



City of West Allis

Legislation Text

File #: R-2016-0146, **Version:** 1

Resolution authorizing a loan up to \$500,000 to 6682 LLC (Whitnall Summit Company LLC) for the acquisition of a portion of 6600 W. Washington St. (Tax Key No. 439-0001-035).

WHEREAS, the Community Development Authority (the “Authority”) has provided previous loans to the development of the Whitnall Summit office structure in West Allis; and,

WHEREAS, the 6682 LLC owns and operates the Office and Industrial leasehold improvements located at 6682 W. Greenfield Ave., the primary tenant is Global Power Components; and,

WHEREAS, per the current arbitration agreement, 6682 LLC has the right to assign the property to another entity, and would like to lease the southern half of the property from 6682 LLC to be used for parking and outdoor storage; and,

WHEREAS, 6682 LLC is working with Commerce State Bank to finance the acquisition and, if needed, seeking a commitment to finance up to \$500,000 which will be appropriated from Tax Increment Financing District Number Seven (Summit Place); and,

WHEREAS, the property is being considered by the Wisconsin Department of Transportation for a new roadway to be built in 2020 to 2023 at which time consideration will be given to building a commercial building on the site, however, additional parking and/or a structure will be needed in the immediate area of Summit Place to accommodate the loss of parking; and

WHEREAS, the Authority will loan to 6682 LLC the sum of up to \$500,000, at an interest rate of 6%, amortized over a 30-year period and ballooned in ten (10) years; and;

WHEREAS, the Authority authorizes the Executive Director to enter into a loan up to \$500,000 to 6682 LLC (Whitnall Summit Company LLC) for the acquisition of a portion of 6600 W. Washington St. (Tax Key No. 439-0001-035).

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

1. That the Executive Director, or his designee, with the approval of the City Attorney, or his designee, and the Mayor, are hereby authorized and directed to lend up to \$500,000 to 6682 LLC, for purposes of providing cash proceeds to be loaned to 6682 LLC., its successors and/or assigns (“Buyer”), together known as the “Parties,” for parking and outdoor storage at 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 sum of \$500,000 be and is hereby appropriated from Tax Increment Financing District Number Seven (Summit Place) to meet the Authority's obligations under the aforesaid Agreement.

3. That the Executive Director, or his designee, is hereby authorized and directed to take any and all other actions on behalf of the Community Development Authority of the City of West Allis which they deem necessary or desirable in connection with the Project 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, and assignment agreements.

4. That the Executive Director, 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.

5. 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 approves a loan agreement by and between the Community Development Authority of the City of West Allis and 6682 LLC (Whitnall Summit Company LLC), in an amount up to \$500,000.

BE IT FURTHER RESOLVED that the Executive Director, or his designee, is hereby authorized to execute and deliver the necessary documents relating to the loan issued to 6682 LLC (Whitnall Summit Company LLC).

DEV-R-839-5-31-16-bjb

cc: Development Department