



CITY OF MERRILL
REDEVELOPMENT AUTHORITY
AGENDA • WEDNESDAY AUGUST 21, 2019

Regular Meeting

City Hall Council Chambers

8:00 AM

- I. Call to Order
- II. New RDA Commissioners Dan Koblitz and Alderperson Steve Sabatke
- III. Consider election of new RDA President
- IV. Minutes of previous meeting(s)
 1. RDA meeting minutes from July 10th
- V. Public Comment
- VI. Agenda items for consideration:
 1. Update on 1/1/2019 Equalized Valuations - Overall City of Merrill and Tax Increment Districts (TIDs)
 2. Review information on City of Merrill residential developments (2009-July 2019)
 3. Update on costs for Certified Survey Map (CSM) and Plat survey work for former Kientiz property (between W. 10th and W. St. Paul St. in TID No. 11)
 4. Consider resolution authorizing development agreement by and between the City of Merrill and Ryan Ott Development & Construction LLC for single home residential development on former Kienitz property (between W. 10th and W. St. Paul St. in TID No. 11)
 5. Review and discussion of Impact Seven offer to purchase the former Fox Point site for multi-family housing development (1905 E. 14th St. in TID No. 10)
 6. Review and discuss information on City of Marshfield housing incentive program
- VII. Next RDA meeting
- VIII. The RDA may convene in closed session per Wis. Stats. Sec. 19.85(1)(e) – deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session to consider:
 1. Consider approval of closed session RDA meeting minutes from July 10th
 2. Negotiation of potential development incentives (including proposed sale of City-owned property) for housing development on former Fox Point site (1905 E. 14th St in TID No. 10)
 3. Review and discussion of potential purchase of properties for new restaurant development(s) in TID No. 3 and TID No. 4 (East Side area); potential use of "spot blight" legal authority; and potential TID development incentives to facilitate new development(s)

- IX. The RDA may reconvene in open session to consider actions(s) on closed session development items
- X. Adjournment

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, July 10th, 2019 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Tim Meehean, Derek Woellner, Sheila Polak and Ken Maule

RDA Excused: Clyde Nelson and Tony Kusserow

Others: City Clerk Bill Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, City Building Inspector/Zoning Administrator Darin Pagel, Ryan Schwartzman, Steve Sabatke, Ryan Ott (from Ryan Ott Development & Construction), Kurt Rust (from mBank)

Call to Order: RDA Chairperson Meehean called the meeting to order at 8:00 a.m.

New RDA Commissioner: Ken Maule replaces former RDA Commissioner Tim Haight.

Jill Laufenberg resigned after the June RDA meeting. There remains a vacant RDA Commissioner position.

Consider approval of RDA meeting minutes from June 5th:

Motion (Woellner/Meehean) to approve the meeting minutes from June 5th. Carried.

Public Comment: None.

Review and discussion of TID development overview, background information, and development agreement formats:

The agenda packet had examples from the new 3201 E. Main St. (Dollar Tree) development including the development agreement; TIF Development Incentive Overview; Projected Tax Increment spreadsheet; draft Common Council resolution; Lincoln County GIS map of the development parcel; and site plans, elevations, and any color renderings.

For developments including transfer of City-owned land, there will be revisionary title provision in the event the developer doesn't get started by deadlines. There was RDA Commissioner consensus to include Minimum Assessed Valuation provisions in future development agreements. The amount of potential TIF cash development incentives could be reduced if development not completed by deadlines.

Attachment: 2019-07-10 RDA Minutes (4417 : RDA meeting minutes from July 10th)

Review of Merrill 2018 TID Annual Fiscal Reports:

Unertl highlighted the 2018 TID Annual Reports (Form PE-300s and summary information. Almost \$3 million was expended in 2018 with \$1,866,000 for TID-funded infrastructure improvements. Debt service payments included \$342,501 in Principal and \$169,363 in Interest paid by various TIDs. New TID-supported borrowing totaled \$2,302,530 with \$530,000 unexpended during 2018 due to contractor availability and early winter conditions.

Also provided was TID fiscal status as of 12/31/2019. City had \$34,294,400 in equalized valuation in various TIDs as of 1/1/2018. Seven of the ten TIDs are generating tax increment. For 2019 revenue, \$1,065,721 will be generated by TIDs – primarily TID No. 3 and TID No. 4. The fiscal impacts of new developments in TID No. 11 (Rock Ridge Apartments) and TID No. 3 (former Whispering Pines Hwy 64 frontage) were detailed.

Update and presentation on single family residential development proposal on former Kientiz property (between W. 10th St. and W. St. Paul St. in TID No. 11):

Ryan Ott from Ryan Ott Development & Construction provided an overview of new single-family residential development proposal. Potential for about fifteen (15) lots with first three homes to be constructed on W. St. Paul St. where City utility services (i.e. water and sanitary sewer) are available. Market price would be in the \$185,000 to \$220,000 range.

Ott's preliminary plan is for four phases of home construction. Future TID-assistance needs include extension of City utility services between W. St. Paul St. and W. 10th St. and construction of new City street (i.e. curb, gutter, paving, and streetlights). There was preliminary TID fiscal projection provided which documented future cash flow to offset TID No. 11 borrowing for this infrastructure, as well as curb, gutter, and paving of St. Paul St. which is now gravel.

Pagel reported that use of Certified Survey Map (CSM) process would allow splitting off three lots on W. St. Paul St. to facilitate construction of basements before winter conditions. The development of additional lots will require a formal Plat process.

Update and discussion of proposed sale of former Fox Point site for market-rate multi-family housing development (1905 E. 14th St. in TID No. 10):

Due to vacations, Impact Seven representatives have not yet submitted Offer to Purchase the former Fox Point site.

Next RDA meeting: Wednesday, August 7th at 8:00 a.m. [This meeting was later rescheduled for Wednesday, August 21st at 8:00 a.m. due to two RDA Commissioner vacancies.]

Closed Session:

Chair Meehean read the following notice: The RDA may convene in closed session per Wis. Stats. Sec. 19.85(1)(e) – deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session to consider:

Closed Session (Continued):

- a. Consider approval of closed session RDA meeting minutes from June 5th
- b. Negotiation of potential development incentives (including potential sale of City-owned property) for single home residential development on former Kienitz property (between W. 10th St. and W. St. Paul St. in TID No. 11)
- c. Negotiation of potential development incentives (including proposed sale of City-owned property) for market-rate housing development on former Fox Point site (1905 E. 14th St. in TID No. 10)
- d. Review and discussion of potential purchase of properties for new restaurant development(s) in TID No. 3 and TID No. 4 (East Side area) and potential use of “spot blight” legal authority

Motion (Maule/Polak) to move into closed session. Carried 4-0 on roll call vote at 8:37 a.m.

- **Motion (Meehean/Woellner) to approve the Closed Session meeting minutes from June 3rd.** Carried.
- RDA Commissioners reviewed the proposal from Ryan Ott Development & Construction and reached consensus to proceed to facilitate new single-family home construction through planned multi-year phased approach.
- There was no discussion of TID No. 10 (former Fox Point site) since no offer to purchase has been received.
- Due to the RDA Commissioner vacancy, consensus to defer review and discussion of potential purchase of property for new restaurant development(s). Bialecki provided update on potential new restaurant layout if development site could be secured.

Motion (Maule/Woellner) to move reconvene in open session at 9:08 a.m.

Motion (Woellner/Polak) to proceed with the Certified Survey Map (CSM) for three lots on W. St. Paul St. to facilitate start of Ryan Ott Development & Construction’s single-family housing development by end of 2019. Carried. City staff will also obtain quote for Plat survey work. City staff will draft development agreement for next RDA meeting.

Adjournment: Motion (Woellner/Maule) to adjourn at 9:10 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

Attachment: 2019-07-10 RDA Minutes (4417 : RDA meeting minutes from July 10th)

Agenda Request Overview

Board or Committee: Redevelopment Authority (RDA)

Date of Meeting: Wednesday – August 21st, 2019

Request by: Finance Director/RDA Secretary Kathy Unertl

Update on 1/1/2019 Equalized Valuations – Overall City of Merrill and Tax Increment Districts (TIDs):

The Wisconsin Department of Revenue will be finalizing 1/1/2019 Equalized Valuations on August 15th. Preliminary valuation information is shown on following spreadsheets.

- Overall City of Merrill Equalized Valuation increased almost 6% compared to 1/1/2018 Equalized Valuation.
- There was an increased Equalized Valuation – TID Out of 3.75% (which reflects properties outside the Tax Increment Districts).
- TID Equalization growth from 2013 to 2019 is almost 360% with total of almost \$45 million within the Tax Increment Districts. Only TID No. 9 (Wisconsin River and South Center Ave.) and TID No. 10 (former Fox Point site) are not generating tax increment.
- City of Merrill still has available TID creation capacity if needed to create another TID (such as for Lincoln County Hwy G Industrial/Business Park).

Equalized Total - City of Merrill	\$445,884,400
State Maximum 12.5% TID Equalized	\$55,735,550
Merrill TIDs - 1/1/2019	\$44,996,100
Available TID Creation Capacity	\$10,739,450

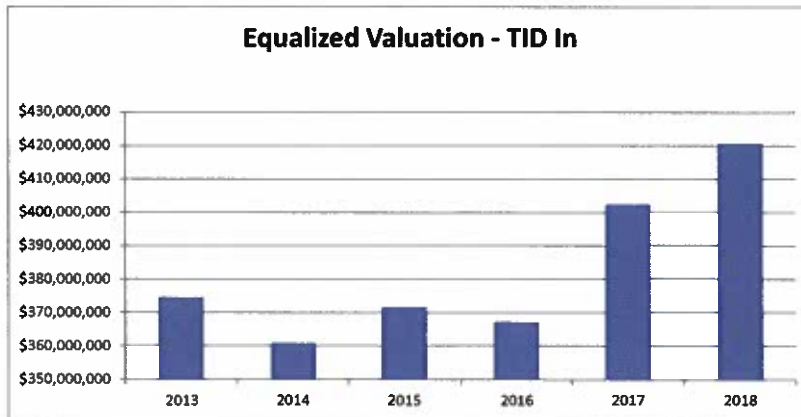
- Representatives from Ehlers & Associates (the City's financial advisor) are assisting in reviewing fiscal status of Merrill TIDs and potential future options.

For example: Would it be possible to remove Wal-Mart parcel from Tax Increment District No. 3 prior to 2026 and still cover infrastructure Tax Increment Revenue Bond debt service?

Date: 8/14/2019

City of Merrill - Equalized Valuations

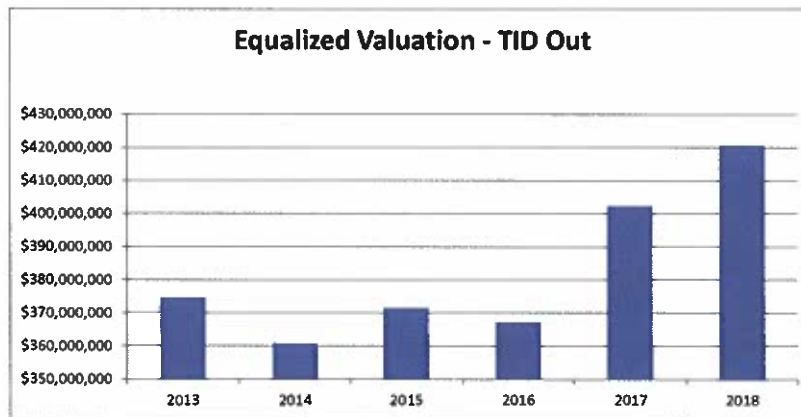
Preliminary Equalized - for 2019

**Equalized Valuation - TID In:**

		Difference	% Change	
2013	\$374,530,100	(\$20,709,300)	-5.24%	
2014	\$360,801,800	(\$13,728,300)	-3.67%	
2015	\$371,510,700	\$10,708,900	2.97%	
2016	\$367,161,200	(\$4,349,500)	-1.17%	Reassessment 1/1/2016
2017	\$402,356,200	\$35,195,000	9.59%	
2018	\$420,695,800	\$18,339,600	4.56%	
2019	\$445,884,400	\$25,188,600	5.99%	

Change 2013 to 2019 19.05%

Source: Wisconsin Department of Revenue

**Equalized Valuation - TID Out:**

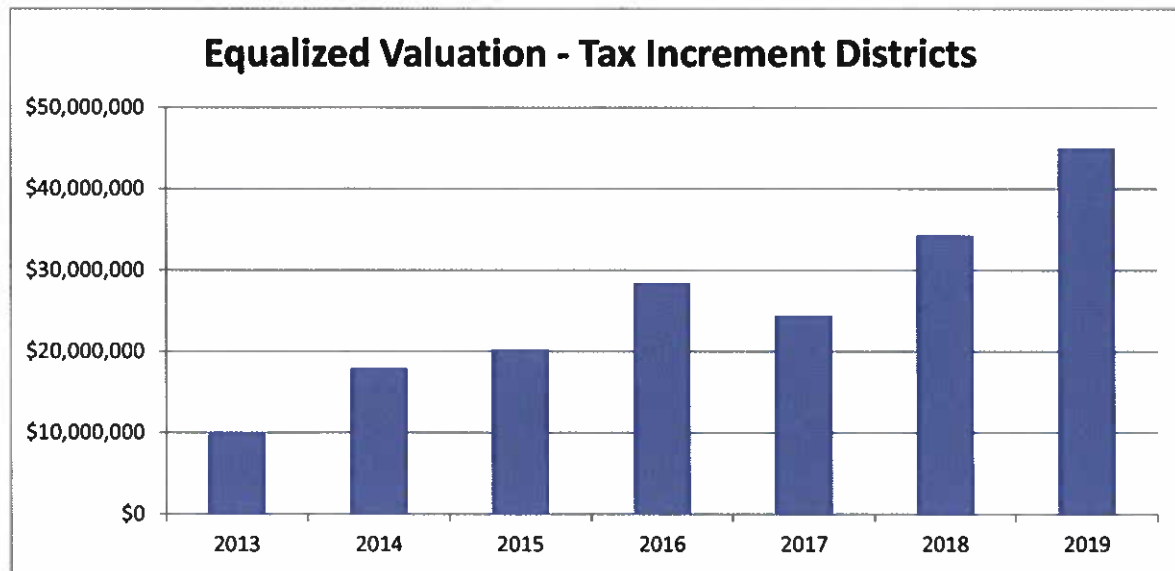
		Difference	% Change	
2013	\$364,710,300	(\$20,389,100)	-5.16%	2013
2014	\$342,911,400	(\$21,798,900)	-5.98%	2014
2015	\$351,277,000	\$8,365,600	2.44%	2015
2016	\$338,734,800	(\$12,542,200)	-3.57%	2016
2017	\$377,987,600	\$39,252,800	11.59%	2017
2018	\$386,401,400	\$8,413,800	2.23%	2018
2019	\$400,888,300	\$14,486,900	3.75%	2019

