Lender Note shall mature and bear interest as provided in the Funding Loan Agreement. The Governmental Lender Note may have both tax-exempt and taxable tranches as set forth in the Funding Loan Agreement; provided, however, that the tax-exempt Governmental Lender Note shall be issued in a principal amount of up to $9,875,000.

4. Execution of Governmental Lender Note.

The Governmental Lender Note shall be executed on behalf of the Redevelopment Authority by the Chairperson or Vice Chairperson and by its Executive Director or Assistant Executive Director. The signatures of the Chairperson or Vice Chairperson and the Executive Director or Assistant Executive Director may be manual or facsimile.

5. Governmental Lender Note as Limited Obligation.

The Governmental Lender Note shall be a limited obligation of the Redevelopment Authority, payable by it solely from the Pledged Revenues (as defined in the Funding Loan Agreement). It shall not constitute a general or moral obligation or a pledge of the faith or credit of the Redevelopment Authority, the City of Milwaukee, or any taxing power thereof. The Governmental Lender Note and the interest thereon shall not be a debt of the City of Milwaukee, the State of Wisconsin or any subdivision thereof, nor shall any of them be liable thereon. The Governmental Lender Note shall not in any event be payable out of any funds or property other than Pledged Revenues. The Governmental Lender Note shall not constitute or give rise to any personal liability of any member of the governing body of the Redevelopment Authority or any officers or employees of the Redevelopment Authority for any act or omission related to the authorization or issuance of the Governmental Lender Note.

6. Source of Payment; Pledge of Revenues.

The Governmental Lender Note shall be payable solely from revenues and income derived by or for the account of the Redevelopment Authority from or for the account of the Borrower pursuant to the Borrower Note and the Borrower Loan Agreement; including, without limitation, (i) all payments by the Borrower on the Borrower Note or pursuant to the terms of the Borrower Loan Agreement, and (ii) all other amounts payable to the Redevelopment Authority as Governmental Lender under the Borrower Loan Agreement; but excluding any amounts derived by the Redevelopment Authority for its own account pursuant to the terms of the Borrower Loan Agreement.

As security for the payment of the Governmental Lender Note, the Redevelopment Authority shall pledge and assign to the Funding Lender all of its right, title and interest in and to the Borrower Note and the Borrower Loan Agreement (except for its rights to receive and enforce payment of certain expenses and indemnity payments from the Borrower as set forth in the Funding Loan Agreement and the Borrower Loan Agreement).

7. General Authorizations.

The Chairperson or Vice Chairperson and the Executive Director or Assistant Executive Director and the appropriate deputies and officials of the Redevelopment Authority in accordance with their assigned responsibilities are hereby each authorized to (i) execute, publish, file and record such other documents, instruments, notices (including Internal Revenue Service Form 8038), (ii) 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 Redevelopment Authority under the Transaction Documents that it is a party to and (iii) to authorize any non-substantive modification to these resolutions consistent with the purposes of these resolutions after consultation with bond counsel. .

8. Fee.

As a condition to the consummation of the transactions set forth in these resolutions, the Borrower or the Project Owner shall pay the Authority a fee of 3/4 of 1% of the principal amount of the Bonds (up to $74,062.50) and reimburse all costs of the Authority incurred in connection with the issuance of the Bonds, including, but not limited to, reasonable legal fees.

9. Succession.

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 duties shall be performed by the officer or official succeeding to such duties in accordance with law and the rules of the Redevelopment Authority.

10. 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.

EXHIBIT A

NOTICE TO ELECTORS OF THE CITY OF MILWAUKEE

RELATING TO ISSUANCE OF A GOVERNMENTAL LENDER NOTE

On July 16, 2026, a resolution was offered, adopted and approved by the Redevelopment Authority of the City of Milwaukee, whereby said Authority was authorized to issue a governmental lender note in the amount of up to $9,875,000 for the purpose of financing the construction of a 100-unit multifamily residential rental housing project known as Austin Commons, to be located at 2332 S. Austin Street, Milwaukee, Wisconsin 53207. It is anticipated that the closing will be held on or about August 17, 2026. A copy of all proceedings had to date with respect to the authorization and issuance of said governmental lender note 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.

David P. Misky

Assistant Executive Director - Secretary

Publication Date: July 16, 2026