

**COMMUNITY DEVELOPMENT AUTHORITY
OF THE
VILLAGE OF STURTEVANT, WISCONSIN**

August 30, 2011

Resolution No.2011-54-CDA

**Resolution Authorizing the Sale and Issuance of
Lease Revenue Refunding Bonds, Series 2011,
the Approval of Related Documents, and Certain Other Details**

WHEREAS, the Community Development Authority of the Village of Sturtevant, Wisconsin (the “**Authority**”) is a community development authority organized by the Village of Sturtevant, Wisconsin (the “**Municipality**”), under Sections 66.1335 and 66.1339 of the Wisconsin Statutes, and is authorized by Section 66.1333 of the Wisconsin Statutes, as amended (hereinafter sometimes referred to as the “**Redevelopment Act**”):

- (a) to acquire property necessary or incidental to an urban renewal program and to lease, sell, or otherwise transfer such property to a public body or private party for use in accordance with a redevelopment plan;
- (b) to enter into contracts determined to be necessary to effectuate the purposes of the Act;
- (c) to issue revenue bonds to finance its activities; and
- (d) to issue refunding bonds for the payment or retirement of such bonds; and

WHEREAS, in its resolution adopted on November 17, 1994, the Authority approved a redevelopment plan (the “**Redevelopment Plan**”) in respect of a redevelopment area (the “**Redevelopment Area**”) the boundaries of which were designated by the Authority in its resolution adopted on October 27, 1994; and

WHEREAS, the Municipality’s governing body declared the Redevelopment Area to be blighted within the meaning of the Redevelopment Act and approved the Redevelopment Plan in its Resolution, adopted by a two-thirds vote, on December 6, 1994; and

WHEREAS, the Authority and the Municipality have undertaken discussions and negotiations relating to the development by the Municipality of all or substantially all property in the Redevelopment Area (the “**Municipal Development**”) and the private development of portions of the same (the “**Private Development**”); and

WHEREAS, the Municipal Development and the Private Development were consistent with and in furtherance of the Redevelopment Plan; and

WHEREAS, the undertaking of the Municipal Development was expected to require the expenditure of not to exceed the aggregate principal amount of the Prior Bonds (as defined below) (not including financing costs but including funds on hand) to construct the Municipal Development and the Private Development and to make various expenditures with respect to real property in the Redevelopment Area (collectively, the “**Municipal Development Costs**”); and

WHEREAS, to aid in the development and renewal of the Redevelopment Area in accordance with the Redevelopment Plan, the Authority and the Municipality entered in to a Cooperation Agreement, dated as of December 1, 1994 (the “**Cooperation Agreement**”), to provide funding for all or part of the Municipal Development Costs; and

WHEREAS, for the purpose of financing the Municipal Development Costs in accordance with the Cooperation Agreement the following series of obligations have been issued (collectively, the “**Prior Bonds**”):

(a) \$1,850,000 Redevelopment Lease Revenue Bonds, Series 1994, dated December 1, 1994 (the “**Series 1994 Bonds**”);

(b) \$5,250,000 Redevelopment Lease Revenue Bonds, Series 1995A, dated March 1, 1995 (the “**Series 1995A Bonds**”);

(c) \$5,400,000 Redevelopment Lease Revenue Bonds, Series 1998, dated January 1, 1998 (the “**Series 1998 Bonds**”);

(d) \$6,555,000 Redevelopment Lease Revenue Refunding Bonds, Series 1999, dated April 1, 1999 (the “**Series 1999 Bonds**”); and

(e) \$3,900,000 Redevelopment Lease Revenue Bonds, Series 2002, dated November 1, 2002 (the “**Series 2002 Bonds**”); and

(f) \$3,710,000 Community Development Authority of the Village of Sturtevant, Wisconsin Redevelopment Lease Revenue Refunding Bonds, Series 2010, dated March 10, 2010 (the “**Series 2010 Bonds**”); and

(g) \$5,930,000 Village of Sturtevant, Wisconsin General Obligation Promissory Notes, Series 2010, dated July 22, 2010 (the “**Series 2010 Notes**”); and

WHEREAS, the Authority and the Municipality have entered into a Lease, dated as of December 1, 1994, as amended and supplemented in connection with the issuance of each series of the Prior Bonds (other than the Series 2010 Notes) issued after the Series 1994 Bonds (collectively, the “**Lease**”), pursuant to which the Authority has leased the Municipal Development Property to the Municipality for use in accordance with the Redevelopment Plan and provided for rental payments by the Municipality in amounts sufficient to pay the Prior Bonds (other than the Series 2010 Notes which are paid with taxes levied by the Municipality); and

