



February 1, 2022

Mrs. Maria Rupena
Rupena's Fine Foods
7641 Beloit Road
West Allis, WI 53219

Dear Mrs. Rupena:

Pursuant to your application and information provided by you regarding an Economic Development Loan to address economic hardship caused by the national COVID pandemic for the specialty neighborhood grocery store located at 7641 W. Beloit Rd., the Common Council of the City of West Allis ("City") hereby agrees to make a loan to you, in accordance with the federal Community Development Block Grant-CV regulations and the following specific terms and conditions:

1. **Borrower.** The Borrower shall be Rupena's Fine Foods located at 7641 W. Beloit Road.
2. **Guarantor.** Maria E. Rupena Karczewski and David K. Karczewski (spouse)
3. **Project.** Loan proceeds are to be used for assisting with job creation and retention for low-to moderate income individuals and the addition of a café within the store at 7641 W. Beloit Road.
4. **Loan Amount.** The loan amount shall not exceed One Hundred Thousand Dollars (\$100,000). Disbursement of the aggregate principal will be upon submittal of proper invoices, beneficiary reporting forms, or purchase orders. The loan will be evidenced by a note payable by the Borrower to the City.
5. **Interest Rate.** (To be computed on basis of 360-day year.) The interest rate shall be zero percent (0.00%) fixed rate. In the event of default, failure to report jobs or remain in business, the loan will become due and payable with an interest at the rate of eighteen percent (18.0 %) per annum until paid.
6. **Term.** The term of this loan shall be two years with a 24-month amortization rate.
7. **Payments.** Payments will be as follows:
 - There are no requirements for principal or interest payments unless the loan shall fail to provide the necessary reporting documents or fail to remain in business during the Term of the Loan.
 - The Loan principal will be forgiven at \$10,000 of principal for each FTE position created or retained that meets requirement and report to be identified as a low-to-moderate income beneficiary.
8. **Late Charge.** No late charges unless in Default and required to make payments. Late charges shall be 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.



- 9. Security. As security for the loan, the Borrower will deliver to the City:
 - A. General Business Security Agreement on all assets purchased with Loan proceeds.
 - B. An Unlimited Personal Guarantee from Maria and David Karczewski
- 10. Loan Processing Fee. None required.
- 11. Maturity Date. This loan shall mature on January 31, 2024.
- 12. Closing Date. The loan shall close on or before March 1, 2022.
- 13. Prepayment Privilege. Not applicable.
- 14. Duns Number. Borrower must provide a Duns number as proof of application by closing and provide a federal identification number to the City.
- 15. Job Creation/Retention. Borrower agrees to the following:

To retain and/or create at least ten (10) full-time equivalent permanent positions over the past year prior to closing during COVID and for the next two (2) years of which all ten shall be held by low-to-moderate income persons. A Beneficiary Reporting form is attached as Attachment A, that must be completed by all FTE jobs created or new hires.
- 16. General Conditions. All of the terms and conditions contained in the attached "Federal Requirements" – EXHIBIT No. 1 for economic development loans and "General Conditions" (Attachment B) are incorporated into this Commitment.
- 17. Acceptance. Except as provided in the General Conditions, this Commitment shall be deemed binding upon the City and 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 February 18, 2022, and the written guarantee of the loan by Maria and David Rupena. If not so accepted, the City shall have no further obligation hereunder.

CITY OF WEST ALLIS

Date: _____

By: _____

Patrick Schloss, Executive Director
Economic Development

ACCEPTANCE

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

Rupena's Fine Foods

Date: _____

By: _____

Maria E. Rupena Karczewski

Attachments



Attachment A

Economic Development Program/Loan Program - Project Beneficiary Profile

West Allis is able to offer this service/program through a grant from the federal government. One requirement of this grant is that the City keeps track of all the individuals this program assists by family size and income level. To help with this requirement, we ask for your assistance. Please complete the information required below so that we may track the individuals we are assisting through this program. Please be aware the information is completely confidential and will not be released but is for record keeping and required federal reporting purposes only.

Thank you for your cooperation.

