

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, June 5th, 2019 at 8:00 a.m.
City Hall Common Council Chambers

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

RDA Excused: Sheila Polak

Others: City Clerk Bill Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, 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), Patrick Taylor from TSI State LLC, Kim Alimi from Pine Ridge Family Restaurant, and Danielle Faulkner

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

Consider approval of RDA meeting minutes from May 1st:

Motion (Laufenberg/Kusserow) to approve the meeting minutes from May 1st. Carried.

Public Comment: None.

Consider resolution authoring amended development agreement by and between the City of Merrill, WI and DJC LLC (TID No. 6 for 900 and 902 E. Main Street):

Dave Cooper has purchased 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. Unertl revised the TID tax increment projections from the previous meeting.

Based upon his review of the Foxcom development agreement terms, Woellner asked about potential inclusion of minimum assessed valuation requirement in the development agreement. Meehean noted that the City and RDA had already included property title revisionary clause in the 2017 agreement and then provided time extension in 2018. Johnson suggested that this type of new development agreement term should be considered for future developments.

For a future RDA meeting, Commissioners will review the detailed development agreement language instead of just the Development Overview provisions. Unertl reported that a joint RDA/Committee of Whole meeting, there had been consensus for use of the Development Overview format with a TID fiscal projection.

Motion (Laufenberg/Nelson) to recommend the resolution authorizing an amended development agreement by and between the City of Merrill, Wisconsin and DJC LLC (TID No. 6 – for 900 – 902 East 1st Street). Carried.

Consider resolution authoring development agreement by and between the City of Merrill, WI and Timothy & Nikki Conjurske and Golden Harvest Foods LLC (TID No. 3 – Lot 3 – 2600 block East Main Street):

Meehan emphasized that he knows Wausau area residents that now drive by Merrill to shop at Golden Harvest in Rhinelander. Laufenberg concurred that the ease of highway access should bring expanded shopping in Merrill. There will be fifty (50) new employees created, as well as over \$2 million in real estate and personal property valuations.

Kusserow noted that the RDA had been working on facilitating this major development for several years. Unertl reported that the RDA offered the first development incentive proposal about mid-2017 and had revised the \$100,000 completion/opening payment late in 2018 to assist in securing financing. When title to the site is transferred, the City will pay the \$100,000 into an escrow account at the title company until the new store opens.

Unertl advised that the City/RDA had used the same legal boilerplate development agreements since 2005. In some recent agreements involving transfer of property, title revision provision has been included. City Attorney Hayden will provide draft language related to minimum assessed valuation to the next RDA meeting.

Motion (Laufenberg/Kusserow) to recommend the resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and Timothy & Nikki Conjurske and Golden Harvest Foods LLC (TID No. 3 – Lot 3 – 2600 block of East Main Street).
Carried.

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):

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

Bialecki and Kim Alimi provided an overview of potential development concept including a 4,000 sq. ft. family restaurant and additional 4,000 sq. ft. commercial building. It would take at least three months to finalize development plans and secure financing.

Additional discussion occurred in the Closed Session.

Next RDA meeting: Due to July 4th holiday, the next meeting will be Wednesday, July 10th at 8:00 a.m.

Closed Session:

Chair Meehan 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:

- a. Consider approval of closed session RDA meeting minutes from April 3rd

- b. Negotiation of potential TID development incentives for alternative development proposal for Lot 1 – (TID No. 3 - 2400 block of East Main St.)

Motion (Nelson/Meehean) to move into closed session. Carried 5-1 on roll call vote at 8:40 a.m.

- **Motion (Laufenberg/Kusserow) to approve the Closed Session meeting minutes from April 3rd.** Carried.
- There was extensive discussion of Lot 1 (2400 block of East Main Street), the status of the Nelson Powerhouse development, and potential alternative development. Options for potential east side restaurant sites were also discussed.

Adjournment: Motion (Meehean/Kusserow) to adjourn at 9:30 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

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RDA Excused: Sheila Polak

Others: City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, 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)

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