



CITY OF MERRILL
REDEVELOPMENT AUTHORITY
AGENDA • WEDNESDAY JUNE 5, 2019

Regular Meeting

City Hall Council Chambers

8:00 AM

- I. Call to order
- II. Minutes of previous meeting(s)
 - 1. Consider approval of RDA meeting minutes from May 1st
- III. Public Comment
- IV. Agenda items for consideration:
 - 1. Consider resolution authorizing amended development agreement by and between the City of Merrill, Wisconsin and DJC LLC (TID No. 6 for 900 -902 East 1st Street)
 - 2. Consider resolution authorizing development agreement by and between the City of Merrill and Timothy & Nikki Conjurske and Golden Harvest Foods LLC (TID No. 3 - Lot 3 - 2600 block East Main Street)
 - 3. Update and discussion on availability of Lot 1 for new development, including potential alternative development proposal - (TID No. 3 - 2400 block of East Main Street)
- V. Next RDA Meeting
- VI. 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 April 4th
 - 2. Negotiation of potential TID development incentives for alternative development proposal for Lot 1 - (TID No. 3 - 2400 block of East Main St.)
- VII. The RDA may reconvene in open session to consider action(s) on closed session development items
- VIII. Ajournment

Agenda prepared by RDA Secretary Kathy Unertl

Revised by RDA Chairperson Tim Meehean

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, May 1st, 2019 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Tim Meehean, Derek Woellner, Clyde Nelson, Jill Laufenberg, Tony Kusserow, and Sheila Polak,

Others: City Clerk Bill Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl participated via phone, Public Works Director Rod Akey, City Building Inspector/Zoning Administrator Darin Pagel, and Ken Maule and Bill Bialecki from Lincoln County Economic Development Corp. (LCEDC), Dave Cooper from DJC, LLC, Patrick Taylor from TSI State LLC, Laura Schulte (Wausau Daily Herald), Eric Dayton, Danielle Faulkner, and Merrill Productions camera operator

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

Consider approval of RDA meeting minutes from April 3rd:

Motion (Laufenberg/Kusserow) to approve the meeting minutes from April 3rd. Carried.

Public Comment: None.

Update on 1/1/2019 local assessments and impacts on Tax Increment Districts:

Unertl highlighted the 1/1/2019 local assessments provided by Kitt Koski from Bowmar Appraisal. There was major tax increment growth of \$5 million in TID No. 3 due to Park City Credit Union and One Way Collision new buildings. Phase II of Rock Ridge Apartments increased TID No. 11 about \$1 million.

Unertl provided updates on specific TID projects. Rock Ridge Apartments tax increment growth is over \$3 million (TID No 11) compared to undeveloped site assessment of \$65,000. The One Way Collision 1/1/2019 assessment exceeds the 2015 assessments for the entire almost seven acres of State Highway 64 frontage (i.e. previously mobile homes).

Consider request from DJC, LLC for potential additional TID cash development incentive for expanded new development (900 and 902 E. Main Street – TID No. 6):

Dave Cooper is purchasing the adjacent parcel at 902 E. Main Street. Copper's development plan has changed and now is for a multi-tenant new 3,000 sq. ft. commercial structure. Due to acquisition and demolition costs, Cooper is requesting potential additional \$20,000 in TID cash development incentive. In addition to the existing Cooper Insurance employees, there will be two employees for the tenant that will be new to Merrill.

Attachment: 2019-05-01 RDA Minutes (4200 : Consider approval of RDA meeting minutes from May 1st)

DJC LLC – 900 – 902 E. Main St. (TID No. 3) – Continued:

Development costs are projected over \$400,000. Unertl's tax increment fiscal estimates are too conservative and need revision. The original TID agreement was for total of \$40,000 (i.e. \$10,000 annually over four years). Cooper is requesting potential additional \$10,000 annually for two more years. The increased tax increment will cover the requested additional TID cash development incentive.

For the next RDA meeting, RDA Commissioners requested site plan showing parking and building elevation drawings.

