



## Legislation Details (With Text)

|                        |   |                      |                |
|------------------------|---|----------------------|----------------|
| <b>File #:</b>         | 210437  | <b>Version:</b>      | 1              |
| <b>Type:</b>           | Resolution  | <b>Status:</b>       | Passed         |
| <b>File created:</b>   | 7/7/2021  | <b>In control:</b>   | COMMON COUNCIL |
| <b>On agenda:</b>      |   | <b>Final action:</b> | 9/1/2021       |
| <b>Effective date:</b> |   |                      |                |
| <b>Title:</b>          | Substitute resolution authorizing a financing lease in a principal amount not to exceed \$6,900,000 to finance capital improvements at the Port Milwaukee, which rental payments thereunder shall be made solely from net revenues of Port Milwaukee. (Comptroller) |                      |                |
| <b>Sponsors:</b>       | THE CHAIR   |                      |                |
| <b>Indexes:</b>        | CAPITAL IMPROVEMENTS, LEASES, PORT OF MILWAUKEE   |                      |                |
| <b>Attachments:</b>    | 1. Comptroller Letter, 2. Port Lease, 3. Fiscal Note  |                      |                |

| Date      | Ver. | Action By                     | Action                   | Result | Tally |
|-----------|------|-------------------------------|--------------------------|--------|-------|
| 7/7/2021  | 0    | COMMON COUNCIL                | ASSIGNED TO              |        |       |
| 8/24/2021 | 1    | CITY CLERK                    | DRAFT SUBMITTED          |        |       |
| 9/1/2021  | 1    | COMMON COUNCIL                | ADOPTED                  | Pass   | 14:0  |
| 9/1/2021  | 1    | FINANCE & PERSONNEL COMMITTEE | RECOMMENDED FOR ADOPTION | Pass   | 5:0   |
| 9/8/2021  | 1    | MAYOR                         | SIGNED                   |        |       |

210437

Substitute 1

210436

The Chair

Substitute resolution authorizing a financing lease in a principal amount not to exceed \$6,900,000 to finance capital improvements at the Port Milwaukee, which rental payments thereunder shall be made solely from net revenues of Port Milwaukee. (Comptroller)

This resolution authorizes entering into a Milwaukee Port Revenue Lease for financing the costs of improvements to the City's public harbor system. \$5.8 million will be used for the City portion of demolition and rail costs relating to a new agricultural terminal at Port Milwaukee. Up to \$1.1 million will be used to establish reserves and pay issuance costs.

Whereas, the Common Council of the City of Milwaukee (the "City") has heretofore adopted Common Council Resolution File No. 210436 (the "Master Resolution") on September \_\_ 2021, authorizing and providing for the issuance of revenue bonds and leases for the purposes of financing improvements at the Milwaukee Port ("Improvements"). All capitalized terms used in this Series 2021 Resolution which are defined in Section 1.01 of the Master Resolution shall have the same meanings, respectively, in this Series 2021 Resolution as such

terms are given in said Section 1.01 of the Master Resolution. In addition, as used in this Series 2021 Resolution, unless the context shall otherwise require, the following terms shall have the following respective meanings: “Series 2021 Resolution” means this Series 2021 Resolution authorizing a financing lease in a principal amount of not to exceed \$6,900,000 to finance capital improvements at the Milwaukee Port, which rental payment thereunder shall be made solely from net revenues of the Milwaukee Port; and

Whereas, the Master Resolution provides the authority (when utilized in conjunction with separate “Series” resolutions) for the issuance of Parity Leases of Milwaukee Port facilities to the City to be payable from the Net Revenues of the Milwaukee Port; and

Whereas, it is hereby found and determined that it is necessary and required that the City authorize at this time a lease from the Redevelopment Authority of the City of Milwaukee, Wisconsin (“RACM”) to the City, acting by and through its Board of Harbor Commissioners (“BHC”) dated as of September 1, 2021 (the “Lease”) which shall constitute a “Parity Lease” under the Master Resolution; and

Whereas, the proceeds of bonds to be issued by RACM (“RACM Bonds”) will finance the Improvements to be leased to the City by RACM; and

Whereas, for the sound financial operation of the Milwaukee Port, it is desirable for the City to pledge the Net Revenues of the Milwaukee Port to pay for its rental payments under the Lease; and

Whereas, on August 12, 2021, the BHC consented to this Series 2021 Resolution; and

Whereas, this Series 2021 Resolution is adopted pursuant to Section 66.0621, Wisconsin Statutes, and the Master Resolution; now, therefore, be it

Resolved, By The Common Council of the City of Milwaukee, that the City of Milwaukee does hereby authorize and approve the execution, delivery and performance of the Lease with a principal component of not to exceed \$6,900,000 with respect to Improvements at Milwaukee Port consisting of the demolition of existing building and foundations on the Redevelopment Property and installation of rail track and related infrastructure on Jones Island as set forth in the Lease. The Lease term shall end no later than December 1, 2033 and the interest rate component of the Base Rent under the Lease shall be fixed and shall not exceed five percent (5%) per annum and rent shall be payable semiannually and prepayable in accordance with the terms of the Lease. This authorization constitutes a Series Resolution within the meaning of the Master Resolution and is adopted in accordance with Article III of the Master Resolution, and shall be subject to the terms and conditions and limitations established in the Master Resolution; and, be it

Further Resolved, It is hereby found and determined that the reasonable cost and value of services rendered to the City by the Port Milwaukee by furnishing a port for public purposes, shall be the amount or rent specified under the Lease; and be it

Further Resolved, That the Lease shall be issued in accordance with Article III of the Master Resolution; and, be it

Further Resolved, That an Authorized Officer is hereby authorized to prepare or cause to be prepared and distributed a Preliminary Official Statement relating to the RACM Bonds and the security therefor; and, be it

Further Resolved, That an Authorized Officer is hereby authorized to execute and deliver, in the name and on behalf of the City, the Lease and any and all agreements, documents and instruments, and to do and cause to be

done any and all acts and things, said Authorized Officer deems necessary or advisable in connection with the lease of the Improvements with such changes as may be recommended by the City Attorney in consultation with the City Comptroller, and to carry out the transactions contemplated by this Series 2021 Resolution, including without limitation, the establishment of any reserves deemed advisable by such Authorized Officer; and, be it

Further Resolved, That the City hereby authorizes the execution and delivery of a continuing disclosure agreement or undertaking, in substantially the form of the Master Continuing Disclosure Certificate dated as of February 1, 2019, by the Comptroller in connection with the RACM Bonds or with such changes as the Comptroller shall deem necessary; and, be it

Further Resolved, That the City authorizes and directs the appropriate officers and employees of the City to take all action necessary or appropriate to comply with and carry out all of the provisions of the continuing disclosure agreement or undertaking. Failure of the City to perform in accordance with such continuing disclosure agreement or undertaking shall not constitute a default under the Master Resolution and such continuing disclosure agreement or undertaking may be enforced only as provided therein.

Comptroller  
Richard Li  
PD-8583b1W.rtf  
08/24/2021