Name: _____ Address: _____
 Phone #: _____

RACE: (You MUST mark one)

<input type="checkbox"/> White <input type="checkbox"/> Asian <input type="checkbox"/> Native Hawaiian/Other Pacific Islander <input type="checkbox"/> Asian & White <input type="checkbox"/> American Indian/Alaskan and Black/African <input type="checkbox"/> Other Multi-Racial	<input type="checkbox"/> Black/African American <input type="checkbox"/> American Indian/Alaskan Native <input type="checkbox"/> American Indian/Alaskan Native and White <input type="checkbox"/> Black/African American and White
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ETHNICITY: (You MUST mark one) Hispanic Non-Hispanic

Family Size and Income Levels (2021): (Please circle one)

Below you will find a chart listing the various income levels. Find your family* size along the top of each column. Then circle the lowest income ** amount which exceeds your family income.

Income Level	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Extremely Low	17,750	20,250	22,800	25,300	27,350	29,350	31,400	33,400
Low	29,550	33,800	38,000	42,200	45,600	49,000	52,350	55,750
Moderate	47,250	54,000	60,750	67,500	72,900	78,300	83,700	89,100
Non-Low/Moderate	47,251+	54,001	60,751+	67,501+	72,901+	78,301+	83,701+	89,101+

Female Head of Household – (please circle) Yes or NO

* **“Family”** means all persons residing in the same household.
 ** **“Income”** means that of all members of the family over 18 years of age. However, unearned income (such as income from trust funds or investments) must be included regardless of the age of the beneficiary. Income includes wages, pensions, social security benefits, rents, and interest from any asset.

I understand that the information provided in this certification is subject to verification by the City of West Allis and/or HUD.

 Signature

Economic Development Project/Loan Program

Employee Income Data Form

Employer:

After the new and current employees have completed the "Employee Income Certification Form," please provide the following information for all employees (new, current, retained, terminated) that were hired as a result of the Economic Development Project/Loan Program project.

1. Name and Address of Employer:

Name: _____
Address: _____
City: _____ State: _____ Zip: _____

2. Name and Address of Employee:

Name: _____
Address: _____
City: _____ State: _____ Zip: _____

3. Employee Identification Number (or S.S.#): _____

4. Job Title: _____

5a. Date Hired: _____

5b. Date Terminated, if applicable: _____

5c. Date Retained: _____

5d. Date Replacement Hired: _____

6. Average Hours Per Week Worked: _____
_____ Full time or _____ Part time

7. When hired, was the employee LMI (Low and Moderate Income)?

Yes _____ No _____

Are there employer sponsored healthcare benefits? _____

Were you unemployed prior employment? _____

8. Category of work (Please Circle One)

- Office & Manager
Technicians
Sales
Office & Clerical
Craft Workers (skilled)
Operators (Semi skilled)
Laborers
Service Worker



Attachment B
CITY OF WEST ALLIS
ECONOMIC DEVELOPMENT LOANS
GENERAL CONDITIONS
(EQUIPMENT)

Borrower: Rupena's Fine Foods

Commitment: February 1, 2022

Loan Amount: \$100,000

In addition to the other terms and conditions set forth in the Commitment, the Loan is subject to the following general requirements, terms and conditions and borrower representations:

1. Closing. Closing is defined as the execution and delivery of the Note and other required Loan Documents by and between the City and the Borrower. Time is of the essence with respect to the closing date. There can be no extensions of the closing date unless applied for in writing and granted in writing at least ten (10) days prior to the original closing date.

2. Job Creation. Within two years of closing, the Project will create or have created at least the number of permanent, full time jobs for low to moderate income persons indicated in the Commitment Letter. The Borrower will agree that the jobs created will be held by low to moderate income persons and that it will provide training for any of those jobs requiring special skills or education; and, will give to the City, upon demand, such information as the City may deem necessary to document this requirement. A low to moderate income person is defined as a member of a low to moderate income family within the current applicable income limits for the section 8 Rental Assistance Program administered by the City.

3. Need for Assistance. Borrower represents that the Project would not be undertaken unless the public funding on which it is based becomes available, as the Borrower can maximally raise only a portion of the debt and equity funds necessary to complete the Project.

4. Federal Regulations. Throughout the term of the Loan, the Borrower will comply with all applicable federal regulations set forth on Attachment A, Federal Regulations.

5. Loan Documentation. Borrower shall execute and deliver to the City an Economic Development Loan Agreement, and all other Loan documents which the City shall deem necessary or require relative to the completion of the Loan. Such documents shall be in form, substance and content satisfactory to the City. All documents and data pertaining to the legal aspects of the transaction are subject to the approval of the City Attorney. Borrower shall provide such other documentation and/or assurances as the City or its Attorney may reasonably require.

