



City of West Allis

Legislation Text

File #: R-2012-0155, **Version:** 1

Resolution amending a Purchase and Sale Agreement and the Development Agreement by and between the Community Development Authority of the City of West Allis and Toldt Development, Inc. for properties within the Six Points/Farmers Market Redevelopment Area.

WHEREAS, the Purchase and Sale and Development Agreement (“Agreement”) was approved by the Community Development Authority (“Authority”) via Resolution No. 570, dated October 11, 2005, and by the Common Council via Resolution No. R-2005-0254, dated October 18, 2005 and an amendment was approved by the CDA via Resolution No. 609, dated May 9, 2006 for a 3 phased project, including the purchase, sale and development into a number of mixed use buildings consisting of commercial space and residential units; and,

WHEREAS, Toldt Development Inc. (“Developer”) has completed Phase 1 of the development; and,

WHEREAS, the lending practices of financial institutions has drastically changed since the Agreement was adopted in May of 2006 and the Developer has asked to amend the Agreement in order to foster development for Phase 2 of the initially planned 3-phase development and the parties have resolved the priority issues as stated in Exhibit 1 - Amended Agreement; and,

WHEREAS, the Developer plans to build four multi-unit residential apartment buildings, starting with a \$10 million, 112-unit multi-story apartment building on the 5.8 acres of land recognized as Phase 2. The property is bordered by W. National Ave. to the north a railroad spur to the west, Six Points Crossing (S.66 St.) to the east, and stretches of W. Mitchell St. to the south; and,

WHEREAS, the entire development of Phase 2 will increase the number of residential units from 225 units in the existing Agreement to 245 units in Exhibit 1 - Amended Agreement; and,

WHEREAS, in an effort to support the development the City of West Allis agrees to purchase the 0.25 acre gravel parking lot located at 65** W. Lapham St. with Community Development Block Grant (CDBG) Funds for \$150,000 relative to the amendment to CDBG Program for FY 2012 approved by the Common Council via Resolution R-2012-0087 on April 2, 2012; and,

WHEREAS, the City of West Allis was a recipient of U.S Environmental Protection Agency (EPA) Brownfield Cleanup Grant for this site in the amount of \$240,000, including a 20% match requirement which will be covered by the developer; and,

WHEREAS, the City of West Allis will provide a 5-year loan to the developer in the amount not to exceed \$500,000, in order to finance the public utility improvements needed for the development. The loan will be bifurcated between two funding sources, City of West Allis U.S. EPA loan funds and City of West Allis Tax Increment District #5; and,

WHEREAS, the Environmental Addendum from the Agreement is amended to indicate that upon completion of

the redevelopment construction, the Developer is eligible and will be responsible for submitting the Site Closure Package to the WDNR for approval; and,

WHEREAS, the City of West Allis authorizes the Authority to waive Section 2F of Exhibit C of the Agreement, “Developer's Obligations” and replace them with the new obligations listed in Section 6 of Exhibit 1 - Amended Agreement; and,

WHEREAS, the City of West Allis authorizes the Authority and the Developer to hereby release each other from Section 2A of Exhibit B of the Agreement and shall be released of any and all obligations set forth in the Agreement with respect to Phase 3 construction.

NOW, THEREFORE, BE IT RESOLVED, that the City of West Allis authorizes the Community Development Authority of the City of West Allis to adopt the Amended Purchase and Sale and Development Agreement (Exhibit 1 - Amended Agreement), as described in the documents hereby attached and made a part hereof.

BE IT FURTHER RESOLVED that the City of West Allis authorizes the Community Development Authority, by its Director and the Director of Development, be and is hereby authorized and directed to execute and deliver the Amended Purchase and Sale Agreement and Development Agreement (Exhibit 1 - Amended Agreement) by and between the Community Development Authority of the City of West Allis and Toldt Development, Inc., and take such other steps as necessary and convenient to effectuate the terms of this Resolution.

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 various provisions of the amended Agreements, 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.

cc: Dept. of Development
Scott Post, City Attorney
Kris Moen, Acting Manager of Finance/Comptroller

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