Update and discussion on availability of Lot 1 for new development – 2500 E. Main Street (TID No. 3):

Pat Taylor reported that he is still working on obtaining financing for the proposed Nelson Powerhouse new buildings.

Next RDA meeting: Wednesday, June 5th at 8:00 a.m.

Adjournment: Motion (Kusserow/Polak) to adjourn at 8:30 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

Attachment: 2019-05-01 RDA Minutes (4200 : Consider approval of RDA meeting minutes from May 1st)

DRAFT – 2019-05-14**RESOLUTION NO. _____****A RESOLUTION AUTHORIZING AN AMENDED DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MERRILL, WISCONSIN AND DJC LLC**

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 6 on May 12, 2009 and the redevelopment site is within TID No. 6; and,

WHEREAS, Resolution Number 2493 adopted on February 14, 2017 authorized a development agreement between the City of Merrill and DJC LLC for new commercial building construction at 900 East 1st Street; and

WHEREAS, DJC LLC has proposed construction of an expanded new commercial building at 900-902 East 1st Street; 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 jobs created from this redevelopment project; and,

WHEREAS, DJC LLC has negotiated the development agreement to provide for an incentive payment not to exceed \$60,000 to facilitate the commercial 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 DJC 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

Attachment: TID6 - Cooper Ins 2019 (4201 : Consider Resolution authorizing amended development agreement - DJC LLC)

DJC LLC
6405 Von Kanel St
Schofield, WI 54476

April 13, 2019

City of Merrill
1004 East First Street
Merrill, WI 54452

RE: Development Agreement between the City of Merrill and DJC LLC dated December 11, 2018

I would like to thank you for the \$40,000 aggregate amount as stated in the Development Agreement under Article II Incentive Payments to Developer.

During the process of gathering my construction costs, I have realized that with purchasing the property and home next door along with demolition costs my expenses have increased.

As original stated under E. in the Development Agreement I was originally going to construct a 2,000 square foot building. Plans have changed and I plan on constructing a 3,000 square foot multi-tenant building now. At this point the preliminary tenant will be a new business in town.

With these changes and increased expenses, I would like to request an additional \$20,000 for a total of \$60,000 as a pay-as-you-go development incentive.

Thank you for your consideration.

David Cooper
American Family Insurance

City of Merrill – TIF Development Incentive Overview

TID No. 6 (Downtown)

Property Owner:	Developer paid City \$5,000 for the delinquent tax foreclosure lot in 2017. Developer has now acquired the adjacent parcel and will be demolishing the existing house.
Business Entity:	DJC, LLC [for David J Cooper Agency, Inc.]
Location:	900 and 902 East 1 st Street The Developer has been responsible for mowing and snow removal since 2017.
Development:	New commercial building – about 3,000 sq. ft. which is an additional 1,000 sq. ft. from 2017 preliminary plan.
Jobs:	Maintaining existing jobs [American Family Insurance], as well as two new jobs from a new business coming to Merrill.
Infrastructure:	N/A – None for City of Merrill. Developer will need to connect to City water, sanitary sewer, and have stormwater drainage for site.

TID Development Incentives:

The original 2017 TID development incentive was for total of \$40,000.

Revised TID development incentive for total of \$60,000 as follows:

- \$10,000 upon occupancy
- \$10,000 in each of the following five years

TID Lifespan Tax Increment:

New tax increment projected at over \$150,000 -
please see TIF spreadsheet.

Packet Pg. 7

RESOLUTION NO. 2493**A RESOLUTION AUTHORIZING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MERRILL, WISCONSIN AND DJC, LLC.**

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 6 on May 12, 2009 and amended the district boundary and plan on September 22, 2015; and,

WHEREAS, the DJC, LLC is purchasing a vacant lot from the City of Merrill and constructing a new commercial building located at 900 East 1st Street within TID No. 6; 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 tax base will be generated and existing jobs retained, and,

WHEREAS, the DJC, LLC has negotiated the development agreement to provide an incentive payment not to exceed \$40,000 to facilitate new building construction;

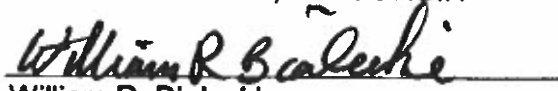
NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 14th day of February, 2017, that the Mayor and City Clerk are authorized to sign the development agreement by and between the City of Merrill and DJC, LLC and to facilitate the implementation thereof.

