

8.



# City of West Allis Matter Summary

7525 W. Greenfield Ave.  
West Allis, WI 53214

File Number	Title	Status
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R-2010-0280      Resolution      Introduced

Resolution approving the terms and conditions for an Economic Development Loan to International Development LLC, d/b/a Hero's Sports Bar & Grille under the Department of Housing and Urban Development Community Development Block Grant Program in an amount not to exceed \$60,000.

Introduced: 12/21/2010

Controlling Body: Administration & Finance Committee

Sponsor(s): Administration & Finance Committee

COMMITTEE RECOMMENDATION adopt

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
DEC 21 2010			Barczak				
			Czaplewski				
			Kopplin	✓			
			Lajsic	✓			
		X	Narlock	✓			
			Reinke	✓			
			Roadt				
			Sengstock				
		X	Vitale	✓			
		Weigel					
		TOTAL		5			

5/2/11 Per Patrick Schloss, didn't go through w/offer.

SIGNATURE OF COMMITTEE MEMBER

Krist Kopplin      Chair      Vice-Chair      Member

COMMON COUNCIL ACTION **ADOPT**

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
DEC 21 2010		✓	Barczak	✓			
			Czaplewski	✓			
		✓	Kopplin	✓			
			Lajsic	✓			
			Narlock	✓			
			Reinke	✓			
			Roadt	✓			
			Sengstock	✓			
			Vitale	✓			
		Weigel	✓				
		TOTAL		10			



# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Resolution

**File Number: R-2010-0280**

**Final Action:**

**Sponsor(s): Administration & Finance Committee**

**DEC 21 2010**

Resolution approving the terms and conditions for an Economic Development Loan to International Development LLC, d/b/a Hero's Sports Bar & Grille under the Department of Housing and Urban Development Community Development Block Grant Program in an amount not to exceed \$60,000.

WHEREAS, Joshua J. Johnson, member of International Development, LLC, a limited liability corporation created under the laws of Wisconsin, has applied for a loan from the City of West Allis in the amount of Sixty Thousand Dollars (\$60,000), under the Department of Housing and Urban Development Community Development Block Grant Program, for the purpose of purchasing equipment and renovation of commercial space for an eatery and entertainment venue; and,

WHEREAS, the Department of Development has reviewed the loan request from Joshua J. Johnson, member of International Development, LLC and has determined that the Project is eligible for funding under the Community Development Block Grant guidelines; and,

WHEREAS, the Department of Development has recommended approval of a Community Development Block Grant funded loan for the purpose of completing the Project; and,

WHEREAS, the Economic Development Loan Task Force met on December 15, 2010, to consider this loan application and recommended approval of this Economic Development loan application.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that it hereby approves the terms and conditions of the Loan in an amount not to exceed Sixty Thousand Dollars (\$60,000) to Joshua J. Johnson, member of International Development, LLC, d/b/a Hero's Sports Bar & Grille in accordance with the terms and conditions outlined in the Commitment Letter attached as Exhibit A hereto and incorporated herein by reference.


BE IT FURTHER RESOLVED that the City Attorney is hereby authorized to prepare loan documents required by the aforesaid commitment.

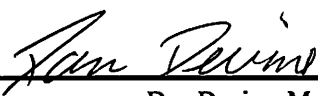
BE IT FURTHER RESOLVED that the City Attorney be and is hereby authorized to make such non-substantive changes, modifications, additions and deletions to and from the loan documents, including any and all attachments, exhibits, addendums and amendments, as may be necessary and proper to correct inconsistencies, 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.

BE IT FURTHER RESOLVED that the proper City Officers, or any of their authorized deputies, as necessary, are authorized on behalf of the City to execute the aforesaid loan documents.

cc: Department of Development  
Grants Accounting Specialist

DEV-R-620-12-21-10

ADOPTED DEC 21 2010  
  
\_\_\_\_\_  
Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED 12/23/10  
  
\_\_\_\_\_  
Dan Devine, Mayor



DEPARTMENT OF DEVELOPMENT

John F. Stibal  
Director

414/302-8460  
414/302-8401 (Fax)

City Hall  
7525 West Greenfield Avenue  
West Allis, Wisconsin 53214

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[jstibal@ci.west-allis.wi.us](mailto:jstibal@ci.west-allis.wi.us)

December 16, 2011

Mr. Joshua J. Johnson  
International Development LLC d/b/a Hero's Sports Bar and Grille  
9105 W. Lincoln Avenue  
West Allis, WI 53214

