CITY OF MERRILL

REDEVELOPMENT AUTHORITY

AGENDA ● TUESDAY MAY 25, 2021

Regular Meeting	City Hall Council Chambers	6:00 PM

To attend virtually, call 484-302-2674 and meeting PIN 615 014 204#

I. Call to Order

II. Consider approval of RDA meeting minutes from May 5th

1. Minutes of May 5th, 2021 meeting

III. Public Comment

IV. Public Hearing:

1. Public Hearing regarding the proposed project plan, boundaries and creation of Tax Incremental District No. 14(See the Public Hearing Notice which was published on May 6, 2021 & May 13, 2021)

V. Resolutions:

1. Consider Resolution Designating Boundaries & Approving a Project Plan for Tax Incremental District No. 14, City of Merrill, Wisconsin

VI. Agenda items for Consideration and Review

1. Consider assignment of TID No. 3 Development Incentive Payment from Black Bears Merrill Inn LLC to Swami Bapa Inc. (for Cobblestone Hotel)
2. Update on sale of HAVEN lots for residential development & E. 10th St right-of-way & utility planning (TID No. 7)
3. Status updates on TID No.11 Single-Family Home Developments & TID No. 8 Development Agreement with Nicolet Lumber
4. Discussion of Future Single-Family & Duplex Developments (TID No. 8)
5. Discussion of potential TID cash development incentives for residential development on lots not owned by City of Merrill

VII. Discussion of potential Housing Study (2022 Budget)

VIII. Next RDA meetings - Wednesday, June 2nd at 8:00 a.m. and second June meeting with meeting date/time to be determined

IX. Adjournment

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, May 5, 2021 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Clyde Nelson, Tony Kusserow, Derek Woellner, Steve Sabatke, Sheila Polak, and Lori Anderson-Malm

RDA Excused: Val Mindak

Others: Alderperson Rick Blake, Finance Director Kathy Unertl, City Administrator Dave Johnson, City Attorney Tom Hayden, City Building Inspector/Zoning Administrator Darin Pagel, Bill Bialecki from Lincoln County Economic Development Corp. (LEDC), City IT Manager Dustin Brown, and Merrill Productions video operator

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

Nelson advised that "Update on potential purchase of property and negotiation terms for cash development incentive(s) to facilitate multi-family home development (TID No. 8)" would be covered in Open Session.

Consider approval of Joint RDA-Committee of Whole meeting minutes from April 7th:

Motion (Polak/Kusserow) to approve the meeting minutes from April 7th. Carried.

Public Comment: None

Consider a resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and Rain Auto Wash LLC (Future TID No. 14):

This new car wash and showroom redevelopment has been discussed in previous RDA Closed Session meetings. Nelson recommended change to Article II of the draft development agreement to reflect that the second and three years of TID cash development incentives would occur in the years following occupancy.

The Zoning Board of Appeals on May 4th approved closer front set-back to E. Main St. and relocation of the new building further away from the residential mobile homes. A lease with the City of Merrill for E. Main St. right-of-way will also be continued.

Motion (Woellner/Sabatke) to recommend the resolution authorizing a development agreement by and between the City of Merrill and Rain Auto Wash LLC. Carried.

Review of TIF Loan Program Policy adopted July 2016:

Unertl highlighted the provisions of the TIF Loan Program, including planned balloon payment due after five years if no property sale or potential redevelopment project. In Closed Session, a request to extend the loan timeframe will be considered.

Update on business grant programs (Funded by Federal American Rescue Plan Act – ARPA) – both State of Wisconsin and Federal:

Bill Bialecki from Lincoln County Economic Development Corp. (LCEDC) reported that there will be a number of different grant funding programs available. A Federal Restaurant grant program is accepting applications. State of Wisconsin grant programs will be announced as Federal IRS guidance is finalized.

Johnson reported that the City of Merrill is highlight grant program information on the City of Merrill website and Facebook program. Bialecki is sending information to the Merrill Area Chamber of Commerce for distribution.

Update on potential purchase of property and negotiation terms for cash development incentive(s) to facilitate multi-family home development (TID No. 8):

There is now accepted offer to purchase the property for $184,775. Closing on the City of Merrill property purchase is scheduled for May 28th. The property is 19.45 acres between Alexander St., Heldt St. and Eugene St.

Nicolet Lumber accepted the City of Merrill's final development incentive offer which includes Land for $1.00 (for about 5.9 acres) and $200,000 in TID No. 8 cash development incentive. Three new apartment buildings will be constructed with total of 36 units. Arthur Street will be extended from Eugene St. to access the development site.

This is Phase 1 for construction in 2021 and 2022. Unertl reported that there will be formal resolution and draft development agreement for consideration at the May 25th RDA meeting.

There will be a number of policy items for discussion at the May 25th RDA meeting regarding Phase 2 of the new housing development. Duplexes and single-family homes are being discussed with several interested builders. Webster St. would be developed between Alexander St. and Eugene St. with potential 2022 construction.

There was extensive RDA Commissioner discussion regarding the housing market status, historical housing trends (including foreclosures), costs of building materials, availability of low interest mortgage loan, and appraisal standards.

Anderson-Malm questioned the fiscal status of Merrill's Tax Increment Districts. The 12/31/2020 City of Merrill audit is still pending and should be available by the end of May. There will be a separate RDA meeting regarding TID fiscal status in June once the Wisconsin Department of Revenue TID Annual Reports are available. City Auditors (ClifftonLarsonAllen LLP) and independent financial advisors (Ehlers & Associates) will be invited to provide information and respond to questions.

<u>Next RDA meetings</u>: Tuesday, May 25th at 6:00 p.m. (for proposed TID No. 14 public hearing) and Wednesday, June 2nd at 8:00 a.m.