WHEREAS, the Series 1994 Bonds, the Series 1995A Bonds, the Series 1998 Bonds, and the Series 1999 Bonds have been paid in full; and

WHEREAS, the Lease contemplates the issuance of additional bonds; and

WHEREAS, in furtherance of the Cooperation Agreement, the Authority now desires to refinance a portion of the Municipal Development Costs by selling and issuing its redevelopment lease revenue refunding bonds pursuant to the Act to refund the outstanding Series 2002 Bonds (the “**Refunding**”); and

WHEREAS, on August 16, 2011 the Authority adopted an Initial Resolution authorizing the issuance and sale of redevelopment lease revenue refunding bonds for purposes of the Refunding; and

WHEREAS, under the terms of the Cooperation Agreement:

(a) The Authority will issue and sell its Series 2011 revenue obligation in the principal amount of not to exceed \$2,975,000 (the “**Bonds**”) an amount sufficient, after provision for financing costs, to pay the estimated amount of the Refunding;

(b) The Authority will advance the proceeds from the sale of the Bonds to the Municipality in exchange for the Series 2011 revenue obligation (the “**Municipal Revenue Obligation**”) of the Municipality;

(c) The Authority has, through negotiated purchase, acquired certain property in the Redevelopment Area (the “**Municipal Development Property**”) and sold the same to the Municipality for a purchase price, in all cases, equal to the cost to the Authority of acquiring the same;

(d) The Municipality has made certain real property improvements, in the Municipal Development Property as described in the Lease in connection with the issuance of the Series 2002 Bonds, which improvements shall be refinanced pursuant to a new schedule of rent set forth in the Seventh Supplement to Lease (Additional Bonds), dated as of September 1, 2011, from the Authority to the Municipality (the “**Supplement to Lease**”), which further supplements and amends the Lease;

(e) The Municipality has contributed the Municipal Development Property and associated property interests to the Authority;

(f) The Authority has subjected the property to various requirements to assure that it has been developed in conformity with the Redevelopment Plan and the Act;

(g) The Authority has leased the Municipal Development Property to the Municipality under the Lease, which is an absolutely “net” lease, including rentals in each year sufficient (after certain credits) to pay the principal and interest due on the Prior Bonds (other than the Series 2010 Notes which are paid with taxes levied by the Municipality) and the Bonds;

(h) The Municipality has developed certain portions of the Municipal Development Property in a manner consistent with the Private Development; and

(i) The Authority will pledge the payments under the Lease and the Supplement to Lease and the Municipal Revenue Obligation to secure payment of the Bonds; and

WHEREAS, the Cooperation Agreement is in furtherance of the public purpose of fostering urban renewal in conformity with the Act and the Redevelopment Plan; and

WHEREAS, in connection with the issuance of the Bonds the following proposed documentation has been prepared:

(a) a Bond Purchase Agreement (the “**Bond Purchase Agreement**”), to be entered into by and among the Authority, the Municipality, and Robert W. Baird & Co. Incorporated (the “**Underwriter**”), setting forth the terms and conditions on which the Authority will sell, and the Underwriter will purchase, the Bonds; and

(b) a Sixth Supplement to Indenture of Trust, to be dated as of September 1, 2011 (the “**Supplement to Indenture**”), to be entered into between the Authority and Associated Trust Company, National Association, as trustee (the “**Trustee**”), supplementing an Indenture of Trust dated as of December 1, 1994 (the “**Indenture**”) and providing for the creation of the Bonds, the terms thereof, and the security therefor; and

(c) the Supplement to Lease, setting forth a schedule of additional rents under the Lease sufficient (after certain credits) to pay the principal and interest due on the Bonds; and

(d) a Preliminary Official Statement and a final Official Statement (collectively, the “**Official Statement**”), describing the Bonds and the Municipality; and

(e) a Tax Agreement, to be dated the date of initial delivery of the Bonds (the “**Tax Agreement**”), to be entered into by and among the Authority, the Municipality, and the Trustee setting forth certain undertakings in order to ensure compliance with applicable Internal Revenue Code requirements relating to the exclusion of interest on the Bonds from gross income for federal income tax purposes; and

(f) an Escrow Agreement, to be dated the date of initial delivery of the Bonds (the “**Escrow Agreement**”), to be entered into by and between the Authority, the Municipality, and the Trustee to provide for the Refunding; and

WHEREAS, the Bond Purchase Agreement, the Supplement to Indenture, the Tax Agreement, and the Escrow Agreement shall be collectively referred to herein as the “**Bond Documents**”; and

NOW, THEREFORE, be it resolved as follows:

Section 1. Additional Findings and Determinations.

