

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, August 3rd, 2022 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Steve Hass, Clyde Nelson, Mark Bares, Sheila Polak, and Steve Sabatke (whom arrived at 8:25 a.m.)

Absent: Jim Koppelman, and Tony Kusserow

Others: Alderpersons Rick Blake, Mark Weix, and LaDonna Fermanich, Finance Director Kathy Unertl, City Clerk Lori Anderson-Malm, City Attorney Tom Hayden, Public Works Director/City Engineer Rod Akey, Building Inspector/Zoning Administrator Darin Pagel, Fire Chief Josh Klug, Bill Bialecki from Lincoln County Economic Corp. (LCEDC), Tina Scott from Merrill FotoNews (Remote), and video operator from Merrill Productions

Call to Order: Chair Hass called the meeting to order at 8:00 a.m.

Consider approval of RDA meeting minutes from June 29th:

Motion (Polak/Nelson) to approve the meeting minutes from June 29th. Carried.

Public Comments: None.

Consider assignment of development agreement for Webster St. apartments from Nicolet Lumber Company to Premier Real Estate Management LLC (TID No. 8):

Hayden and Unertl advised that Premier Real Estate Management LLC was the primary developer for Rock Ridge Apartments (Phases I and II). City staff are comfortable with the proposed assignment between two development partner firms.

Motion (Bares/Nelson) to authorize assignment of the development agreement for Webster St. apartments to Premier Real Estate Management LLC (TID No. 8). Carried.

Review existing Tax Incremental Financing (TIF) and other City economic development and housing programs:

Mayor Hass requested an overview of City economic development programs be prepared.

Unertl highlight past use of TIF in support of new tax base growth, new job creation, rehabilitation or demolition of “blighted” vacant buildings (including delinquent tax foreclosure properties), and new housing units (beginning in 2016). Effective in 2021, City is using \$10,000 for TIF residential incentive program for new single-family or duplex home construction.

Community Development Department and Lincoln County Economic Development Corporation have access to economic development loan funds. There is also an income-based housing loan program through Community Development Department.

An information packet will be finalized and available at Community Development Department and on the City website.

Review Updated Status of Residential Developments:

An updated residential development list was included in the agenda packet. Merrill Area Housing Authority (MAHA) has moved the MAPS BlueJay house to 808 E. 8th St. There will be duplex constructed physically on Francis St. by MAPS students and community contractors.

Consider 2022 TID No. 8 budget reallocation for fire protection line to serve West Chippewa LLC manufacturing property (Lincoln Wood):

Public Works Director/City Engineer Akey highlighted the new fire protection utility improvement. Additional 2023 infrastructure improvements are planned to facilitate a manufacturing addition.

Motion (Hass/Polak) to authorize the funding reallocation. Carried.

Update on potential multi-family residential sites:

TID No. 9 – floodplain delineation of former Anson-Gilkey property: The new floodplain information has been accepted by the Federal Emergency Management Agency (FEMA). Akey and Unertl recommended future use of the property for higher density residential development.

TID No. 8 – S. State St. property along Wisconsin River: Unertl emphasized need to be planning for future residential units since it takes a number of years for apartment developments. Bill Bialecki from LCEDC advised that this site might be alternative if Lincoln County-owned property wasn't available for potential WHEDA tax credit project.

Review and discussion of 2021 Tax Incremental District (TID) annual reports and fiscal status of General Fund Advances:

Background information was included in the RDA agenda packet. Unertl briefly highlighted the fiscal information. Nelson noted that there would be lower TID No. 3 cash development incentives in 2023 which will allow for additional transfers to other TIDs (i.e. repayment of the General Fund Advances).

Update on Wisconsin Department of Revenue 1/1/2022 TID equalized valuations:

Unertl advised that preliminary valuations were just released. Unertl wants to verify with Wisconsin Department of Revenue due to the significant increases.

Review and consideration of 2023 Tax Increment District (TID) 2023 budget requests:

Preliminary 2023 budget information was included in the agenda packet. Expenditure period for TIDs No. 4 and No. 5 ends 9/11/2022. On-going debt service payments, development incentive payments, transfers to other TIDs, and City administration expenses are allowed. However, no additional new development agreements or infrastructure projects can be implemented.

The preliminary 2023 budgets, including proposed TID-funded infrastructure improvements, will be considered at Monday, 8/29/2022 Committee of Whole meeting. Updated engineering probable cost estimates are pending.

Next RDA Meeting: Wednesday, September 7th at 8:00 a.m.

Closed Session: Chair Hass read the following: 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:

- a) Consider potential sale and negotiation of terms for property located at the southeastern corner of Pine Ridge Plaza (TID No. 4)
- b) Consider potential negotiation terms to facilitate development in Highway G business/industrial park (TID No. 13)

Motion (Sabatke/Hass) to move into Closed Session. Carried on 5-0 roll call vote at 8:37 a.m.

Mayor Hass and City staff provided an update on potential development. RDA Commissioners provided direction on potential sale of TID No. 4 City-owned property, with contingencies.

Mayor Hass reported that alternative potential locations for proposed development were provided instead of City Highway G business/industrial park (TID No. 13).

Adjournment: (Nelson/Polak) to adjourn at 9:05 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl