366-8181
Jim Olson

REDEVELOPMENT AGREEMENT
BETWEEN
CITY OF MENASHA, WISCONSIN
AND
DEVELOPER

THIS AGREEMENT is entered into on this 7th day of April, 1997, between the City of Menasha, a Wisconsin municipal corporation, (hereinafter the "CITY") and McClone Downtown Development LLC (hereafter the "Developer"):

WITNESSETH:

WHEREAS, the CITY has determined that the development of office and commercial property in the Central Business District would be desirable for the City of Menasha; and,

WHEREAS, the DEVELOPER has contacted the CITY to express interest in investing in the redevelopment of this neighborhood, and the CITY has determined that the DEVELOPER is qualified to conduct this redevelopment project.

NOW, THEREFORE, the parties mutually agree as follows:

1. **PROJECT DESCRIPTION**. The Developer agrees to finance and construct an office and commercial building (hereafter the "Project") of not less than 50,000 square feet of masonry and brick construction on the property described as follows:

SITE 1: That property now occupied by Household Rentals, Harder's Barbershop, and So' Cleaners more particularly described as:

SITE 2: That property now occupied by Firstar Bank more particularly described as:

SITE 3: That property which includes the Chute Street right-of-way more particularly described as:

SITE 4: That property now owned by the City of Menasha which comprises Curtis Reed Square more particularly described as:

SITE 5: That property now owned by the City which is a part of the current parking lot for the Menasha City Hall more particularly described as:

SITE 6: That property now occupied by Randall's Auto Haus more particularly described as:

which site shall consist of not less than _____ square feet, (the "Site"). Dimensions and legal descriptions will appear on Attachment "A" as they become available.

2. **PLAN APPROVAL.** The Developer, prior to commencing construction, shall obtain the CITY'S approval of the plans for the redevelopment project which shall be in compliance with all codes and requirements of the City of Menasha, which shall be done not later than May 19, 1997. The City will cause all the Project parcels to be zoned for the intended uses of the Project and will expedite and facilitate all other necessary required plan approvals.

DEVELOPER agrees that it will not transfer the PROJECT or any of the property to any tax-exempt entity without prior approval of the CITY; however the City's approval shall not be required in connection with the granting of any mortgagees to finance the Project so long as that action does not cause the Project to be tax-exempt. The DEVELOPER will be responsible for any fees for zoning or building permits required under CITY ordinance or STATE law.

3. **TIME OF CONSTRUCTION.** Following timely acquisition of the Site by the CITY, the Developer agrees to complete construction of the Project not later than March 1, 1998. The City shall cooperate with the Developer to facilitate the Developer's performance. The City shall proceed with due diligence to construct and install all required public improvements and roadway modifications not later than March 1, 1998 or earlier as needed by the Developer, provided that any such requests shall be reasonable.

4. **SITE.** The DEVELOPER agrees at its sole expense to acquire the properties needed for the Project described in paragraph 1 as SITES 1 and 2, subject to the contribution of the City to such acquisition costs as may be required by the developer and further subject to the condition that all City contribution to the project not exceed $1,100,000. The CITY agrees at its sole expense to acquire the properties need for the Project described in paragraph 1 as SITE 6 of this Agreement, utilizing its powers of eminent domain, if necessary, including the relocation of existing occupants, if required, agreed upon required infrastructure enhancements, and the clearance from the Site of existing improvements as set forth in demolition specifications to be prepared by the DEVELOPER and approved by the CITY. Any statutory imposed relocation cost sought or obtained by any relocated owner or tenant on any Project site shall be borne by the City. Such Site assembly shall be completed on or before March 1, 1998, or as soon thereafter as mutually agreed to by the parties.

The CITY agrees to sell to the DEVELOPER SITES 3, 5 and whatever portion of SITE 4 is necessary to complete the PROJECT. Whatever cost the CITY expends in purchasing SITE 6, including the demolition and removal of existing structures, backfilling with appropriate fill so as to support proposed parking lot, phase I, II, or III environmental assessments, any costs of environmental remediation not reimbursed through PECFA or other grants, and any cost to relocate existing utilities necessary for SITE 6 so as to comply with PROJECT shall be paid by the CITY, provided that such costs will be limited by a total contribution of the CITY to the PROJECT not to exceed $1,100,000. The CITY shall provide street removal and replacement, curb and gutter removal and replacement, and backfilling appropriate to make SITES 3, 5 and that part of SITE 4 as has been transferred so as to support proposed structures and parking lots.

Any expense incurred by the CITY for these items shall not cause the total CITY contribution for the PROJECT to exceed $1,100,000. Any cost to reconstruct the Broad Street Lot so as to provide the parking stalls included in the PROJECT plan will be borne by the CITY provided that the CITY'S entire contribution to the PROJECT does not exceed $1,100,000. The City's total contribution of $1,100,000 shall include only costs for outsourced services and amounts paid to third parties associated with the construction of the project. The City shall include in the eligible TIF expenses anything allowed under state law.