It has been found and determined and is hereby declared that:

- (a) The Municipal Development constituted a “redevelopment project” within the meaning of the Act;
- (b) The estimated aggregate cost of the Refunding and paying the costs incident to the financing will not be less than the principal amount of the Bonds; and
- (c) The payments required to be made by the Municipality under the Lease and the Supplement to Lease are sufficient in amount (together with any credits against rent which are also available for such costs) to pay when due the principal of, premium, if any, and interest on the Bonds.

Section 2. Authorization to Lease Municipal Development Property; Execution of Supplement to Lease.

The Supplement to Lease is hereby approved. The payments by the Municipality under the Lease and the Supplement to Lease are hereby determined to be the fair market value of the Municipal Development Property and related property interests in accordance with the Redevelopment Act, based upon the following considerations, among others:

- (a) Said payments by the Municipality under the Supplement to Lease are sufficient to pay debt service on the Bonds, and therefore the Refunding is to be accomplished at no out-of-pocket cost to the Authority; and
- (b) In accordance with the Cooperation Agreement, the use of the Municipal Development Property has been restricted in a manner which will carry out the objectives of the Redevelopment Plan for the prevention and alleviation of the conditions of urban blight found by the Authority and the Municipality to be present in the Redevelopment Area.

Subject to (i) the Authority’s approval of this resolution and (ii) approval by the Municipality pursuant to the Cooperation Agreement, the Chairperson and the Executive Director or the Assistant Director of the Authority are hereby authorized and directed for and in the name of the Authority to execute and deliver the Supplement to Lease in the form presented herewith or with such insertions therein or corrections thereto as shall be approved by them consistent with this resolution, their execution thereof to constitute conclusive evidence of their approval of any such insertions and corrections.

Section 3. Designation, Denomination, Tenor, and Maturity of Bonds Created for Issuance.

The Bonds shall be issued under the Supplement to Indenture, in the principal amount of \$2,975,000 and shall be designated:

COMMUNITY DEVELOPMENT AUTHORITY OF THE
VILLAGE OF STURTEVANT, WISCONSIN
REDEVELOPMENT LEASE REVENUE REFUNDING BONDS, SERIES 2011

The Bonds shall become due and payable on the dates and in the amounts, and shall bear interest at the rates per annum set forth in the table below:

<u>Due (December 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2012	\$360,000	1.00%
2013	485,000	1.25
2014	500,000	1.50
2015	540,000	1.80
2016	550,000	2.00
2017	540,000	2.25

Interest shall accrue from the original issue date and shall be payable semiannually on each June 1 and December 1, beginning on June 1, 2012.

The Bonds shall be issued as fully registered bonds without coupons in denominations of \$5,000 or any multiple thereof. Bonds and the interest thereon shall be transferable by and shall be payable to the registered owners thereof in the manner and with the effect provided in the Indenture. The principal of, premium, if any, and interest on the Bonds shall be payable in lawful money of the United States of America at the principal corporate trust office of the Trustee, as paying agent, or the office of any successor or additional paying agent designated by the Authority.

The Bonds shall be dated the date of their original issuance and delivery. Each Bond shall be dated, as its registration date, the date of its authentication. The Bonds may be lettered and numbered as provided in the Indenture and the Supplement to Indenture.

The Bonds shall be issued in the form therefor as set forth in the Supplement to Indenture, with such insertions therein as shall be necessary to comply with the terms of this resolution and with such corrections therein, if any, as may be required for conformity with the terms of this resolution, the Indenture, the Supplement to Indenture, and the Redevelopment Act.

Interest shall be calculated on the basis of a 360-day year composed of twelve 30-day months. To the extent permitted by law, overdue principal, premium, if any, and interest shall bear interest at the same rate as was borne by the Bonds on the due date of the payment that is delinquent.

Section 4. Execution and Authentication of Bonds.

The Bonds shall be executed on behalf of the Authority with the facsimile or manual signature of its Chairperson, countersigned with the facsimile or manual signature of its

Executive Director or Assistant Director, and shall have impressed, imprinted, or otherwise reproduced thereon an official seal, if any, of the Authority or a facsimile thereof. No Bond shall be issued unless first authenticated by the Trustee (as fiscal agent and bond registrar), to be evidenced by the manual signature of an authorized signatory of the Trustee on each Bond.

Section 5. Designation of Trustee.

The Authority has previously designated, and hereby confirms the designation of, Associated Trust Company, National Association, to perform the functions of trustee, bond registrar, and paying agent under the Indenture and the Supplement to Indenture.

Section 6. Bonds as Limited Obligations.

