

COMMON COUNCIL OF THE CITY OF LA CROSSE, WISCONSIN

Resolution No. 21-0198

RESOLUTION APPROVING THE ISSUANCE OF NOT TO EXCEED \$2,550,000 TAXABLE INTERIM REDEVELOPMENT REVENUE BOND, SERIES 2021 BY THE REDEVELOPMENT AUTHORITY, AND APPROVING A CONTRIBUTION AND COOPERATION AGREEMENT IN CONNECTION THEREWITH

WHEREAS, the City of La Crosse, La Crosse County, Wisconsin (the "City") created the Redevelopment Authority of the City of La Crosse (the "Authority") pursuant to the provisions of Section 66.1333, Wisconsin Statutes, (the "Act") and a resolution adopted on August 9, 1962; and

WHEREAS, pursuant to the Act, the City and the Authority have each previously adopted a Redevelopment Plan for the Riverside Redevelopment Project, dated February 9, 1995 as amended on January 16, 1997 and April 9, 1998 (collectively, the "Redevelopment Plan") and declared the property within the boundaries of the Redevelopment Plan to be blighted within the meaning of the Act; and

WHEREAS, under the Redevelopment Plan and the Act, the Authority has the power to acquire real property; to hold, improve, clear or prepare such real property for redevelopment; to lease, sell or otherwise dispose of such real property; and to issue bonds to finance such activities; and

WHEREAS, the Authority intends to undertake a program of blight elimination, urban renewal and redevelopment on certain blighted property located within the boundaries of the Redevelopment Plan and the City's Tax Incremental District No. 18 ("TID 18"), consisting of the projects listed in the Project Plan for TID 18, which include providing fill and site preparation, as well as public improvements and infrastructure that will establish developable sites in and around the RiverPoint District and related legal and financing expenses (collectively, the "Project"); and

WHEREAS, the Authority intends to issue its Taxable Interim Redevelopment Revenue Bond, Series 2021 (the "Bond") to provide interim financing for the Project; and

WHEREAS, the Authority will covenant to issue additional Redevelopment Revenue Bonds pursuant to Section 66.1333(5)(a)4. of the Wisconsin Statutes as necessary in an amount sufficient to refund the Bond as it matures in order to provide long-term financing for the Project (the "Long-Term Bonds"); and

WHEREAS, the Authority has requested that the City assist in providing support to facilitate the Authority's ability to issue the Bond, including paying interest on the Bond; and

WHEREAS, the Authority has requested that the City provide such support by entering into a Contribution and Cooperation Agreement (the "Contribution and Cooperation Agreement") in connection with the issuance of the Bond; and

WHEREAS, the Project and the issuance of the Bond will assist the Authority in carrying out the purposes for which it was created, including blight elimination, urban renewal and job creation within the City; and

WHEREAS, Section 66.1333(13), Wisconsin Statutes, authorizes the City to lend or contribute funds to assist a redevelopment project, Section 66.1105(2)(f)1.h., Wisconsin Statutes, provides that the amount of contributions made under Section 66.1333(13) in connection with implementation of the project plan is an eligible tax increment project cost and Section 66.1105(2)(f)1.b. permits the City to recover "financing costs" related to tax increment projects from tax increment revenues.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of La Crosse, La Crosse County, Wisconsin as follows:

Section 1. Approval of the Contribution and Cooperation Agreement. The provisions and terms included in the Contribution and Cooperation Agreement in substantially the form attached hereto as Exhibit A and incorporated herein by this reference are hereby approved. Subject to satisfaction of the conditions in Section 2, the Mayor and the City Clerk are hereby authorized to execute and deliver the Contribution and Cooperation Agreement, with such insertions or deletions as the Mayor deems are consistent with this Resolution, on behalf of the City. Execution of the Contribution and Cooperation Agreement by the Mayor shall constitute conclusive evidence of his or her approval of the form of such agreement and satisfaction of the conditions in Section 2.