In response to questions from Anderson-Malm, there was brief discussion regarding why RDA members met at 8:00 a.m. Commissioners shared their preference due to operating businesses and working in Wausau.

Chair Nelson 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 request from Stephen & Linda Blake to extend TIF Loan (TID No. 9)

b. Consider potential purchase of adjacent tax delinquent properties (TID No. 7) that had structures razed in 2016

c. Consider approval of RDA Closed Session meeting minutes from December 2, 2020 and March 10, 2021, as well as Joint RDA-Committee of Whole from April 7, 2021

Motion (Kusserow/Kusserow) to move into Closed Session at 8:53 a.m. Carried 6-0 on roll call vote.

<u>Closed Session Summary</u>:

Motion (Woellner/Kusserow) to extend the TID No. 9 Loan for Stephen and Linda Blake for another five (5) years at same interest rate and monthly payment amount. Carried.

Unertl highlighted the delinquent tax status of two adjacent parcels in TID No. 7. The former houses were demolished in November 2016. City Street Department is mowing the property, as well as shoveling sidewalk snow.

RDA Commissioners provided policy direction for negotiation of potential property acquisitions. If Delinquent Tax Foreclosure process were followed by Lincoln County and then City of Merrill purchase of theses properties, there would be a three-year potential redemption period during which redevelopment would not occur.

RDA Commissioner consensus to approve Closed Session meeting minutes from Joint RDA – Committee Whole meeting of April 7th. Unertl reported that she had included more detail based upon current public information regarding the E. Main St. car wash and showroom and TID No. 8 housing development.

<u>Adjournment</u>: (Sabatke/Polak) to adjourn at 9:14 a.m. Carried.

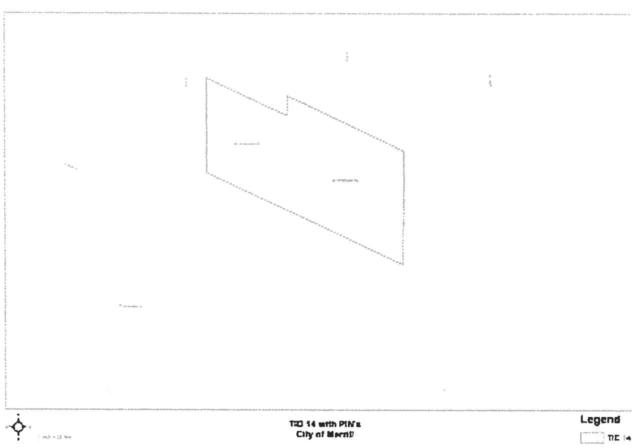
Minutes prepared by RDA Secretary Kathy Unertl

NOTICE OF PUBLIC HEARING AND JOINT REVIEW BOARD MEETING IN THE CITY OF MERRILL, WISCONSIN

28175

Notice is Hereby Given that the City of Merrill will hold an organizational Joint Review Board meeting on May 25, 2021 at 5:00 p.m. The purpose of this meeting is to organize a Joint Review Board for purposes of considering the proposed creation of, and proposed project plan for, Tax Incremental District No.14 (the "District").

Notice is Hereby Given that the Redevelopment Authority of the City of Merrill will hold a public hearing on May 25, 2021 at 6:00 p.m. for the purpose of providing the community a reasonable opportunity to comment upon the proposed creation of the Project Plan for the District.



The meeting will be held at the Merrill City Hall, located at 1004 E. First Street.

The proposed boundaries of the District would be within an area generally on the map inset.

The District is expected to be a blighted area district based on the identification and classification of the property proposed to be included within the District.

Proposed projects costs include various public improvements and cash grants to owners or lessee or developers of land located within the district (development incentives) and professional and organizational services, administrative costs, and finance costs. The proposed costs include projects within the proposed boundary and within a ½ mile radius of the proposed boundary of the District.

All interested parties will be given a reasonable opportunity to express their views on the proposed creation of the District, the proposed boundaries of the District, and the proposed Project Plan thereof. A copy of the Project Plan, including a description of the proposed boundaries, will be available for viewing in the offices of the City Clerk at the Merrill City Hall, located at 1004 E. First Street **and also on the City's website @ https://www.ci.merrill.wi.us/,** during normal business hours and will be provided upon request.

Such hearing shall be public and citizens and interested parties shall then be heard. This hearing may be adjourned from time to time.

By Order of the City of Merrill, Wisconsin

Published May 6 & May 13, 2021

Attachment: TID14 Legal Notice PH (5960 : Public Hearing Tax Incremental District No. 14)

May 6, 2021

Project Plan

Tax Incremental District No. 14

City of Merrill, Wisconsin

Organizational Joint Review Board Meeting Held:	May 25, 2021
Public Hearing Held:	May 25, 2021
Approval by RDA:	Scheduled for May 25, 2021
Adoption by Common Council:	Scheduled for June 8, 2021
Approval by the Joint Review Board:	TBD

Table of Contents

Executive Summary 3
Preliminary Map of Proposed District Boundary 5
Map Showing Existing Uses and Conditions 6
Preliminary Parcel List and Analysis 7
Equalized Value Test 8
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District 9
Map Showing Proposed Improvements and Uses 15
Detailed List of Estimated Project Costs 16
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred 17
Annexed Property 22
Estimate of Property to Be Devoted to Retail Business 22
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances 22
Statement of the Proposed Method for the Relocation of any Persons to be Displaced 23
How Creation of the Tax Incremental District Promotes the Orderly Development of the City 23
List of Estimated Non-Project Costs 24
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f) 25
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions 27

SECTION 1:
Executive Summary

Description of District

Tax Incremental District ("TID") No. 14 ("District") is a proposed Blighted Area District, comprising approximately 1.22 acres located at the intersection of East Main and Gem Streets. The District will be created to pay the costs of investing in redevelopment of the area ("Project").

