

**CITY OF DELAFIELD
500 GENESEE STREET
DELAFIELD WI 53018
(262) 646-6220**

**Community Development Authority Meeting Agenda
Monday, February 6, 2017
5:45 PM**

****CITY HALL COMMON COUNCIL CHAMBERS**
500 Genesee Street, Delafield, WI 53018**

Call Community Development Authority Meeting to Order.
Pledge of Allegiance.
Roll Call.

1. Discussion and action to adopt Resolution 2017-02, A Resolution Authorizing restructuring of existing Community Development Authority of the City of Delafield, Wisconsin Redevelopment Revenue Bonds (Series 2009) for St. John's Northwestern Military Academy Project.
2. Adjournment.

Persons requiring an interpreter or other assistance should contact the City Administrative office 72 hours prior to the meeting. Notice is hereby given that a majority of the Common Council, Plan Commission, Lake Welfare Committee, Public Works Committee, and/or Library Board may be present at the meeting of the Community Development Authority scheduled February 06, 2017 to gather information about a subject in which they are interested. This constitutes a meeting of the PWC/Plan Commission and others pursuant to State ex rel. Badke v. Greendale Village Bd., 173 Wis. 2d553, 494 N.W. 2d 408 (1993), and must be noticed as such.

Clerk <u>SB</u>	Posted: <u>2017-02-03</u>	<input checked="" type="checkbox"/> City Hall Bulletin Board	<input checked="" type="checkbox"/> Website	<input checked="" type="checkbox"/> Faxed to Newspapers
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Community Development Authority of the City of Delafield, Wisconsin

Resolution No.:

Adopted on: ~~May 29~~ January 16, 2014 ~~2017~~

Resolution authorizing restructuring of existing Community Development Authority of the City of Delafield, Wisconsin Redevelopment Revenue Bonds, Series 2009 (St. John's Northwestern Military Academy, Inc. Project).

Whereas, the Community Development Authority of the City of Delafield, Wisconsin (the "Authority") is a community development authority organized by the City of Delafield, Wisconsin (the "City"), and existing under and pursuant to the laws of the State of Wisconsin and is authorized by Wisconsin Statute section 66.1335 (the "Act");

Whereas, the Authority issued \$7,500,000 of its Fixed Rate Redevelopment Revenue Bonds, Series 2009 (St. John's Northwestern Military Academy, Inc. Project) (the "Original Bonds") pursuant to an Indenture of Trust dated as of June 1, 2009 (the "Indenture") between the Authority and U.S. Bank National Association, as Trustee and loaned the proceeds of the Original Bonds to St. John's Northwestern Military Academy, Inc., a Wisconsin nonstock, nonprofit corporation (the "Borrower"), pursuant to a Loan Agreement dated as of June 1, 2009 (the "Loan Agreement") between the Authority and the Borrower;

~~Whereas Original Bonds are subject to mandatory redemption on June 2, 2014 pursuant to the Indenture;~~

Whereas, the Original Bonds were reissued (the "Reissued Bonds") pursuant to a Bond Agreement dated as of June 2, 2014 (the "Prior Bond Agreement") among the Authority, the Borrower and Town Bank (the "Prior Bond Purchaser"); which Prior Bond Agreement replaced, in their entirety, the Indenture and the Loan Agreement;

~~Whereas, Town Bank (the "Bond Purchaser"), as issuer of the letter of credit securing the Original Bonds, has elected to purchase the Original Bonds in lieu of redemption pursuant to the Indenture;~~

Whereas, the Borrower and the MB Financial Bank, N.A. (the "Replacement Bond Purchaser") desire to restructure the ~~Original~~ Reissued Bonds pursuant to the terms of a Bond Agreement (which Agreement will replace, in its entirety, the ~~Indenture and the Loan~~ Prior Bond Agreement); and

Whereas, it is the finding and determination of this body that the public interest will be served if the Authority were to restructure and reissue the Original Bonds to permit continued funding of the project financed by the Original Bonds, as reissued by the Reissued Bonds (the "Project") as desired by the Borrower and the Replacement Bond Purchaser.

