

RESOLUTION 24-XX RELATED TO THE EXPRESSION OF INTENT BY THE COMMON COUNCIL OF
THE CITY OF RACINE TO ISSUE GENERAL OBLIGATION BONDS, NOTES or OTHER DEBT
INSTRUMENT IN SUPPORT OF THE KING CENTER PROJECT

WHEREAS, the City of Racine, through a partnership with the State of Wisconsin, expects to invest more than \$70 million in the Lincoln King Neighborhood to build a community center, health center, and to improve housing in the neighborhood; and

WHEREAS, the community center and health center will comprise the “King Center,” strategically located at the heart of the neighborhood and close to the Julian-Thomas elementary school, and will provide an array of programs, including a gymnasium, recreational spaces, classrooms, and additional features identified by community members. The King Center aims to address health, wellness, and social disparities of the neighborhood and beyond; and

WHEREAS, the large scale of the King Center project requires the use of an array of funding sources, including Federal grants, State grants, City capital improvement funding, philanthropy and private investment; and

WHEREAS, although all moneys necessary to construct the King Center will be required to be available for construction over a relatively short period, a number of the expected third-party funding sources for the King Center will be recognized by the City over a period of years; and

WHEREAS, access to innovative financing sources, such as New Markets Tax Credits (“NMTCs”) will require substantially all of the sources of funds necessary to construct the King Center to be available at the outset of construction, necessitating the City to bridge future receipts.

NOW THEREFORE BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF RACINE:

1. That the City reaffirms its support for the construction of the King Center and the investment in the Lincoln-King neighborhood.
2. That, in order for the City to have the moneys necessary to construct the King Center, the City expresses its intent to issue general obligation bonds, notes, or other debt instrument in the maximum par amount of \$21 million if needed to provide a bridge for third-party moneys that the City will recognize over time, as well as to provide the necessary matching moneys to secure other third-party funds, including but not limited to the NMTCs.
3. That the City has incurred certain capital expenditures in connection with the construction and equipping of the King Center, located at [street address], including but not limited to land acquisition, site preparation, building construction, renovations and improvements, and the purchase and installation of furniture, fixtures and equipment, prior to the date of this Resolution, and the City expects to make additional capital expenditures for the King Center project in the future.
4. That the City intends to reimburse itself for all or a portion of such expenditures, to the extent permitted by law, with the proceeds of tax-exempt bonds or other obligations,

and that this Resolution shall serve as a declaration of official intent to reimburse any such expenditures within the meaning of Treasury Regulations Section 1.150-2.

5. That this Resolution shall continue in full force and effect until amended, superseded or revoked by the City.

ADOPTED and APPROVED by the Common Council of the City of Racine on

_____.

[Insert signature/attestation blocks]