Change 2013 to 2019 9.92%

Source: Wisconsin Department of Revenue

City of Merrill - Equalized Valuations

Preliminary Equalized - for 2019

**Equalized Valuation - TIDs:**

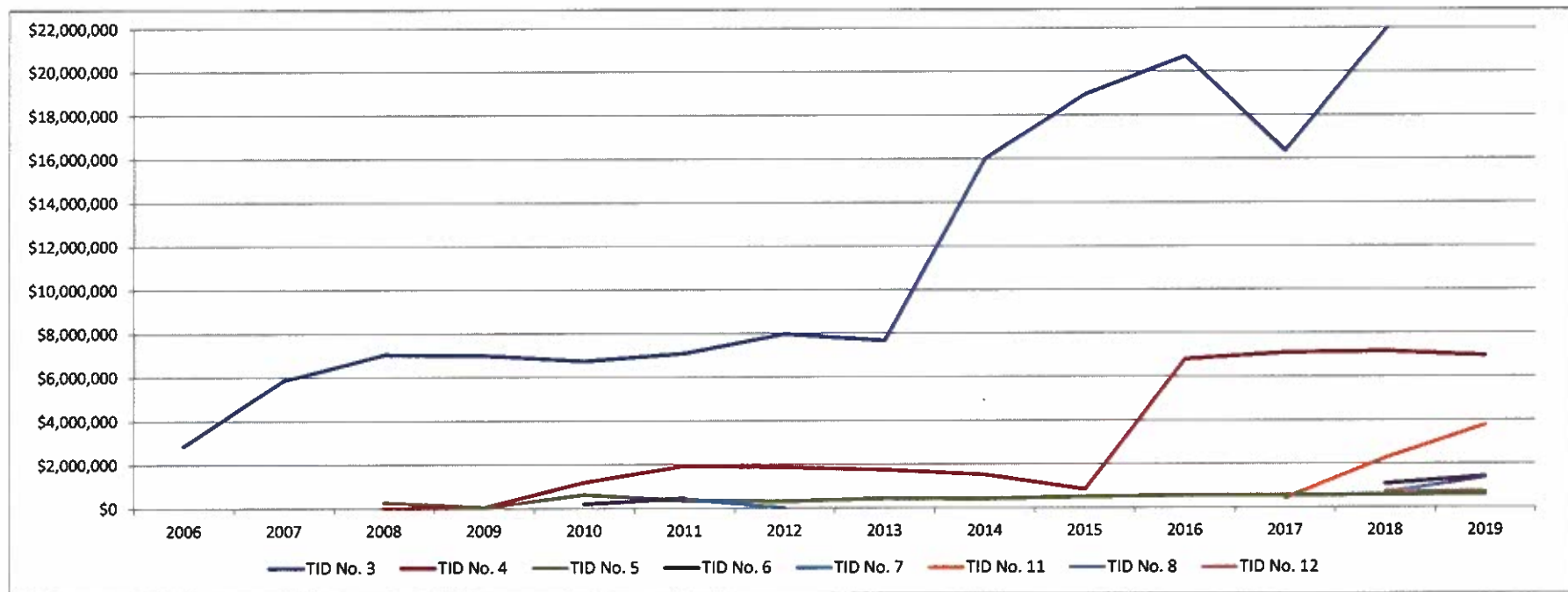
			%	
		Difference	Change	
2013	\$9,819,800	(\$320,200)	-3.16%	
2014	\$17,890,400	\$8,070,600	82.19%	
2015	\$20,233,700	\$2,343,300	13.10%	
2016	\$28,426,400	\$8,192,700	40.49%	Reassessment as of 1/1/2016
2017	\$24,368,600	(\$4,057,800)	-14.27%	
2018	\$34,294,400	\$9,925,800	40.73%	
2019	\$44,996,100	\$10,701,700	31.21%	

Change 2013 to 2019	358.22%
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Source: Wisconsin Department of Revenue

Attachment: Equalized - 2019-01-01 (4407 : Update on 1/1/2019 Equalized Valuations)

City of Merrill - Tax Increment District (TID) Value Increment by TID District



Assessment Year	Budget Year	TID Total Increment	TID No. 3 East Side	TID No. 4 Pine Ridge	TID No. 5 Hwy 107	TID No. 6 Downtown	TID No. 7 N. Center	TID No. 8 West Side	TID No. 9 River/ S. Center	TID No. 10 Fox Point	TID No. 11 Rock Ridge	TID No. 12 Weinbrenner
2005	2006	\$0										
2006	2007	\$2,856,600	\$2,856,600									
2007	2008	\$5,853,400	\$5,853,400									
2008	2009	\$7,292,800	\$7,036,900	\$5,200	\$250,700							
2009	2010	\$7,045,600	\$7,000,100	\$23,300	\$22,200							
2010	2011	\$8,679,800	\$6,735,000	\$1,163,600	\$597,500	\$183,700						
2011	2012	\$10,171,500	\$7,085,400	\$1,916,500	\$327,700	\$442,700	\$399,200					
2012	2013	\$10,140,000	\$7,968,500	\$1,856,900	\$306,300		\$8,300					
2013	2014	\$9,819,800	\$7,658,800	\$1,735,300	\$425,700							
2014	2015	\$17,890,400	\$15,999,300	\$1,495,300	\$395,800							
2015	2016	\$20,233,700	\$18,938,800	\$812,200	\$482,700							
2016	2017	\$28,426,400 *	\$20,691,100	\$6,793,500	\$537,300		\$401,300			\$3,200		
2017	2018	\$24,368,600	\$16,346,500	\$7,077,700	\$537,300						\$407,100	
2018	2019	\$34,294,400	\$21,919,900	\$7,139,100	\$567,800	\$1,057,500		\$650,700			\$2,251,300	\$708,100
2019	2020	\$44,996,100	\$29,654,200	\$6,942,100	\$577,400	\$1,393,200	\$616,700	\$1,344,900			\$3,768,600	\$699,000

TID No. 5 had missed 2009 TID valuation due to switch to WI DOR manufacturing assessment. There was double tax increment for 2010.

* Based upon City Assessor June 2016 estimates prior to completion of 1/1/2016 revaluation process. There were adjustments made for 1/1/2017 values.

TID Value Increment - Historical

Revised: 8/01/2019

City of Merrill - Tax Increment District No. 9

South Center Avenue Area - TID Created in September 2013

Although Burgener Contract Carriers built a new building, there has been significant Improved Valuation reduction for former Stark Automotive building. There is potential for additional Improved Valuation reduction related to J W Perry Inc. buildings.

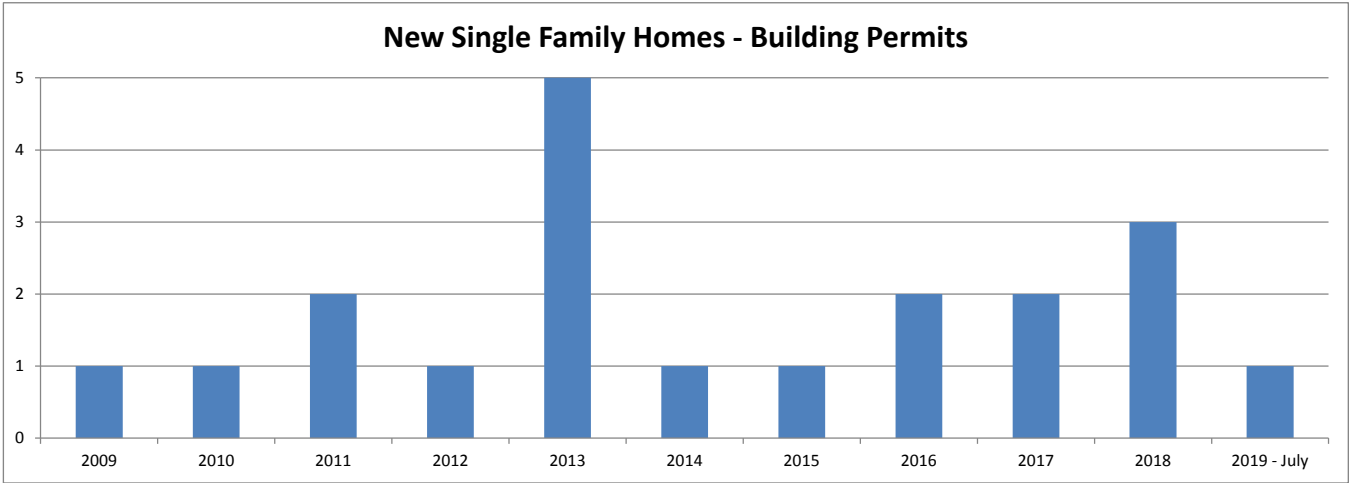
			Assessments - 2013				Assessments - 2019			Difference
			Acres	Land	Improved	Total	Land	Improved	Total	
251-3106-132-0037	Tommy Miller	703 S. Center Ave.	1.02	\$103,300	\$50,200	\$153,500	\$64,000	\$57,000	\$121,000	(\$32,500)
251-3106-132-0056	Borth Investments LLC	705 S. Center Ave.	2.25	\$88,500	\$278,300	\$366,800	\$71,500	\$67,300	\$138,800	(\$228,000)
251-3106-132-0057	Borth Investments LLC	705 S. Center Ave.	0.5	\$30,000	\$0	\$30,000	\$19,500	\$6,900	\$26,400	(\$3,600)
251-3106-132-0055	J W Perry Inc.	707 S. Center Ave.	3.25	\$78,000	\$575,500	\$653,500	\$76,700	\$564,100	\$640,800	(\$12,700)
251-3106-132-0054	Burgener Contract Carriers	810 Martin St.		\$47,700	\$212,800	\$260,500				
251-3106-132-0065	Burgener Contract Carriers			\$12,600	\$0	\$12,600				
				\$60,300	\$212,800	\$273,100				
251-3106-132-0244	Burgener Contract Carriers	Lot 2	1.034				\$16,500	\$304,400	\$320,900	
251-3106-132-0245	Burgener Contract Carriers	Lot 1	11.03				\$33,400	\$0	\$33,400	
251-3106-132-0246	Burgener Contract Carriers	Lot 3	4.22				\$24,900	\$238,500	\$263,400	
			16.284				\$74,800	\$542,900	\$617,700	\$344,600
			23.304	\$360,100	\$1,116,800	\$1,476,900	\$306,500	\$1,238,200	\$1,544,700	\$67,800 *

*Although Real Estate Valuation increased, there no longer is Personal Property Valuation for former Stark Automotive and J W Perry of (\$108,800). **Net TID impact is (\$41,000)**

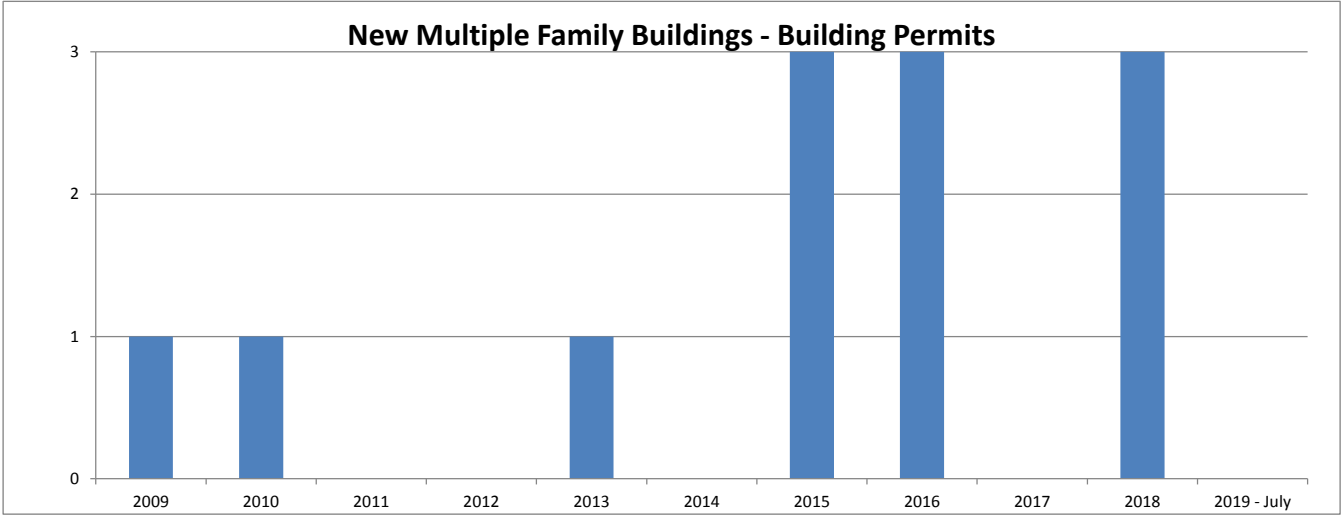
Prepared by: Kathy Unertl, Finance Director/RDA Secretary