Section 2. Conditions on Execution and Delivery of the Contribution and Cooperation Agreement. The execution and delivery of the Contribution and Cooperation Agreement are subject to satisfaction of the following conditions:

- (a) the sale and issuance by the Authority of the Bond in an amount not to exceed \$2,550,000; and
- (b) the interest rate on the Bond shall not exceed 4.00% per annum.

The Contribution and Cooperation Agreement shall not be executed and delivered until these conditions are satisfied. Upon satisfaction of these conditions, the Contribution and Cooperation Agreement may be executed and delivered to the Authority and the owner of the Bond.

Section 3. Statement of Intent to Appropriate. The City hereby declares that it fully expects and anticipates that it will appropriate funds from TID 18 each year in an amount equal to the amount requested by the Authority pursuant to Section 2.2 of the Contribution and Cooperation Agreement. The Common Council acknowledges that the projected tax increment to be derived from TID 18 may not be realized and that the increment may therefore be insufficient to make payments under the Contribution and Cooperation Agreement sufficient to

pay all interest on the Bond as it becomes due. The City hereby declares that it fully expects and anticipates that, if such a shortfall occurs, it will appropriate funds from other available revenues of the City sufficient to fund any such shortfall in order to meet its obligation to make contributions under the Contribution and Cooperation Agreement sufficient to pay when due all interest on the Bond, provided however, that such payment shall be subject to annual appropriation by the Common Council.

Section 4. Issuance of Long-Term Bonds. The City covenants and agrees that it will take all actions within its power necessary to enable the Authority to issue the Long-Term Bonds, including entering into another Contribution and Cooperation Agreement in connection with the Long-Term Bonds, as soon as practicable in an amount necessary to refund the Bond as it matures.

Section 5. Resolution a Contract. The provisions of this Resolution shall constitute a contract between the City and the Authority and the owner or owners of the Bond and after issuance of the Bond no change or alteration of any kind in the provisions of this Resolution may be made, until all of the Bond has been paid in full as to both principal and interest. The owner or owners of the Bond shall have the right in addition to all other rights, by mandamus or other suit or action in any court of competent jurisdiction, to enforce their rights against the City.

Adopted, approved and recorded this 11th day of March, 2021.

\_\_\_\_\_  
Mayor

Attest:

\_\_\_\_\_  
City Clerk

(SEAL)

## EXHIBIT A

### CONTRIBUTION AND COOPERATION AGREEMENT

THIS AGREEMENT made and entered into this 1st day of April, 2021, by and between the Redevelopment Authority of the City of La Crosse (the "Authority") and the City of La Crosse, Wisconsin (the "City") witnesseth:

WHEREAS, the City created the Authority pursuant to the provisions of Section 66.1333, Wisconsin Statutes, (the "Act") and a resolution adopted on August 9, 1962; and

WHEREAS, pursuant to the Act, the City and the Authority have each previously adopted a Redevelopment Plan for the Riverside Redevelopment Project, dated February 9, 1995 as amended on January 16, 1997 and April 9, 1998 (collectively, the "Redevelopment Plan") and declared the property within the boundaries of the Redevelopment Plan to be blighted within the meaning of the Act; and

WHEREAS, under the Redevelopment Plan and the Act, the Authority has the power to acquire real property; to hold, improve, clear or prepare such real property for redevelopment; to lease, sell or otherwise dispose of such real property; and to issue bonds to finance such activities; and

WHEREAS, the Authority intends to undertake a program of blight elimination, urban renewal and redevelopment on certain blighted property located within the boundaries of the Redevelopment Plan and the City's Tax Incremental District No. 18 ("TID 18"), consisting of the projects listed in the Project Plan for TID 18, which include providing fill and site preparation, as well as public improvements and infrastructure that will establish developable sites in and around the RiverPoint District and related legal and financing expenses (collectively, the "Project"); and

WHEREAS, on this same date, the Authority has issued its Taxable Interim Redevelopment Revenue Bond, Series 2021 (the "Bond") to provide interim financing for the Project; and

WHEREAS, the Authority has covenanted to issue additional Redevelopment Revenue Bonds pursuant to Section 66.1333(5)(a)4. of the Wisconsin Statutes in an amount necessary to refund the Bond as it matures in order to provide long-term financing for the Project (the "Long-Term Bonds"); and

WHEREAS, the Authority has requested that the City assist in providing support to facilitate the marketing of the Bond; and

WHEREAS, the Project and the issuance of the Bond will assist the Authority in carrying out the purposes for which it was created.