Authority

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

Estimated Total Project Cost Expenditures

The City anticipates making total expenditures of approximately $500,000 ("Project Costs") to undertake the projects listed in this Project Plan ("Plan").

Incremental Valuation

The City projects that new land and improvements value of approximately $1,100,000 will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumption's as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

Expected Termination of District

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will generate sufficient tax increment to pay all Project Costs within 23 years of the District's allowable 27 years.

Summary of Findings

As required by Wis. Stat. § 66.1105, and as documented in this Plan and the exhibits contained and referenced herein, the following findings are made:

1. That "but for" the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has considered:

   The substantial investment needed to provide the public infrastructure and other investments necessary to allow for redevelopment within the District. Absent the use of tax incremental financing, the City is unable to fully fund this program of infrastructure improvements.

2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.

3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is a blighted area as defined by Wis. Stat. § 66.1105(2)(ae)1.
5. Based on the foregoing finding, the District is designated as a blighted area district.
6. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.
9. The City estimates that none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2:
Preliminary Map of Proposed District Boundary

SECTION 3:
Map Showing Existing Uses and Conditions

SECTION 4:
Preliminary Parcel List and Analysis

City of Merrill, Wisconsin

Tax Increment District #14

Base Property Information

Property Information						Assessment Information				Equalized Value					District Classification			District Classification			Comments	Assessment Roll Classification? *(Residential = Class 1, Commercial = Class 2, Manufacturing = Class 3, Ag = Class 4 , Undeveloped = Class 5, Ag Forest = Class 5M, Forest = Class 6, Other = Class 7 & Exempt = X)*
Map Ref #	Parcel Number	Street Address	Owner	Acreage	Part of Existing TID? ...Indicate TID #	Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Industrial (Zoned and Suitable)	Commercial/ Business	Existing Residential	Blighted	Rehab/ Conservation	Vacant		
	251-3106-182-0114	2806 - 2808 E. Main St.	Mattson, Gail A.	0.81	TID No. 3	52,400	56,100	500	109,000	100.00%	52,400	56,100	500	109,000		0.81		0.81		0.00	Real Estate Office & 1/2 Vacant	2
	251-3106-182-0115	2802 E. Main St.	Clark, James & Amanda	0.41	TID No. 3	32,000	83,500	1,240	116,740	100.00%	32,000	83,500	1,240	116,740		0.41		0.41		0.00	Cup & Cone - Ice Cream/Cheese Retail	2
			Total Acreage	1.22		84,400	139,600	1,740	225,740		84,400	139,600	1,740		0	1.218	0	1.218	0	0		
															0.00%	100.00%	0.00%	100.00%	0.00%	0.00%		
													Estimated Base Value	225,740								

SECTION 5:
Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the increment of existing tax incremental districts within the City, plus the base value of the proposed District, totals $53,70,200. This value is less than the maximum of $55,688,028 in equalized value that is permitted for the City.

Valuation Test Compliance Calculation

District Creation Date	6/8/2021
	Valuation Data Currently Available 2020
Total EV (TID In)	464,066,900
12% Test	55,688,028
Increment of Existing TIDs	
TID #3	32,885,900
TID #4	6,717,500
TID #5	592,900
TID #6	1,957,100
TID #7	3,958,300
TID #8	1,977,900
TID #9	0
TID #10	0
TID #11	4,925,200
TID #12	692,400
Total Existing Increment	53,707,200
Projected Base of New or Amended District	225,740
Less Value of Any Underlying TID Parcels	0
Total Value Subject to 12% Test	53,932,940
Compliance	PASS

SECTION 6:
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number and location of potential Project Costs.

Property, Right-of-Way and Easement Acquisition

Property Acquisition for Development

To promote and facilitate development the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred to make the property suitable for development. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wis. Stat. § 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

Site Preparation Activities

Environmental Audits and Remediation

If it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.

Demolition

To make sites suitable for development, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

Site Grading

Land within the District may require grading to make it suitable for development, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

Utilities

Sanitary Sewer System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand sanitary sewer infrastructure located outside of the District. That portion of the costs of sanitary sewer system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, is an eligible project cost under Wis. Stat. § 66.1105(2)(f)1 k.

Water System Improvements

To allow development to occur, the City may need to construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand water system infrastructure located outside of the District. That portion of the costs of water system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Stormwater Management System Improvements

Development within the District will cause stormwater runoff. To manage this stormwater runoff, the City may need to construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District. That portion of the costs of stormwater management system projects undertaken outside the District which are necessitated by the implementation of the Project Plan are eligible Project Costs.

Streets and Streetscape

Street Improvements

To allow development to occur, the City may need to construct or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

Streetscaping and Landscaping

To attract development consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

Community Development

Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

Contribution to Redevelopment Authority (RDA)

As provided for in Wis. Stat. § 66.1105(2)(f)1.h and Wis. Stat. § 66.1333(13), the City may provide funds to Its RDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the RDA for this purpose are eligible Project Costs.

***Revolving Loan/Grant Program* (Development Incentives)**

To encourage private development consistent with the objectives of this Plan, the City, through its RDA, may provide loans or grants to eligible property owners in the District. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies, or as otherwise specified by the RDA in the program manual. Any funds returned to the RDA from the repayment of loans made are not considered revenues to the District and will not be used to offset District Project Costs. Instead, these funds may be placed into a revolving fund and will continue to be used for the program purposes stated above. Any funds provided to the RDA for purposes of implementing this program are considered eligible Project Costs.

Miscellaneous

Projects Outside the Tax Increment District

Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District. The City intends to make the following project cost expenditures outside the District:

Streets improvements and related amenities and appurtenances within the right of way.

