



**Meeting:** Village Board  
**Meeting Date:** 10/28/13  
**Agenda Item:** 6f

**Mission Statement**

Delivering quality services in a courteous, cost-effective and efficient manner.

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## VILLAGE BOARD MEETING STAFF REPORT

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**REPORT TO:** Burt R. McIntyre, President  
Village Board of Trustees

**REPORT FROM:** Paul Evert, Village Administrator

**AGENDA ITEM:** Review and take action on Resolution 2013-34, An Initial Resolution Authorizing the Sale and Issuance of Not to Exceed General Obligation Community Development Bonds; and Certain Related Details

**ACTION REQUESTED:**     \_\_Ordinance    XResolution    \_\_\_Motion    \_\_\_Receive/File

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**POLICY ISSUE**

Should the Village Board approve Resolution 2013-34 authorizing borrowing of funds for TIFs #3, #4 & #7?

**PRIOR ACTION/REVIEW**

No prior action has been taken by the board on this item but a report was submitted by Jim Mann of Ehlers at a previous meeting.

**BACKGROUND INFORMATION**

Staff has been working with Ehlers & Associates to prepare a bond issue for financing infrastructure and land acquisitions within three village Tax Incremental Financing Districts, TIFs #3, #4 & #7. At the September 23, 2013 board meeting, Jim Mann of Ehlers was present to discuss the possibility of borrowing funds through the bond market to enable the three TIFs to fund the cost of infrastructure and land acquisitions that will occur in 2014.

The following projects have been identified for this borrowing:

**TIF #3**

Installing new roadway	\$580,000
Land acquisition	2,000,000
Water	210,000
Sanitary Sewer	135,000
Storm Sewer	540,000
Sidewalks	160,000
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	\$3,625,000
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**TIF #4**

Reconstruct roadway	\$290,000
Water	280,000
Sanitary Sewer	66,000
Storm Sewer	154,000
Sidewalks	148,000
Box culvert	300,000
Buyout Holcim (possibly a 2013 item)	3,500,000
Other right-of-way acquisitions	500,000
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	\$5,238,000
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**TIF #7**

Property acquisition (2102)	<hr/>
	\$319,000
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<b>Grand Total</b>	<b><u><u>\$9,182,000</u></u></b>
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The resolution the board is considering will make it possible to borrow up to \$9,375,000 which would include cost to issue the debt. This amount could not be exceeded with the actual borrowing to take place later this year (probably in November). The amount could be lower than the amount listed in the resolution.

The 2014 budget document includes these borrowed funds along with the TIF payments needed on this debt for 2014. The debt repayments will be made with TIF funds.

<b><u>FISCAL IMPACT:</u></b>	
1. Is There A Fiscal Impact?	<u>Yes</u>
2. Is it Currently Budgeted?	<u>2014</u>
3. If Budgeted, Which Line?	<u>various accounts</u>

**RECOMMENDED ACTION**

Village staff recommends the village board approve the attached authorizing the borrowing of funds for TIFs #3, #4 & #7. If the Village Board agrees with this action, the following motion could be used, "***Motion to approve Resolution 2013-34 that authorizes borrowing of up to \$9,375,000 in general obligation debt.***"

**POLICY ALTERNATIVE(S)**

The village board could take the following actions:

- Deny the suggested motion
- Table the suggested motion and request additional information

**ATTACHED INFORMATION**

- I. Resolution 2013-34 Initial Resolution Authorizing the Sale of General Obligation Bonds

**VILLAGE BOARD  
OF THE  
VILLAGE OF HOWARD, WISCONSIN**

**October 28, 2013**

**Resolution No. 2013-34**

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**An Initial Resolution Authorizing the Sale and Issuance of Not to Exceed  
General Obligation Community Development Bonds;  
and Certain Related Details**

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RECITALS

The Village Board (the “**Governing Body**”) of the Village of Howard, Wisconsin (the “**Village**”) makes the following findings and determinations:

1. The Village is currently in need of funds for acquiring and developing sites for industry and commerce as will expand the municipal tax base, including, but not limited to, financing various infrastructure improvements and land acquisitions within in the Village’s Tax Incremental Districts No. 3, 4, and 7 (collectively, the “**Project**”).
2. The Village may choose to issue one or more separate series of obligations for the purposes of the Project.
3. The Governing Body deems it in the best interests of the Village that the funds needed for the Project be borrowed, pursuant to the provisions of Chapter 67 of the Wisconsin Statutes, on the terms and conditions set forth below.

