

COMMUNITY DEVELOPMENT AUTHORITY
CITY OF WEST ALLIS, WISCONSIN
RESOLUTION NO. 1387
DATE ADOPTED: July 8, 2021

Resolution to approve a Limited Guaranty Agreement between the City of West Allis and Waukesha State Bank on behalf of Cobalt Partners, Inc and/or an affiliate entity for the construction of a Home 2 Suites Hotel within Tax Incremental District 16, within the S. 70th Street Corridor (Allis Yards) redevelopment area.

WHEREAS, Cobalt Partners, Inc. and/or affiliate entity ("Developer"), has requested financial assistance from the City of West Allis to help secure project private financing from Waukesha State Bank for the construction of a Home 2 Suites Hotel within Tax Incremental District 16, within the S. 70th Street Corridor (Allis Yards) redevelopment area; and,

WHEREAS, the Community Development Authority of the City of West Allis (the "Authority") approved the Development Agreement between the City of West Allis and developers (West Quarter East, LLC and West Quarter West, LLC regarding the South 70th Street Corridor development project) through Resolution No. 1302 and an amendment by Resolution No. 1350 adopted October 8, 2019; and,

WHEREAS, the Authority wishes to encourage economic development, eliminate blight, expand the City's tax base and foster job creation for the City through the development of the Property; and,

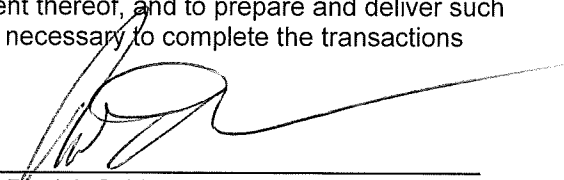
WHEREAS, the Developer's request for a \$4 million Guaranty from the City follows challenges in the development and hospitality industry to secure private financing for the construction of a hotel because of the financial impacts caused by the National COVID-19 pandemic; and,

WHEREAS, the City Attorney and the City's Economic Development staff have negotiated with Waukesha State Bank, and formed the attached Exhibit A – Limited Guaranty, hereby attached by reference.

NOW, THEREFORE BE IT RESOLVED that the Community Development Authority of the City of West Allis hereby approves the following:

1. A Limited Guaranty Agreement between the City of West Allis and Waukesha State Bank on behalf of Cobalt Partners, Inc and/or an affiliate entity for the construction of a Home 2 Suites Hotel within Tax Incremental District 16, within the S. 70th Street Corridor (Allis Yards) redevelopment area.
2. The Community Development Authority recommends adoption of Exhibit A – Limited Guaranty.
3. The Executive Director, or his designee, be and is hereby authorized to execute and deliver the aforesaid Contract on behalf of the City.
4. That the City Attorney, be and is hereby authorized to make such non-substantive changes, modifications, additions and deletions to and from the various provisions of the contract, including any and all attachments, exhibits, addendums and amendments, as may be necessary and proper to correct inconsistencies, eliminate ambiguity and otherwise clarify and supplement said provisions to preserve and maintain the general intent thereof, and to prepare and deliver such other and further documents as may be reasonably necessary to complete the transactions contemplated therein.

Approved: _____


Patrick Schloss, Executive Director
Community Development Authority