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to: architectural; environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

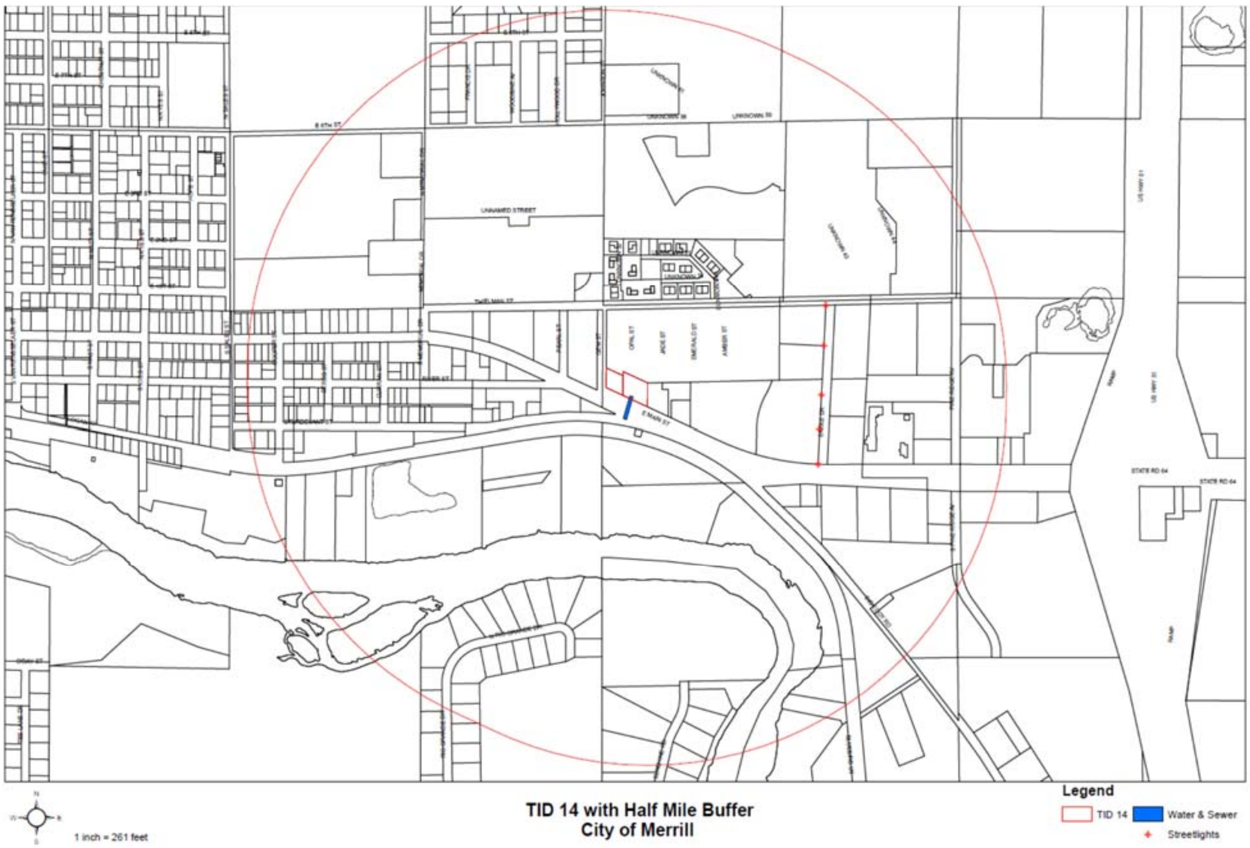
Administrative Costs

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees relating to the implementation of the Plan.

Financing Costs

Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

SECTION 7:
Map Showing Proposed Improvements and Uses



Other than projects within one half mile of TID boundary, all projects will occur on or adjacent to the two tax parcels within the TID boundary.

SECTION 8:
Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City currently expects to incur in implementing the District's Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

City of Merrill, Wisconsin

Tax Increment District #14

Estimated Project List

Project ID	Project Name/Type	Phase I 2021	Phase II 2022	Phase III 2023	Phase IV 2024	Phase V 2025 - 2043	Total (Note 1)
1	TID Plan Creation & Amendments	15,000				15,000	30,000
2	City of Merrill Personnel Services	2,500	2,500	2,500	2,500	25,000	35,000
3	Development Incentives		50,000	40,000	40,000	150,000	280,000
4	Environmental Remediation					15,000	15,000
5	Street Improvements (Including Lighting)*					40,000	40,000
6	Sanitary Sewer Improvements	25,000				25,000	50,000
7	Water System Improvements	25,000				25,000	50,000
Total Projects		67,500	52,500	42,500	42,500	295,000	500,000

Notes:

Note 1 Project costs are estimates and are subject to modification

Note 2 Costs include engineering and contingency where appropriate

** Projects may occurr within 1/2 mile of TID boundary*

SECTION 9:
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to result $1.1 million in incremental value by 2032. Estimated valuations and timing for construction of the Project are included in Table 1. Assuming the City's current equalized TID Interim tax rate of $30.00 per thousand of equalized value, and no economic appreciation or depreciation, the Project would generate $796,514 in incremental tax revenue over the 27-year term of the District as shown in Table 2.

