



CITY OF APPLETON

MEMORANDUM

Date: May 14, 2025
To: Community Development Committee
From: Lily Paul, Economic Development Specialist
Subject: Request Approval of the Amendment to Development Agreement Between the City of Appleton and Merge, LLC in TIF #11

GENERAL INFORMATION

Owner: City of Appleton

Buyer: Brent Dahlstrom, Merge, LLC (Developer)

Address/Parcel Number: Blue Ramp Site (Parcel ID #31-2-0272-00)

Request: Extend the closing date and the completion date, adjust the purchase price, and the repurchase price

Community Development Committee Meeting Date: May 14, 2025

Common Council Meeting Date: May 21, 2025

PROJECT DETAILS

Project Summary: The Appleton Common Council approved a Development Agreement (DA) with Merge, LLC (Developer) in January 2022. The DA is for the development of a site at the southeast corner of Washington Street and Appleton Street (the Blue Ramp Site). This is the second phase of Merge's development, with the first complete and currently leasing (Urbane115 Apartments).

Per the existing DA, Merge was to acquire the former Blue Ramp Site from the City by July 31, 2024, but was pushed back to February 28, 2025, then May 1, 2025, due to DNR clearance, Urbane 115 reaching full lease up, and lower interest rates. The applicant and staff are preparing to close, but there are a few sections in the DA that need to be updated before closing:

- **Section 3.01 –**
 - The developer has \$40,000 credit; therefore, the purchase price is now \$550,000 to reflect the credit.
 - Since closing was last extended to May 1, 2025 and we have started to prepare for closing, sale of the property shall now close within 30 days of the Common Council's approval of this Amendment to DA.
- **Section 3.03 –** Since this is a multi-phase project, the completion date shall be January 1, 2027, with the assessed value being \$12,000,000 on or before January 1, 2027.

- **Section 3.04** – The repurchase amount, if the City chooses to, is \$540,000 (or the actual amount paid by the Developer to the City) less \$1,000 per calendar month calculated from the first day of the month after this Agreement is executed through the date of the sale.

Assessed value amounts and incentive amounts have remained the same.

RECOMMENDATION

Amendments to the Development Agreement between the City of Appleton and Merge, LLC for Tax Id #31-2-0272-00 **BE APPROVED.**