Recommended by: Redevelopment
Authority

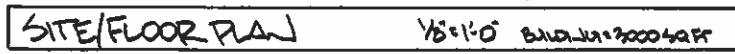
Moved: Alderman Schwartzman

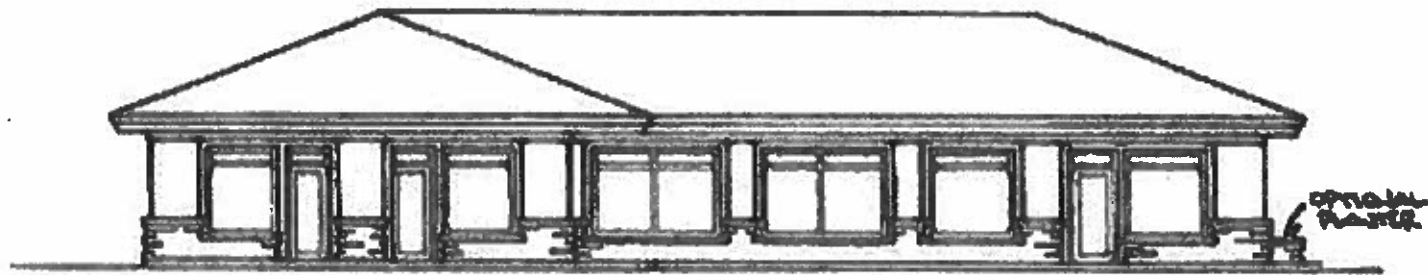
Passed: February 14, 2017

CITY OF MERRILL, WISCONSIN

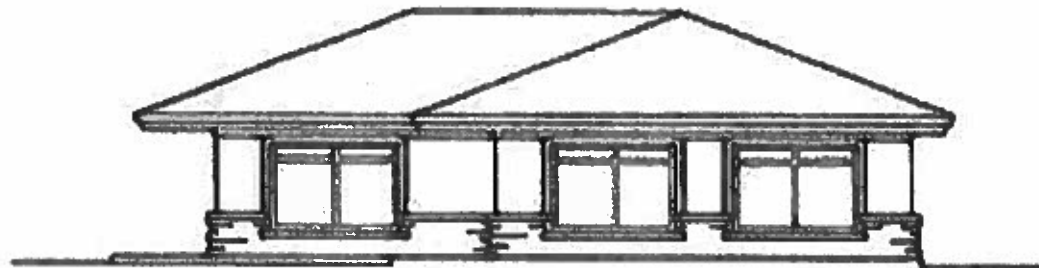

William R. Bialecki
Mayor


William N. Heideman
City Clerk





PARKING ELEVATION 1/8"=1'-0"



STREET ELEVATION 1/8"=1'-0"

DAVE LOOPER AGENCY

BY WINDHAVEN DESIGN

3/8 -

DRAFT – 2019-05-14**RESOLUTION NO. _____****A RESOLUTION AUTHORIZING A DEVELOPMENT AGREEMENT BY AND
BETWEEN THE CITY OF MERRILL, WISCONSIN AND
TIMOTHY & NIKKI CONJURSKE, AND GOLDEN HARVEST FOODS LLC**

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 3 on September 13, 2005 and the redevelopment site is within TID No. 3; and,

WHEREAS, Timothy & Nikki Conjurske and Golden Harvest Foods LLC has proposed construction of a new natural and organic food store with a from-scratch deli; 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 jobs created from this redevelopment project; and,