Table 1 – Development Assumptions

City of Merrill, Wisconsin

Tax Increment District #14

Development Assumptions

Construction Year		Parcel #1 Car Wash	Parcel #2	Annual Total	Construction Year	
1	2021	750,000		750,000	2021	1
2	2022			0	2022	2
3	2023			0	2023	3
4	2024			0	2024	4
5	2025			0	2025	5
6	2026			0	2026	6
7	2027			0	2027	7
8	2028			0	2028	8
9	2029			0	2029	9
10	2030		350,000	350,000	2030	10
11	2031			0	2031	11
12	2032			0	2032	12
13	2033			0	2033	13
14	2034			0	2034	14
15	2035			0	2035	15
16	2036			0	2036	16
17	2037			0	2037	17
18	2038			0	2038	18
19	2039			0	2039	19
20	2040			0	2040	20
21	2041			0	2041	21
22	2042			0	2042	22
23	2043			0	2043	23
24	2044			0	2044	24
25	2045			0	2045	25
26	2046			0	2046	26
27	2047			0	2047	27
	Totals	750,000	350,000	1,100,000		

Notes:

Table 2 – Tax Increment Projection Worksheet

City of Merrill, Wisconsin

Tax Increment District #14

Tax Increment Projection Worksheet

Type of District	Blighted Area		Base Value	225,740
District Creation Date	June 8, 2021		Appreciation Factor	0.00%
Valuation Date	Jan 1,	2021	Base Tax Rate	$30.00
Max Life (Years)	27		Rate Adjustment Factor	
Expenditure Period/Termination	22	6/8/2043		
Revenue Periods/Final Year	27	2049		
Extension Eligibility/Years	Yes	3	Tax Exempt Discount Rate	2.50%
Eligible Recipient District	Yes		Taxable Discount Rate	4.00%

Apply to Base Value

	Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
1	2021	750,000	2022	0	750,000	2023	$30.00	**22,500**	20,894	20,003
2	2022	0	2023	0	750,000	2024	$30.00	**22,500**	41,278	39,236
3	2023	0	2024	0	750,000	2025	$30.00	**22,500**	61,165	57,730
4	2024	0	2025	0	750,000	2026	$30.00	**22,500**	80,567	75,512
5	2025	0	2026	0	750,000	2027	$30.00	**22,500**	99,496	92,611
6	2026	0	2027	0	750,000	2028	$30.00	**22,500**	117,963	109,052
7	2027	0	2028	0	750,000	2029	$30.00	**22,500**	135,980	124,860
8	2028	0	2029	0	750,000	2030	$30.00	**22,500**	153,557	140,060
9	2029	0	2030	0	750,000	2031	$30.00	**22,500**	170,706	154,676
10	2030	350,000	2031	0	1,100,000	2032	$30.00	**33,001**	195,243	175,288
11	2031	0	2032	0	1,100,000	2033	$30.00	**33,001**	219,183	195,108
12	2032	0	2033	0	1,100,000	2034	$30.00	**33,001**	242,538	214,165
13	2033	0	2034	0	1,100,000	2035	$30.00	**33,001**	265,324	232,489
14	2034	0	2035	0	1,100,000	2036	$30.00	**33,001**	287,554	250,108
15	2035	0	2036	0	1,100,000	2037	$30.00	**33,001**	309,242	267,050
16	2036	0	2037	0	1,100,000	2038	$30.00	**33,001**	330,401	283,340
17	2037	0	2038	0	1,100,000	2039	$30.00	**33,001**	351,043	299,003
18	2038	0	2039	0	1,100,000	2040	$30.00	**33,001**	371,183	314,064
19	2039	0	2040	0	1,100,000	2041	$30.00	**33,001**	390,831	328,546
20	2040	0	2041	0	1,100,000	2042	$30.00	**33,001**	410,000	342,471
21	2041	0	2042	0	1,100,000	2043	$30.00	**33,001**	439,418	370,094
22	2042	0	2043	0	1,100,000	2044	$30.00	**33,001**	458,120	383,483
23	2043	0	2044	0	1,100,000	2045	$30.00	**33,001**	476,365	396,358
24	2044	0	2045	0	1,100,000	2046	$30.00	**33,001**	494,165	408,737
25	2045	0	2046	0	1,100,000	2047	$30.00	**33,001**	511,531	420,640
26	2046	0	2047	0	1,100,000	2048	$30.00	**33,001**	528,474	432,085
27	2047	0	2048	0	1,100,000	2049	$30.00	**33,001**	545,003	443,090
	Totals	**1,100,000**		**0**		**Future Value of Increment**		**796,514**		

Notes:

Actual results will vary depending on development, inflation of overall tax rates.

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

Financing and Implementation

Table 3. provides a summary of the District's financing plan. The City intends to fund eligible expenditures through advances from other funds (to be recovered through future tax increments), current and accumulated tax increments, and debt proceeds.

Table 3 – Debt Financing Plan

City of Merrill, Wisconsin

Tax Increment District #14

Estimated Financing Plan

	State Trust Fund Loan 2030	Totals
Projects		
Phase V	295,000	295,000
Total Project Funds	295,000	295,000
Estimated Finance Related Expenses	7,500	
Total Financing Required	302,500	
Rounding	500	
Net Issue Size	303,000	303,000

Notes:

Based on the Project Cost expenditures as included within the cash flow exhibit **(Table 4)**, the District is projected to accumulate sufficient funds by the year 2044 to recover all Project cost liabilities and obligations. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

