

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, June 1, 2022 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Steve Hass, Steve Sabatke, Mark Bares, Sheila Polak,
Jim Koppelman, and Tony Kusserow

RDA Absent: Clyde Nelson

Others: Alderpersons Rick Blake, Mark Weix, Dick Lupton, and LaDonna
Fermanich, Finance Director Kathy Unertl, City Clerk Lori Anderson-
Malm, City Attorney Tom Hayden, Public Works Director/City Engineer
Rod Akey, City Building Inspector/Zoning Administrator Darin Pagel,
Ryan Ott (Remote), and video operator from Merrill Productions,

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

Consider approval of RDA meeting minutes from May 4th:

Motion (Polak/Sabatke) to approve the meeting minutes from May 4th. Carried.

Public Comments: None.

Update on 2022 Assessments – TID No. 11 Residential Developments:

Unertl highlighted the almost \$1.250 million in tax increment growth on the former Keinitz parcel (i.e. between W. 10th St. and W. St. Paul St.) and almost \$4.9 million in tax increment growth on former Lokemoen Construction parcel for Rock Ridge Apartments and single-family homes.

Unertl noted that these are 1/1/2022 assessed valuations. Equalized valuation information will be provided by Wisconsin Department of Revenue in August.

Next RDA Meeting:

Due to July 4th holiday period, consensus to schedule the next meeting for Wednesday, June 29th at 8:00 a.m.

TID No. 4 – Johnson Street Housing:

Only one complete Request for Proposal (RFP) response was received. The RDA continued in open session to discuss and make recommendation to the Common Council.

TID No. 4 – Johnson Street Housing (Continued):

Koppelman questioned the timeframe in the draft development agreement to build three new homes by end of 2022. Ryan Ott from Ott Development & Construction reported a 120 to 140 day completion timeframe. Ott emphasized that his firm orders materials that take the longest (i.e. trusses and windows) as soon as possible.

As to potential changes in housing demand, Ott reported that the demand continues to exceed the available supply of single-family homes. Interest rates increases have not been impacting the housing demand. Ott also emphasized that the new housing construction is establishing the Merrill market. The same house in Wausau area is appraised at and sells at higher price.

Land use steps needed for this proposed residential development include rezoning the property; completions of Certified Survey Map (CSM); and then future Plat. REI has been hired for the survey work and preparation of the CSM and Plat.

City Building Inspector/Zoning Administrator Pagel reported that the rezoning request was on the June 7th City Plan Commission agenda. Public Works Director/City Engineer Akey advised that the CSM should be ready by the end of June. The formal Plat is likely to take until early 2023 for required State of Wisconsin review and approval. Then, the Plat will be taken to the City Plan Commission and Common Council for City approvals.

There was broader RDA Commissioner discussion of need to subsidize development; City investment in real estate purchases; and Tax Increment District (TID) fiscal status. Unertl reported that RDA Commissioners, in Fall 2021 when considering the Webster Street duplex and single-family home developments, discussed only providing land for \$1.00 without potential \$10,000 TID development incentive for each new housing unit.

For the Johnson Street residential developments only land and water & sewer service lines are planned as City of Merrill TID investments. Typical water & sewer service lines expense is about \$3,300 per house. Unertl emphasized that there would not be \$10,000 TID Residential Incentives for each new home.

Motion (Koppelman/Sabatke) to recommend the resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and Ott Development & Construction, LLC for Johnson St. homes (TID No. 4). Carried.

Adjournment: (Koppelman/Sabatke) to adjourn at 8:35 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl