



Legislation Text

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210336
ORIGINAL

ALD. JOHNSON

Resolution approving the issuance of revenue bonds by the Industrial Development Authority of the County of La Paz, Arizona, for the benefit of Campus Partners 1 to finance the acquisition, improvements, and operation of an existing charter school known as Milwaukee Scholars Charter School located at 7000 West Florist Avenue, in the 2nd Aldermanic District.

This resolution authorizes:

1. The issuance of revenue bonds by The Industrial Development Authority of the County of La Paz, Arizona, for the benefit of Campus Partners 1 to finance the acquisition, improvements, and operation of an existing charter school known as Milwaukee Scholars Charter School located at 7000 West Florist Avenue.
2. A TERFA Hearing to be conducted.
3. Publication of a TERFA Notice.
4. The Mayor to execute the requested certificate from bond counsel upon satisfactory completion of a TERFA Hearing. The bonds shall not constitute a debt or pecuniary liability or a legal or moral obligation of the City.

Whereas, The Industrial Development Authority of the County of La Paz, Arizona (The Authority), is an Arizona nonprofit corporation designed as a political subdivision of the State of Arizona, authorized to issue revenue bonds to finance a project with the approval of the political subdivision in which the project is located; and

Whereas, Campus Partners 1 (CP1) is a nonprofit corporation organized and existing under the laws of the State of Michigan that has applied to the Internal Revenue Service to be recognized as a tax-exempt organization described in s. 501(c)(3) of the Internal Revenue Code of 1986, as amended (the Code), which is exempt from federal taxation under s. 501(a) of the Code; and

Whereas, CP1 has requested The Authority to issue its revenue bonds in one or more series pursuant to a plan of finance for the project described below within the City in an estimated maximum aggregate principal amount not to exceed \$15,500,000 (the Bonds) and to lend the proceeds thereof to CP1 and its affiliates, all single member limited liability companies and disregarded entities of CP1 (collectively, the Borrower); and

Whereas, The Borrower shall use the proceeds of the Bonds for the following:

1. The acquisition of and improvements to a certain public charter school facility located at 7000 West Florist Avenue in the city of Milwaukee (the Charter School Facility), for use in their school operations at the location.
 2. The funding of any required reserves.
 3. The payment of the costs of issuance of the Bonds.
- ; and

Whereas, The Borrower shall lease the Charter School Facility to qualified 501(c)(3) entities or governmental entities; and

Whereas, The Charter School Facility shall be owned by the Borrower as the initial legal owner; and

Whereas, The City shall not be obligated to pay the principal of, premium, if any, or interest thereon or any costs incidental thereto; and

Whereas, The Bonds or a portion thereof shall be private activity bonds for the purposes of the Code, and pursuant to s. 147(f) of the Code, prior to their issuance, the Bonds are required to be approved by 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 Bonds (commonly known as a TERFA Hearing) held following reasonable public notice (commonly known as a TERFA Notice); and

Whereas, The Borrower has requested this approval from the City; and

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

Whereas, Subject to satisfactory completion of the TERFA Hearing and a report of the proceedings thereto, the Borrower expects to request the Mayor, as the applicable elected representative of the City, to approve the Bonds and the financing of the project for the purposes of s. 147(f) of the Code; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that the financing of the project by the Industrial Development Authority of the County of La Paz, Arizona, through the issuance of the Bonds is authorized; and, be it

Further Resolved, That a TERFA Hearing is authorized; and, be it

Further Resolved, That a TERFA Notice shall be published, as described above, in a form approved by the Office of the City Attorney; and, be it

Further Resolved, That upon satisfactory completion of a TERFA Hearing and report of the Hearing, the Mayor is authorized to execute the requested certification from bond counsel; and, be it

Further Resolved, That the Bonds shall not constitute a debt or pecuniary liability or a legal or moral obligation of the City for any reason whatsoever.

JRM - Office of the City Attorney
6/14/21
LRB 176768-1
Tea B. Norfolk
6/15/21

