



Legislation Text

File #: R13155, **Version:** 0

R13155

Original

The Chair

Resolution approving the ground leasing of Becher Court and ownership of improvements by Becher Court LLC and adoption of the Becher Court LLC Operating Agreement

WHEREAS, the Housing Authority of the City of Milwaukee (the “**Authority**”) is currently the owner of a 120-unit public housing development located at 1802 W. Becher Street, Milwaukee, Wisconsin, known as Becher Court (“**Becher Court**” or the “**Project**”); and

WHEREAS, pursuant to a resolution dated March 15, 2018 (the “**March 2018 Resolution**”), the Authority’s Board of Commissioners (the “**Commissioners**”) approved the conversion of all of the Authority’s public housing developments (each, a “Public Housing Development”), including Becher Court, from public housing operating assistance to RAD Section 8 project based voucher (“**PBV**”) assistance under Section 8(o)(13) of the United States Housing Act of 1937, as amended, under the U.S. Department of Housing and Urban Development (“**HUD**”)’s Rental Assistance Demonstration (RAD) program (the “**RAD Conversion**”); and

WHEREAS, pursuant to the March 2018 Resolution, a limited liability company that owns a Public Housing Development (an “**LLC Owner**”) that is subject to a RAD Conversion, shall be managed by a limited liability company, the sole member and managing member of which shall be the Authority (the “**LLC Owner Managing Member**”); and

WHEREAS, as approved by a duly adopted resolution of the Commissioners dated November 14, 2018 (the “**November 2018 Resolution**”), the Commissioners confirmed and authorized the creation of an LLC Owner for Becher Court and approved the submission of a Financing Plan Proposal to HUD for the Becher Court RAD Conversion; and

WHEREAS, Becher Court LLC, a Wisconsin limited liability company (the “**Company**”) was formed pursuant to Articles of Organization filed September 10, 2019 with the State of Wisconsin Department of Financial Institutions, as amended on September 12, 2019 (collectively the “**Articles**”), and attached hereto as Exhibit A; and

WHEREAS, the Company was organized for the purpose, among others, of acquiring, rehabilitating, developing, owning and operating Becher Court; and

WHEREAS, pursuant to a Ground Lease from the Authority, as lessor, and the Company, as lessee (the “**Ground Lease**”), the Company shall acquire a leasehold interest in the land on which the Project is located, as more particularly described on Exhibit B attached hereto (the “**Leasehold Premises**”), and a fee interest in the Project and any improvements made thereto; and

WHEREAS, pursuant to the Articles, management of the Company is vested in its members; and

WHEREAS, the Company shall be operated in accordance with the terms of the Operating Agreement of Becher Court LLC (the “**Operating Agreement**”), which provides that management of the Company shall be vested in its members; and

WHEREAS, Becher Court Development LLC, is the sole member and managing member of the Company (“**Becher Court Development**” or “**Sole Member**”); and

WHEREAS, Becher Court Development’s sole member and managing member is the Authority; and

WHEREAS, Sole Member deems it to be in the Sole Member’s and Company’s best interest to adopt the Operating Agreement of the Company; and

WHEREAS, to effectuate the foregoing, Sole Member deems it to be in the Sole Member's and Company's best interest to confirm the creation of the Company pursuant to the Articles attached hereto as Exhibit A and to approve the Operating Agreement, in substantially the form reviewed by the undersigned and attached hereto as Exhibit C.

RESOLUTIONS

BE IT RESOLVED, that the Company is authorized to enter into the Ground Lease for Becher Court, as part of the RAD Conversion; and, be it

FURTHER RESOLVED, that the Company was formed pursuant to the Articles attached hereto as Exhibit A; and, be it

FURTHER RESOLVED, that the Operating Agreement, in substantially the form reviewed by the undersigned and attached hereto as Exhibit C, is hereby approved in all respects; and, be it

FURTHER RESOLVED, that the Sole Member, acting alone, is hereby authorized and directed to execute and deliver the Operating Agreement and any and all such other agreements, documents and other instruments and to take any and all such other actions as the Sole Member deems necessary and desirable to effectuate the intent of the foregoing recitals and resolutions, such agreements, documents and other instruments to be in such form and to contain such provisions as the Sole Member shall approve; and, be it

FURTHER RESOLVED, that the Secretary-Executive Director of the Housing Authority of the City of Milwaukee, or his designee, is hereby authorized to execute any and all documents on behalf of the Authority acting as managing member of Becher Court Development, acting as managing member of the Company; and be it

FURTHER RESOLVED, that all acts previously performed, relative to this matter, by the Commissioners, the Secretary-Executive Director of the Authority, and Sole Member be and hereby are approved, ratified and confirmed in all respects.

Exhibits:

1. Exhibit A - Becher Court LLC Articles of Organization
2. Exhibit B - Leasehold Premises Legal Description
3. Exhibit C - Becher Court LLC Operating Agreement

Housing Management, May 8, 2020