Table 4 – Cash Flow

City of Merrill, Wisconsin
Tax Increment District #14
Cash Flow Projection

	Projected Revenues				Expenditures							Balances			
					State Trust Fund Loan 303,000 Dated Date: 04/01/30										
Year	Tax Increments	Interest Earnings/ (Cost)	Other Revenue	Total Revenues	Principal	Est. Rate	Interest	Creation Costs	Project Costs	Admin.	Total Expenditures	Annual	Cumulative	Principal Outstanding	Year
2021				0				15,000	52,500		67,500	(67,500)	(67,500)		2021
2022				0					52,500		52,500	(52,500)	(120,000)		2022
2023	22,500			22,500					42,500		42,500	(20,000)	(140,000)		2023
2024	22,500			22,500					42,500		42,500	(20,000)	(159,999)		2024
2025	22,500			22,500							0	22,500	(137,499)		2025
2026	22,500			22,500							0	22,500	(114,998)		2026
2027	22,500			22,500							0	22,500	(92,498)		2027
2028	22,500			22,500							0	22,500	(69,998)		2028
2029	22,500			22,500							0	22,500	(47,497)		2029
2030	22,500			22,500							0	22,500	(24,997)		2030
2031	22,500			22,500	11,220	3.75%	11,363				22,583	(82)	(25,079)		2031
2032	33,001			33,001	11,641	3.75%	10,942				22,583	10,418	(14,661)		2032
2033	33,001			33,001	12,078	3.75%	10,505				22,583	10,418	(4,244)		2033
2034	33,001			33,001	12,530	3.75%	10,052				22,583	10,418	6,174		2034
2035	33,001			33,001	13,000	3.75%	9,582				22,583	10,418	16,592		2035
2036	33,001			33,001	13,488	3.75%	9,095				22,583	10,418	27,010		2036
2037	33,001			33,001	13,994	3.75%	8,589				22,583	10,418	37,428		2037
2038	33,001			33,001	14,518	3.75%	8,064				22,583	10,418	47,845		2038
2039	33,001			33,001	15,063	3.75%	7,520				22,583	10,418	58,263		2039
2040	33,001			33,001	15,628	3.75%	6,955				22,583	10,418	68,681		2040
2041	33,001			33,001	16,214	3.75%	6,369				22,583	10,418	79,099		2041
2042	33,001			33,001	16,822	3.75%	5,761				22,583	10,418	89,517		2042
2043	33,001			33,001	17,453	3.75%	5,130				22,583	10,418	99,934		2043
2044	33,001			33,001	18,107	3.75%	4,476				22,583	10,418	110,352		2044
2045	33,001			33,001	18,786	3.75%	3,797				22,583	10,418	120,770		2045
2046	33,001			33,001	19,491	3.75%	3,092				22,583	10,418	131,188		2046
2047	33,001			33,001	20,221	3.75%	2,361				22,583	10,418	141,606		2047
2048	33,001			33,001	20,980	3.75%	1,603				22,583	10,418	152,024		2048
2049	33,001			33,001	21,767	3.75%	816				22,583	10,418	162,441		2049
Total	796,514	0	0	796,514	303,000		126,073	15,000	190,000	0	634,073				Total

Notes:

Projected TID Closure

SECTION 10:
Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the property within the proposed District boundary was annexed during the past three years.

SECTION 11:
Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12:
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development.

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for redevelopment.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13:
Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14:
How Creation of the Tax Incremental District Promotes the Orderly Development of the City

Creation of the District and the implementation of the projects in its Plan will promote the orderly redevelopment of the City by eliminating blighted areas, providing necessary public infrastructure improvements, and providing appropriate financial incentives for private development projects. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses.

SECTION 15:
List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

The City does not presently expect any non-project costs for the District.

SECTION 16:
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)

Legal Opinion Found on Following Page.

SAMPLE

Mayor
City of Merrill
1004 E First St
Merrill, Wisconsin 54452

RE: Project Plan for Tax Incremental District No. 14

Dear Mayor:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105.

As City Attorney for the City of Merrill, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan for the City of Merrill Tax Incremental District No. 14 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

City Attorney

SECTION 17:
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

RESOLUTION NO. 2021-_____

RESOLUTION DESIGNATING PROPOSED BOUNDARIES AND APPROVING A PROJECT PLAN FOR TAX INCREMENTAL DISTRICT NO. 14, CITY OF MERRILL, WISCONSIN

WHEREAS, the City of Merrill (the "City") has determined that use of Tax Incremental Financing is required to promote development and redevelopment within the City; and

WHEREAS, Tax Incremental District No. 14 (the "District") is proposed to be created by the City as a blighted area district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law"); and

WHEREAS, a Project Plan for the District has been prepared that includes:

a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1.k. and 66.1105(2)(f)1.n., outside of the District;
b. An economic feasibility study;
c. A detailed list of estimated project costs;
d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
e. A map showing existing uses and conditions of real property in the District;
f. A map showing proposed improvements and uses in the District;
g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
h. A list of estimated non-project costs;
i. A statement of the proposed plan for relocation of any persons to be displaced;
j. A statement indicating how the District promotes the orderly development of the City;
k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to its publication, a copy of the notice of public hearing was sent to owners of all property in the proposed District, to the chief executive officers of Lincoln County, the Merrill Area School District, and the Northcentral Technical College District, and any other entities having the power to levy taxes on property located within the District, in accordance with the procedures specified in the Tax Increment Law; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Redevelopment Authority, on May 25, 2021 held a public hearing concerning the project plan and boundaries and proposed creation of the District, providing interested parties a reasonable opportunity to express their views thereon.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Authority of the City of Merrill that:

1. It recommends to the Common Council that Tax Incremental District No. 14 be created with boundaries as designated in Exhibit A of this Resolution.

2. It approves and adopts the Project Plan for the District, attached as Exhibit B, and recommends its approval to the Common Council.

3. Creation of the District promotes orderly development in the City.

Adopted this 25th day of May, 2021.

____

Clyde Nelson, Redevelopment Authority Chair

____

Kathy Unertl, Redevelopment Authority Secretary

EXHIBIT A -

LEGAL BOUNDARY DESCRIPTION
OR
MAP OF
TAX INCREMENTAL DISTRICT NO. 14
CITY OF MERRILL

THIS INFO WILL BE INSERTED
(PUBLIC WORKS DIRECTOR/CITY ENGINEER PREPARING)

EXHIBIT B -

PROJECT PLAN

THIS WILL BE HANDED OUT SEPARATELY

ARTICLE II
INCENTIVE PAYMENT TO DEVELOPER

The City shall pay a development incentive to Developer in the aggregate amount of One Hundred, Fifty thousand, and no/100 Dollars ($150,000.00). This incentive shall be paid to Merrill Hotel Group, LLC, as follows:

Within 30 days after Completion of Rehabilitation	$30,000
Annually by September 1st for four (4) years	
2018	$30,000
2019	$30,000
2020	$30,000
2021	$30,000

ARTICLE III
MISCELLANEOUS

Section 3.01 Restriction on Sale

Prior to the earlier of January 1, 2025 or the date Tax Increment District No. #3 is dissolved, the Developer 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.