The Bonds and interest thereon shall never be or be considered a general obligation of the Authority or the Municipality or an indebtedness of the Authority or the Municipality 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 Municipality or a charge against the general credit of either of them or the taxing power of the Municipality.

Section 7. Source of Payment; Pledge of Revenues.

The Bonds shall be limited obligations of the Authority payable by it, on a parity basis with the outstanding Prior Bonds (except for the Series 2010 Notes) and all additional bonds under the Indenture, solely from revenues and income derived by or for the account of the Authority from or for the account of the Municipality pursuant to the terms of the Lease, the Supplement to Lease, the Indenture, and the Supplement to Indenture; including without limitation: (i) payments by the Municipality pursuant to the terms of the Lease, as supplemented from time to time, (ii) the Municipal Revenue Obligation and similar obligations previously issued in connection with the issuance by the Authority of the Prior Bonds (except for the Series 2010 Notes) and to be issued from time to time by the Municipality in connection with the issuance by the Authority of any additional bonds under the Indenture, and (iii) all cash and securities held from time to time in the trust funds held by the Trustee under the Indenture or the Supplement to Indenture, and the investment earnings thereon.

As security for the payment of the principal of, premium, if any, and interest on the Bonds (and such prior and additional bonds), the Authority has pledged and assigned to the Trustee all its right, title, and interest in and to the Trust Estate described in the Indenture.

Section 8. Redemption of Bonds Prior to Maturity.

The Bonds maturing on and after December 1, 2016 shall be subject to redemption at the option of the Municipality at par plus accrued interest on December 1, 2015 and on any date thereafter.

Section 9. Trust Funds.

The trust funds and accounts created under the Indenture and the Supplement to Indenture are to be held in the custody of the Trustee and applied for the uses and purposes provided in the Indenture and the Supplement to Indenture are hereby authorized and approved.

Section 10. Investment of Trust Funds.

Any moneys held as a part of the trust funds held by the Trustee under the Indenture and Supplement to Indenture may be invested and reinvested by the Trustee in accordance with the Indenture and the Supplement to Indenture.

Section 11. Execution and Delivery of the Bond Documents.

The terms and provisions of the Bond Documents are hereby approved. The Chairperson and the Executive Director are hereby authorized for and in the name of the Authority to execute and deliver the Bond Documents in the forms thereof presented herewith, or with such insertions therein or corrections thereto as shall be approved by them consistent with this resolution and the terms of the Redevelopment Act, their execution thereof to constitute conclusive evidence of their approval of any such insertions and corrections.

Section 12. Sale of Bonds.

The Authority has negotiated for the sale of the Bonds to the Underwriter at a purchase price of \$2,934,837.50 (which represents the \$2,975,000 principal amount of the Bonds, less Underwriter discount of (\$40,162.50) and no accrued interest. Given the purposes of the financing and the involvement of the Authority therewith, it is the determination of the Authority that the Bonds shall be hereby awarded to the Underwriter at the price aforesaid with delivery to follow in the manner, at the time and subject to the conditions set forth in the Bond Purchase Agreement.

Section 13. Official Statement.

The Authority ratifies, authorizes, and approves the Official Statement prepared in connection with the issuance of the Bonds, and authorizes and approves the addendum thereto; *provided* that the Official Statement must be substantially in the form submitted to this meeting, with such modifications as the Chairperson approves. The Chairperson must deliver copies of the Official Statement to the Underwriter and, if the Underwriter requests, execute one or more copies on behalf of the Authority. Execution and delivery of the Official Statement conclusively evidences the approval of the Chairperson.

Section 14. General Authorizations.

The Chairperson and the Executive Director or Assistant Director and the appropriate deputies and officials of the Authority in accordance with their assigned responsibilities are hereby each authorized to execute, deliver, publish, file, and record such other documents, instruments, notices, and records (including without limitation the Internal Revenue Service form 8038-G) and to take such other actions as shall be necessary or desirable

to accomplish the purposes of this resolution and to comply with and perform the obligations of the Authority under the Bonds, the Cooperation Agreement, the Lease, the Supplement to Lease, the Indenture, and the Bond Documents.

In the event that said officers shall be unable by reason of death, disability, absence, or vacancy of office to perform in timely fashion any of the duties specified herein (such as the execution of Bonds, the Official Statement, the Supplement to Lease, or the Bond Documents), such duties shall be performed by the officer or official succeeding to such duties in accordance with law and the rules of the Authority.

Section 15. Publication of Notice.

