MEMORANDUM

Date: August 9, 2016

To: Common Council
From: Pamela A. Captain, City Attorney

Re: Amendment to Purchase and Development Agreement between the City of Menasha and Christine A. Sohns, dated June 5, 2014

On June 5, 2014, the City of Menasha and Christine A. Sohns entered into an agreement for the purchase and re-development of 198 River Street. Terms included environmental abatement of asbestos within two years of the purchase.

I followed up with Ms. Sohns by written inquiry in 2015. At the council's August 17, 2015 meeting, Ms. Sohns and Simply Incredible Foods informed us about their business and the work on the physical premises.

On February 6, 2016 I asked Ms. Sohns for an update with respect to the project given the contract completion date was June 5th. Upon invitation, Ms. Sohns and Jonathan Smith provided an update to the Common Council at its July 5, 2016 meeting. At that time we learned that the DEVELOPMENT IMPROVEMENTS, including asbestos removal are not fully completed.

On July 25, 2016 I sent a Notice of Default asking for a plan to address the completion of the DEVELOPMENT IMPROVEMENTS, especially as it related to the asbestos removal. Attached is the response that I received. Before you is Ms. Sohns' request to extend the time to complete the DEVELOPMENT IMPROVEMENTS to June 2018. I have prepared a draft amendment to the agreement if you decide to allow the time extension.

FIRST AMENDMENT TO PURCHASE AND DEVELOPMENT AGREEMENT AMONG CITY OF MENASHA AND CHRISTINE A. SOHNS DATED JUNE 5, 2014

THIS FIRST AMENDMENT TO PURCHASE AND DEVELOPMENT AGREEMENT, executed in Menasha, Wisconsin on this __ day of August, 2016, is made effective between the City of Menasha and Christine A. Sohns and is made with reference to the Purchase and Development Agreement dated June 5, 2016.

1. The time Christine A. Sohns has to complete the DEVELOPMENT IMPROVEMENTS, including the environmental abatement of asbestos is extended to June 4, 2018.
2. All other terms and conditions set forth in the Purchase and Development Agreement dated June 5, 2014, shall remain the same.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment as of the date first written above:

City of Menasha

By: _____

Donald Merkes, Mayor

By: _____

Deborah A. Galeazzi, City Clerk

Christine A. Sohns

_____

August 2, 2016

To: Don Merkes

Pamela Captain

RE: Proposal to address- Notice of Default

Simply Incredible Business Development will address the default of the Purchase and Development Agreement dated June 5, 2014, as soon as the Dresser Rand is sold and scrap prices rebound back to an acceptable level. We continue to make smaller improvements to the facility as smaller equipment is sold. It is our intention to fully improve the building and remove asbestos from production areas which would allow us to increase production capacity.

It is our hope this happens as soon as possible, we have employed a professional Engineer to market the DresserRand to get the best price and fastest sale.

Please extend the timeframe in the agreement 2 years.

Very truly yours,

Christine A. Sohns

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