NOW, THEREFORE, in consideration of the premises and the mutual promises of the City and the Authority hereinafter set forth, the City and the Authority do hereby agree and covenant as follows:

## ARTICLE I

### COVENANTS OF THE AUTHORITY

Section 1.1. The Authority will proceed with all possible diligence to accomplish the Project through the issuance of the Bond and the refinancing of the Bond through the issuance of Long-Term Bonds as soon as is practicable.

Section 1.2. The Authority will provide access to all of its books and records relating to the Bond to the City's financial officials, or their designees, during the normal business hours of the Authority. Upon request, said officials or designees shall be permitted to make copies of said books and records, or any portions thereof.

## ARTICLE II

### COVENANTS OF THE CITY

Section 2.1. On March 1 of each year that any interest is due and payable by the Authority on the Bond and the Authority has insufficient funds to pay such interest, the City will pay to the Authority funds sufficient to pay any such interest due on the Bond. Any such payments, however, shall be subject to annual budgetary appropriation by the Common Council of the City and any applicable levy limitations, pursuant to the procedure set forth in Section 2.2 hereof.

Section 2.2. On or before November 1 of each year beginning in 2021, the Authority will file with the City Clerk, the Authority's estimate of the amount of the City's obligation under Section 2.1 of this Agreement during the next succeeding fiscal year, and the staff of the City will include such amount in the City budget as submitted to the Common Council for the next succeeding fiscal year. If the Common Council in any year does not budget and appropriate the amount of the City's obligation as estimated by the Authority, the City will provide written notice to that effect to the Authority and to the original purchaser of the Bond no later than 15 days after adoption and approval of the annual budget for that year.

As of March 1 of each year the Authority will file with the City Clerk its written claim for the amount, if any, due to the Authority hereunder, which claim shall be processed pursuant to Section 62.12(8) of Wisconsin Statutes or any successor thereto then in effect.

Within 30 days of receipt of a claim from the Authority, the City will pay to the Authority the full amount of its obligation out of any funds available and appropriated by the Common Council for that purpose.

Any payment by the City pursuant to Section 2.1 shall be a donation in assistance of the Authority, and the Authority shall not be liable for any repayment thereof.

Section 2.3. The City will proceed with all possible diligence to take all actions necessary to permit the Authority to accomplish the issuance of the Long-Term Bonds.

ARTICLE III

OTHER PROVISIONS

Section 3.1. This Agreement is made for the benefit of the City, the Authority and the owner or owners of the Bond, and any payments receivable hereunder by the Authority from the City may be pledged and assigned by the Authority as security for the payment of the principal of and interest on the Bond. This Agreement shall constitute a third party beneficiary contract for the benefit of the beneficial owner or owners of the Bond.

Section 3.2. This Agreement shall not be abrogated, amended, modified or supplemented at any time when the Bond is outstanding and unpaid, without the consent of the owners of all of the Bond which is outstanding and has not been discharged.

Section 3.3. This Agreement shall not have any effect whatsoever, and shall be absolutely void, unless and until the Bond have been issued, sold and delivered.

Section 3.4. In case any section, subsection or clause of this Agreement shall be held invalid, the invalidity thereof shall not affect any other portion of this Agreement and all other portions of this Agreement shall nevertheless be in full force and effect.

IN WITNESS WHEREOF, the City and the Authority have respectively caused this Agreement to be duly executed as of the day and year first above written.

CITY OF LA CROSSE, WISCONSIN

By: \_\_\_\_\_  
Mayor

(SEAL)

\_\_\_\_\_  
City Clerk

REDEVELOPMENT AUTHORITY OF THE CITY  
OF LA CROSSE

By: \_\_\_\_\_  
Chairperson

\_\_\_\_\_  
Executive Director/Secretary