6. Other Documentation. Prior to closing, to the extent required by the City, the Borrower shall furnish to the City in form and content acceptable to the City:

(a) Current reports of the Wisconsin Secretary of State and of the Milwaukee County Register of Deeds evidencing all perfected security interests in the Project equipment and fixtures and copies of all financing statements filed in connection therewith.

(b) All appropriate documents evidencing the existence and good standing of the Borrower and any guarantors and resolutions authorizing the Project and the Loan and directing the appropriate officers or partners of the Borrower, as the case may be, to execute and deliver the Loan documents.

(c) Evidence from the appropriate governmental authorities and such other evidence, certificates or opinions as the City may require showing or stating that the Borrower's business facilities and operations will comply with all applicable zoning, building, health, environmental, safety and other laws, rules and regulations.

(d) Such policies or other evidence of coverage acceptable to the City of all insurance required under the Loan Documents.

(e) A certified copy of each license, permit and franchise agreement

necessary or required to conduct the Borrower's business operation.

(f) All Loan Documents which the City shall deem necessary or require relative to the completion of the subject Loan, including the Note, security agreements and such financing statements as are required for the perfection thereof.

(g) Before disbursement of loan funds, the City must obtain a copy of the proper certification obtained that permits that business to commence brewing (i.e. federal brewers permit.)

7. Legal Matters. The Borrower's counsel shall furnish opinions satisfactory to the City that the Borrower is legally existing and is in good standing in all jurisdictions where it transact business; that the Loan Documents are legal, binding and enforceable in accordance with their terms; that the Loan Documents, and the Borrower's obligations thereunder, do not contravene the terms and conditions of any agreement to which the Borrower is a party or by which the Borrower is bound; and that there are no judicial or administrative actions, suits or proceedings pending or threatened against or affecting the Borrower or the Project. The Borrower shall cause counsel for the guarantors to deliver to the City legal opinions covering the same matter for the Guarantors. Such opinions shall be dated as of closing.

8. Costs. All costs and expenses incidental to the making, administration and enforcement of the Loan, including fees and expenses of the City's counsel, if any, shall be paid by the Borrower, whether or not the Loan closes.

9. Adverse Change. The City shall not be obligated to close the Loan if, as of the closing date, there shall be a material adverse change in the value of the business or financial condition of the Borrower or of any guarantor.

10. Bankruptcy. The City shall not be obligated to close the Loan if prior to closing the Borrower or any guarantor or any party who has a financial or business interest in or relationship with

the Borrower becomes insolvent or the subject of state insolvency proceedings or a receiver, trustee or custodian or other similar official is appointed for, or takes possession of any part of the property of such party or any such party takes any action to become, or is named, the subject of proceedings under the federal bankruptcy code or state receivership statutes.

11. Transfer Restriction. Except as otherwise provided in the Commitment, the Loan documents shall provide that, during the term of the Loan, or any extension thereof, no sale, conveyance, mortgage, transfer or grant of any interest in encumbered real estate, if any, or any part thereof, nor any sale, assignment, pledge, transfer or grant of any interest or right in any shares of stock or partnership interest in the Borrower shall be made without the prior written consent of the City. The Borrower will continuously maintain its existence and right to do business in the City of West Allis.

12. Other Liens and Fixtures. Except as otherwise provided in the Commitment, the Loan documents shall provide that the Borrower shall not create, nor permit to exist, any liens on, or security interest in, any Project equipment, except the lien of the City, or other personal property or fixtures owned by the Borrower or any guarantors and used or usable in connection with the operation of the Borrower's business and shall not lease any such equipment, property or fixtures without the prior written consent of the City.

13. Insurance and Condemnation Proceeds. Except as otherwise provided in the Commitment, the Loan documents shall provide that all insurance and condemnation proceeds shall be applied to the Note, whether or not then due and payable.

14. Environmental Matters. Borrower represents and warrants to the City that to the best of Borrower's knowledge and belief, and after reasonable inquiry, that its business operations and facilities have not violated, do not nor will they violate any environmental laws, regulations, ordinances, orders or similar governmental restrictions; and the facility is not within a government identified area of contamination; and the facility and any site in the vicinity of the same are not nor have been the site of

any oil, hazardous waste or other toxic substance or storage.

15. Use of Funds. The Borrower will use the proceeds of the Loan in the manner set forth in the Commitment Letter.

16. Prohibition Against the Borrower's Assignment. The Commitment is not assignable or transferable by the Borrower.

17. Not Joint Venture. The City shall not be deemed to be a partner or joint venturer with the Borrower and Borrower shall indemnify and hold the City harmless from any and all damages resulting from such a construction or alleged construction of the relationship of the parties.