Resolved, by the Community Development Authority of the City of Delafield, Wisconsin that:

1. Findings and Determinations. It has been found and determined and is declared as follows:

- (a) the purpose of the Authority restructuring and reissuing the ~~Original~~ Reissued Bonds to permit continued funding of the Project is and the effect thereof will be to promote the public purposes set forth in the Act;
- (b) it is desirable that revenue bonds (the "Bonds") in the aggregate principal amount not exceeding ~~\$7,280,000~~ 6,785,000 (the "Bond Amount") be issued by the Authority (as a reissuance of the ~~Original~~ Reissued Bonds), maturing at such dates and in such amounts and at interest rates and upon the terms to be set forth in:
 - (i) a Bond Agreement (the "Bond Agreement") to be entered into among the Authority, the Borrower and the Replacement Bond Purchaser providing for the creation of the Bonds (which will replace the ~~Original~~ Reissued Bonds), the terms thereof, and the security therefor, providing for the continued loan of the proceeds of the Original Bonds ~~as reissued by the Reissued Bonds~~, from the Authority to the Borrower (the "Loan") and providing the terms and conditions on which the Authority will sell, and the Replacement Bond Purchaser will purchase, the Bonds;
 - (ii) a Promissory Note (the "Note") to be issued by the Borrower payable to the order of the Authority in the principal amount of the Bonds as evidence of the Loan, and to be assigned by the Authority to the Replacement Bond Purchaser; and
 - (iii) a No Arbitrage Certificate (the "No Arbitrage Certificate") to be dated the date of initial delivery of the Bonds setting forth certain undertakings in order to ensure compliance under the applicable requirements of the Internal Revenue Code of 1986, as amended; and
- (c) the loan repayments required to be made by the Borrower under the Bond Agreement and the Note will be sufficient to produce income and revenue to provide for prompt payment of principal of and interest on and premium, if any, on all Bonds issued under the Bond Agreement when due; the amount necessary in each year to pay principal and interest on the Bonds due in such year, whether on a stated payment date, a redemption date, or otherwise.

2. Designation, Denomination, Tenor and Maturity of Bonds Created for Issuance; Parameters Resolution. The Bonds shall be issued in the aggregate principal amount not to exceed ~~\$7,280,000~~ 6,785,000 and shall be designated as follows:

~~\$7,280,000~~
\$6,785,000

Community Development Authority of the City of Delafield, Wisconsin
Redevelopment Revenue Bonds, Series 2009A, B and C

(St. John's Northwestern Military Academy, Inc. Project)

The Bonds shall be issued in the form and upon the terms to be set forth in the Bond Agreement, which terms, including without limitation interest rates, redemption provisions and maturity, shall be subject to approval by the Authority as provided in this Resolution and shall comply with and conform to the terms of this Resolution and the Act.

3. **Bonds as Limited Obligations.** The Bonds and interest thereon shall never be or be considered a general obligation of the Authority or the City or an indebtedness of the Authority or the City within the meaning of any State constitutional provision or statutory limitation, and shall not constitute or give rise to a pecuniary liability of the Authority or the City or a charge against their general credit or the City's taxing powers. The Authority has no taxing power.
4. Source of Payment; Pledge of Revenues. The Bonds shall be limited obligations of the Authority payable by it solely from revenues and income derived by or for the account of the Authority from or for the account of the Borrower pursuant to the terms of the Bond Agreement and the Note, including, without limitation, (a) all payments by the Borrower on the Note or pursuant to the terms of the Bond Agreement and (b) all amounts held from time to time in the trust funds, and the investment earnings thereon. As security for the payment of the principal of and interest on the Bonds, the Authority shall pledge and assign to the Replacement Bond Purchaser all of its right, title, and interest in and to the property described in the Bond Agreement.
5. Execution and Delivery of Documents. Subject to the parameters set forth herein and the approval of counsel to the Authority, the Chairperson and the Executive Director of the Authority are authorized for and in the name of the Authority to execute and deliver the Bond Agreement, the Bonds, the Authority's assignment of the Note, the No Arbitrage Certificate and any other documents, agreements, instruments, certificates, notices (including an Internal Revenue Service form 8038), and records, and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution. The execution and delivery of any such documents by the Chairperson or the Executive Director of the Authority shall be conclusive evidence of the approval of the Authority of such document in accordance with the terms thereof.
6. Effective Date; Conformity. This Resolution shall be effective immediately upon its passage and approval. To the extent that any prior resolutions of the Authority 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.

