



*"...meeting community needs...enhancing quality of life."*

## MEMORANDUM

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TO: Community and Economic Development Committee (CEDC)

FROM: Matt Rehbein, Economic Development Specialist

DATE: January 11, 2023

RE: Request Approval of the First Amendment to the Development Agreement (Phase II) between the City of Appleton and Merge, LLC in TIF District #11

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The Appleton Common Council approved a Development Agreement (DA) with Merge, LLC (Developer) in January 2022 for development of a site at the southeast corner of Washington Street and Appleton Street (Blue Ramp Site). This is the second phase of Merge's development, with the first currently under construction immediately east of the subject site at 115 E. Washington Street. It has always been Merge's intention to roll right into construction of Phase II upon completion of Phase I. Phase I construction was delayed due to changing environments of interest rates, supply chain challenges, and labor shortages.

Per the existing Development Agreement, Merge is to acquire the former Blue Ramp Site from the City by February 16, 2023. We have received a request from Merge to extend this date to September 29, 2023 (attached). Extending the timeline will allow Merge to align construction with Phase 1 completion and allow time for significant pre-construction investment and coordination among architects and contractors.

Amending the Development Agreement to allow for this timeline does not change the financial commitments of the City and will help ensure Merge, LLC is successful in executing their projects in the City of Appleton.

### **Staff Recommendation:**

The First Amendment to the Development Agreement between the City of Appleton and Merge, LLC extending the purchase date from February 16, 2023 to September 29, 2023 **BE APPROVED**.