



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

## MEMORANDUM

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TO: Community and Economic Development Committee

FROM: Matt Rehbein, Economic Development Specialist

DATE: May 26, 2021

RE: Planning Option Agreement Extension for the Blue Ramp and Conway Hotel Sites – Merge, LLC

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The City of Appleton entered into a Planning Option Agreement with Merge, LLC to provide a 9-month initial term to conduct due diligence for a potential mixed-use development on the Blue Ramp and Conway Hotel sites on March 1, 2020. In return for this option, Merge paid the City \$1,000.

This Option was mutually extended to May 31, 2021 per the Option Agreement. Merge, LLC has requested an extended term of six (6) months to finalize development agreements. Per Section 2 of the original Option, Merge, LLC paid the City an additional \$5,000 for the first extension. This second extension reflects the same option fee of an additional \$5,000.

Merge and staff are working on a Development Agreement for Phase I, and we anticipate moving on to a Development Agreement for Phase II soon. We expect the Development Agreement for Phase I to be completed early this summer, with construction to begin in 2022 and completion in 2024. Since March 1, 2020, Merge, LLC has completed interviews with community stakeholders, prepared preliminary conceptual mixed-use plans, and begun assembly of the financing necessary. Given the cost to conduct the due diligence and prepare conceptual plans, Merge Urban Development Group would like the continued assurance that the City would be interested in selling these parcels for a mixed-use development that is aligned with our Comprehensive Plan.

### **Staff Recommendation:**

A six (6) month extension to the Planning Option Agreement for the Blue Ramp and Conway Hotel Sites from Merge, LLC **BE APPROVED**.