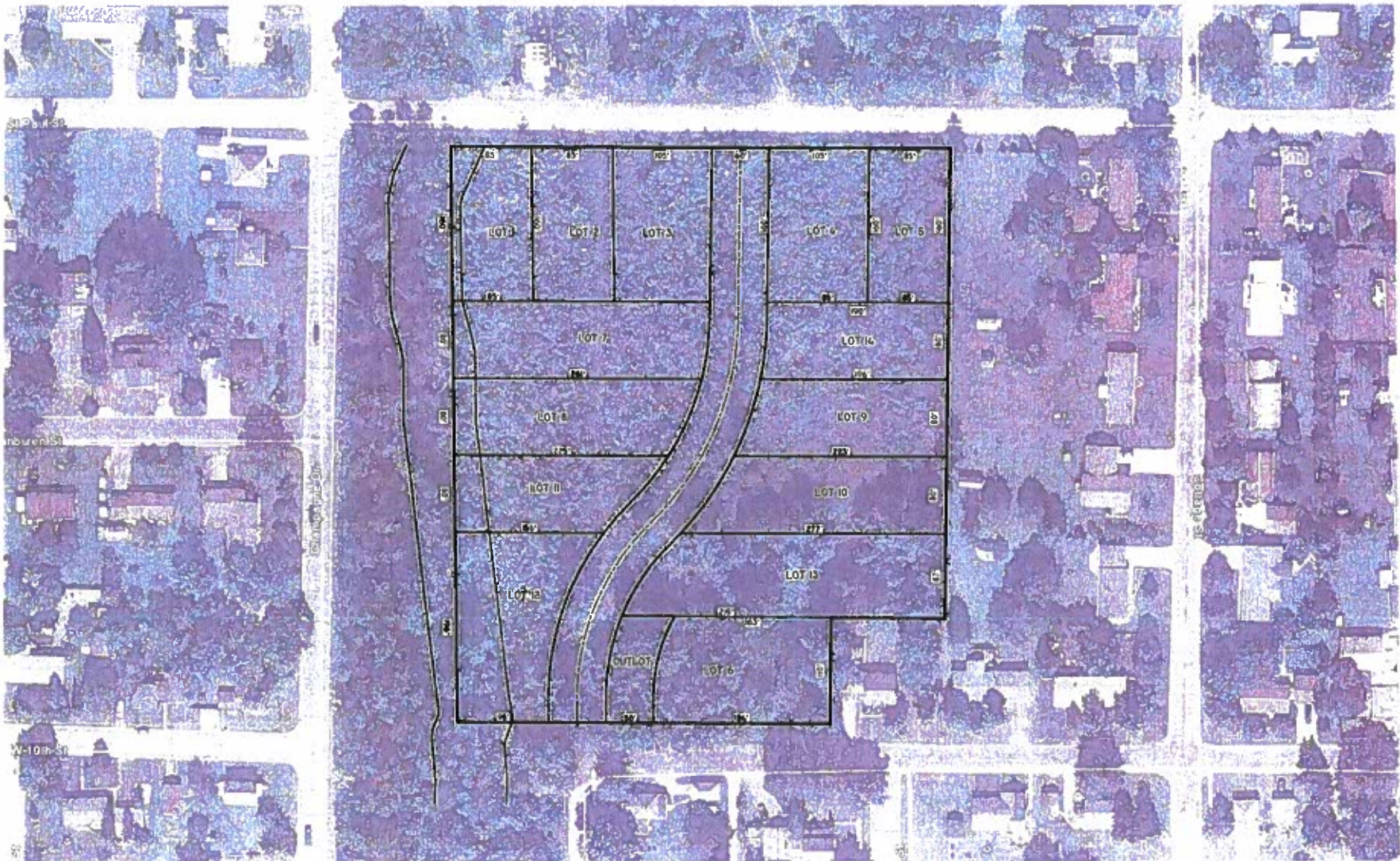
Attachment: Equalized - 2019-01-01 (4407 : Update on 1/1/2019 Equalized Valuations)

City of Merrill - New Residential Development (2009 - July 2019)

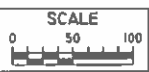


	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019 - July	Total	
Single Family Homes	1	1	2	1	5	1	1	2	2	3	1	20	Homes
Multiple Family Buildings	1	1			1		3	3		3		12	Buildings
# of units	Condos - 4	Duplex 2			Duplex 2		Football 12	Rock Ridge - I 36		Rock Ridge - II 36		92	New Units in Multi-Family Buildings
Merrill Area Housing Authority (MAHA) not included in 2018 information since NO increase in units between Stonebridge Apartments and Park Place													





REI Engineering, Inc.
4200 N. 20th Ave
MILWAUKEE, WISCONSIN 53211
PHONE: 763.675.9700 FAX: 763.675.1000
EMAIL: MAIL@REIENGINEERING.COM



DATE	REVISION	BY	CHK'D	DESIGNED BY:	CHECKED BY:
				SURVEYED BY:	APPROVED BY:
				DRAWN BY:	DATE: 7/12/2019

CONCEPT #1
GTT DEVELOPMENT
MERRILL, WISCONSIN

REI No. _____
SHEET CON-1

Attachment: TID No. 11 - REI for CSM-Plat (4409 : Update on costs for Certified Survey Map & Plat Survey



Professional Services Agreement

Project: Land Survey Services
 Site Name: Ryan Ott Subdivision
 Client: City of Merrill

REI Project No.: New
 Date: July 19, 2019

REI's services will be specifically limited to the following tasks:

1.00 Information Gathering	Provided by Client	Not Included	Included
1.01 Legal Description of the Subject Property	X		
1.02 Title Opinion/Abstract Depicting Deed Restrictions & Easements	X		
1.03 Available Site Survey Information			X
1.04 GIS or Tax Parcel Mapping Data			X
1.05 WDNR Wetland Inventory Mapping			X
1.06 FEMA Flood Plain Mapping			X
1.07 Soils Mapping		X	
1.08 Geotechnical Report		X	
1.09 Initial Land Use Concepts			X
1.10 Zoning Ordinances			X
1.11 Shoreland Zoning			X
1.12 Subdivision Ordinances			X
1.13 Existing Property Mapping			X
1.14 Available Utility Mapping		X	
1.15 As-Built Utility Records		X	
1.16 Roadway Design Plans		X	
1.17 Site Visit			X
1.18 Request Diggers Hotline Marking			X

Information Gathering Fee: **\$500**

2.00 Land Surveying	Provided by Client	Not Included	Included
2.01 Topographic Survey - U.S.G.S. or Local Elevation Datum including:			ALT #1
2.01.01 Identify Existing Property Boundary			ALT #1
2.01.02 Ground Contours <u>1</u> foot intervals			ALT #1
2.01.03 Water Bodies/Drainage Courses			ALT #1
2.01.04 Streets, Drives, Sidewalks, Pavement Areas			ALT #1
2.01.05 Visible Utilities			ALT #1
2.01.06 Underground Utility Markings			ALT #1
2.01.07 Utility Inverts (Manholes, Inlets, Culverts)			ALT #1
2.01.08 Treelines			ALT #1
2.01.09 Trees _____ inches and larger		X	
2.01.10 Buildings and Structures			ALT #1
2.01.11 Signs			ALT #1
2.01.12 Retaining Walls			ALT #1
2.01.13 Landscape Features			ALT #1
2.01.12 Other Features as visible			ALT #1
2.02 Subdivision/Survey of Lands			X
2.02.01 Legal Description Number of Lots _____		X	
2.02.01 Plat of Survey in Accordance with WI Admin. Code A-E7		X	
Number of Lots _____			

Attachment: TID No. 11 - REI for CSM-Plat (4409 : Update on costs for Certified Survey Map & Plat Survey - former Kientz property)



Professional Services Agreement

Project: Land Survey Services
 Site Name: Ryan Ott Subdivision
 Client: City of Merrill

REI Project No.: New
 Date: July 19, 2019

2.02.02	Certified Survey Map in Accordance with WI Statue 236		X	
	Number of Lots			
2.02.03	Preliminary Plat	Number of Lots	15	X
2.02.04	Final Plat	Number of Lots	15	X
2.02.05	Public Meetings	Number of Mtgs.		Alt #2
2.02.06	Client Meetings	Number of Mtgs.	1	X
2.03	American Land Title Survey (ALTA Survey) - 2016		X	
2.04	Review of Easements/Title Opinion/Abstract			X
2.05	Generate Electronic Survey Map			X
2.06	QA/QC Independent Review			X
Land Surveying Fee:			\$8,200	

3.00 Representations

REI has relied on the following Representations by the Client in preparing the Scope of Services and Basis of Payment.

- 3.01 The Client owns the land located South of St. Paul Street and North of W. 10th Street more particularly described as Lot 1 of Lincoln County Certified Survey Map No. 2612, PIN Number 25131061010214 located in Merrill, WI. The Client intends to subdivide the parcel through the preparation of a State Subdivision Plat based on the Concept Plan #1 prepared by REI dated 7/12/19. This plan consists of 14 residential lots and 1 Outlot for storm water management purposes. The intended use of the Plat is to transfer land to Ryan Ott for future residential development.
- 3.02 REI has permission to access the site to perform survey work.
- 3.03 To verify property encumbrances, REI recommends that a Title Commitment or Modified Letter Report be provided to REI for review. Upon Client authorization, REI can request a Title Search on behalf of the Project as Additional Services (estimated at \$400). Without a Title Commitment or Modified Letter Report, REI assumes no liability for plans not conforming to existing encumbrances. Any additions or revisions to the survey map based upon the title policy review will be performed as Additional Services.
- 3.04 This proposal has been prepared under the assumption that minimal discrepancies exist between existing documents for the subject property and the boundaries of the property as determined by a proper boundary survey. Existing documents could include items such as previous land surveys of the subject property or adjoining properties, legal descriptions within recorded deeds and easements, and road right-of-way documents. If REI reveals discrepancies within the existing documents during the preparation of the survey, REI will notify the Client since additional fees may be required to resolve said discrepancies.
- 3.05 The Client will design the infrastructure to service the proposed subdivision. REI will coordinate with the Client relating to the location and dimensions of the Outlot dedicated for storm water purposes and proposed easements required to service the proposed lots.
- 3.06 REI will provide the Topographic Survey for design purposes within Alternate #1. The deliverable for this Alternate is a survey point file to be imported into AutoCAD. REI will attend public meetings associated with this project as identified as Alternate #2 upon the Clients request.
- 3.07 This proposal does not include any costs for a Topographic Survey or utility survey of the site. REI will use GIS contours on the Preliminary Plat for review purposes only.
- 3.08 Additional Services as requested by the Client will be included to REI's base contract as a contract amendment (or change order). REI will supply the Client with fee estimates associated with the request for Additional Services if requested.
- 3.09 Application, review, permit fees, and printing fees are not included in REI's base contract and will be obtained directly from the Client or added as additional expenses to this agreement.



Professional Services Agreement

Project: Land Survey Services
Site Name: Ryan Ott Subdivision
Client: City of Merrill

REI Project No.: New
Date: July 19, 2019

4.00 Payment

Services provided by REI will be reimbursed by the Client at the estimated lump sum fee "Project Base Total" listed below in addition to any approved Alternates or Additional Services. The fee will be invoiced monthly on a prorated basis as services are provided.

The following breakdown is provided for informational purposes.

1.00	Information Gathering	\$500
2.00	Land Surveying	\$8,200
Project Base Total		\$8,700
Project Alternates		
ALT1	Topographic Survey	\$3,800
ALT2	Public Meeting Attendance (each meeting)	\$250
Project Alternates Total		\$4,050
Project Total		\$12,750

Note: Plat Reproduction, Recording and Review Fees are Not Included within the Proposal. Estimated Cost \$750

General Conditions: See "General Conditions"

Advanced Payment: NA

Note: This cost estimate does not include fees assessed or charged by an approving authority such as review fees, advertising fees, permit application fees, or recording fees. These shall be paid for directly by the client.

Attachment: TID No. 11 - REI for CSM-Plat (4409 : Update on costs for Certified Survey Map & Plat Survey - former Kientz property)



Professional Services Agreement

Project: Land Survey Services
 Site Name: Ryan Ott Subdivision
 Client: City of Merrill

REI Project No.: New
 Date: July 19, 2019

By executing this Agreement, the Client and REI acknowledge that this Agreement is limited to the expressly enumerated Work Scope and Deliverables; that it is premised upon the Client representations set forth herein; and that it is subject to the general and supplemental conditions (if any) incorporated herein.

CLIENT RESPONSIBILITIES (Mark Off as Required)			
	By Client	By REI	None
C-1 Title Opinion/Abstract depicting Deed Restrictions & Easements	X		
C-2 Perform Wetland Delineation			X

Client: _____

REI Engineering, Inc.:

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: Tom Radenz, PLS

Title: _____

Title: Vice President

Date: _____

Date: _____

Additional services will be reimbursed based upon REI's standard hourly and unit rates in effect when the services are provided. The fee schedule is subject to annual adjustment. The hourly rates for 2019 are:

Project Manager	\$135	Professional Land Surveyor	\$115
Project Engineer	\$123	Land Survey Technician	\$86
Engineer	\$97	CAD Technician	\$86
Designer	\$93	Surveyor Field Time - 1	\$115
Engineering Technician	\$72	Surveyor Field Time - 2	\$165
Senior Engineering Technician	\$87	Administrative	\$61
Senior Consultant	\$140	Travel Time	\$78

Additional direct expenses will be reimbursed at REI's cost, multiplied by ten percent. Mileage will be reimbursed at \$0.62/mile. Miscellaneous expenses including paper, in-house reproductions (excluding subcontracted printing costs), telephone calls, surveying supplies, and drafting supplies will be reimbursed by means of a 4 percent surcharge added to REI's invoices.

REI will notify the Client of additional services performed prior to invoicing.



General Conditions

PART 1: TERMS OF AGREEMENT

REI agrees to provide to the Client the deliverables and services enumerated in the attached Scope of Services and Deliverables. Amendments to the Scope of Services and Deliverables shall be in writing and approved by the Client or may be verbally requested by the Client if subsequently confirmed by REI in writing and actually provided or performed by REI. The Agreement may be considered withdrawn by REI unless executed by the Client and returned to REI within 30 days of date of offering.