5. **PRICE.** The CITY shall sell SITES 3, 5 and whatever portion of SITE 4 as shall be necessary for the PROJECT to the DEVELOPER for $5,000 at a closing to be held on or before June 10, 1997 at 10:00 a.m. at City Hall or such other place as the parties shall mutually agree. Should the PROJECT be not completed at any time for any reason, title to SITES ,3, 5 and the part of SITE 4 which has been sold shall revert to the CITY. The CITY shall reimburse the DEVELOPER for any cost associated with DEVELOPER'S acquisition, structure demolition and removal, or site preparation for SITES 1 and 2 so long as CITY'S total PROJECT contribution does not exceed $1,100,000.

6. **SITE PREPARATION.** The DEVELOPER shall demolish and remove any existing structures and foundations and shall backfill with appropriate fill to support proposed structures and parking lots for SITES 1 and 2.

7. **CLEAR TITLE.** For any property assembled by the CITY, the CITY shall provide clear title to the DEVELOPER upon closing, as evidenced by a commitment for title insurance consistent with comparable transactions containing only such standard exceptions as cannot be reasonably be waived under the circumstances.

8. **CERTIFIED SURVEY MAP.** DEVELOPER shall provide a Certified Survey Map of the site. If the CITY is asked to pay for the CSM, that cost shall not cause the CITY'S total contribution to the PROJECT to exceed $1,100,000.

9. **PUBLIC PLAZA.** The CITY will develop a public plaza area as designated on the PROJECT description. The CITY has the right to incorporate a portion of the DEVELOPER'S property into the design of the public plaza upon the consent of Developer which consent shall not be unreasonably withheld. Any such property so used will be maintained by the CITY. The Developer shall prepare a conceptual design for the public plaza.

10. **SEWER.** The CITY will provide sanitary sewer, storm sewer, and water laterals to the property boundary or curb stop. The costs for all other utilities will be considered by separate agreement, if necessary. It is agreed that total CITY contribution to the PROJECT will not exceed $1,100,000. DEVELOPER shall provide necessary easements for the portions of the relocated sanitary sewer, storm sewer and water main which may be located on DEVELOPER'S property.

11. **PARKING.** The CITY shall acquire the property now known as Randall's Auto Haus and reconfigure the Broad Street parking lot. One hundred twenty spaces of the Broad

Street parking lot shall be assigned to DEVELOPER'S tenants at a cost of $1.00 per space per year for a term not to exceed 99 years. Such assignment shall be limited to the hours of 7:00 a.m. to 5:00 p.m. Monday through Friday. The City will assist Developer in policing the 120 spaces to prevent them from being occupied by the general public. The City will also provide all snow removal and maintenance services consistent with other City parking lots. At CITY'S option, the CITY will sell such portion of the Broad Street Lot as constitute 100 spaces to the DEVELOPER at a price to be agreed to in the future. The CITY shall have the ability to select the spaces which shall be so designated.

12. **SIGNAGE**. Any signage for such PROJECT buildings shall conform to applicable CITY ordinances.

13. **STAGING AREA**. The DEVELOPER may use existing CITY property as a staging area during PROJECT construction consistent with continued CITY operations.

14. **PROJECT SCOPE**. Any change in PROJECT scope shall be consistent with this agreement and any subsequent agreements of the parties.

15. **EQUAL OPPORTUNITY**. DEVELOPER hereby agrees on behalf of himself and his heirs and assigns that he will not permit the sale, lease or use of the property or facilities within the Project by any party who would act or permit discrimination or restriction on the basis of race, creed, color, sex, religion, national origin, or any other protected category under State or Federal law.

16. **CHANGES**. The parties agree that this agreement may require changes, from time to time. Such changes, which are mutually agreed upon between the Developer and the CITY, shall be incorporated in written amendment to this agreement.

17. **MATTERS TO BE DISREGARDED**. The titles of the several sections, subsections, and paragraphs of this agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this agreement.

18. **COMPLETENESS OF AGREEMENT**. This agreement and any additional or supplementary documents incorporated by specific reference contain all the terms and conditions of this agreement, and no other agreements, oral or otherwise, regarding this subject matter or any part shall have any validity or bind any of the parties hereto.

19. **NOTICES**. Any notices, bills, invoices, or reports required by this agreement shall be sufficient if sent by the parties in the United States mail, postage paid, to the addresses below:

DEVELOPER Name & Address McClone Downtown Development LLC
P. O. Box 389, Menasha, WI 54952

CITY Name and Address:

City of Menasha
140 Main Street
Menasha, Wisconsin 54952

20. **TERMINATION RIGHTS**. The CITY and the Developer recognize the development will require substantial financial resources, the commitments for which may not be available before the parties begin to perform under the terms of this agreement. The parties are nonetheless willing to proceed with the activities and undertaking described herein with full appreciation that the costs and risks of so doing are their own, respectively, and that a closing may not occur, unless otherwise specifically required by this agreement. If the CITY shall fail to acquire the Site and perform its other obligations or if the developer does not generate the required financing and perform its other obligations, the aggrieved party may terminate this agreement upon giving the other party thirty (30) days' written notice, and this agreement shall then automatically terminate. As evidence of the parties' confidence in each other, the parties are willing to begin performance under this agreement without absolute assurance the other party will be able or willing to raise and commit the necessary funds.