Notice of the sale of the Bonds, in the form attached hereto as Exhibit A, shall be published as soon as possible after the adoption of this resolution in a newspaper having general circulation within the boundaries of the Authority as a class 1 notice under Chapter 985 of the Wisconsin Statutes. The Executive Director or Assistant Director shall obtain proof, in affidavit form, of such publication, and compare the Notice as printed with the form attached hereto as Exhibit A to ascertain that no mistake has been made therein.

Section 16. Qualified Tax-Exempt Obligations.

The Authority hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

Section 17. Tax Law Covenants.

The Authority hereby covenants that it will comply with all requirements of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations promulgated thereunder, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes.

Section 18. Effective Date; Conformity.

This Resolution shall be effective immediately upon its passage and approval. To the extent that any prior resolutions of this body 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.

Adopted: August 30, 2011

Chairperson

Executive Director

EXHIBIT A

NOTICE TO THE ELECTORS
OF THE VILLAGE OF STURTEVANT, WISCONSIN
RELATING TO BOND SALE

On August 30, 2011, a resolution was offered, read, approved, and adopted whereby the Community Development Authority of the Village of Sturtevant, Wisconsin (the “**Authority**”), entered into a contract to sell an issue of redevelopment lease revenue refunding bonds under Section 66.1333 of the Wisconsin Statutes, as amended, in the face amount of \$2,975,000. It is anticipated that the closing of the bond sale will be held on or about September 22, 2011. A copy of all proceedings had to date with respect to the authorization and sale of said bonds is on file and may be examined in the office of the Executive Director of the Authority, 2801 - 89th Street, Sturtevant, Wisconsin 53177.

This notice is given pursuant to Section 893.77, Wisconsin Statutes, which provides that an action or proceeding to contest the validity of such financing, for other than constitutional reasons, must be commenced within 30 days after the date of publication of this notice.

Publication Date: September ____, 2011

/s/ Mark Janiuk
Executive Director

CERTIFICATIONS BY EXECUTIVE DIRECTOR

I, Mark Janiuk, hereby certify that I am the duly qualified and acting Executive Director of the Community Development Authority of the Village of Sturtevant, Wisconsin (the “**Authority**”), and as such I have in my possession, or have access to, the complete corporate records of said Authority and of its Commissioners (the “**Governing Body**”) and that attached hereto is a true, correct, and complete copy of the resolution (the “**Resolution**”) entitled:

Resolution Authorizing the Sale and Issuance of Lease Revenue Refunding Bonds, Series 2011, the Approval of Related Documents, and Certain Other Details

I do hereby further certify as follows:

1. **Meeting Date.** On August 30, 2011, a meeting of the Governing Body was held commencing at _____ p.m.
2. **Posting.** On August ____, 2011 (and not less than 24 hours prior to the meeting), I posted or caused to be posted at the Authority’s offices in Sturtevant, Wisconsin a notice setting forth the time, date, place, and subject matter (including specific reference to the Resolution) of said meeting.
3. **Notification of Media.** On August ____, 2011 (and not less than 24 hours prior to the meeting), I communicated or caused to be communicated, the time, date, place, and subject matter (including specific reference to the Resolution) of said meeting to those news media who have filed a written request for such notice.
4. **Open Meeting Law Compliance.** Said meeting was a special meeting of the Governing Body which was held in open session in compliance with Subchapter V of Chapter 19 of the Wisconsin Statutes and any other applicable local rules and state statutes.
5. **Members Present.** Said meeting was duly called to order by the Chairperson (the “**Presiding Officer**”), who chaired the meeting. Upon roll I noted and recorded that there were ___ members of the Governing Body present at the meeting, such number being a quorum of the Governing Body.
6. **Consideration of and Roll Call Vote on Resolution.** Various matters and business were taken up during the course of the meeting without intervention of any closed session. One of the matters taken up was the Resolution. A proper quorum of the Governing Body was present for the consideration of the Resolution, and each member of the Governing Body had received a copy of the Resolution. All rules of the Governing Body that interfered with the consideration of the Resolution, if any, were suspended by a two-thirds vote of the Governing Body. The Resolution was then introduced, moved, and seconded, and after due consideration, upon roll call, ___ of the Governing Body members voted Aye, ___ voted Nay, and ___ Abstained.

7. **Adoption of Resolution.** The Resolution was supported by the affirmative vote of a majority of a quorum of Governing Body members in attendance. The Presiding Officer then declared that the Resolution was adopted, and I so recorded it.

8. **Publication of Exhibit A to Resolution.** I have caused Exhibit A to the Resolution to be published in the form and place specified in the Resolution.

IN WITNESS WHEREOF, I have signed my name and affixed the seal, if any, of the Authority hereto on September ____, 2011.

[No Seal]

Executive Director