PART 2: FEES FOR SERVICES

Client agrees to compensate REI for services by REI, its subcontractors, or subconsultants in accordance with the Basis of Payment. Any amendments to the Basis of Payment shall be made by mutual consent of REI and the Client. REI will submit invoices to Client approximately monthly, and a final invoice upon completion of services. Invoices will show charges based on the agreed Basis of Payment. A detailed itemization of charges will be provided at the Client's request for a reasonable charge.

The Client will pay the balance stated on the invoice unless the Client notifies REI in writing of the particular item that is alleged to be incorrect within fifteen (15) days from the invoice date. All unchallenged items on the invoice shall be paid within 15 days. Payment is due upon receipt of invoice and is past due thirty (30) days from invoice date. On past due accounts, Client will pay finance charge of 1.5% per month. REI will notify you in advance to schedule costs are expected to exceed the estimates. In such events, you may wish to: Authorize additional funds to complete the work as originally defined, redefine the scope of work in order to fit the remaining funds, or request the work is stopped at the specific expenditure level. If the third option is chosen REI will turn over such data, results, and material completed at the authorized level without further obligation or liability to either party except for payment of work performed.

PART 3: SITE INFORMATION/SITE ACCESS/DELIVERABLES

The Client shall inform REI of all known information regarding existing and proposed conditions of the property that may affect REI's completion of the Scope of Services and Deliverables. The Client will immediately provide to REI any new such information of which the Client becomes aware during the course of the Project.

(Utilities) The Client agrees to provide REI, prior to starting its services, all information known or available to the Client regarding the presence and location of any buried or concealed pipes, tanks, cables, utilities, or other manmade objects on or beneath the property that may affect or be affected by REI in completing the Scope of Services. Client agrees to waive any claim against REI and to indemnify, defend, and hold harmless REI, its subcontractors, consultants, agents, and employees from any claim or liability for injury or loss arising from damaged utilities, concealed pipes, tanks, cables, or other manmade objects not made known to REI by the Client. The Client agrees to hold harmless and indemnify REI from any claim or liability arising from damage to buried pipes, cables, or utilities improperly marked or designated by "Diggers Hotline" or similar other utility location service.

(Property Lines) The Client shall have responsibility to provide to REI accurate and reliable information regarding property lines and property ownership, unless ascertainment of the same is expressly included within the Scope of Services. The Client agrees to indemnify and hold harmless REI from any and all damages, claims, penalties, forfeitures, or other losses arising from inaccurate or incomplete information provided hereunder or otherwise failing to comply with the requirements of this section.

The Client shall furnish right of entry to REI, its subcontractors, employees, and agents as deemed necessary by REI to complete the Scope of Services and Deliverables. Client agrees to cooperate with REI such that the Scope of Services and Deliverables can be completed. The Client agrees to hold REI harmless from any losses or penalties due to delays in the completion of the Scope of Services and Deliverables arising from Client's failure to comply with this section.

REI provides the Scope of Services and Deliverables enumerated in this Agreement to the Client for the Client's sole and exclusive use only in connection with the Project and only for the Deliverables' intended purpose.

While REI will take reasonable precautions to minimize any damage to property, it is understood by the Client that in the normal course of REI's services, some damage may occur. The restoration of any damage is the responsibility of the Client. If the Client directs REI to restore property to its former condition, the costs associated with restoration will be added to REI's fee.

Ownership of Documents. In accepting and utilizing any drawings, specifications, reports, work product, or other data, including data on any form of electronic media (all hereafter referred to as drawings and data) generated and provided by Engineer, Client covenants and agrees that all such drawings and data are instruments of service of Engineer, who shall be deemed the author of the drawings and data, and shall retain all common law, statutory law and other rights, including copyrights, whether the Project is completed or not. In the event of conflict between electronic media and sealed drawings, sealed drawings govern. Client further agrees not to use the drawings and data, in whole or in part, for any purpose or project other than the Project which is the subject of this Agreement. Client shall make no claim against Engineer resulting in any way from unauthorized changes or reuse of the drawings and data for any other project by anyone. In addition, Client agrees, to the fullest extent permitted by law, to indemnify and hold Engineer harmless from any damage, liability or cost, including reasonable attorney's fees and costs of defense, arising from any changes made by anyone other than Engineer or from any reuse of the drawings and data without prior written consent of Engineer. Under no circumstances shall transfer of the drawings and data and other instruments of service on electronic media for use by Client be deemed a sale by Engineer, and Engineer makes no warranties, either express or implied, of merchantability and fitness for any particular purpose.

PART 4: HAZARDOUS MATERIALS

The Client shall inform REI of any and all hazardous waste or toxic substances located or present on the property, the disposal or discharge of which requires notification to the Wisconsin Department of Natural Resources pursuant to sec. 292.11, Wisconsin State Statutes, or any other applicable environmental law or regulation. The Client agrees to indemnify and hold harmless REI from any and all claims, liabilities, penalties, or remediation orders arising from the discharge, disposal, or spill of any hazardous or toxic substance on the property not identified by the Client and made known to REI.

The Client and REI acknowledge that, prior to the starting its services, REI has not generated, handled, stored, treated, transported, disposed of, or in any way whatsoever taken responsibility for any toxic or hazardous substance or other material found, identified, or as yet unknown on the property.

If, while performing the services, hazardous or toxic substances are discovered that pose unanticipated or extraordinary risks, it is hereby agreed that the Scope of Services, Deliverables, time schedule, and Payment Schedule will become subject to renegotiation or termination at the discretion of REI. The Client agrees to hold harmless REI from all claims, penalties, losses, or liabilities arising from a delay in the completion of the services or work due to the unanticipated discovery of hazardous or toxic substances.

The Client releases REI from any claim for damages, penalties, or remedial orders resulting from or arising out of any pre-existing environmental conditions at the site where the services or work is being performed which was not directly or indirectly caused by and did not result from, in whole or in part, any error or omission of REI, its subcontractors, agents, employees, and representatives.

Nothing contained within this Agreement shall be construed or interpreted as requiring REI and its subcontractors to assume the status of a generator, storer, treater, or disposal facility as defined in any federal, state or local statute, regulation, or rule governing treatment storage, transport, and/or disposal of hazardous or toxic materials.

PART 5: SUBCONTRACTORS

The Client hereby acknowledges that REI may use the services and goods of subcontractors to perform the Scope of Services and Deliverables set forth in this Agreement. To the extent the subcontractors are chosen and utilized at the full discretion of REI, REI shall remain responsible to the Client for the work and services of its subcontractors. If the Client exercises any control over the selection of Subcontractors utilized to complete the Scope of Services or utilizes or arranges for other contractors to perform work and services relating to, associated with, or otherwise affecting the Scope of Services or Deliverables provided by REI, REI shall not be liable or responsible for the means, methods, and quality of the work performed by such contractors and the Client agrees to hold harmless and indemnify REI from all claims, damages, or other losses arising from or due to, in whole or in part, such contractor's work.

PART 6: LIMITATIONS OF LIABILITY

The Client agrees to limit any and all liability, claim for damages, cost of defense, or expenses levied against REI, including its employees, agents, directors, officers and subcontractors, whether based upon negligence, errors or omissions, strict liability, breach of warranty or contract, performance of services or otherwise, to a sum not to exceed the amount of REI's professional liability insurance coverage at the time such claim, cost, or levy is made.

Notwithstanding any other provision contained herein, in no event shall REI be responsible for any incidental, indirect or consequential damages (including loss of profits) incurred by the Client as a result of REI's negligence, errors or omissions, strict liability, breach of contract or warranty, performance of any Services of this Agreement or otherwise, except in the event of REI's willful misconduct.

The Client or the Client's construction contractor shall have sole and complete responsibility for job site conditions during the course of construction, including construction means and methods, and safety of all persons and property continuously and not limited to normal working hours.

The Client agrees to hold harmless, indemnify and defend REI from and against any and all claims, losses, damages, liability and costs, including but not limited to costs of defense, arising out of, or in any way connected with: (1) the presence, discharge, release, or escape of contaminants of any kind and (2) the acts, omissions or work of the Client or third parties, except for such liability as may arise out of REI's own negligence or willful misconduct in the performance of services under this Agreement.

PART 7: INSURANCE

REI will carry workers compensation insurance and public liability and property damage insurance policies which REI considers adequate. Certificates of insurance will be provided to the Client upon request. REI will not be responsible for liability beyond the limits and conditions of the insurance. REI will not be responsible for any loss or liability arising from negligence, actions, or omissions by the Client or by others.

PART 8: FORCE MAJEURE

Neither party shall be deemed in default of the Agreement to the extent that any delay or failure in the performance of its obligations (other than the payment) results, without its fault or negligence, from any cause beyond its reasonable control including, without limitation, acts of God, acts of civil or military authority, embargoes, epidemics, war, riots, insurrections, fires, explosions, earthquakes, floods, adverse weather conditions, strikes, or lock-outs. Should unanticipated conditions develop necessitating changes in the work scope, we will notify you immediately. REI will take any and all measures to preserve and protect the safety of REI's personnel, the public, and/or environment, and the client agrees to waive any claim against REI.

PART 9: PERMITS

The Client agrees to obtain all necessary permits, licenses, and approvals required for completion of the Scope of Services and Deliverables unless acquisition of the same is expressly included in the Scope of Services. REI makes no guarantee or promises regarding approval of any petition, application, or request for permits, licenses, or approvals necessary for the completion of the Scope of Services and Deliverables. The Client agrees to hold REI harmless from all losses or damages arising from the denial of any petition, application, or request for necessary permits, licenses, or approvals unless said denial is due solely to the negligence of REI.

REI will assist the Client in applying for permits from regulatory agencies to the extent stated in the Scope of Services.

Services required by regulatory agencies as a condition of permit approval, but which are not included in the Scope of Services, will be considered additional services for which the Client will pay REI additional compensation. REI will not perform additional services without the Client's consent.

It is understood that REI's services are limited to the items in the Scope of Services. REI has and will have no additional responsibility for compliance with Wisconsin State Statutes and the Wisconsin Administrative Code, including but not limited to State Statutes Chapters 30 and 31 and Administrative Code Sections NR151, NR216, and TRANS 233, or the site erosion control plan, to whatever extent each applies to the Project. The Client agrees to indemnify, defend, and hold REI harmless for all penalties and actions resulting from noncompliance with the requirements of Wisconsin State Statutes and of the Wisconsin Administrative Code other than for tasks specifically identified in the Scope of Services to be performed by REI.

PART 10: TERMINATION

This Agreement may be terminated by the Client upon not less than seven days' written notice to REI in the event the Project is permanently abandoned. If the Project is abandoned by the Client for more than 90 consecutive days, REI may terminate this Agreement by giving written notice. In the event of termination, the Client will compensate REI in full for services performed prior to termination, together with additional services that are made necessary by the termination. Such compensation will be on the basis of REI's standard hourly rates in effect at the time of termination.

PART 11: ENTIRE AGREEMENT

This represents the entire Agreement between the parties and supersedes all prior representations or agreement. No alterations to, or modification of, the terms and conditions of this Agreement shall be effective except as specifically authorized by this Agreement.

PART 12: STANDARD OF CARE

Services performed by REI under this Agreement will be with the level of care and skill ordinarily exercised by members of the profession currently practicing in similar conditions, time, and location. No warranty, express or implied, is made or intended for the services performed under this Agreement.

RESOLUTION NO. ____

DRAFT – 2019-08-13

**A RESOLUTION AUTHORIZING A DEVELOPMENT AGREEMENT BY AND
BETWEEN THE CITY OF MERRILL, WISCONSIN AND
RYAN OTT DEVELOPMENT AND CONSTRUCTION LLC**

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 11 on May 10, 2016 and the development site is within TID No. 11; and,

WHEREAS, Ryan Ott Development and Construction LLC has proposed construction of up to twelve new single-family homes through a phased construction timeframe; and,

WHEREAS, the City of Merrill finds that the proposed development and the fulfillment of the items and conditions of the attached Development Agreement are in the vital and best interest of the City of Merrill, the Merrill Redevelopment Authority and City residents and serves a public purpose in accordance with State law; and,

WHEREAS, additional property tax will be generated and new residential homes created from this development project; and,

WHEREAS, Ryan Ott Development and Construction LLC has negotiated the development agreement to provide for transfer of property ownership of three lots on West St. Paul Street and an incentive payment not to exceed \$30,000 to facilitate Phase 1 of the single-family home development project;.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this ____ day of ____, 2019, that the Mayor and City Clerk are authorized to sign the development agreement by and between the City of Merrill and Ryan Ott Development and Construction LLC and to facilitate the implementation thereof.

Recommended by:
Redevelopment Authority (RDA)

CITY OF MERRILL, WISCONSIN

Moved: _____

Derek Woellner
Mayor

Passed: _____

William N. Heideman
City Clerk

City of Merrill – TIF Development Incentive Overview

DRAFT – 2019-08-13

TID No. 11 (Hwy 107 Area)

Developer:	Ryan Ott Development and Construction LLC
Location:	Phase 1 – pending Certified Survey Map (CSM) - three lots fronting on West St. Paul Street
Development:	Phase 1 - Three new single-family homes. Total of twelve (12) new single-family homes are planned.
Investment:	Developer estimated investment of up to \$150,000 per each single-family home. Minimum assessed valuation of \$150,000 per each single-family home.
Infrastructure:	Developer to connect to existing water, sanitary sewer, and stormwater drainage system - Phase 1. To facilitate future development phases, City/TID will extend water, sanitary sewer, and stormwater drainage utilities between W. St. Paul St. and W. 10th St. and construct new connecting City street. In addition, planned curb, gutter, and paving of W. St. Paul St. which is now gravel.

TID Development Incentive:

RDA recommendation:

Phase 1 total of \$30,000
upon completion/occupancy permit - \$10,000 for each new single-family home

TID Lifespan Tax Increment:

Spreadsheet provided – projected at about \$4,800 per each new home and likely to be higher than conservative estimates.

Depending upon timing of future Phases, there is potential to generate \$800,000 to \$1,000,000 in Tax Increment from twelve (12) new single-family homes.