Dear Mr. Johnson:

Pursuant to your application and information provided by you, the Common Council of the City of West Allis ("City") hereby agrees to make a loan to you, in accordance with the federal Community Development Block Grant regulations and the following specific terms and conditions:

1. **Borrower.** The Borrower shall be Joshua J. Johnson, owner and sole member of International Development LLC d/b/a Hero's Sports Bar and Grille, a Wisconsin limited liability corporation, whose business office is at 9105 W. Lincoln Avenue, West Allis, WI.
2. **Guarantor.** Joshua J. Johnson, member of International Development LLC.
3. **Project.** Loan proceeds are to be used for inventory and equipment purchases toward the renovation and establishment of Hero's Sports Bar and Grille.
4. **Loan Amount.** The loan amount shall not exceed Sixty Thousand Dollars (\$60,000). Disbursement of the aggregate principal will be at loan closing with purchase orders or proof of receipts. The loan will be evidenced by a note payable by the Borrower to the City.
5. **Interest Rate.** (To be computed on basis of 360-day year.) The interest rate shall be three and one-quarter percent (3.25) per annum. In the event of default, all unpaid principal and interest shall bear interest at the rate of eighteen percent (18.0 %) per annum until paid.
6. **Term.** The term of this loan shall be 60 months with a 20-year amortization.
7. **Payments.** Payments are due on the first day of each month commencing with calendar month following that month in which the initial disbursement of loan proceeds is made.
8. **Late Charge.** A late charge not to exceed one percent (1%) on each dollar of each payment, which is more than ten (10) days in arrears may be collected provided that no such charge shall exceed the maximum amount which may be charged according to law.

9. Security. As security for the loan, the Borrower will deliver to the City:
  - A. A second mortgages on the real estate of Joshua J. Johnson located at 600 W. Rogers and 604 W. Rogers, Milwaukee, WI subordinated only to the security interest of Equitable Bank.
  - B. A General Business Security Agreement of the assets of Hero's Sports Bar and Grille.
  - C. Personal Guarantee of payment and performance from Joshua J Johnson.
  - D. Collateral assignment of life insurance in the amount of \$60,000.
  - E. Assignment Agreement for the Land Contract by and between Loyal Order of Moose WI and International Development LLC.
10. Loan Processing Fee. A non-refundable fee of Five Hundred Dollars (\$600.00) to be paid upon acceptance and delivery of this Commitment. (Borrower may elect to include this fee in the terms of the note). The fee is compensation to the City for making the loan and shall be fully and completely earned upon acceptance of this Commitment by the Borrower.
11. Maturity Date. This loan shall mature on January, 2015.
12. Closing Date. The loan shall close on or before January 30, 2011.
13. Prepayment Privilege. The loan may be prepaid, in whole or in part, at any time without penalty or restriction.
14. Duns Number. Borrower must provide a Duns number as proof of application by closing and provide a federal identification number to the City.
15. Job Creation/Retention. Borrower agrees to add five (6) full-time equivalent positions over the next three years. At least fifty-one percent (51%) of these employees shall be low-to moderate-income persons.
16. General Conditions. All of the terms conditions contained in the attached "General Conditions" (Exhibit No. 1) for economic development loans and "Federal Requirements" (Attachment A) are incorporated into this Commitment.
17. Acceptance. Except as provided in the General Conditions, this Commitment shall be deemed binding upon the City if the City receives an unqualified acceptance by the Borrower of the terms and provisions contained herein, evidenced by the Borrower properly executing this document below and delivering it to the office of the undersigned on or before January 7, 2011, along with the non-refundable loan processing fee and the written guarantee of the loan by Joshua J. Johnson. If not so accepted, the City shall have no further obligation hereunder.

**CITY OF WEST ALLIS**

By: \_\_\_\_\_  
John F. Stibal, Director  
Department of Development

**ACCEPTANCE**

The foregoing Commitment, as well as the terms and conditions referred to therein, are hereby accepted.

**International Development LLC**

Date: \_\_\_\_\_

By:

\_\_\_\_\_  
Josl

Did not go  
through w/offer.  
per Pat  
Schloss  
5-2-11

Received Acceptance and Loan Processing Fee:

By: \_\_\_\_\_  
Patrick Schloss, Manager  
Community Development

Date: \_\_\_\_\_

Attachments

/dls