



City of West Allis

Legislation Text

File #: R-2013-0027, **Version:** 2

Resolution approving a January 2013 Amendment to Summit Place Business Park amended and Restated Development Agreement.

WHEREAS, the Community Development Authority ("Authority") of the City of West Allis, under Resolution No. 464, dated April 13, 2004, approved a development agreement with Whitnall-Summit Company, LLC; and,

WHEREAS, the Common Council of the City of West Allis approved in October of 2004 the Development Agreement under R-2004-0308; and,

WHEREAS, Whitnall-Summit Company, LLC, the developer, converted the former Allis Chalmers building into a 650,000 sq. ft. office development with 180 indoor parking stalls, and 300 parking stalls added to the parking structure; and,

WHEREAS, the Authority, under Resolution No. 542, dated June 14, 2005, and the Common Council, under Resolution No. R-2006-0324, approved a \$2.5 million loan to Whitnall-Summit Company, LLC; and,

WHEREAS, under this amendment, the City will agree to provide a \$2-million forgivable loan to Whitnall-Summit Company, LLC or its assigns in 2013 for the construction of additional parking to meet increasing parking demands, promote additional property value growth, and assist with the attraction of future tenants; and,

WHEREAS, under this amendment, the City agrees to refinance the existing notes due and payable totaling \$4.5 million for a new term of December 1, 2012 through February 17, 2017. During the term, the note will have no principal payments and interest payments will accrue at 4.5% interest. At maturity, Whitnall Summit Company, LLC will have a balloon payment of all outstanding accrued interest and principal payments; and,

WHEREAS, under this amendment, the City will recommend and endorse a loan in the amount of \$600,000 from First Ring Industrial Redevelopment Enterprise, Inc. (FIRE) to Whitnall Summit Company, LLC, with a term of December 1, 2012 and maturity date of February 17, 2017. Interest and principal payments will accrue at 4.5% and at maturity require a balloon payment of the outstanding balance; and,

WHEREAS, the Director of the Department of Development has reviewed the terms and conditions of the amendment and recommends approval.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis, that the January 2013 Amendment to Summit Place Business Park Amended and Restated Development Agreement is hereby approved.

BE IT FURTHER RESOLVED by the Common Council that loans paid from Whitnall Summit Company, LLC

to the City of West Allis, shall be placed in a Special Project Balance Sheet Account, accessible for future City use only with a $\frac{3}{4}$ supermajority vote by the Common Council.

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 Amendment, 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 Department of Development, by its Director, or its designee, be and is hereby authorized and directed to execute and deliver the aforesaid Amendment on behalf of the City of West Allis.

cc: Department of Development
Chris Phinney, Grant Accounting Specialist

DEV-702 AS AMENDED-2-11-13