



City of West Allis

Legislation Text

File #: R-2017-0226, **Version:** 1

Resolution authorizing an Economic Development Loan settlement in the amount of \$7,500 for Reclaimers LLC.

WHEREAS, the Common Council of the City of West Allis approved an Economic Development Loan in the amount of \$150,000, to Reclaimers LLC on April 7, 2015 by Resolution No. R-2015-0090; and,

WHEREAS, Reclaimers LLC defaulted on said loan and ceased operations in 2017, as well as the business owners having filed personal bankruptcy; and,

WHEREAS, the amount of the loan outstanding is \$151,582.03 and the City's security interest was collateral only and was a personal guaranty and a subordinate collateral on company assets; and,

WHEREAS, a communication was received on August 11, 2017 (hereby attached) from Attorney Paul J. Galganski, representing James P. Anderson, an investor and guarantor of a bank loan to Reclaimers LLC, requesting to settle the City's collateral interest in Reclaimers LLC for \$7,500; and,

WHEREAS, based on a review of the file and case by the City Attorney's office, it is highly unlikely that the outstanding balance of the loan will ever be collected and the office recommends acceptance of the proposed offer.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that it hereby authorizes the Department of Development to accept the Economic Development Loan settlement in the amount of \$7,500 from Reclaimers LLC.

BE IT FURTHER RESOLVED that the Director of Development, or his designee, be and is hereby authorized to execute and deliver said documents on behalf of the City.

BE IT FURTHER RESOLVED that the City Attorney be and is hereby authorized to make such substantive changes, modifications, additions and deletions to and from the Economic Development Loan settlement, 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 Director of Development, or his designee, be and is hereby authorized to execute and deliver said documents on behalf of the City.

cc: Development Department
City Attorney's Office
Chris Phinney, Grants Accounting Specialist

DEV-R-893-9-5-17