CERTIFICATION

I certify that the foregoing is a true and exact copy of a resolution adopted by the Community Development Authority of the City of Delafield, Wisconsin on the date set forth above.

_____, Executive Director

RESOLUTION NO. 2017-02

Community Development Authority of the City of Delafield, Wisconsin

Resolution authorizing restructuring of existing Community Development Authority of the City of Delafield, Wisconsin Redevelopment Revenue Bonds, Series 2009 (St. John's Northwestern Military Academy, Inc. Project).

Whereas, the Community Development Authority of the City of Delafield, Wisconsin (the "Authority") is a community development authority organized by the City of Delafield, Wisconsin (the "City"), and existing under and pursuant to the laws of the State of Wisconsin and is authorized by Wisconsin Statute section 66.1335 (the "Act");

Whereas, the Authority issued \$7,500,000 of its Fixed Rate Redevelopment Revenue Bonds, Series 2009 (St. John's Northwestern Military Academy, Inc. Project) (the "Original Bonds") pursuant to an Indenture of Trust dated as of June 1, 2009 (the "Indenture") between the Authority and U.S. Bank National Association, as Trustee and loaned the proceeds of the Original Bonds to St. John's Northwestern Military Academy, Inc., a Wisconsin nonstock, nonprofit corporation (the "Borrower"), pursuant to a Loan Agreement dated as of June 1, 2009 (the "Loan Agreement") between the Authority and the Borrower;

Whereas, the Original Bonds were reissued (the "Reissued Bonds") pursuant to a Bond Agreement dated as of June 2, 2014, (the "Prior Bond Agreement") among the Authority, the Borrower and Town Bank (the "Prior Bond Purchaser"); which Prior Bond Agreement replaced, in their entirety, the Indenture and the Loan Agreement;

Whereas, the Borrower and the MB Financial Bank, N.A. (the "Replacement Bond Purchaser") desire to restructure the Reissued Bonds pursuant to the terms of a Bond Agreement (which Agreement will replace, in its entirety, the Prior Bond Agreement); and

Whereas, it is the finding and determination of this body that the public interest will be served if the Authority were to restructure and reissue the Original Bonds to permit continued funding of the project financed by the Original Bonds, as reissued by the Reissued Bonds (the "Project") as desired by the Borrower and the Replacement Bond Purchaser.

Resolved, by the Community Development Authority of the City of Delafield, Wisconsin that:

1. Findings and Determinations. It has been found and determined and is declared as follows:
 - (a) the purpose of the Authority restructuring and reissuing the Reissued Bonds to permit continued funding of the Project is and the effect thereof will be to promote the public purposes set forth in the Act;