City of Merrill - TID No. 11 (Hwy 107/MARC Area)

**Phase I - W. St. Paul St.
- 3 new homes**

Projected Tax Increment for single-family home development

PIN 251-3106-101-0214 - City-owned property (former Kienitz family)

- between W. 10th St. and W. St. Paul St. (6.707 acres - Lot 1)

Projected assessments for new single-family home:

Land Valuation	Improved Valuation	Total RE Valuation
\$5,000	\$150,000	\$155,000

Projected Tax Increment and TID No. 11 Cash Flow:

					1 new home		Phase 1 - three new homes on St. Paul St. frontage	
Const. Year	Value Year	Revenue Year	TID Value Increment	Tax Rate	Projected Tax Increment		TID Value Increment	Projected Tax Increment
2019	2020	2022	\$25,000	\$31.08	\$777	Footings	\$75,000	\$2,331
2020	2021	2023	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2021	2022	2024	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2022	2023	2025	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2023	2024	2026	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2024	2025	2027	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2025	2026	2028	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2026	2027	2029	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2027	2028	2030	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2028	2029	2031	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2029	2030	2032	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2030	2031	2033	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2031	2032	2034	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2032	2033	2035	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2033	2034	2036	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2034	2035	2037	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
2035	2036	2038	\$155,000	\$31.08	\$4,817		\$465,000	\$14,452
Potential Houses				Total	\$77,855		Total	\$233,566

TID11 - Potential Houses

revised: 8/7/2019

Lincoln County Public Access Land Records Viewer



Author: Public
Date Printed: 7/1/2019



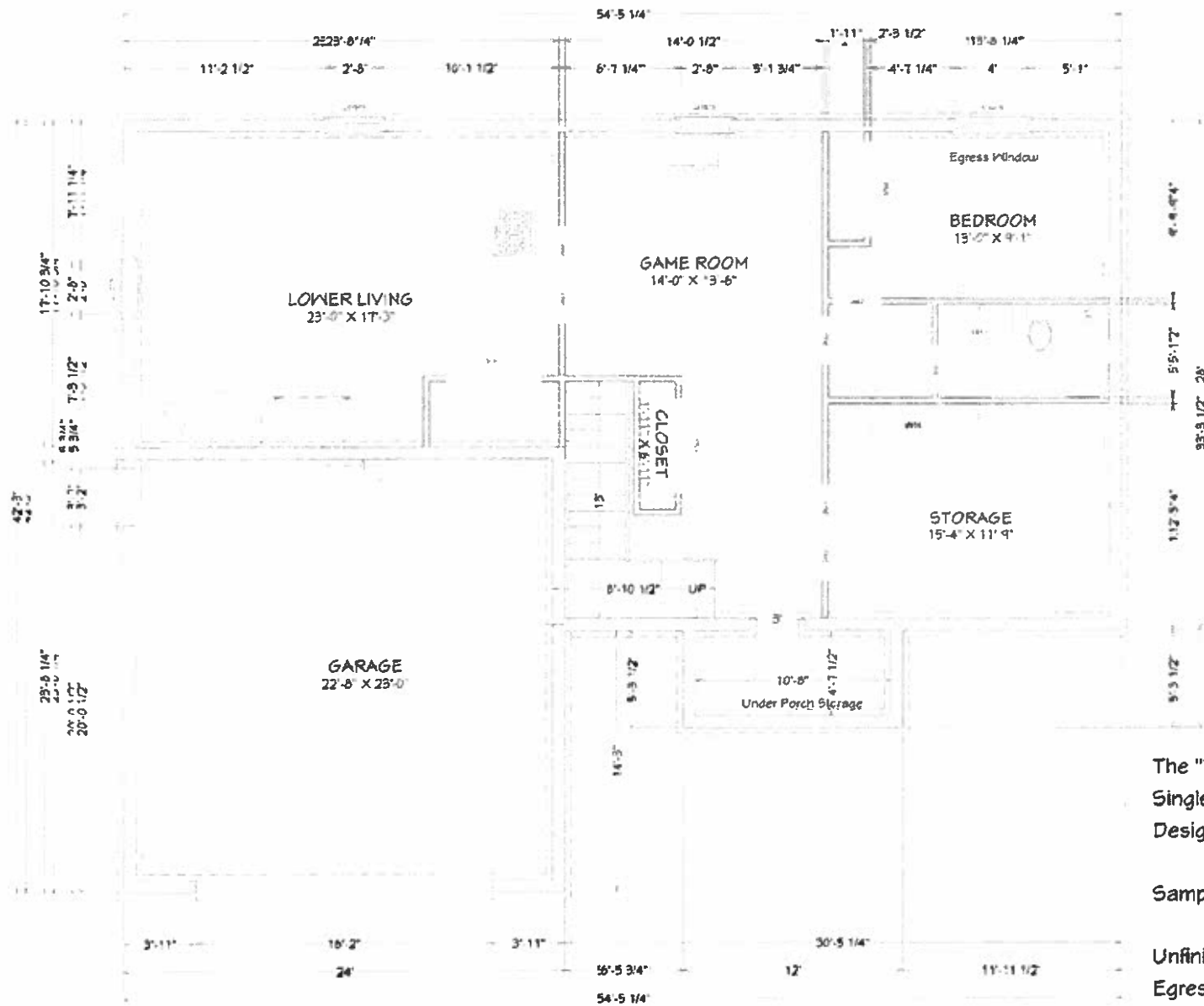
The information depicted on this map is a compilation of public record information including aerial photography and other base maps. No warranty is made, express or implied, as to the accuracy of the information used. The data layers are a representation of current data to the best of our knowledge and may contain errors. It is not a legally recorded map and cannot be substituted for field-verified information. Map may be reproduced with permission of the Lincoln County Land Services Department. Errors should be reported to Land Services Department, 801 North Sales St, Merrill, WI, 54452. Copyright © 2015 Phone (715) 538-1049.

Attachment: TID No. 11 - Ott Single-Family Homes (4410 : Consider resolution authorizing development



The "Neenah" Floor Plan Updated 6/12/20
Single Family Proposed New Construction
Designed by J. Mason Builders
3 bedroom 2 full baths

1246 SQFT



The "Neenah" Floor Plan Updated 6/12/20
Single Family Proposed New Construction
Designed by J. Mason Builders

Sample Finished Lower Level

Unfinished basement with rough in bath
Egress window 48x48

**DEVELOPMENT AGREEMENT
BY AND BETWEEN THE
CITY OF MERRILL, WISCONSIN
AND RYAN OTT DEVELOPMENT AND CONSTRUCTION, LLC
(PHASE 1)**

THE DEVELOPMENT AGREEMENT (the "Agreement") is entered into as of _____, 2019 by and between the City of Merrill, Wisconsin, (the "City") a political subdivision of the State of Wisconsin and Ryan Ott Development and Construction, LLC, a Wisconsin Limited Liability Company, (the "Developer").

RECITALS

- A. The City desires to encourage economic development, the development of underutilized land, expand its tax base and create new jobs within the City.
- B. Wis. Stat. §66.1105 (the "Tax Increment Law") provides the authority and establishes procedures by which the City may exercise powers necessary and convenient to carry out the purposes of the Tax Increment Law, cause project plans to be prepared, approve such plans, implement provisions and effectuate the purposes of such plans and finance such development through the use of tax incremental financing.
- C. Wis. Stat. §66.1333 (the "Redevelopment Law") provides the authority and establishes the procedures by which the City acting through and by the Redevelopment Authority of the City of Merrill (the "RDA") may exercise powers necessary and convenient to carry out the purposes of the Redevelopment Law, cause redevelopment plans to be prepared, approve such plans, borrow money and issue bonds, implement provisions and effectuate the purposes of such plans and finance redevelopment through the Redevelopment Law.
- D. The City of Merrill has acquired and will be selling to the Developer land for \$1.

Phase 1 – W. St. Paul St.:

Three Lots of Certified Survey Map No. _____

City will grant the Developer an option for land purchase for future phases after verification by the City Engineer or Building Inspector that the last building of Phase 1 is completed and continuing for a period of one hundred eighty (180) days.

E. The Developer proposes to construct three, single-family homes as Phase I, located within the Development Area (the "Project").

F. As an inducement to Developer to undertake the Development in TID 11 and to construct or cause to construct the Development, the City and the RDA intend to provide an incentive to Developer by making an incentive payment to the Developer, for project costs incurred, to construct single-family homes within TID 11.

G. The City will construct, at City's sole cost and expense, a new City Street, to facilitate access to future phases within the Development Area and extend municipal water and sanitary sewer mains, at City's sole cost and expense, to service the Development Area. The City will permit the developer to connect to the extended water and sanitary sewer mains, for the benefit and servicing of the Project.

H. The City and RDA finds incentives to be necessary to encourage the Development in the Development Area and for Developer to undertake the Development in such a manner as to accomplish the City goals.

I. The City finds that the redevelopment and the fulfillment generally of the terms and conditions of this Agreement are in the vital and best interest of the City, RDA and City residents by expanding the tax base, creating new jobs and causing the redevelopment of underutilized property thereby serving a public purpose in accordance with state and local law.

J. In the event the development construction is not underway by May 31, 2020, lot ownership shall revert to the City of Merrill and Developer agrees to sign the necessary documents therefore.

NOW THEREFORE, in consideration of the promises and mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

Section 1.01 Initial Undertaking of the City of Merrill

The City has:

- a. Included the Development Area within TID #11, which was created by the Merrill Common Council on May 10, 2016.
- b. Purchased the property and arranged for necessary survey services and preparation of certified survey maps and future plat.

- c. Will hold a City Plan Commission Public hearing on the Certified Survey Map and future plat.
- d. Will begin engineering design work for construction of new City Street and extension of municipal water and sanitary sewer service to serve the Development Area.
- e. Will plan for 2020 extension of City utilities and new street construction.

Following Execution of this Agreement, the City agrees that it shall cooperate with Developer to facilitate Developer's performance under this Agreement.

Section 1.02 Initial Undertakings of the Developers

- a. Will raise equity and arrange for financing necessary for the Project.
- b. File site plan and permit applications with the City and/or State.
- c. Contract for construction of three single-family homes and related infrastructure improvements with occupancy planned by December 31, 2020. The new tax increment would be generated beginning with 2020 (to the extent of improvements completed as of January 1, 2020) property tax (2021 collection).

ARTICLE II INCENTIVE PAYMENTS TO DEVELOPER

This development incentive is to facilitate development of the Project, a three (3) single-family homes in Phase I.

The City shall pay a Cash TIF development incentive to the Developer in the aggregate amount of Ten Thousand Dollars (\$10,000) per home upon its completion/occupancy permit.

Section 2.03 Warranties and Representations of the City. The City hereby warrants and represents that until all incentive payments have been made to Developer pursuant to Article III of this Agreement: (i) the assessment ratio generally applicable to property within the City (and therefore applicable to the Development and the Development Area) shall be no less than ninety percent (90%) and (ii) the tax rate generally applicable to property within the City (and therefore applicable to the Development and the Development Area) shall be no less than Thirty and 00/100 Dollars (\$30.00) per Thousand Dollars (\$1,000) of assessed valuation.

Section 2.04 Warranties and Representations of Ryan Ott Development and Construction, LLC. Ryan Ott Development and Construction, LLC hereby warrants and

represents the following: Ryan Ott Development and Construction, LLC will expend at least One Hundred Fifty Thousand Dollars (\$150,000) for each new single-family home relating to the construction of the Development within the Development Area. Further, Developer hereby agrees that, so long as the warranties and representations of the City in Section 2.03 above remain true and correct, the City shall receive a minimum of Four Thousand and 00/100 Dollars (\$4,000) in incremental taxes from each house in the Development and the Development Area, commencing with the first calendar year occurring after Developer's substantial completion of the Development.

ARTICLE III MISCELLANEOUS

Section 3.01 Restriction on Sale.

Prior to the earlier of January 1, 2037 or the date TID #11 is dissolved, Ryan Ott Development and Construction, LLC shall not sell, transfer, convey or assign the Development Area or any part thereof to any person, entity or in any manner which would render the Development Area exempt from property taxation without the prior written consent to the City. As an express condition for such consent, the City shall require purchaser to annually pay to the City an amount equal to all property taxes, which would have accrued to the Development Area if it were subject to property taxation. Any such payments shall be considered tax increment and shall be applied as set forth in above.

Section 3.02 Indemnification.

Ryan Ott Development and Construction, LLC, its successors and assigns shall indemnify and save harmless and defend the City and its respective officers, agents and employees from any and all liabilities, suits, actions, claims, demands, losses, costs, damages and expenses of every kind and description, including attorney costs and fees for claims of any character, including liability and expenses in connection with the loss of life, personal injury or damage to property or any of them brought because of any injuries or damages received or sustained by any persons or property on account of or arising out of or occasioned wholly or in part by any act or omission on Developer's part or on the part of its agents, contractors, subcontractors, invitees or employees provided that the foregoing indemnification shall not be effective for any claims of the indemnified parties that are not contemplated by this Agreement or which constitute gross negligence or willful misconduct.

The City, its successors and assigns, to the extent permitted under Wisconsin law, shall indemnify and save harmless and defend the Developer and its respective officers, agents and employees from any and all liabilities, suits, action claims, demands, losses, costs, damages and expenses of every kind and description, including attorney costs and

fees for claims of any character, including liability and expenses in connection with the loss of life, personal injury or damage to property or any of them brought because of any injuries or damages received or sustained by any persons or property on account of or arising out of or accessioned wholly or in part by any act or omission on the City's part or on the part of its agents, contractors, subcontractors, invitees or employees provided that the foregoing indemnification shall not be effective for any claims of the indemnified parties that are not contemplated by this Agreement or which constitute gross negligence or willful misconduct.

Section 3.03 No City Obligations.