18. Entire Agreement. The Commitment shall supersede all prior written or oral understandings with respect thereto; provided, however, that all written and oral representations of the Borrower, any principal of the Borrower or any guarantor to the City shall be deemed to have been made to induce the City to make the Loan. No modification or waiver of any provision of the Commitment shall be effective unless it is in writing signed by the City.

19. Compliance with Laws. The Borrower shall comply fully with all applicable local, state and federal laws, ordinances, rules and regulations relating to the operation and management of its business, including, without limitation, all such legal matters relating to zoning, subdivision, safety of construction, building codes, land use, environmental protection and conservation. The Borrower shall immediately notify the lender in writing of any notice received from any governmental entity indicating that the Borrower is, or may be in violation of such laws, ordinances, rules or regulations.

20. Complete Performance and Waiver. If the Borrower fails to comply fully with the provisions of this Commitment, the City shall be under no obligation to close the Loan. The waiver by the City of any of the conditions contained herein shall be in writing.

21. Duration of Commitment. If timely accepted, the Commitment shall remain in full force and effect until the closing date as originally scheduled in the Commitment. If the closing does

not occur by the closing date or is not extended in accordance with the terms of the Commitment, the City shall have no further obligation under the Commitment.

22. Wisconsin Law. The subject Loan is to be governed by and shall be construed according to the laws of the State of Wisconsin. Any action regarding the subject loan shall be brought and maintained in the federal or state courts in Milwaukee County, Wisconsin.

23. Financial and Other Data. Prior to closing, the Borrower and each guarantor shall furnish to the City:

(a) Organizational Documents. If a corporation, its articles of incorporation, by-laws, certificate of good standing and a list of current officers and directors; if a partnership, its partnership agreement and certificate of limited partnership (if a limited partnership) and a list of current partners; and

(b) Financial Statements. Current statements of financial condition and earnings.

24. Annual Financial Statements. During the life of the Loan, the Borrower and the guarantors, if any, shall furnish the City with annual financial statements as the City shall reasonably require. The City shall have the right to inspect any related books of account.

25. Representation. The Borrower represents to the City that all information provided to the City to induce the City to issue the Commitment is true and correct.



EXHIBIT NO 1. TO GENERAL CONDITIONS
CITY OF WEST ALLIS
ECONOMIC DEVELOPMENT LOAN
FEDERAL REQUIREMENTS

BORROWERS: Rupena's Fine Foods
COMMITMENT: February 1, 2022
LOAN AMOUNT: \$100,000

This Loan is funded with Federal Community Development Block Grant – CV Funds. Borrowers will fully comply with the following statutes, laws, rules, regulations, and other requirements during the term of the Loan.

I. Non-Discrimination.

A. Title VI of the Civil Rights Act of 1964 (Pub. L. 86-352), and implementing regulations issued at 24 CFR Part 1, which provide that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, denied the benefits of or otherwise subjected to discrimination under any program or activity for which the person receives federal financial assistance and will immediately take measures necessary to effectuate this assurance.

B. Section 109 of the Housing and Community Development Act of 1969, as amended, and the regulations issued at 24 CFR 570.601, which provide that no person in the United States shall, on the grounds of race, color, national origin, or sex, be excluded from participation in, denied the benefits of or subject to discrimination under any program or activity funded in whole or in part with funds provided under 24 CFR PART 570.

C. Section 504 of the Rehabilitation Act of 1973, as amended (Pub. L. 93-112), and implementing regulations when published for effect. Section 504 provides that no qualified handicapped person shall, on the basis of handicap, be excluded from participation in, denied the benefits of or otherwise subjected to discrimination under any program or activity which received or benefits from federal financial assistance.

D. Title I of the Americans with Disabilities Act of 1990, as amended (Pub. L. 101-336), and implementing regulations. The Act prohibits discrimination against any qualified individual with a disability because of his or her disability in regard to job application procedures, the hiring, advancement, or discharge of employees, employee compensation, job training, and other terms, conditions, and privileges of employment.

II. Equal Employment Opportunity. (All Loans Exceeding \$10,000). Executive Order 11246, as amended by Executive Order 11375, and as supplemented in Department of Labor Regulations (41 CFR Part 60).