Merrill Hotel Group, LLC and the City, its successors and assigns shall indemnify and same harmless and defend the other party 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 the other party'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 Developer in the performance of its obligations and responsibilities under the terms and conditions of this Agreement. The Developer specifically agrees that no representation, statements, assurances or guarantees will be made by Developer to any third party contrary to this provision.

ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION OF DEVELOPMENT AGREEMENT ("Agreement") is made and entered into as of this ____ day of _______________, 2021 ("Effective Date") by and between Black Bears Merrill Inn, a Wisconsin limited liability company ("Assignor"), Swami Bapa Hotels Inc., a Wisconsin Corporation ("Assignee") and the City of Merrill, Wisconsin, a political subdivision of the State of Wisconsin.

RECITALS

WHEREAS, Assignor entered into a Development Agreement dated September 27, 2017 ("Development Agreement") with the City for the rehabilitation of a lodging facility on that certain real estate located at 3209 East Main Street, Merrill, WI 54452, as more particularly described on Exhibit A, attached hereto and incorporated herein by reference ("Property");

WHEREAS, Assignor entered into that certain Purchase and Sale Agreement with Assignee whereby Assignee has agreed to purchase the Property;

WHEREAS, Assignor desires to assign the Development Agreement to Assignee and Assignee desires to accept such assignment;

WHEREAS, pursuant to Section 3.06 of the Development Agreement, neither the City nor Assignor may assign its rights under the Development Agreement without the consent of the other party; and

WHEREAS, the City desires to consent to the assignment of the Development Agreement.

AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and consideration set forth herein, Assignor and Assignee agree as follows:

1. Assignor hereby nominates Assignee as the substitute "Developer" under the Development Agreement. Assignor further assigns to Assignee Assignor's entire right, title and interest in, to and under the Development Agreement. Assignee hereby assumes all rights and obligations relating to the Development Agreement and agrees to be bound by all the provisions of the same as if Assignee were the original Developer.

2. This Agreement shall relieve Assignor of any and all duties, obligations or liabilities under the Development Agreement.

3. The City hereby consents to the assignment set forth above.

4. Except as otherwise expressly modified herein, the terms and provisions of the Development Agreement shall remain in full force and effect.

[Signatures on Following Page]

Signature Page

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be duly executed and delivered as of the date first written above.

ASSIGNOR:
BLACK BEARS MERRILL INN, LLC
a Wisconsin limited liability company

By: ______________________________
Name: Travis Turner
Title: Managing Member

Date: ______________________________

ASSIGNEE:
SWAMI BAPA HOTELS INC.
a Wisconsin Corporation

By: ______________________________
Name:
Title:

Date: ______________________________

CITY:
CITY OF MERRILL, WI
a political subdivision of the State of Wisconsin

By: ______________________________
Name: Derek Woellner
Title: Mayor

Date: ______________________________

By: ______________________________
Name: William Heideman
Title: City Clerk

Date: ______________________________

By: ______________________________
Name: Katherine G. Unertl
Title: Finance Director

Date: ______________________________

Approved as to Form:

By: ______________________________
Name: Thomas Hayden
Title: City Attorney

Date: ______________________________

EXHIBIT A

PROPERTY

Lot One (1) of Lincoln County Certified Survey Map. No. 696 recorded in the office of the Register of Deeds for Lincoln County, Wisconsin, in Volume 3 of Certified Survey Maps on Page 253, As Document No. 325438; being a part of Government Lot Three (3), Section Eighteen (18), Township Thirty-one (31) North, Range Seven (7) East, in the City of Merrill, Lincoln County, Wisconsin.

