



City of West Allis

Resolution: R-2020-0225

File Number: R-2020-0225

Final Action: 4/22/2020

Sponsor(s): Administration & Finance Committee

Resolution to consider Economic Development Loan and Housing Rehabilitation Loan deferments, interest forgiveness and amended loan terms to address business and homeowner needs during the COVID-19 national emergency

WHEREAS, the COVID-19 National Emergency has caused economic hardship for businesses and homeowners that have borrowed funds from the City's Economic Development Loan Program or the City's Housing Rehabilitation Loan Program; and,

WHEREAS, the Department of Development is recommending Economic Development Loan and Housing Rehabilitation Loan Program deferments, interest forgiveness and amended loan terms; and

WHEREAS, under this resolution, the City of West Allis Common Council would grant staff the authority to provide an application process, in which an example application is hereby attached by reference as Exhibit A, and the application review would include financial underwriting review, to provide Economic Development Loan and Housing Rehabilitation Loan Borrowers up to six-month loan deferments of principal and interest payments and/or reducing current interest rates to 0% for up to a six-month period based on the business and individual financial needs; and,

WHEREAS, at the end of the deferment period, Borrowers' loan Notes will be revised to amortize the remaining outstanding balance over the remaining term of the loan Note and full principal and interest payments would resume; and,

WHEREAS, the loan deferment and interest forgiveness, and amended loan term requests will be reviewed on a case by case basis and considered for approval by the Director of Development or his designee, in consultation with the Finance Director; and,

WHEREAS, the deferments will help businesses and individuals address cash flow deficits resulting from the mandated closures, layoffs or furloughs, and loss of sales based on the national pandemic.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that it hereby approves an Economic Development Loan and Housing Rehabilitation Loan Program deferment, interest forgiveness and amended loan terms program to address business and individual needs during the COVID-19 national emergency.

BE IT FURTHER RESOLVED that the Common Council of the City of West Allis grant authority to the Director of Development or his designee, in consultation with the Finance Director to underwrite and to approve up to six-month loan deferments, reducing interest rates down to 0% and interest forgiveness during this time frame and up to six-month interest rate reduction or forgiveness to Economic Development Loan and Housing Rehabilitation Loan Borrowers based on business and individual needs.

cc: Development Department
Finance Department

DEV-R-1010-4-22-20

ADOPTED 4/22/2020

Rebecca N. Grill

Rebecca Grill, City Administrator/Clerk

APPROVED _____

Dan Devine

Dan Devine, Mayor

From: [Barb Burkee](#)
To: [Janel Lemanske](#)
Cc: [City Hall Development](#)
Subject: RE: R-2020-0225 signed.pdf
Date: Wednesday, May 6, 2020 12:43:56 PM

Janel,

FYI – there will be no executed document to go with this Resolution. It was just approving some changes to our Loan programs during COVID.

Barb

Barb Burkee
Administrative Support Specialist | Development Department
City of West Allis
7525 W. Greenfield Ave. | West Allis, WI 53214
Office: 414-302-8473 | Dept: 414-302-8460
thatwhywestallis.com

From: Janel Lemanske
Sent: Wednesday, May 06, 2020 12:01 PM
To: City Hall Development; City Hall Finance Conference Room
Subject: R-2020-0225 signed.pdf

Signed document attached.

Please email executed document once available.

Thank you,
Janel



EXHIBIT A

City of West Allis Temporary Deferral Form

Business Owner Name: _____

Business Name: _____

Best phone number: _____ Email Address: _____

Legal entity that received a Loan from the City: _____

Loan #: _____ Requested Deferment Start Month: _____

Requested Deferment Time Period: _____

Local Lender Name _____ Bank/Credit Union _____

Lender Phone # _____ Lender Email _____

Please accept this letter as our formal request for payment deferral. I understand my monthly payment will be adjusted after the deferment period and the total deferred amount of principal and /or interest will be amortized over the balance of the loan term.

1) Provide an explanation of the reason for the deferment request, what your situation currently is and what you expect will happen that makes this a temporary situation.

2) Did your business apply for any federal or state COVID business assistance? If so, please list each program applied for. What is the status of funding or approval? If you have not applied for any federal or state COVID business assistance, please explain why you have not pursued this or applied.

3) What deferment option are you requesting as a borrower:

DEFERMENT OPTIONS

Deferral of 6 months

Deferral of: (Choose One)

Full Deferral of Principal and Interest (no Payments)

Principal Only - will continue to make interest payments

4) REQUIRED INFORMATION NEEDED TO PROCESS DEFERMENT REQUEST:

I have attached:

- a. Personal Financial Statement for all guarantors/borrowers (current within 120 days)
- b. Interim financial statement for Operating Company and RE Holding Company (within 90 days)

Timing: A request for deferments is contingent upon Common Council approval and direction.

Please note that the most efficient way to begin this process is to complete this form and email it to pschloss@westalliswi.gov. A few businesses have contacted Development through email, but this application will be necessary to have on file and to commence the process for loan deferment. We will process these requests as fast as possible. A member of our team will be in contact with you to confirm details and complete the process.

Our goal at the City of West Allis is to be as helpful as possible during these unprecedented times. **In order to provide the best service possible we are asking that all inquiries be submitted via email pschloss@westalliswi.gov or smueller@westalliswi.gov.** This allows us to respond in an orderly fashion to all requests and utilize our City team resources, wherever they are from day-to-day during this crisis.

Thank you in advance for your patience. Stay safe.

If you have any additional questions or comments, please include them below.