The City shall have no obligations or liability for any obligations or responsibilities to any lending institution, architect, contractor or sub-contractor or any other party retained by Developers in the performance of its obligations and responsibilities under the terms and conditions of this Agreement. The Developers specifically agrees that no representation, statements, assurances or guarantees will be made by Developers to any third-party contrary to this provision. Notwithstanding anything aforesaid to the contrary, the Developer may assign the payments due it under this agreement to the Developer's lender, for collateral purposes only.

Section 3.04 Default.

a. Default and Notice of Default. In the event either party to this Agreement is in default hereunder (the "Defaulting Party") the other party (the "Non-Defaulting Party") shall be entitled to take any action allowed by applicable law, by virtue of said default, provided that Non-Defaulting Party gives the Defaulting Party written notice of default describing the nature of the default, what action, if any, is deemed necessary to cure the same and specifying a time period of not less than sixty (60) days in which the default may be cured by the Defaulting party. Notwithstanding the foregoing, if any default cannot reasonably be cured within sixty (60) days, the Non-Defaulting Party shall refrain from exercising remedies as long as a cure is being diligently pursued.

If either party fails to cure a default as permitted herein, the Non-Defaulting Party, without limiting its remedies under this Agreement, may compel performance by the Defaulting Party by bringing an action for specific performance. If after the specified time period for cure proceedings are initiated to cure an alleged default, the prevailing party in such proceedings shall be entitled to reimbursement from the other party for its reasonable attorney's fees and associated costs incurred in such proceedings.

b. Force Majeure. Neither party shall be responsible to the other party for any resulting losses if the fulfillment of any of the terms of this Agreement is delayed or prevented by revolutions or other civil disorders, wars, acts of the enemies, strikes, fires, floods, acts of God, unusual weather, or by any other cause not within the control of the

party whose performance was interfered with and which by the exercise of reasonable diligence such party is unable to prevent, whether of the class of causes herein above enumerated or not, and the time for performance shall be extended by the period of delay occasioned by any such cause.

Section 3.05 Non-Discrimination.

Neither the Development nor any portion thereof shall be used by any party in any manner to permit unlawful discrimination or unlawful restriction on the basis of race, creed, ethnic origin or identity, color, gender, marital status, familial status, age, handicap, sexual orientation, or national origin and the construction and operation of the Development shall be in compliance with all effective laws, ordinances, and regulations relating to discrimination on any of the foregoing grounds.

Section 3.06 Parties and Interest; Survival of Agreements.

Except as otherwise expressly provided herein, this Agreement is made solely for the benefit of the parties hereto and no other person, partnership, association, or corporation shall acquire or have any rights hereunder by virtue hereof. All representations and agreements in this Agreement shall remain operative and at full force and effect regardless of any investigation made by or on behalf of any party. No party may assign its rights under this Agreement without the written consent of the other party.

Section 3.07 Notices.

All notices, demand, certificates, or other communications under this Agreement shall be sufficiently given and shall be deemed given when hand-delivered or when mailed by first class mail postage pre-paid with property addresses indicated below:

To the City: City of Merrill, Wisconsin
 Attention: City Clerk
 1004 East First Street
 Merrill, Wisconsin 54452

With a copy: The City Attorney, City of Merrill

To the Developers: Ryan Ott Development and Construction, LLC
 W5646 Tug Lake Ave.
 Irma, WI 54442

Any party may, by written notice to the other party, designate a change of address for the purposes of aforesaid.

Section 3.08 Amendment.

No modification, alteration, or amendment of this Agreement shall be binding upon any party hereto until such modification, alteration, or amendment is reduced to writing and executed by all parties hereto.

Section 3.09 Governing Law.

The laws of the State of Wisconsin shall govern this Agreement.

Section 3.10 Severability.

If any provisions of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case, in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance or of rendering and provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever.

Section 3.11 Compliance with Law.

The parties shall, in undertaking the construction and operation of the Development, comply with all applicable federal, state, and local laws.

Section 3.12 City Authorization.

The execution of this Agreement was authorized by Resolution No ____ adopted on _____, by the Common Council

IN WITNESS WHEREOF:

The parties have executed this Agreement as of _____, 2019

CITY OF MERRILL, WISCONSIN

Derek Woellner, Mayor

Approved:

William N. Heideman, Clerk

Approved as to Form:

Katherine G. Unertl, Finance Director

Thomas N. Hayden, City Attorney

STATE OF WISCONSIN)

) ss.

COUNTY OF LINCOLN)

Personally came before me this ____ day of _____, 2019, the above named
Derek Woellner, Mayor and William N. Heideman, Clerk, to me known to be the person
who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin

My commission _____

RYAN OTT DEVELOPMENT AND CONSTRUCTION, LLC

By _____

Ryan Ott, _____

STATE OF WISCONSIN)

) ss.

COUNTY OF LINCOLN)

Personally appeared before me this ____ day of _____, 2019, the above named
Ryan Ott Development and Construction, LLC to me known to be the persons who
executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin

My commission _____

REQUEST FOR TIF DEVELOPMENT INCENTIVE**TID No. 11 – Hwy 107 Area:**

Contact Name, Address, and Telephone Number:

Ryan Ott Development & Construction co., LLC
W5646 Tug Lake Ave.
Irma, WI 54442
(715) 536-1910

Property Owner (how property will be titled):

Ott Property Holdings LLC

Business Entity and Type:

Sole Proprietor LLC located in Lincoln county Wisconsin

Name(s) of Signers and Position They Hold in Company:

Ryan Ott (owner)
W5646 Tug Lake Ave.
Irma, WI 54442
(715) 218-5801

JOBS, (Number of existing and new positions):

5 existing jobs with future jobs possible

DEVELOPMENT PROPOSAL

Construction of up to twelve (12) new single-family homes on former Kienitz parcel that is owned by City of Merrill – PIN 251-3106-101-0214.

Three lots to be conveyed by Certified Survey Map (CSM) on W. St. Paul St. to begin 2019 construction of three new homes. Future title conveyance after new Plat finalized and approved.

INFRASTRUCTURE

Requesting future extension of City water, sanitary sewer, and stormwater utilities, as well as new street (i.e. curb, gutter, and paving) between W. 10th St. and W. St. Paul St. Pavement including curb and gutter of west saint paul street.

REQUESTED CASH DEVELOPMENT INCENTIVE PER NEW HOUSE

\$10,000 (Ten thousand dollars)

PROJECT TIMEFRAMES:

Phase I Start _____ Planned Completion _____

Tax Increment District (TID) No. 10 – Former Fox Point Site

Impact Seven (Rice Lake, WI) representatives submitted Offer to Purchase – please see following information on background of the organization and the Offer to Purchase.

OUR MISSION – Impact Seven

To impact communities and lives through socially-motivated investment and service

We are a certified Community Development Financial Institution, manage several Small Business Administration (SBA) and U.S. Department of Agriculture (USDA) loan programs, provide venture capital, and are part-owner of a community development bank, started in conjunction with a partner CDC.

We are also one of the largest non-profit developers of affordable housing in Wisconsin, the only state-wide Certified Housing Development Organization (CHDO) in Wisconsin and manage over 1,500 units, most of which we own. Impact Seven has a long history of managing housing projects financed by Rural Development (Formerly FmHA) and the U.S. Department of Housing and Urban Development (HUD). Impact Seven further specializes in the management of Low-Income Housing Tax Credits (LIHTC) projects and Market Rate housing.

As a consultant, lender, investor and developer, we have helped numerous communities make significant strides toward revitalizing distressed housing and diminishing economies. Impact Seven has a number of programs, loan pools, properties, resources, and ideas which may interest you. We take pride in our track record of outcomes and especially those related to projects generally thought to be too complex or challenging to succeed.

HISTORY

Impact Seven, Inc. was founded in 1970 by Wisconsin residents in a seven-county area who were concerned with a waning economy, outmigration of youth, and high poverty. Since then, the organization has grown into a well-established statewide CDC that organizes the resources and capacities of low-income communities to provide affordable housing and employment opportunities for residents. Over our 45-year history, Impact Seven has provided quality, affordable housing for tens of thousands of low-income households throughout the state, assisted thousands of successful business ventures throughout Wisconsin, and created thousands of jobs. Impact Seven's extensive job creation record is due in large part to the successful receipt and implementation of fifteen CED grant awards in the past twenty years, in diverse projects ranging from manufacturing, to Native American businesses, to assisted living facilities.

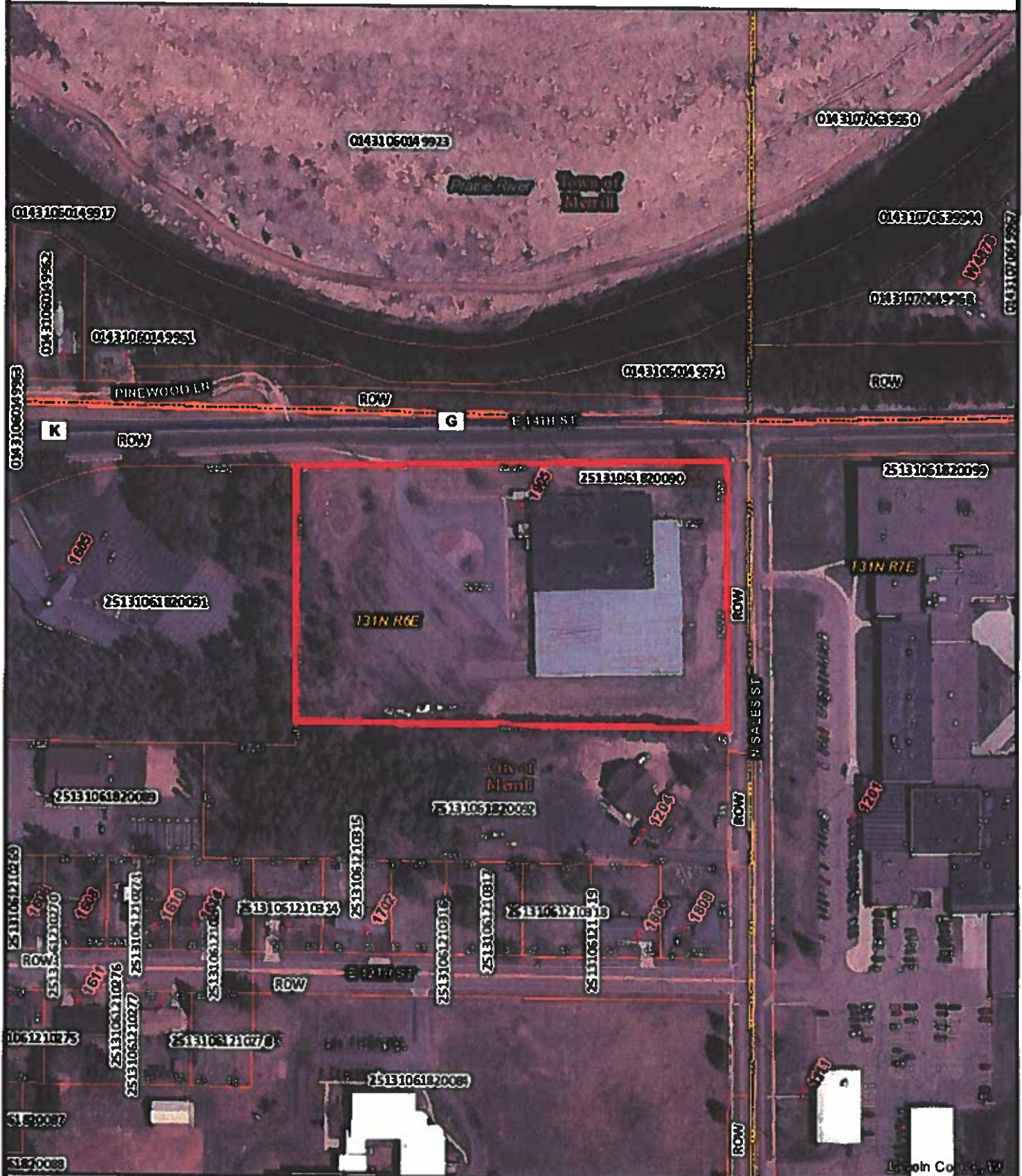
Impact Seven builds capacity for communities by providing services and development in business, housing, and property management. With a vision to serve as a trusted partner for develop, building, and maintaining communities, Impact Seven is guided by the belief that local engagement is essential to successful community development. Impact Seven is incorporated as a Wisconsin non-stock corporation and recognized as exempt from taxation under Section 501c (3) of the Internal Revenue Code.

In 2013, Impact Seven had total assets of \$102 million, including \$44 million in net assets. Impact Seven currently maintains a loan portfolio of \$30.6 million, primarily placed in loans for job-creating business development projects. The organization also owns or manages more than 1,400 units of affordable housing throughout the state, most of which it developed.

Impact Seven is a participant in national community and economic development initiatives that are important to meeting its mission:

- Impact Seven is certified by the U.S. Department of the Treasury as a Community Development Financial Institution (CDFI), a unique type of nongovernmental entity established to provide credit, financial services, and other development services to underserved markets or populations.
- As a certified Community Housing Development Organization (CHDO) in Milwaukee and for Wisconsin's "balance of state" communities, Impact Seven is eligible for specially-designated HOME funds to develop affordable housing.
- Impact Seven is one of 235 charter NeighborWorks America member organizations across the country, which provides grants, programmatic support, training and technical assistance for a broad range of community development initiatives.
- Impact Seven is a minority equity owner in Community Development Bank (CDB), owned in conjunction with two other mission-based organizations. CDB is a federally-insured, FHLB member institution that leverages deposits and earned revenue to make investments in the owners' community development projects.
- In 2002, Impact Seven became the first New Markets Tax Credits (NMTC) allocated in the state of Wisconsin, with an initial allocation of \$20.6 million. Through its partnership with Wisconsin Housing and Economic Development Authority (WHEDA) and other member institutions in the Greater Wisconsin Opportunity Fund, Impact Seven has brokered the placement of more than \$200 million in NMTCs since 2005, with \$195 million in tax credit allocation under management.