a/k/a 3209 E. Main Street, Merrill, WI

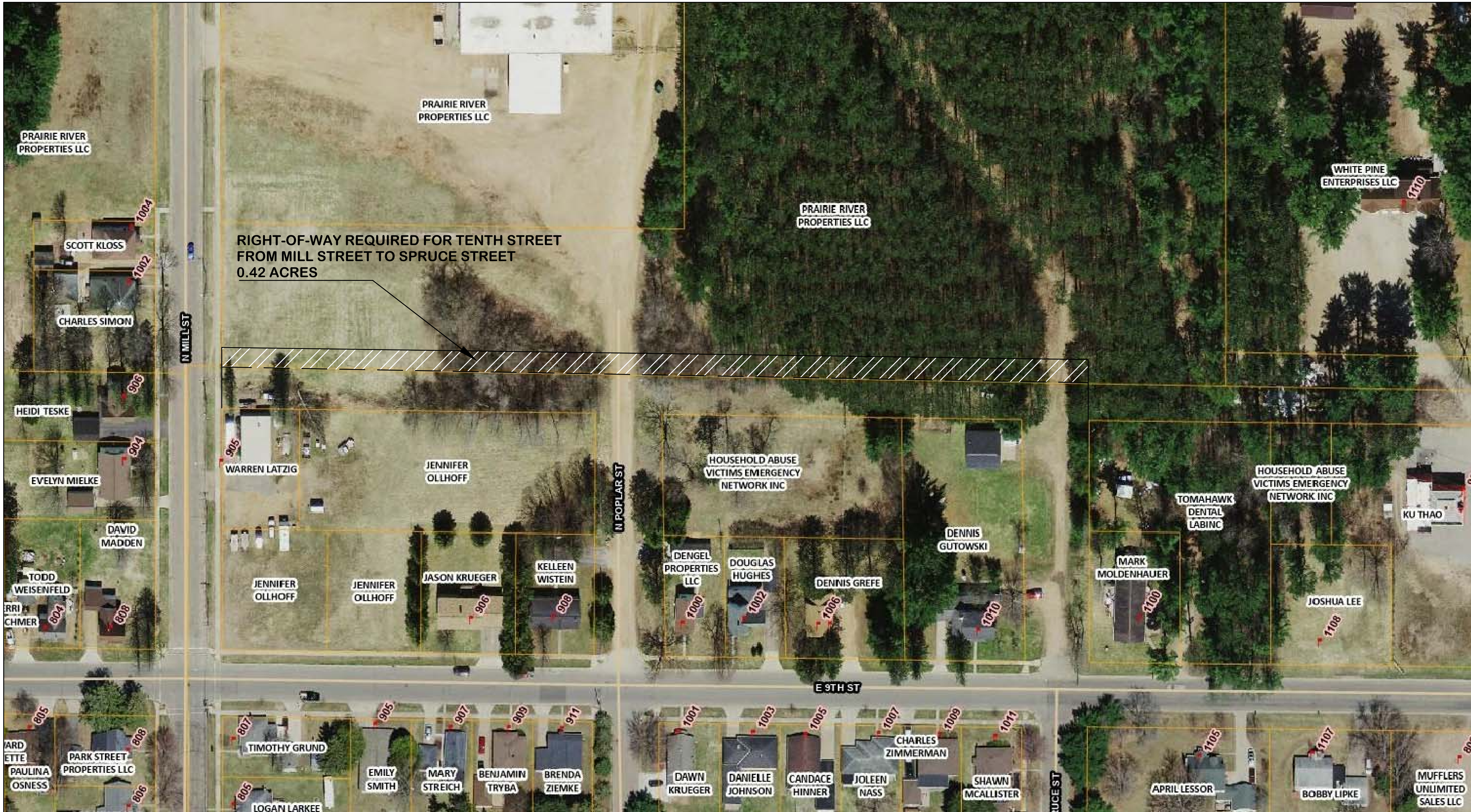
Tax Parcel ID No. - 251-3106-132-0009

Update on HAVEN vacant lots (E. 10th St. – TID No. 7)

A residential home developer is purchasing the lots owned by HAVEN, Inc. (i.e. corner of N. Poplar St. and undeveloped E. 10th St.). There is also another vacant lot to the East (i.e. closest to Ku's Restaurant property) involved in this property sale.

- The Developer plans on splitting the N. Poplar St. parcel and building two spec homes fronting on E. 10th St.
- Todd and Renea Frederick from Prairie River Properties, LLC will be donating the North right-of-way for E. 10th St. since only the South street right-of-way is currently platted.
- Rather than extension of water and sewer infrastructure along N. Poplar St. (i.e. from March 10th RDA meeting), it will serve additional properties and is more cost effective to extend from N. Mill St. along E. 10th St. to the existing N. Spruce St. utilities.

Note: See proposed E. 10th St. right-of-way map.



Attachment: TID7 - E 10th St Housing (5956 : Sale of HAVEN lots for residential development & E.10th St right-of-way & utility planning TID No

Status Update on Housing Developments

TID No. 11: Denyon Homes-Ryan Ott Development & Construction

- Two homes under construction on W. St. Paul St.
- Champagne Park Plat – There are eight lots on Superior St. – covered under Phase 2 Development Agreement with Denyon Homes-Ryan Ott Development & Construction.
- Utility infrastructure has been installed on the Superior St. extension (i.e. between W. 10th St. and W. St. Paul St.).
- Gravel base of Superior St. extension is being finalized so that curb-gutter and paving work can proceed, along with W. St. Paul St. replacement of gravel sections.
- Construction contract with Merrill Gravel & Sand, Inc. for $279,356.55.

TID No. 11: JJ Premier

- One home under construction on Edgewater Dr.
- Rock Ridge Plat approved – There are ten lots on Parkview Dr.

  Five of these lots are covered under Phase 2 Development Agreement with JJ Premier.
- Utility infrastructure is being installed on Parkview Dr. (i.e. between Edgewater Dr. and Rock Ridge Ct.)
- Construction contract with Merrill Gravel & Sand, Inc. for $173,554.55.

TID No. 8: Nicolet Lumber – Additional Apartments

- Draft development agreement is being reviewed.
- Agent for the requested additional time for their due diligence review process.

Future Housing Developments – TID No. 8

TID No. 8: Between Alexander St. and Eugene St. – Future Webster St. Extension (i.e. planning for 2022 infrastructure improvements)

Proposed Duplexes – Southeast Area (i.e. closest to Eugene St.)

Proposed Single-Family Homes (i.e. area closest to Alexander St.)

Key policy direction needed – for preliminary 18 housing units:

- Continuing $10,000 per housing unit? Or, just Land and Infrastructure?
- Seeking proposals from multiple Housing Developers? Just one Developer?
- What if an individual wanted a lot to contract for their own builder?

Lincoln County, WI
Author: Public
Date Printed: 4/12/2021

DISCLAIMER: 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. Errors should be reported to Land Services Department, 801 North Sales St, Merrill, WI, 54452. Phone (715) 539-1087.

Potential Housing Incentive Program – Privately Owned Lots

There are privately-owned vacant lots served with existing City of Merrill utility and street infrastructure.

- Should there be comparable Housing Incentive Program like Marshfield's for new home construction?

City Of Marshfield Wisconsin

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.

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 Utilities

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

MARSHFIELD

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