

COMMUNITY DEVELOPMENT AUTHORITY
CITY OF WEST ALLIS, WISCONSIN
RESOLUTION NO. 1479
DATE ADOPTED: June 18, 2024

Resolution relative to consider a proposed Fifth Amendment to the Development Agreement between the City of West Allis and Cobalt Partners LLC, Tax Incremental District 16, within the S. 70 St. Corridor (West Quarter).

WHEREAS, the Community Development Authority of the City of West Allis (“Authority) approved a Development Agreement by and between the Authority and Cobalt Partners LLC under Resolution #1302; and,

WHEREAS, the Common Council of the City of West Allis (the “City”) 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 to replace any prior agreements through Resolution No. R-2019-0214 adopted March 21, 2019; and,

WHEREAS, the City approved a Third Amendment to the Development Agreement through Resolution No. R-2021-0412 that City providing a financial guaranty from the City to an associated development and operating entity to the Developer for the construction of a Home 2 Suites, located at 12** S. 70 Street (Tax Key No. 439-9001-000), modified deadline dates, etc.; and,

WHEREAS, the City approved a Fourth Amendment to the Development Agreement through Resolution No. 2021-0577 that extended the completion deadline for the project, waived repurchase rights for the hotel parcel, and provided an estoppel letter to the Developer for the construction of the Home 2 Suites Hotel, located at 1212 S. 70 St.

WHEREAS, West Quarter has requested a fifth amendment to the Development Agreement, hereby attached as Exhibit A to allow for the Municipal Revenue obligation associated with the Land by Label residential project to be prioritized and fall only behind Administrative costs; and,

WHEREAS, the Development Agreement was structured as Developer Funded TIF and the additional amendment will retain the projected \$25 million of assessed incremental value;

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;

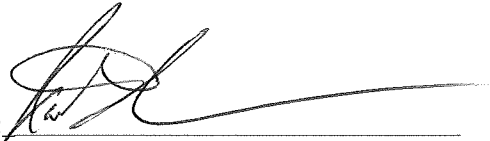
WHEREAS, Cobalt Partners LLC, plans to sell the property located within Tax Increment Financing District #16, on a 4.54 acre parcel on the south east corner of S. 70 St. and W. Washington St., 11** S. 70 St., Tax Key No. 439-9006-000, to Land by Label, LLC. and/or its assigns. Land by Label plans to develop the vacant brownfield site into a 5-story 246-unit market rate multi-family development, (the “Project”); and,

WHEREAS, the development of the Project would not occur without the benefits to be provided to the Developer as set forth in the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Community Development Authority of the City of West Allis hereby approves the Fifth Amendment to the Development Agreement between the City of West Allis and Cobalt Partners LLC, Tax Incremental District 16, within S. 70 St. Corridor (West Quarter).

1. Adopts Exhibit A – Fifth Amendment hereby attached by reference.
2. 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.
3. That the Executive Director, or his designee, be and is hereby authorized to execute and deliver the aforesaid Contract on behalf of the City.

Approved: _____


Patrick Schloss, Executive Director
Community Development Authority