Lincoln County Public Access Land Records Viewer



Author: Public
Date Printed: 6/26/2019



The information depicted on this map is a compilation of public record information including aerial photography and other base maps. No warranty is made, express or implied, as to the accuracy of the information used. The data layers are a representation of current data to the best of our knowledge and may contain errors. It is not a legally recorded map and cannot be substituted for field-verified information. Map may be reproduced with permission of the Lincoln County Land Services Department. Errors should be reported to Land Services Department, 801 North Sales St. Merrill, WI, 54452. Copyright © 2015 Phone (715) 835-2222



August 1, 2019

Mr. Tom Hayden
Merrill City Hall
1004 E 1st Street
Merrill, WI 54462

Re: Purchase offer for 1905 E. 14th Street

Dear Attorney Hayden:

Please accept this purchase offer for the parcel at 1905 E. 14th Street. The offer describes our preliminary intent to develop the property for multi-family housing. We expect that our plans for the development may change and improve as we investigate and explore the possibilities and opportunities for the site with our design and construction team.

Impact Seven is committed to practice transparency and to engage the community as a partner in our work. As a condition of this offer, we commit to communicate regularly and openly with City staff and other identified stakeholders as we develop plans for the property, as information and knowledge may affect the terms and intentions described in this offer.

For purposes of this Offer, "Impact Seven" and "Developer" and "Buyer" shall refer to the same party, and "Seller" and "City" and "City of Merrill" shall refer to the same counterparty.

Property address: 1905 E. 14th Street, Merrill, Wisconsin

Purchase price: One dollar (\$1.00)

Property size: Approx. 5.43 acres (per survey provided by City)

Proposed use: Multi-family housing

Unit count: 60 units

Property taxes: Developer shall pursue property tax exemption subject to Wis. Stat. 70.11(a) in proportion to the statutorily compliant units included within the development.



"This institution is an equal opportunity provider and employer"



2961 Decker Drive, Rice Lake WI 54868 >>> 800-685-9353 >>> impact@impactseven.org >>> connect:

Attachment: TID No. 10 - Impact Background-Offer (4411 : Review and discussion of Impact Seven offer to purchase the former Fox Point site)

Developer's due diligence: During the investigation period, Developer shall conduct such tests and enlist the counsel and advice of competent professionals so to:

- Conduct a thorough ALTA-compliant survey of the lot;
- Conduct a bona fide market study of the property with a service provider acceptable to Buyer's lender, and such market study shall support the rent and income levels projected in Developer's pro forma;
- Secure permanent financing on Buyer's preferred terms and in sufficient volume to pay fully for the cost of the development;
- Conduct soil borings and test digs on the site and to return site to good condition;
- Conduct a Phase I environmental analysis and other environmental analyses as recommended by Buyer's environmental service provider;
- Secure rezoning consistent with Buyer's proposed use for the property;
- Secure purchase approval of the Impact Seven Board of Directors as a precondition of sale.

Due diligence period: Buyer requests 180 days from the date of acceptance of this offer to perform the tasks and due diligence investigation described above. Buyer commits to working deliberately and in earnest to investigate and to design the site within the 180-day due diligence period. Buyer may request extensions to the due diligence period in good faith and with sufficient and reasonable notice to the City.

Brokerage fees: None.

If the terms of this offer are acceptable to the City, please sign below and return to me by any convenient means. Alternatively, please reply in writing or by phone with any proposed changes to the offer.

Thank you for your time and consideration. Please contact me with any question or concerns. I can be reached by phone at 608-405-9064 and by email at michael.carlson@impactseven.org.

Sincerely,

Michael Carlson
Vice President, Real Estate Development
Impact Seven, Inc.

ACCEPTANCE

The proposal set forth in this purchase offer is acceptable to the City of Merrill. I further certify that I have the full authority to execute this purchase offer on behalf of the City.

For: The City of Merrill, Wisconsin

By: _____ Date: _____

Its: _____

Merrill RDA Agenda Item – Review and discuss information on City of Marshfield housing incentive program

Looking for input from RDA Commissioners and Merrill Common Council on whether to consider comparable new housing incentives?

City of Marshfield – Residential Incentive Program Results

From: Josh Miller – Marshfield Development Services Director (8/7/2019)

The program has been successful, here's a summary of the program by year:

In 2017, the City received 11 MRI applications (10 single family and 1 duplex), starting June 1, 2017. The estimated assessed values of the 11 homes total \$2,073,700 with a total incentive payment of \$65,383 being paid to developers/home owners. The average assessed value has been \$188,518 with an average incentive payment of \$5,943.91 being paid. In 2017, there were 15 new single family home building permits taken out and one permit taken out for a duplex.

In 2018, the City received 24 MRI applications (14 single family and 10 duplexes). Not all the projects are completed yet, but of the 16 projects assessed, the estimated assessed values of the homes total \$3,909,100 with a total incentive payment of \$85,890 being paid developers/home owners. The average assessed value has been \$244,319 with an average incentive payment of \$5,368 being paid.

For the first two years of the program, the City has added 24 single family homes, and 11 duplexes for a total of 46 dwelling units. So far (before all the estimated assessments and incentive payments have been made), the total investment from the City and economic development partners has been \$151,273. A total of \$5,982,800 in new assessed value has been added, generating an estimated \$149,000 in new annual tax revenue.



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Development Services

MRI (Marshfield Residential Incentive) Program

Marshfield Residential Incentive Program is made possible by the Marshfield Economic Development Board and Marshfield Utilities. A printable brochure for this program can be found [here](#).

*****ONLY BUILDING PERMITS FOR NEW SINGLE AND TWO FAMILY RESIDENTIAL DWELLING UNITS ISSUED AFTER JUNE 1, 2017 ARE ELIGIBLE FOR INCENTIVE*****

Program Goals

Based upon the findings of the 2014 Housing Study, there is an inadequate supply of desirable owner-occupied housing in the City under \$200,000. While there is an abundance of homes in this range, many are deemed unacceptable due to their condition. The Marshfield Residential Incentive (MRI) program is a grant program with the purpose of encouraging developers and/or residents to invest or rehabilitate the City's housing stock by providing financial incentives to new single family and two family residential dwelling units.

How to Apply

- When submitting a building permit application also complete the [MRI Program application](#) with the Development Services Department
- Only building permits for new single family and two family residential dwelling units issued after June 1, 2017 are eligible for an incentive

Restrictions

- The permit must be for a single family or two family construction following the WI UDC standards
- The incentive payment does not apply to additions, remodeling, or construction of accessory buildings/uses
- New multifamily developments (3+ units) are not eligible for an incentive payment

Program Award

The incentive payment can be applied to any new single family or two family residential construction

- An award shall not be granted until an Occupancy Permit is granted by the Building Inspector
- The incentive payment will be calculated based upon the improvement value as determined by the City Assessor's Office (land value not included)
- Maximum amount of incentive payment is \$7,500 per property (two family duplexes/twin homes are considered one property)
- Awards made are also based on available funding
- Payment/actual incentive will be made to the owner of record

property.

- Incentives are limited to available funds and applicants may not receive incentive payments if funds are no longer available

Examples of Payment/Award

- Assessed value \$0.00 - \$150,000; 5% incentive; \$0.00 - \$7,500 payment
- Assessed value \$150,001 - \$175,000; 4% incentive; \$6,000 - \$7,000 payment
- Assessed value \$175,001 - \$200,000; 3% incentive; \$5,250 - \$6,000 payment
- Assessed value \$200,001+; 2% incentive; \$4,000 - \$7,500 max payment

Questions

Any questions about the MRI Program can be directed to Josh Miller, Development Services Director at 715-486-2075 or by email at josh.miller@ci.marshfield.wi.us. Other building related questions can be directed to Natalie Delo at 715-486-2016 or by email at natalie.delo@ci.marshfield.wi.us.



MARSHFIELD
The City on the Coast

Development Services Department

City of Marshfield
207 West 6th Street
Marshfield, WI 54449
Ph: 715-486-2075 Fax: 715-384-7831
Email: josh.miller@ci.marshfield.wi.us

Marshfield Residential Incentive (MRI) Program Application

Office Use Only

Date Received:	Permit Holder Name:	Zoning District:	Parcel #:
Permit #:	Permit Issue Date:	Certificate of Occupancy (CO) #:	CO Issue Date:
Final Assessed Value:	Eligible Incentive:	Assessment Date:	Incentive Award (\$):

Applicant Information

Site Address:		Owner Address, City, State, Zip:	
Owner Name:		Owner Phone #:	Owner Email Address:
Home Type: ☐ Single Family ☐ Two Family			
Construction Purpose: ☐ Spec Home ☐ Rental Unit ☐ Private Party			
Person Entitled to Incentive: ☐ Land Owner ☐ Builder ☐ Purchaser ☐ Other			
Additional info (if needed):			
Entitlement Name:			
Phone #:	Email Address:	Fax #:	
Bank/Lender:		Bank/Lender Address:	
Checks Payable to:		Mailing Address for Incentive Payment:	

Questions?

For questions about this application, or the MRI Program itself, please contact :

Josh Miller, Development Services Director
Ph: 715-486-2075
Email: josh.miller@ci.marshfield.wi.us

Additional Information

I hereby apply for the Marshfield Residential Incentive (MRI) Program and I acknowledge that the information above is complete and accurate;
 I understand that an incentive shall not be granted until a clean certificate of occupancy is granted and an assessed value has been calculated (excluding land value);
 I understand that failure to comply with all required inspections or failure to comply with all ordinance and code requirements may void an incentive;
 I understand that funds are based on availability; I understand that an award shall not be granted if there are any outstanding charges or violations against the property;
 and I shall not hold the City liable;
 I understand that incentives are limited to available funds and I may not receive some or all of the incentive if funds are no longer available.

Applicant Signature: _____

Date: _____

F.A.Q.

- **Is the incentive a loan or a grant?** The incentive is a grant and does not need to be paid back.
- **When is the incentive applied?** The payment is made after a clean occupancy permit has been granted and an improvement value has been determined by the City Assessor Office. Funds may not be paid out until the following calendar year.
- **Does the newly constructed home have to be owner-occupied?** No. Developers building spec homes or rental developments may still qualify for the MRI program.
- **Are there any restrictions to how the awarded incentive is used?** No. The City will not regulate how the money is spent after it has been awarded. The purpose is to offset the cost of construction and encourage new development.
- **Is there anything that would cause the City not to release an incentive?** Failure to comply with all regulations, inspections, and orders, could cause the City to void incentive
- **Does the incentive apply to previous developed sites where an old dilapidated home was removed?** Yes.



Marshfield Residential Incentive (MRI) Program is made possible by the Marshfield Economic Development Board and Marshfield Utilities



CITY OF MARSHFIELD

Development Services Department
Josh Miller—Director of Dev. Services
207 W 6th Street
Marshfield, WI 54449

Phone: 715-486-2075
Fax: 715-384-7631
E-mail: josh.miller@ci.marshfield.wi.us

CITY OF MARSHFIELD

Marshfield Residential Incentive Program

Let us help.



Program Goals

Based upon the findings of the 2014 Housing Study, there is an inadequate supply of desirable owner-occupied housing in the City under \$200,000. While there is an abundance of homes in this range, many are deemed unacceptable due to their condition. The Marshfield Residential Incentive (MRI) program is a grant program with the purpose of encouraging developers and/or residents to invest or rehabilitate the City's housing stock by providing financial incentives to new single family and two family residential dwelling units.

How to Apply

- When submitting a building permit application, also complete the MRI program application located with the Development Services Department
- **Only building permits for new single family and two family residential dwellings units issued after June 1, 2017 are eligible for incentive**

Restrictions

- The permit must be for a new single family or two family construction following the WI UDC standards
- The incentive payment does not apply to additions, remodeling or construction of accessory buildings/uses
- New multifamily developments (3+units) are not eligible for an incentive payment

Program Award

The incentive payment can be applied to any new single family or two family residential construction.

- An award shall not be granted until an Occupancy Permit is granted by the Building Inspector
- The incentive payment will be calculated based upon the improvement value as determined by the City Assessor's Office (land value not included)
- Maximum amount of the incentive payment is \$7,500 per property (two family duplexes/twin homes are considered one property)
- Awards made are also based on available funding
- Payment/actual incentive will be made to the owner of record
- An award shall not be granted if there are any outstanding charges or violations against the property

Examples of Payment

• Assessed value \$0.00—\$150,000	5% incentive	\$0.00—\$7,500
• Assessed value \$150,001—\$175,000	4% incentive	\$6,000—\$7,000
• Assessed value \$175,001—\$200,000	3% incentive	\$5,250—\$6,000
• Assessed value \$200,001+	2% incentive	\$4,000—\$7,500 max

“SPOT BLIGHT” Legal Authority

Board or Committee: Redevelopment Authority (RDA)
 Date of Meeting: Wednesday – July 10th 2019
 Request by: Finance Director/RDA Secretary Kathy Unertl

Closed Session 10 – d: Potential purchase of properties for new restaurant development(s) in TID No. 3 and TID No. 4

Background Information – “Spot Blight” legal authority

The Redevelopment Authority (RDA) and Merrill Common Council used “spot blight” legal authority related to abandoned former dry cleaners at 806 N. Center Ave. to facilitate environmental remediation and site redevelopment.

Attached is Merrill Common Council Resolution No. 1995 which was adopted on June 13th, 2006. Redevelopment Authority (RDA) meeting minutes that led up to this Council action is also provided.

It is possible that this redevelopment tool might be discussed as potential option related to several properties with existing buildings in TID No. 3 and TID No. 4.