A. The Borrowers will not, in carrying out the Project, discriminate against any employee because of race, color, religion, sex, handicap or national origin. It will take affirmative action to ensure that applicants for employment are employed, and that employees are treated during employment without regard to their race, color, religion, sex, handicap, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The Borrowers shall post in conspicuous places, available to employees and



applicants for employment, notices to be provided by HUD setting forth the provisions of this non-discrimination clause.

B. The Borrowers will, in all solicitations or advertisements for employees placed by or on its behalf, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, handicap or national origin.

C. The Borrowers will incorporate the foregoing requirements of this section in all of its contracts for Project work, except contracts for standard commercial supplies or raw materials or contracts covered under 24 CFR Part 570 and will require all of its contracts for such work to incorporate such requirements in all subcontracts for work done with funds provided under 24 CFR Part 570.

III. Employment Opportunities For Low Income Residents. Section 3 of the Housing and Urban Development Act of 1968, as amended, and implementing regulations at 24 CFR Part 135, requiring that to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the Project area and contracts for work in connection with the Project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the area of the Project.

IV. Age Discrimination Prohibited. The Age Discrimination Act of 1975, as amended, (Pub. L. 94-135), and implementing regulations (when published for effect).

V. Drug-Free Workplace. Borrowers certify that they will provide a drug-free workplace and will otherwise comply with the Drug-Free Workplace Act of 1988, as amended, and the regulations promulgated thereunder.

VI. Federal Management and Budget Requirements and Procurement Standards.

A. The regulations, policies, guidelines, and requirements of OMB Circular Nos. A-102, Revised, and A-87, as they relate to the acceptance and use of federal funds under 24 CFR Part 570.

B. All requirements imposed by HUD concerning special requirements of law, program requirements and other administrative requirements approved in accordance with OMB No. A-102, Revised.

C. OMB Circular A-110.

VII. Environmental Review. Borrowers will cooperate with the City in carrying out the following:

A. Consent to assume the status of a responsible federal official for environmental review, decision making and action pursuant to the National Environmental Policy Act of 1969, and the other authorities listed in Part 58, insofar as the provisions of such act or other authorities apply to 24 CFR Part 570.

B. Are authorized to accept the jurisdiction of the federal courts for the purpose of enforcement of his/her responsibilities as such official.

VIII. Historic Preservation. Borrowers will comply with the requirements for historic preservation, identification and review set forth in section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470), Executive Order 11593, and the Archeological and Historic Preservation Act of 1974 (16 U.S.C. 469a, et seq.), regulations of the Advisory Council on Historic Preservation at 36 CFR 801, and any other regulations promulgated pursuant to section 21 of the Housing and Community Development Act of 1974, as amended.

IX. Relocation. The relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970,



implementing regulations at 24 CFR Part 42, and the special provisions of section 570.457, concerning the relocation of residential tenants not covered by the Uniform Act.

X. Labor Standards. The labor standards requirements as set forth in section 570.605 and HUD regulations issued to implement such requirements.

XI. Flood Insurance. The flood insurance purchase requirements of section 102(a) or the Flood Disaster Protection Act of 1973 (Pub. L. 93-234).

XII. Facilities. The Borrowers will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the Project are not listed on the Environmental Protection Agency's (EPA) list of violating facilities, and that it will notify HUD of the receipt of any communication from the Director of the EPA Office of Federal Activities, indicating that a facility to be used in the Project is under consideration for listing by the EPA.

XIII. Davis-Bacon. The Project may be subject, in whole or in part, to Federal Fair Labor Standards provisions in accordance with the Davis-Bacon Act, as amended (40 U.S.C. section 276a-276a-5), and implementing regulations issued at 24 CFR 570.603; and, the Borrowers will agree that any such work will be done in accordance with such laws and regulations.

XIV. Fraud. The Borrowers have not knowingly and willingly made or used a document or writing containing any false, fictitious, or fraudulent statement or entry. It is provided in 18 U.S.C. 1001 that whoever does so within the jurisdiction of any department or agency of the United States shall be fined not more than Ten Thousand Dollars (\$10,000) or imprisoned for not more than five (5) years, or both.

XV. Remedies for Noncompliance. In the event of Borrowers' noncompliance with any of the provisions of these FEDERAL REQUIREMENTS, the City shall impose such sanctions as it may determine to be appropriate, including, but not limited to:

- A. Withholding of payments under the Loan Agreement until Borrowers comply; and/or
- B. Immediate cancellation, termination, or suspension of the Loan Agreement, in whole or in part.
- C. Other remedies that may be legally available.

City

Borrower