

COOPERATION AGREEMENT

THIS COOPERATION AGREEMENT (“Agreement”) is entered into as of _____, 2003, by and between the City of Milwaukee, Wisconsin, a Wisconsin municipal corporation (“City”) and the Milwaukee Economic Development Corporation (MEDC), a public body corporate and politic organized and existing under the laws of the State of Wisconsin.

WITNESSETH THAT:

WHEREAS, In 2003, Wrought Washer Mfg., Inc., has manufacturing and distribution operations located at 2100 S. Bay St., Milwaukee, WI and Pleasant Prairie, Wisconsin.

WHEREAS, Wrought Washer Mfg., Inc. is planning to consolidate the two operations into the 2100 S. Bay St., Milwaukee, location.

WHEREAS, Wrought Washer, Mfg, Inc. manufactures and supplies flat and formed washers and made-to-order washers and stampings supplying the automotive industry and other large OEM customers.

WHEREAS, Wrought Washer Mfg, Inc. currently employs over 90 people at the Bay Street facility with average annual wages of \$15,000-\$22,000, and

WHEREAS, Wrought Washer Mfg., Inc. would increase employment at the Bay St. facility by approximately 25 jobs with the relocation of the Pleasant Prairie operations, and .

WHEREAS, MEDC has approved a loan of \$300,000 to Wrought Washer; and

WHEREAS, the City desires to assist Wrought Washer Mfg., Inc. in the consolidation of the two facilities which requires renovations to the Bay St. facility and the relocation of equipment and machinery.

WHEREAS, Common Council Resolution File No. _____ authorizes the execution of this Cooperation Agreement and the funding of a grant to MEDC with MEDC originating a loan in accordance with the Term Sheet attached as **Exhibit “A”**; and

WHEREAS, MEDC authorized execution of this Agreement by Resolution adopted and dated August 4, 2003.

NOW, THEREFORE, The parties hereto mutually agree as follows:

1. Loan Origination. MEDC agrees to implement and to carry out the origination of the Loan, as set forth in the Term Sheet, contingent upon MEDC receiving adequate funding from the City. The City agrees to provide MEDC with the funds necessary to originate the Loan.

2. Establishment of Fund Account. The City will provide to MEDC, from the Development Fund Acct. No. UR03390000, or from any other source as determined by the Common Council, funds in the presently estimated amount of \$150,000.00 for the Project.

3. Administration of the Fund Account. MEDC shall review and approve the accounting and financial reporting systems necessary to administer the Fund Account.

4. Use of Fund Account. Funds granted by the City to MEDC shall be utilized solely for the purpose of originating the Loan.

5. Verification by Comptroller. The City Comptroller shall, from time to time as in the Comptroller's judgment is appropriate, review the receipts and expenditures of MEDC, or of management operations in relation to the Loan. The Comptroller shall have full power to conduct an audit or to have such an audit conducted as is necessary in the Comptroller's judgment to provide a full accounting to the City. The results of such audit shall be reported to the Common Council. Upon retirement of the Loan, MEDC shall make a full accounting to the City of income received and amounts expended and shall return to the City all unused and unneeded funds. In addition, MEDC shall transfer to the City its pro-rata portion of loan repayments received by MEDC on a quarterly basis.

6. Interest Payments. Any sums payable hereunder by either party to the other shall not bear any interest, but any interest earned on such sums shall be transferred to the City.

7. Loan Administration. The Vice President of MEDC shall administer the Loan originated pursuant to this Agreement and shall have the authority to grant waivers and consents under the Loan documentation, to approve the execution of estoppel certificates and subordination agreements, and to take all actions necessary to coordinate the administration of the Loan and security interests relative to the Loan with other financings undertaken by the borrower.

8. Repayments. Repayment revenue received the MEDC from the loan shall be, in turn, paid to the City under terms provided by the City Comptroller.

IN WITNESS WHEREOF, The parties have executed this Agreement the day and year as hereinafter set forth.

CITY OF MILWAUKEE

**MILWAUKEE ECONOMIC
DEVELOPMENT CORPORATION**

JOHN O. NORQUIST, Mayor

Date: _____

By: _____
President

Date: _____

City Clerk

Date: _____

By: _____
Vice President

Date: _____

COUNTERSIGNED:

City Comptroller

Date: _____

Approved as to form, execution, and
content this ____ day of _____ 2003.

THOMAS O. GARTNER
Assistant City Attorney

This instrument was drafted by the
Office of the City Attorney

TOG/kg:02-11-03
1050-2003-434:63758

EXHIBIT A

Term Sheet

Wrought Washer Mfg. Inc. Project

- Borrower: Wrought Washer Inc.
- Guarantor: Personal Guarantees of owners.
- Lender: Milwaukee Economic Development Corp.
- Loan Amount: \$450,000 = \$300,000 MEDC funds
\$150,000 Development Fund
- Use of Funds: Renovation to existing building to accommodate consolidation of two manufacturing locations.
- Interest Rate: 5%
- Term: 5 year term; 5 year amortization
- Payments: Monthly payments of principal and interest:
MEDC: \$5,661.37
Development Fund: \$2,830.69
Total: \$8,492.06

Est. Project Budget

**Wrought Washer Mfg. Inc.
2100 S. Bay St.
Milwaukee, Wisconsin 53207**

• Renovation/improvements mfg building	\$250,000.00
• Repairs to warehouse/office (WB Bottle)	150,000.00
• Equipment purchase	150,000.00
• Relocation expense	350,000.00
Total	\$900,000.00