Date: 7/1/2019



0606264

RESOLUTION NO. 1995

**A RESOLUTION DECLARING PROPERTY TO BE BLIGHTED AND
AUTHORIZING THE REDEVELOPMENT AUTHORITY TO ACQUIRE OR
ASSIST THE PRIVATE REDEVELOPMENT OF THE PROPERTY**

WHEREAS, Section 66.1333 of the Wisconsin Statutes, as amended (the "Act"), states that it is the policy of this State to protect and promote the health, safety and general welfare of the people of the State in which blighted areas exist by the elimination and prevention of such areas through the utilization of all means appropriate for that purpose, thereby encouraging well-planned, integrated, stable, safe and healthful neighborhoods, the provisions of healthful homes, a decent living environment and adequate places for employment of the people of this state and its communities in such areas; and

WHEREAS, this Common Council has heretofore created the Redevelopment Authority of the City of Merrill (the "Authority") to eliminate or prevent substandard, deteriorated, obsolete and blighted areas in the City of Merrill, Wisconsin (the "City"); and

WHEREAS, the Act authorizes the Authority to undertake certain activities within the City, for the purpose of carrying out redevelopment, blight elimination, blight prevention and urban renewal programs and projects as set forth in the Act, together with all powers necessary or incidental to effect adequate and comprehensive redevelopment, blight elimination, and urban renewal programs and projects; and

WHEREAS, the property in the City described in Exhibit A attached hereto (the "Property") has been proposed as the site for various public improvements and private development projects; and

WHEREAS, the Property has been determined by City staff to be "blighted property" as defined in Section 66.1333 of the Wisconsin Statutes based various reports previously prepared in connection with proposed redevelopment of the Property, including (i) environmental reports prepared by Mead and Hunt, Inc. and RMT, Inc., respectively, as further described in a letter to the City from the Department of Natural Resources, dated March 13, 2006; and (ii) grant application narratives prepared by STS Consultants, Ltd., regarding contamination at and potential uses of the Property (collectively, the "Report"); and

WHEREAS, this body is advised by the staff of the City that the blight conditions described in the Report have continued; and

WHEREAS, blight elimination, slum clearance, and urban renewal and redevelopment projects on the Property will protect and promote the health, safety and general welfare of citizens of the City, and

WHEREAS, the Authority proposes to acquire and assist the private redevelopment of the Property and to carry out blight elimination and urban renewal projects on the Property; and

WHEREAS, Section 5(c)1g. and 5(c)1r. of the Act provides that the Authority may acquire or assist the private redevelopment of blighted property without designating a redevelopment area or adopting a redevelopment plan if the Authority obtains advance approval of the Common Council by at least a two-thirds vote; and

WHEREAS, on May 23, 2006 the Authority conducted a duly-noticed public hearing at which all interested parties were afforded a full opportunity to express their views respecting the determination of blight for the Property; and

WHEREAS, after the public hearing on May 23, 2006, the Authority (i) found the Property to be a "blighted property" within the meaning of Section 66.1333(2m)(bm) of the Wisconsin Statutes, and (ii) submitted the blight determination and proposed acquisition and redevelopment of the Property for the purpose of carrying out blight elimination and urban renewal projects to this Common Council for approval; and

WHEREAS, in accordance with the Act, this Common Council now finds it necessary and in the public interest that the Authority undertake activities to eliminate and prevent blight, obsolescence, and the deterioration of the Property and to promote redevelopment and urban renewal on the Property; and

WHEREAS, this Common Council has studied the facts and circumstances relating to the Property and the proposed acquisition of the Property, consideration having been given, among other items, to the following matters: (i) the definition of "blighted property" contained in Section (2m)(bm) of the Act, (ii) the Report with respect to the existence of blight on the Property in the context of the Act, (iii) the past and existing condition of, and the proposed uses of, the Property, (iv) the goals and objectives of the proposed acquisition of the Property, (v) visual inspections of the Property and surrounding areas by various members of the Authority and by various staff of and consultants to the City, and (vi) reports and recommendations to the Common Council by the Authority.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 13th day of June, 2006, as follows:

1. The Common Council hereby finds, determines and declares that the Property is a blighted property with the meaning of Section (2m)(bm) of the Act which substantially impairs or arrests the sound growth of the community.

2. The Common Council hereby approves the Authority's proposal to acquire and assist the private redevelopment of the Property for the purpose of carrying out blight elimination and urban renewal projects without designating a redevelopment area or adopting a redevelopment plan. The Common Council finds that a comprehensive redevelopment plan is not necessary to determine the need for the redevelopment of the Property, the uses of the Property after redevelopment and the relation of the redevelopment to other property redevelopment by the Authority.

3. This Resolution shall take effect immediately upon its adoption and approval.

Recommended by Redevelopment
Authority

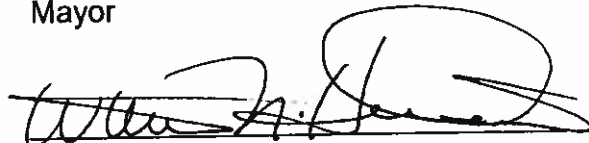
Moved: Alderman Hass

Passed: June 13, 2006 8-0

CITY OF MERRILL, WISCONSIN



Douglas C. Williams
Mayor



William N. Heideman
City Clerk

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

MATHEW & MC CORDS ADD'N LTS 13 & 14 BLK 15 EX V404 P51 LCR,
City of Merrill, Lincoln County, Wisconsin

City of Merrill
Redevelopment Authority (RDA)

Wednesday, April 19, 2006 at 7:30 P.M.
City Hall Conference Room

Present: Doug Williams, Jeremy Thompson, John Zulliger, Sharon Schmidt, Wally Smith, and Rick Hargrave

Absent: Bill Johnston

Others: Finance Director Kathy Unertl, City Administrator Tony Chladek, City Attorney Tom Hayden, Dewey Pfister, and John Lenz from Foto News

Call to Order: Mayor Williams called the meeting to order at 7:30 p.m. Members introduced themselves to new City Administrator Tony Chladek and new Alderperson Jeremy Thompson. Alderperson Thompson replaced former Alderperson Bob Colclasure whose term of office ended on April 18th.

Approval of Meeting Minutes: Motion (Zulliger/Smith) to approve the meeting minutes from November 16th, 2005. Motion carried.

Update on Brownfield Site – 806 North Center Ave.:

Williams provided an update on the Wisconsin DNR Brownfield Site Assessment Grant (SAG) that has been awarded to the Redevelopment Authority. There is a one-year timeframe to complete the \$30,000 grant work. Once the potential level of contamination is determined, there potentially will be additional funding (up to \$500,000) available from the Dry Cleaner Remediation Fund.

Wisconsin DNR has provided a LGU General Liability Clarification Letter for the site to the RDA and Lincoln County. This was an essential item for Lincoln County to consider proceeding with delinquent tax foreclosure on the property. It will probably take another two months for Lincoln County to complete the foreclosure process.

RDA Resolution 2006-01 – Resolution Tentatively Identifying Blighted Property and Calling for a Public Hearing on Blight Determination:

Unertl distributed a revised resolution that reflected modifications recommended by Bond Counsel from Quarles & Brady related to “spot blight” determination. The RDA is tentatively identifying blight that will be reviewed at a public hearing. After the public hearing, the RDA will forward a recommendation to the Common Council for consideration.

RDA members set the public hearing for 6:00 p.m. on Tuesday, May 23rd. **Motion (Schmidt/Smith) to Adopt RDA Resolution 2006-01 - Resolution Tentatively Identifying Blighted Property.** Motion carried.

Attachment: Spot Blight - Background (4415 : Review and discussion of potential purchase of properties for new restaurant development(s))

RDA Resolution 2006-02 – Resolution Indicating RDA Interest in Obtaining Title from Lincoln County (Upon Completion of Delinquent Tax Process) for the Property at 806 North Center Avenue:

City Attorney Tom Hayden has discussed the potential title transfer process with Lincoln County Corporation Counsel Nancy Bergstrom. Lincoln County will transfer title to the City of Merrill. Then, the City will transfer title to the Merrill Redevelopment Authority. Lincoln County has begun the process of delinquent tax foreclosure.

City Administrator Tony Chladek asked if this would be the RDA's first project? Based upon his experience in Minnesota, Chladek recommended documenting the property and building conditions – both exterior and interior. Future redevelopment of the site will also be documented for historical and marketing purposes.

Motion (Thompson/Schmidt) to adopt RDA Resolution 2006-02 – Resolution Indicating RDA Interest in Obtaining Title from Lincoln County (Upon Completion of Delinquent Tax Process) for the Property at 806 North Center Avenue. Motion carried.

Request to Personnel & Finance Committee and Common Council for General Fund Advance:

In addition to the DNR environmental clarification letter, there will be title search and transfer fee expenses to obtain title for the former dry cleaner property at 806 N. Center St. from Lincoln County. Mayor Williams advised that the Site Assessment Grant (SAG) local match should be met through the in-kind delinquent taxes that Lincoln County will be forgiving at foreclosure. There would be a \$10,000 local match for future environmental clean-up.

Finance Director Unertl also noted that there would be Tax Increment District (TID) planning expenses although she did not have consultant costs finalized.

Future tax increment would be used to repay the General Fund Advance.

Motion (Williams/Schmidt) to request a General Fund Advance of \$15,000 for environmental clean-up of the property at 806 N. Center St.

Preliminary Discussion of Potential Tax Incremental Financing District (TID) Planning:

RDA members discussed potential properties to include in a future TID surrounding 806 North Center Avenue. These potential parcels include the Lincoln County Annex, Wisconsin DNR Ranger Station, along the Prairie River to the former Ward Paper Mill now owned by F & M Enterprises, and the Fox Point Sportswear metal building located across from Merrill High School.

Williams requested RDA members review the area and pass along any ideas to City staff or him. City staff will be analyzing the assessed valuation of the area and making suggestions at a future RDA meeting.

**City of Merrill
Redevelopment Authority (RDA)**

**Tuesday, May 23, 2006 at 6:00 P.M.
City Hall Council Chambers**

Present: Doug Williams, Jeremy Thompson, Sharon Schmidt, Wally Smith, Rick Hargrave and Bill Johnston (who arrived at 6:25 p.m.)

Absent: John Zulliger

Others: Alderperson Steve Hass, Finance Director Kathy Unertl, City Administrator Tony Chladek, City Attorney Tom Hayden, Community Development Director Mike Martin, Dewey Pfister, and John Lenz from Foto News

Call to Order: Mayor Williams called the meeting to order at 6:00 p.m.

Approval of Meeting Minutes: Motion (Schmidt/Smith) to approve the meeting minutes from April 19th, 2006. Motion carried.

Update on Delinquent Tax Foreclosure Process – 806 North Center Ave.:

Williams reported that the Lincoln County Board of Supervisors adopted Resolution 2006-05-03 – Authorization to Take Tax Deed and Transfer Property to the City of Merrill on May 17th. Upon foreclosure, the property title would first go to the City of Merrill and then be transferred to the Merrill Redevelopment Authority.

Unertl advised that the base valuation for a future Tax Incremental Financing District would likely be the current land value of \$37,800 and improved value of \$10,900 (i.e. total valuation of \$48,700). The City of LaCrosse and LaCrosse County have used intergovernmental agreements when seeking redevelopment of tax forfeited environmentally contaminated property. This type of model is something that the RDA might want to consider if encountering any higher-valued tax forfeited potential redevelopment sites.

Public Hearing Under Wisconsin Statute Section 66.1333 – “Blighted Property” Described as Mathew & McCords Add’n LTS 13 & 14 EX V404 P51 LCR (Physical Address – 806 North Center Avenue): City Attorney Hayden read the public hearing notice.

Williams opened the public hearing on 806 North Center Avenue at 6:07 p.m. There were no individuals interested in providing testimony. RDA members reviewed the site pictures and the Wisconsin DNR LGU environmental clarification letter. The blighted property includes two lots measuring 100' x 120'.

Motion (Smith/Schmidt) to close the public hearing at 6:09 p.m.

Attachment: Spot Blight - Background (4415 : Review and discussion of potential purchase of properties for new restaurant development(s))

 **RDA Resolution 2006-03 – Resolution Determining Property to be Blighted and Submitting Proposed Acquisition and Redevelopment to the Common Council for Approval (806 North Center Ave.):** City Attorney Hayden read the “spot blight” resolution.

Motion (Schmidt/Smith) to adopt Resolution 2006-03 – Resolution Determining Property to be Blighted and Submitting Proposed Acquisition and Redevelopment to the Common Council for Approval (806 North Center Avenue). Motion carried.

Williams advised that this recommendation will go the June 13th Common Council meeting. If approved by the Council, the next steps will involve the legal title transfers. Once the RDA has obtained legal title, it will then be possible to proceed with the Site Assessment Grant (SAG) work including building demolition and assessment of the scope and level of the environmental contamination.

Update on Amendment of TID No. 3/Redevelopment Area No 1 Boundaries and Project Plan: The Common Council authorized hiring Vierbicher Associates on May 9th to amend the TID No. 3/Redevelopment Area No. 1 boundaries to facilitate redevelopment of the former Burger King site.

Unertl and Williams highlighted the two proposed amendment areas including the former Burger King site and the vacant parcels along Thielman Street. Unertl also suggested two additional areas to consider for inclusion are the former flower shop/greenhouse across from Kwik Trip and the Woodward parcel east of the Oak Park Dental strip mall. All four areas can be connected to the existing TID No. 3/Redevelopment Area No. 1 boundaries.

Motion (Johnston/Smith) to include the four proposed sites within the TID No. 3/Redevelopment Area No. 1 boundary amendment. Motion carried.

Unertl reviewed the timeframe for the TID No. 3/Redevelopment Area No. 1 planning and approval processes. Consensus to schedule the public hearing on the amended boundaries and project plan for Tuesday, June 20th at 6:00 p.m. The final RDA meeting needed to certify the boundaries is tentatively scheduled for Tuesday, July 11th about 8:15 p.m. after the Common Council meeting.

Preliminary Discussion of Additional Tax Incremental Financing District (TID) Planning: Williams and Unertl briefly highlighted preliminary planning for a TID around the former dry cleaners on North Center Avenue. Potential sites to consider including are the Lincoln County Annex and Wisconsin DNR ranger station. Williams encouraged RDA members to review the area and provide input in the planning effort.

There are several potential industrial expansions in the 6th Ward, as well as planned 2007 Hwy 107 improvements. Nothing to report at this point.

Chladek suggested that the RDA might want to consider targeted redevelopment areas. For the next meeting, a list and map of potential environmental contaminated sites could be reviewed to assist in identifying priority areas.