RESOLUTIONS

The Governing Body resolves as follows:

**Section 1. Initial Resolution Authorizing the Issuance of Obligations.**

Under and by virtue of the provisions of Chapter 67 of the Wisconsin Statutes, the Village shall issue its negotiable, general obligation community development bonds (the “**Bonds**”) to finance the Project; *provided, however*, that (i) the Village shall issue one or more separate series of Bonds to finance on a taxable basis (the “**Taxable Bonds**” and together with the Bonds, the “**Obligations**”) the portion of the Project which does not qualify for tax-exempt financing, (ii) the aggregate principal amount of the Obligations shall not exceed \$9,375,000, and (iii) the Obligations shall be sold and issued in whole or in part from time to time in such amount or amounts as shall be within the limits provided by law.

**Section 2. Authorization of Sale of Obligations.**

Bonds and the Taxable Bonds are each hereby authorized and ordered to be sold to the same or separate purchasers to be determined by competitive bid (each a “**Purchaser**”).

**Section 3. Preparation of Official Statement and Notice of Sale.**

The Village President and the Clerk (in consultation with the Village’s financial advisor, Ehlers and Associates, Inc.) are hereby authorized and directed to cause an initial offering document for the Obligations (the “**Official Statement**”) to be prepared and distributed to any banks, underwriters, investment houses, or the like deemed to be advisable, and enclose with the Official Statement a “Notice of Sale” and a “Bid Form”. The Village President and the Clerk are hereby authorized on behalf of the Village, to approve the form of Official Statement and authorize it to be deemed final as of its date for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1)), and to supply copies of the Official Statement upon request.

The Clerk is hereby further authorized and directed to cause notice of the sale of the Obligations to be (i) provided to *The Bond Buyer* for inclusion in its complimentary section for the publication of such notices and (ii) posted in the same locations as the Village routinely posts notices for its official business.

**Section 4. Bids for Obligations.**

Written bids for the sale of the Obligations shall be received by the Village on the date fixed in each Notice of Sale, on which date such bids shall be publicly opened and read. The Governing Body reserves the right in its discretion, without cause, to waive any informality in any bid, to reject any or all bids without cause, and to reject any bid which it determines to have failed to comply with the terms of a Notice of Sale.

**Section 5. Further Actions.**

The issuance of the Obligations shall be subject to the condition that the Governing Body has adopted a separate resolution to award the sale of the Bonds and the sale of the Taxable Bonds to the respective Purchaser, to approve the purchase contract submitted by each Purchaser (each a “**Bond Purchase Agreement**”), to fix the interest rate or rates on the Obligations in accordance with the related Bond Purchase Agreement, to provide for the form of the Obligations, to set forth any early redemption provisions, to levy taxes to pay the principal of, and interest on, the Obligations as required by law, to designate a fiscal agent for the Obligations, and to take such further action as may be necessary or expedient to provide for the preparation, execution, issuance, delivery, payment, and cancellation of the Obligations.

**Section 6. Severability of Invalid Provisions.**

In case any one or more of the provisions of this resolution shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this resolution.

**Section 7. Authorization to Act.**

The officers of the Village, attorneys for the Village, or other agents or employees of the Village are hereby authorized to do all acts and things required of them by this resolution for the full, punctual, and complete performance of all of the provisions of this resolution.

**Section 8. Prior Actions Superseded.**

All prior resolutions, rules, ordinances, or other actions, or parts thereof, of the Governing Body in conflict with the provisions of this resolution shall be, and the same are hereby, rescinded insofar as they may so conflict.

**Section 9. Effective Date.**

This resolution shall take effect upon its adoption and approval in the manner provided by law.

Adopted:      October 28, 2013

\_\_\_\_\_  
Village President

\_\_\_\_\_  
Clerk

## CERTIFICATIONS BY CLERK

I, Paul F. Evert, hereby certify that I am the duly qualified and acting Clerk of the Village of Howard, Wisconsin (the “**Village**”), and as such I have in my possession, or have access to, the complete corporate records of the Village and of its Village Board (the “**Governing Body**”) and that attached hereto is a true, correct, and complete copy of the resolution (the “**Resolution**”) entitled:

### **An Initial Resolution Authorizing the Sale and Issuance of Not to Exceed \$9,375,000 General Obligation Community Development Bonds; and Certain Related Details**

I do hereby further certify as follows:

1. **Meeting Date.** On October 28, 2013, a meeting of the Governing Body was held commencing at 6:30 p.m.
2. **Posting.** On October 25, 2013 (and not less than 24 hours prior to the meeting), I posted, or caused to be posted, at the Village’s offices in Howard, 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 October 25, 2013 (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 and to the official newspaper of the Village.
4. **Open Meeting Law Compliance.** Said meeting was a regular meeting of the Governing Body that 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 Village President (the “**Presiding Officer**”), who chaired the meeting. Upon roll call, 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 the members of the Governing Body in attendance. The Presiding Officer then declared that the Resolution was adopted, and I recorded the adoption of the Resolution.

IN WITNESS WHEREOF, I have signed my name and affixed the seal of the Village hereto on October \_\_\_\_\_, 2013.

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Clerk

[Seal]