



City of West Allis

Resolution: R-2016-0278

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number: R-2016-0278

Final Action:

Sponsor(s): Ald. Lajsic

Resolution authorizing the Community Development Authority of the City of West Allis to extend the terms of the Loan in the amount of approximately \$3,485,000 to Whitnall-Summit Company, LLC, a Delaware Limited Liability Company for the property located at 6600 W. Washington St. and other relevant properties.

WHEREAS, the Community Development Authority of the City of West Allis (the "Authority") has provided previous loans to Whitnall-Summit Company, LLC for the development of the Whitnall Summit office complex in West Allis; and,

WHEREAS, the following documents are authorized for approval:

1. Execution of the 4th Amendment to the Amended and Restated Development Agreement to reflect the payoff of various loans and the restructure of the \$3M loan for a 3-year pay-off period commencing on March 1, 2017, with a maturity dated of February 17, 2020. Said loan is personally guaranteed by Richard Carlson;
2. Execution of a Standstill Agreement with the new lender pursuant to which the City of West Allis agrees that the rights of the new lender under its loan documents are senior to the rights of the City of West Allis with respect to the remaining \$3M loan and the \$2M forgivable 30-year loan;
3. Execution of an estoppel certificate pertaining to a Declaration of CCRs encumbering the Summit Business Park that dates from 1993 and have been amended several times, the last of which was in 2007, that confirms that Whitnall Summit is not in default of its obligations of such CCRs;
4. Execution of an Access Easement Agreement providing vehicular access to Whitnall-Summit Company, LLC and 6682 LLC to the Authority-owned property located at 6545 W. Washington St. (Tax Key No. 439-0001-036); and,

WHEREAS, the Common Council hereby authorizes the Authority to extend the outstanding loan in the amount of approximately \$3,485,000 to Whitnall-Summit Company, LLC for the property located at 6600 W. Washington St. and other relevant properties.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis:

1. That the Community Development Authority of the City of West Allis is hereby authorized and directed to lend up to \$3,485,000 for purposes of providing cash proceeds to be loaned to Whitnall-Summit Company, LLC, its successors and/or assigns for properties located in the area of 6600 W. Washington St., located within the City of West Allis, upon such terms as they deem necessary or desirable, and to take any and all actions in connection therewith including, without limitation, negotiating, executing, delivering, and performing obligations under any and all documents in

connection therewith including, without limitation, loan commitments, loan agreements, mortgages, notes, guaranties, security agreements, escrow agreements, certificates, affidavits, assignment agreements, pledges, disbursing agreements, subordination agreements, environmental agreements, indemnification agreements, land use restriction agreements, operating reserve agreements, replacement reserve agreements, working capital agreements, grant agreements, and financing statements.

2. That the Director of Development, or his designee, is hereby authorized and directed to take any and all other actions on behalf of the City of West Allis which is deemed necessary or desirable in connection with this Resolution including, without limitation, negotiating, executing, delivering, and performing obligations under any and all documents in connection with the Project including, without limitation, development agreements, property management agreements, consulting agreements, escrow agreements, certificates, affidavits, reimbursement agreements, assignment agreements, and granting of Access Easements..

3. That the Director of Development, or his designee, is hereby authorized and directed to take any and all other actions deemed necessary or desirable by him to effectuate the intent of the foregoing Resolutions.

4. That the City Attorney is hereby authorized to make such substantive changes, modifications, additions and deletions to and from the various provisions of any and all loan commitments, loan agreements, mortgages, notes, guaranties, security agreements, escrow agreements, certificates, affidavits, assignment agreements, pledges, disbursing agreements, subordination agreements, environmental agreements, indemnification agreements, land use restriction agreements, operating reserve agreements, replacement reserve agreements, working capital agreements, grant agreements and financing statements, development agreements, property management agreements, consulting agreements, escrow agreements, certificates, affidavits, reimbursement agreements, assignment agreements, attachments, exhibits, addendums, amendments and/or any other documents as may be necessary, proper and convenient 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 Common Council of the City of West Allis hereby authorizes a loan agreement by and between the Community Development Authority of the City of West Allis and Whitnall-Summit Company, LLC, in the amount of approximately \$3,485,000.

BE IT FURTHER RESOLVED that the Common Council of the City of West Allis hereby approves and authorizes the Director of Development, or his designee, to execute and deliver the above referenced documents and agreements and any and all necessary documents relating to the loans issued to Whitnall-Summit Company, LLC.

DEV-R-862-11-30-16-bjb

cc: Development Department
City Attorney

ADOPTED November 30, 2016

APPROVED 11/30/16

Monica Schultz

Monica Schultz, City Clerk

Dan Devine

Dan Devine, Mayor