- (b) it is desirable that revenue bonds (the "Bonds") in the aggregate principal amount not exceeding \$6,785,000 (the "Bond Amount") be issued by the Authority (as a reissuance of the Reissued Bonds), maturing at such dates and in such amounts and at interest rates and upon the terms to be set forth in:
- (i) a Bond Agreement (the "Bond Agreement") to be entered into among the Authority, the Borrower and the Replacement Bond Purchaser providing for the creation of the Bonds (which will replace the Reissued Bonds), the terms thereof, and the security therefor, providing for the continued loan of the proceeds of the Original Bonds, as reissued by the Reissued Bonds, from the Authority to the Borrower (the "Loan") and providing the terms and conditions on which the Authority will sell, and the Replacement Bond Purchaser will purchase, the Bonds;
 - (ii) a Promissory Note (the "Note") to be issued by the Borrower payable to the order of the Authority in the principal amount of the Bonds as evidence of the Loan, and to be assigned by the Authority to the Replacement Bond Purchaser; and
 - (iii) a No Arbitrage Certificate (the "No Arbitrage Certificate") to be dated the date of initial delivery of the Bonds setting forth certain undertakings in order to ensure compliance under the applicable requirements of the Internal Revenue Code of 1986, as amended; and
- (c) the loan repayments required to be made by the Borrower under the Bond Agreement and the Note will be sufficient to produce income and revenue to provide for prompt payment of principal of and interest on and premium, if any, on all Bonds issued under the Bond Agreement when due; the amount necessary in each year to pay principal and interest on the Bonds due in such year, whether on a stated payment date, a redemption date, or otherwise.

2. Designation, Denomination, Tenor and Maturity of Bonds Created for Issuance; Parameters Resolution. The Bonds shall be issued in the aggregate principal amount not to exceed \$6,785,000 and shall be designated as follows:

\$6,785,000
Community Development Authority of the City of Delafield, Wisconsin
Redevelopment Revenue Bonds, Series 2009A, B and C
(St. John's Northwestern Military Academy, Inc. Project)

The Bonds shall be issued in the form and upon the terms to be set forth in the Bond Agreement, which terms, including without limitation interest rates, redemption provisions and maturity, shall be subject to approval by the Authority as provided in this Resolution and shall comply with and conform to the terms of this Resolution and the Act.

3. **Bonds as Limited Obligations.** The Bonds and interest thereon shall never be or be considered a general obligation of the Authority or the City or an indebtedness of the

Authority or the City within the meaning of any State constitutional provision or statutory limitation, and shall not constitute or give rise to a pecuniary liability of the Authority or the City or a charge against their general credit or the City's taxing powers. The Authority has no taxing power.

4. Source of Payment; Pledge of Revenues. The Bonds shall be limited obligations of the Authority payable by it solely from revenues and income derived by or for the account of the Authority from or for the account of the Borrower pursuant to the terms of the Bond Agreement and the Note, including, without limitation, (a) all payments by the Borrower on the Note or pursuant to the terms of the Bond Agreement and (b) all amounts held from time to time in the trust funds, and the investment earnings thereon. As security for the payment of the principal of and interest on the Bonds, the Authority shall pledge and assign to the Replacement Bond Purchaser all of its right, title, and interest in and to the property described in the Bond Agreement.
5. Execution and Delivery of Documents. Subject to the parameters set forth herein and the approval of counsel to the Authority, the Chairperson and the Executive Director of the Authority are authorized for and in the name of the Authority to execute and deliver the Bond Agreement, the Bonds, the Authority's assignment of the Note, the No Arbitrage Certificate and any other documents, agreements, instruments, certificates, notices (including an Internal Revenue Service form 8038), and records, and to take such other actions as shall be necessary or desirable to accomplish the purposes of this Resolution. The execution and delivery of any such documents by the Chairperson or the Executive Director of the Authority shall be conclusive evidence of the approval of the Authority of such document in accordance with the terms thereof.
6. Effective Date; Conformity. This Resolution shall be effective immediately upon its passage and approval. To the extent that any prior resolutions of the Authority 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.

CERTIFICATION I certify that the foregoing is a true and exact copy of a resolution adopted by the Community Development Authority of the City of Delafield, Wisconsin on the date set forth above.

IN WITNESS, WHEREOF, I have signed my name hereto on the 6th day of February, 2017

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF DELAFIELD, WISCONSIN

Sara Bruckman, City Clerk
Waukesha County