

CHANGE IN TERMS AGREEMENT

Original Incentive Date: May 16, 2014

**Business: Marlo, Incorporated of Racine, Wisconsin, d/b/a Marlo, Inc.
2227 South Street
Racine, WI 53404**

**Owner: K & M of Racine, LLC
2227 South Street
Racine, WI 53404**

**Glines Family, LLC
2227 South Street
Racine, WI 53404**

**City: City of Racine
730 Washington Avenue
Racine, WI 53403**

THIS AGREEMENT is entered into by and among the above named Business, Owner, and City.

RECITALS:

- A.** On May 16, 2014 Business and Owner entered into a Development Incentive Agreement (“the Incentive Agreement”) with the City.
- B.** The Incentive Agreement indicated that Business has 58 full –time employees on January 21, 2014 the effective date of the Incentive Agreement.
- C.** In order to qualify for receipt of the City’s financial assistance, Marlo is agreeable to granting preference to qualified job applicants residing in the City of Racine following the outlined steps in the Incentive Agreement dated May 16, 2014.
- C.** The Incentive Agreement indicated that minimum investment of \$2.4 million in the Site to be completed by December 31, 2014.

NOW, THEREFORE, the parties agree as follows:

- 1. RECITALS:** All of the above recitals are incorporated herein by reference as though set forth in their entirety.

2. DESCRIPTION OF CHANGE IN TERMS: All parties to this agreement acknowledge that:

a) At the effective date of the Incentive Agreement Business had 55 full-time employees.

b) Project delays shall result in Marlo and/or Owners investing no less than \$3.2 million at the Site with building expansion to be completed by December 31, 2016.

c) Eligibility for the first payment of any Development Incentive to Marlo from the City under this agreement would be triggered by the completion of building expansion and would take place beginning with the payment of 2016 taxes in 2017.

d) Maximum ten-year term of the development incentive starting with payment of 2016 property taxes in 2017 and ending with payment of 2025 property taxes in 2026.

3. CONTINUING VALIDITY: Except as expressly changed by this Agreement, the terms of the original Incentive Agreement, as amended or restated, and the obligations of Business and Owner under the Incentive Agreement, remain unchanged and in full force and effect. Any inconsistencies between this Agreement and the Incentive Agreement shall be construed in favor of this Agreement. City's consent to this Agreement does not waive City's right to strict performance of the Incentive Agreement, as restated, amended or changed herein, or obligate City to make any future change in terms. Nothing in this Agreement will constitute a satisfaction of the obligation(s) under the Incentive Agreement, as amended or restated. It is the intention of the parties that all makers and endorsers of the Incentive Agreement, as amended or restated, remain liable under the Incentive Agreement, as amended or restated, unless a party is expressly released by City in writing.

4. CERTIFICATION: BUSINESS AND OWNER CERTIFIES THAT PRIOR TO SIGNING THIS AGREEMENT, BUSINESS AND OWNER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS AGREEMENT.

IN WITNESS WHEREOF, the parties have entered into this Agreement as evidenced by their signatures below.

[Signatures on Following Page]

Glines Family, LLC

By: _____

By: _____

Name: Michael W. Glines _____

Name: Kathleen A. _____

Glines _____

Title: Member _____

Title: _____

Member _____

STATE OF Wisconsin _____)

) SS:

COUNTY OF Racine _____)

Personally came before me this _____ day of _____, _____, the above-named _____, _____ of Glines Family, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same on behalf of said corporation.

Notary Public, _____ County, _____
My Commission expires: _____

CITY OF RACINE

By: _____
John Dickert, Mayor

Attest: _____
Janice Johnson-Martin, City Clerk

STATE OF WISCONSIN)
) SS:
COUNTY OF RACINE)

Personally came before me this _____ day of _____, _____, John Dickert and Janice Johnson-Martin, Mayor and City Clerk of the City of Racine, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, Racine County, Wisconsin
My Commission expires: _____

COUNTERSIGNED:

Provision has been made to pay the liability that accrue under this Agreement

David Brown
City Finance Director

Approved as to form:

Robert K. Weber
City Attorney