



March 11, 2021

Mr. John P. Onopa, Mr. Adam R. Anders,
and Mr. Kyle E. Ciske
c/o West Allis Brewing Property LLC and
Ope Brewing Company LLC
4465 N. 100th St.
Wauwatosa, WI 53225

Dear Mr. John P. Onopa, Mr. Adam R.
Anders, and Mr. Kyle E. Ciske :

Pursuant to your application and information provided by you regarding the establishment of a brewery and entertainment venue located at 6749-51 W. National Avenue, 67** W. National Avenue, and 67** W. Mitchell, the Common Council of the City of West Allis ("City") hereby agrees to make a loan to you, in accordance with the following specific terms and conditions:

1. Borrower. The Borrower shall be John P. Onopa, Mr. Adam R. Anders, and Mr. Kyle E. Ciske, all owners and members of West Allis Brewing Property LLC and Ope Brewing Company, Wisconsin limited liability companies, with principal business offices at 4465 N. 100th St., Wauwatosa, WI 53225
2. Guarantor. Unlimited Personal Guarantee from John P. Onopa, Mr. Adam R. Anders, and Mr. Kyle E. Ciske.
3. Project. Loan proceeds are to be used for the purpose of acquisition of real estate and improvements, leasehold improvements, purchase of equipment and inventory, and working capital for the establishment of Ope Brewing Company located at 6749-51 W. National Avenue.
4. Loan Amount. The loan amount shall not exceed One Hundred Thousand Dollars (\$150,000) structured as the following
 - A. \$100,000 Tax Increment Financing Loan
 - B. \$50,000 Forgivable Loan under the National Avenue Economic Development Instore Program Funding source – Community Development Block Grant. Disbursement of the aggregate principal will be at loan closing with proper paid invoices or purchase orders for equipment. To the extent that the Borrowers do not provide paid invoices or purchase orders for equipment the balance of the loan proceeds shall be available to the Borrowers as working capital. The loan will be evidenced by a note payable by the Borrowers to the City. The loan will have monthly interest
5. Disbursement. Disbursement will be made upon proper submittal of invoices or purchased orders. The loan will be evidenced by two notes payable by the Borrower to the City.

6. Term. The term of the loan shall be as follows:
 - A. \$100,000 Tax Increment Financing Loan will be (25) years with a 25 year amortization.
 - B. \$50,000 InStore Loan will be a (5) year loan with a 60 month amortization.
7. Interest Rate. (to be computed on basis of 260-day year.) The interest rate shall be three and a quarter percent (3.25%) fixed rate.
 - A. \$100,000 Tax Increment Financing Loan will be interest only for six months following closing.
 - B. \$50,000 InStore will have no interest payments for the first six months following closing.
 - C. Default. In the event of default, all unpaid principal and interest shall bear interest at the rate of eighteen percent (18%) per annum until paid.
8. Payments. Payments will be as follows:
 - A. \$100,000 Tax Increment Financing Loan will be interest only for six months following closing and on the seventh month following closing, commence with full payments of interest and principal payments.
 - B. \$50,000 InStore will be no interest payments for the first six months following closing and on the first of the seventh month require interest payments.
 - C. Disbursement. Disbursement of the aggregate the funds will be upon paid invoice, presentation of two quotes, and/or purchase orders.
 - D. Note. The loan will be evidenced by two note payable by the Borrower to the City.
9. Late Charge. A late charge not to exceed one percent (1%) on each dollar of each payment, which is more than ten (10) days in arrears may be collected provided that no such charge shall exceed the maximum amount which may be charged according to law.
10. Security. As security for the loan, the Borrower will deliver to City:
 - i. A subordinate mortgage on the real estate at 6749-51 W. National Avenue subordinate to the financial interests of Citizens Bank and Wisconsin Business Development only.
 - ii. A General Business Security Agreement on the business assets of West Allis Brewing Property LLC and Ope Brewing Company LLC subordinate to the financial interests of Citizens Bank and Wisconsin Business Development only
 - iii. Unlimited Personal Guaranty of John P. Onopa, Adam R. Anders, and Kyle E. Ciske.
11. Loan Processing Fee. A non-refundable fee of One Thousand Dollars (\$1,500.00) to be paid upon acceptance and delivery of this Commitment. (Borrower may elect to include this fee in the terms of the note). The fee is compensation to the City for making the loan and shall be fully and completely earned upon acceptance of this Commitment by the Borrower.
12. Maturity Date. This loan shall mature on the 300 month following closing.
13. Closing Date. The loan shall close on or before April 30, 2021.

14. Prepayment Privilege. The loan may be prepaid, in whole or in part, at any time without penalty or restriction.
15. Number. Borrower must provide a Duns Number and federal identification number to the City.
16. CDBG Loan Requirement - Job Creation/Retention. Borrower agrees to add twelve (12) full-time equivalent positions over the next two years. At least fifty-one percent (51%) of the positions are to be held by low-to-moderate income persons. A Beneficiary Reporting form is attached as **Attachment A**, that must be completed by all new hires.
 - A. General Conditions. All of the terms and conditions contained in the attached "General Conditions" (**Exhibit No. 1**) for economic development loans and "Federal Requirements" (**Attachment B**) are incorporated into this Commitment.
17. Provided that Borrowers have complied with the terms and conditions of this agreement and provided further that Borrowers have made the required interest payments during the previous twelve (12) months and provided further that Borrowers have operated the brewery and entertainment venue 6749-51 West National Avenue, West Allis, Wisconsin, a portion of InStore Note will be forgiven or in default repaid, as prorated below:

Year 0-1:	100% of eligible loan funds
Year 1-2:	80% of eligible loan funds
Year 2-3:	60% of eligible loan funds
Year 3-4:	40% of eligible loan funds
Year 4-5:	20% of eligible loan funds
18. Insurance. Borrower agrees to provide proof of hazard insurance on the property and business equipment in the form of a certificate of insurance naming the City of West Allis.
19. Acceptance. Except as provided in the General Conditions, this Commitment shall be deemed binding upon if the City receives an unqualified acceptance by the Borrower of the terms and provisions contained herein, evidenced by the Borrower properly executing this document below and delivering it to the office of the undersigned on or before March 31, 2021, along with the non-refundable loan processing fee and the written guarantee of the loan by Mr. John P. Onopa, Mr. Adam R. Anders, and Mr. Kyle E. Ciske. If not so accepted, the City shall have no further obligation hereunder.

(Signatures continued on next page)

CITY OF WEST ALLIS

Date: _____

By: _____
Patrick Schloss
Economic Development Executive Director

The foregoing Commitment, as well as the terms and conditions referred to therein, are hereby accepted.

**West Allis Brewing Property LLC
Ope Brewing Property LLC**

Date: _____

By: _____
John P. Onopa, Owner and member

Date: _____

By: _____
Adam R. Anders, Owner and member

Date: _____

By: _____
Kyle E. Ciske, Owner and member

Received Acceptance and Loan Processing Fee:

By: _____
Shaun Mueller, Development Project
Manager

Date: _____

Attachments