21. **PERSONAL LIABILITY**. Under no circumstance shall any alderman, officer, official, director, member, limited partner, or employee of the City or the Developer have any personal liability arising out of this agreement, and no party shall seek or claim any such personal liability.

22. **CITY CONTRIBUTION**. The Developer recognizes that the total City contribution is limited to $1,100,000 toward the entire project subject to the following exceptions:

a. the cost attributed toward the $1,100,000 to be used for the development of the Plaza and the reconfiguration of the Broad Street Parking Lot is $112,000.

b. the City contribution is based on the estimates provided by the Hoffman Corporation in a document attached as Exhibit . Any reductions in those costs for any reason shall be shared with the City in a manner to be agreed to at a later date.

DEVELOPER:

McClone Downtown Development LLC

Michael J. McClone, Member

CITY OF MENASHA, by:

Joseph F. Laux, Mayor

Joan Smogoleski, City Clerk

Exhibit B

Building for:

McClone

Main and Milwaukee Streets

Menasha, WI

Project No. 96938

HOFFMAN CORP.

321 NICOLET ROAD

APPLETON WI 54914

SITE ISSUES

Item	Line Est.	Cost Est.	Notes
Clear Title to Property		722,301.00	
Purchase 150 Main St. and 348/352 Chute St. (First Star)	300,000		
Phase I environmental audit and written report	667		
Environmental remediation of; Hazardous substances, Toxic materials, Pollutants, Other Contaminants	5,000		Allowance (cost limit)
Demolition and removal of existing structures and foundations; including Backfill excavations with appropriate fill to support proposed structures or parking lots	20,335		
Tenant relocation costs	0		
326,002 sub total	–		
Purchase 358 Chute St. ()	45,000		
Phase I environmental audit and written report	667		
Environmental remediation of; Hazardous substances, Toxic materials, Pollutants, Other Contaminants	2,500		Allowance (cost limit)
Demolition and removal of existing structures and foundations; including Backfill excavations with appropriate fill to support proposed structures or parking lots	13,665		
Tenant relocation costs	0		
61,832 sub total	–		
Purchase 360 Chute St. (Household Rental)	140,000		
Phase I environmental audit and written report	667		
Environmental remediation of; Hazardous substances, Toxic materials, Pollutants, Other Contaminants	5,000		Allowance (cost limit)
Demolition and removal of existing structures and foundations; including Backfill excavations with appropriate fill to support proposed structures or parking lots	20,335		
Tenant relocation costs	0		None per City 3-13-97
166,002 sub total	–		
Purchase 67 Milwaukee St. (Autohaus)	100,000		
Phase II environmental audit and written report	1,800		
Environmental remediation of; Hazardous substances, Toxic materials, Pollutants, Other Contaminants	10,000		Allowance (cost liability limit)
Demolition and removal of existing structures and foundations; including Backfill excavations with appropriate fill to support proposed structures or parking lots	6,665		
Tenant relocation costs	50,000		
168,465 sub total	–		
Develop a City plaza area; including planters		50,000.00	Lump sum cost allowance
Special construction requirements:Foundation due to soil conditions		0.00	
Provide to the property; Sanitary sewer, Storm sewer and Water laterals		40,000.00	includes relocation of vacated street utl.
Telephone		0.00	
Electric service		5,000.00	relocate existing transformers
Natural Gas		0.00	
Cable TV		0.00	
City Street Modifications (dead end Chute street) Cul De Sac		166,225.00	Items within public right of way only
Existing Street pavement, Curb & Gutter and Public Sidewalk removal	10,000		Lump sum cost allowance
Street pavement replacement	30,000		est. 6,000 sf @ 5.00/sf
Curb & Gutter replacement	7,950		est. 530 lf @ 15.00/lf
Public Sidewalk replacement	6,625		est. 530 lf of 7' walk @ 12.50/sf
New Parking lot at Milwaukee and Broad streets, including lot lighting	53,650		est. 7,200 sf @ 7.45/sf
Seal and restripe existing city parking lot	42,000		est. 140 spaces @ 300.00/per space
Street lighting (4 fixtures)	16,000		
Parking agreement; Variance to number of minimum required spaces		120.00	Use of 120 parking stalls in Broad street lot
			$1 per stall per year (1st year only shown)
71 On site (property owned) parking spaces, including lot lighting at	2,000	142,000.00	
Location and size of site signage		0.00	May be at variance with City ordinance
Permission to use City property if needed for site access		0.00	
Change in Project scope		0.00	Option on adjacent properties
TOTAL ESTIMATE		$1,125,646.00	
City TIF allowance		$1,100,000.00	
Ballance to project		$25,646.00	

3/26/97