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Title: Substitute resolution authorizing Industrial Development Revenue Refunding Bonds on behalf of R&B Wagner, Inc., in the 9th Aldermanic District.

Sponsors: ALD. PUENTE

Indexes: INDUSTRIAL DEVELOPMENT BONDS, INDUSTRIAL REVENUE BONDS

Attachments: 1. Exhibit A, 2. Hearing Notice List, 3. Refunding Bond Description, 4. Notice Published on 8-11-11

| Date | Ver. | Action By | Action | Result | Tally |
|-----------|------|--|--------------------------|--------|-------|
| 7/6/2011 | 0 | COMMON COUNCIL | ASSIGNED TO | | |
| 7/12/2011 | 1 | CITY CLERK | DRAFT SUBMITTED | | |
| 7/13/2011 | 1 | COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE | HEARING NOTICES SENT | | |
| 7/13/2011 | 1 | COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE | HEARING NOTICES SENT | | |
| 7/13/2011 | 1 | COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE | HEARING NOTICES SENT | | |
| 7/18/2011 | 1 | COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE | RECOMMENDED FOR ADOPTION | Pass | 5:0 |
| 7/26/2011 | 1 | COMMON COUNCIL | ADOPTED | Pass | 14:0 |
| 8/4/2011 | 1 | MAYOR | SIGNED | | |

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SUBSTITUTE 1
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ALD. PUENTE

Substitute resolution authorizing Industrial Development Revenue Refunding Bonds on behalf of R&B Wagner, Inc., in the 9th Aldermanic District.
This substitute resolution provides details relating to and authorizes the issuance of industrial development revenue bonds, i.e., \$2,675,000 principal amount of Industrial Development Revenue Refunding Bonds, Series 2011 (R&B Wagner, Inc. Project) (referred to herein as the "Bonds") to finance costs relating to the refunding of the remaining outstanding amount of the \$5,000,000 City of Milwaukee, Wisconsin Variable Rate Demand Industrial Development Revenue Bonds, Series 2001 (R&B Wagner, Inc. Project).
Whereas, The City of Milwaukee, Wisconsin (the "City"), is a municipal corporation organized and existing under and pursuant to the laws of the State of Wisconsin and is authorized by Section 66.1103, Wisconsin Statutes, as amended (the "Act"):

a. To issue revenue bonds to finance all or any part of the costs of the construction, equipping, reequipping, acquisition, purchase, installation, reconstruction, rebuilding, rehabilitation, improving, supplementing, replacing, maintaining, repairing, enlarging, extending or remodeling of industrial projects and the improvement of sites for industrial projects.

b. To fund the whole or part of any revenue bonds issued by the City.

c. To enter into a revenue agreement with an eligible participant pursuant to which the eligible participant agrees to cause said project to be constructed and to pay the City an amount of funds sufficient to provide for the prompt payment, when due, of the principal of and interest on said revenue bonds; and

Whereas, The Issuer has issued its \$5,000,000 City of Milwaukee, Wisconsin Variable Rate Demand Industrial Development Revenue Bonds, Series 2001 (R&B Wagner, Inc. Project), dated July 26, 2001 (the "Series 2001 Bonds"); and

Whereas, The Series 2001 Bonds were issued to finance the purchase of land, the renovation and expansion of an existing manufacturing facility and the acquisition of machinery and equipment (collectively, the "Project"), which is owned and operated by R&B Wagner, Inc., a Wisconsin corporation (the "Eligible Participant"); and

Whereas, The Eligible Participant determined that it would be beneficial to refinance the Project by issuing revenue refunding bonds to refund the Series 2001 Bonds (the "Refunding"); and

Whereas, Prior to the date of adoption of this resolution, a statement which provides a good faith estimate of attorney fees, which are expected to be paid from proceeds of the revenue bonds, has been filed with the City Clerk and with the Department of Commerce of the State of Wisconsin; and

Whereas, It is in the public interest of the City to promote, attract, stimulate, rehabilitate and revitalize commerce, industry and manufacturing to promote the betterment of the environment and the economy of the City and to stimulate a large flow of private investment funds into the City; and

Whereas, It is the finding and determination of the Common Council of the City of Milwaukee (the "Common Council") that the Project is a qualified "project" within the meaning of the Act and that the Eligible Participant is an "eligible participant" within the meaning of the Act; and

Whereas, It is the finding and determination of the Common Council that the City has derived and will continue to derive public benefits from the Project and its operation, including by way of illustration, but not limitation, the following: the provision and retention of gainful employment opportunities for the citizens of the City; the stimulation of the flow of investment capital into the City with resultant beneficial effects on the economy in the City; and the preservation and enhancement of the City's tax base; and

Whereas, It is the finding and determination of the Common Council that the public interest will be served if the City were to permit the Eligible Participant to refinance the Project by refunding the Series 2001 Bonds; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that:

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

a. The City shall issue revenue refunding bonds pursuant to the Act at one or more times in one or more series in such aggregate principal amount not in excess of \$2,675,000 as the Eligible Participant 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 Refunding, plus the estimated financing and bond issuance costs (said bonds being hereinafter called the "Bonds").

b. The Bonds shall be limited obligations of the City payable by the City solely out of revenues derived from the Eligible Participant or otherwise provided for pursuant to the terms of a loan or similar agreement (hereinafter called the "Revenue Agreement") to be entered into between the City and the Eligible Participant.

c. The Revenue Agreement shall require the Eligible Participant to maintain the Project and to provide the City with revenues sufficient to pay, when due, the principal of, premium, if any, and interest on the Bonds.

d. The Revenue Agreement shall require the Eligible Participant to submit to the Department of Commerce the net number of jobs eliminated, created or maintained on the Project site and elsewhere in the State of Wisconsin as a result of the Project.

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

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

a. The Bonds shall not constitute an indebtedness of 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 City or a charge against its general credit or taxing powers.

c. The Eligible Participant shall be responsible for finding a purchaser or purchasers for all of the Bonds.

d. Prior to the issuance of the Bonds: (i) the electors of the City shall have been given the opportunity to petition for a referendum on the matter of the Bond issue as required by the Act; (ii) either no such petition shall be timely filed or such petition shall have been filed and said referendum shall have approved the Bond issue; and (iii) the Common Council, 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 unqualified approving legal opinion of the law firm of Foley & Lardner LLP or such other nationally recognized firm of bond attorneys as shall be acceptable to the City and the Eligible Participant.

3. All out-of-pocket costs in connection with the issuance and sale of the Bonds shall be paid either from the proceeds of the Bonds or by the Eligible Participant.

4. The City Clerk shall cause notice of adoption of this Resolution, in substantially the form of Exhibit A, a copy of which is attached to this Common Council File, to be published once in The Daily Reporter (the City's official newspaper for the publication of notices pursuant to Chapter 985 of the Wisconsin Statutes), and shall cause evidence of publication (including a copy of the notice as published) indicating the date of publication of such public notice to be filed with the Secretary of the Department of Commerce of the State of Wisconsin within 20 days following publication of such notice.

5. This resolution is an "initial resolution" within the meaning of the Act.

6. This resolution shall be effective immediately upon its adoption 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 the Common Council may specify by resolution adopted either before or after such date.

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