WHEREAS, Timothy & Nikki Conjurske and Golden Harvest Foods LLC has negotiated the development agreement to provide for transfer of Lot 3 property ownership and an incentive payment not to exceed \$200,000 to facilitate the commercial 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 Timothy & Nikki Conjurske and Golden Harvest Foods 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

Attachment: TID3 - Golden Harvest (4202 : Resolution authorizing development agreement - Golden Harvest Foods LLC)

REQUEST FOR TIF DEVELOPMENT INCENTIVETID No. 3

Contact Name, Address, and Telephone Number _____

Timothy or Nicole Conjurske
3215 County Road G
Rhineland, WI 54501

Property Owner (how property is or will be titled) _____

Timothy or Nicole ConjurskeBusiness Entity and Type Golden Harvest Foods LLCLocation 3215 County Road G, Rhineland, WI 54501Corporation or LLC LLC What State WI

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

Timothy or Nicole Conjurske - President / Vice PresidentMailing Address 3215 County Rd. G, Rhineland, WI 54501**DEVELOPMENT PROPOSAL**17,000 Square Foot Natural & Organic Food
Store with a from scratch DeliJOBS, (Number of existing and new positions) 5 existing and adding
up to 50 more positions**INFRASTRUCTURE**usual connections for water & Sewer and access**PROJECT TIMEFRAMES:**Start May 15, 2019Planned Completion Dec. 25, 2019

City of Merrill – TIF Development Incentive Overview

TID No. 3 (East Side)

Developer:	Timothy & Nikke Conjurske and Golden Harvest Foods LLC
Location:	Lot 3 - 2600 Block of E. Main St. (between Pearl Street and Gem Streets)
Development:	About 17,000 sq. ft. new natural and organic food store with a from-scratch deli.
Jobs:	Retention of five existing jobs and adding up to fifty new jobs.
Investment:	Developer estimated investment of \$2.8 to \$2.9 million dollars for new building construction and equipment and furnishings.
Infrastructure:	N/A - public. Developer to connect to water, sanitary sewer, and stormwater drainage systems.

TID Development Incentive:

RDA recommendation:

Total of \$200,000 with the following payment schedule:

Upon completion/opening (2019) \$100,000

Annually (2020-2021) \$50,000 – two years

TID Lifespan Tax Increment:

Spreadsheet provided – projected at \$442,475 and likely to be higher than conservative estimates.

City of Merrill - Projected Tax Increment						
Lot 3 (2600 Block E. Main St.)					East Side - TID No. 3	
PIN 251-3107-073-0133						
Developer: Timothy & Nikki Conjurske and						
Golden Harvest Foods LLC						
City of Merrill transfer of Lot 3 property title for \$1.00 to facilitate the construction of new 17,000 sq. ft. natural and organic food store with a from-scratch deli.						
Owned by City of Merrill						
Real Estate		Existing				Projected
		Valuation				Valuation
	Land	\$0	2.70 Acres		Land	\$150,000
	Improved	\$0			Improved	\$2,000,000
	Total	\$0			Total	\$2,150,000
Projected RE Tax Increment						\$2,150,000
Personal Property:					Estimated	\$300,000
Projected Tax Increment (TID No. 3 - East Side)						
Const.	Value	Revenue	PP Value	Total Value	Tax	Projected Total
Year	Year	Year	Increment	Increment	Rate	Tax Increment
			10% Dep.			
2019	2020	2021	\$300,000	\$2,450,000	\$30.93	\$75,779
	2021	2022	\$270,000	\$2,420,000	\$30.93	\$74,851
	2022	2023	\$243,000	\$2,393,000	\$30.93	\$74,015
	2023	2024	\$218,700	\$2,368,700	\$30.93	\$73,264
	2024	2025	\$196,830	\$2,346,830	\$30.93	\$72,587
	2025	2026	\$177,147	\$2,327,147	\$30.93	\$71,979
Projected Tax Increment						\$442,475
						TID Increment

Lincoln County Public Access Land Records Viewer



Author: Public
Date Printed: 5/23/2019



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, 801 North Sales St, Merrill, WI, 54452. Copyright © 2015 Phone (715) 539-1049.