



**CITY OF MERRILL**  
**JOINT REVIEW BOARD**  
**AGENDA • TUESDAY MAY 25, 2021**

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**Regular Meeting**

**City Hall Council Chambers**

**5:00 PM**

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To attend remotely, call 701-660-0812 and PIN 587 764 928#

- I. Call to order and Review of Legal Notice
  - I. Review of Legal Notice TID 14
- II. Consideration and appointment and/or reaffirmation of the Joint Review Board's public member (Ryan Schwartzman)
- III. Election and/or Reaffirmation of Chairperson
- IV. Review and consideration of February 23rd, 2021 meeting minutes
  1. Meeting Minutes from February 23rd, 2021
- V. Discuss responsibilities of the Joint Review Board
- VI. Discuss and review project plan for TID 14 creation
  1. TID 14 Draft Project Plan
- VII. Review Rain Auto Wash, LLC development overview and draft development agreement
  1. Review TID 14 Rain Car Wash Development Agreement
- VIII. Set next meeting date and time
- IX. Adjournment

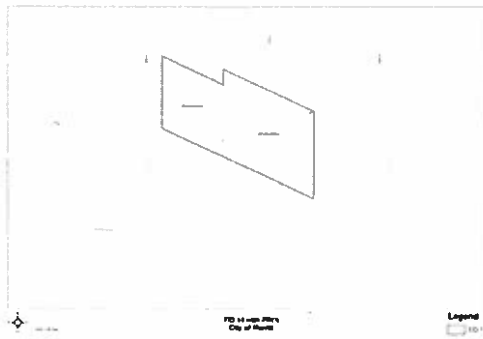
**NOTICE OF PUBLIC HEARING  
AND JOINT REVIEW BOARD MEETING  
IN THE CITY OF MERRILL, WISCONSIN**

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*

**City of Merrill  
Joint Review Board**

**Tuesday, February 23, 2021 at 4:30 P.M.  
City Hall Common Council Chambers, 1004 East 1<sup>st</sup> Street  
In-Person and Virtual Access**

Members Present: Bob Weaver (Lincoln County representative), Roxanne Lutgen (Northcentral Technical District representative - Virtual), John Sample (Merrill Area Public Schools representative - Virtual), and Ryan Schwartzman (Public member - Virtual)

Members Absent: Mayor Derek Woellner (City of Merrill representative)

Others Present: Finance Director/RDA Secretary Kathy Unertl (Virtual), Brian Reilly from Ehlers & Associates (Virtual), City Administrator Dave Johnson, Alderperson Mark Weix, Alderpersons Steve Hass, Steve Sabatke, and Steve Osness (Virtual), and City IT Manager Dustin Brown

**Call to order** In the absence of the JRB Chair, Kathy Unertl called the meeting to order at 4:30 P.M.

**Review and consideration of January 19, 2021 meeting minutes:**

Motion (Weaver/Schwartzman) to approve the Joint Review Board meeting minutes from January 19, 2021. Carried.

**Public Comment:** None

**Review the public record, planning documents, Redevelopment Authority resolutions adopting the project plans, and the resolutions passed by the Common Council:**

Reilly and Unertl provided a brief overview of the process for reviewing and approving the various TID plans. The Redevelopment Authority and Common Council actions were included in the agenda packet. The only change in the TID Plans was the inclusion of City Attorney legal letter.

- TID No. 4 – Project Plan Amendment, including allowing Tax Increment Sharing with TID No. 6, No. 7, No. 8, No. 9, and No. 10
- TID No. 11 – Project Plan Amendment
- TID No. 13 – Creation

**Consideration of Joint Review Board Resolution 2021-01 – A Resolution Approving Project Plan for Tax Incremental District No. 4 of City of Merrill:**

***Motion (Schwartzman/Weaver) adopting Joint Review Board Resolution 2021-01 – A Resolution Approving Project Plan for Tax Increment District No. 4 of the City of Merrill. Carried.***

**Consideration of Joint Review Board Resolution 2021-02 – A Resolution Approving Project Plan for Tax Incremental District No.11 of City of Merrill:**

***Motion (Sample/Schwartzman) adopting Joint Review Board Resolution 2021-02 – A Resolution Approving Project Plan for Tax Increment District No.11 of the City of Merrill. Carried.***

**Consideration of Joint Review Board Resolution 2021-03 – A Resolution Approving Project Plan for Tax Incremental District No. 13 of City of Merrill:**

***Motion (Schwartzman/Weaver) adopting Joint Review Board Resolution 2013-03 – A Resolution Approving Creation of Tax Increment District No. 13 of the City of Merrill. Carried.***

**Next Joint Review Board:** Annual Joint Review Board meeting will be scheduled for July. JRB member consensus that Tuesdays at 4:30 p.m. seem to work. Unertl will coordinate via e-mail in early June to coordinate scheduling.

**Adjournment:** Motion (Schwartzman/Sample) to adjourn. Carried. Adjourned at 4:40 P.M.

Minutes prepared and submitted by:

Kathy Unertl, JRB Secretary

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

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

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Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

## SECTION 1: Executive Summary

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### 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 3: Map Showing Existing Uses and Conditions



Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

# SECTION 4: Preliminary Parcel List and Analysis

City of Merrill, Wisconsin														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)							
Tax Increment District #14																					
Base Property Information																					
Property Information						Assessment Information				Equalized Value				District Classification			District Classification			Comments	
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	
	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	Real Estate Office & 1/2 Vacant Cup & Cone - Ice Cream/Cheese Retail
				<b>Total Acreage</b>	<b>1.22</b>	84,400	139,600	1,740	225,740		84,400	139,600	1,740		0	1.218	0	1.218	0	0	
										<b>Estimated Base Value</b>				<b>225,740</b>							

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

## 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 <span style="color: red;">▲</span>
Total Value Subject to 12% Test	53,932,940
Compliance	<b>PASS</b>

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

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

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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.

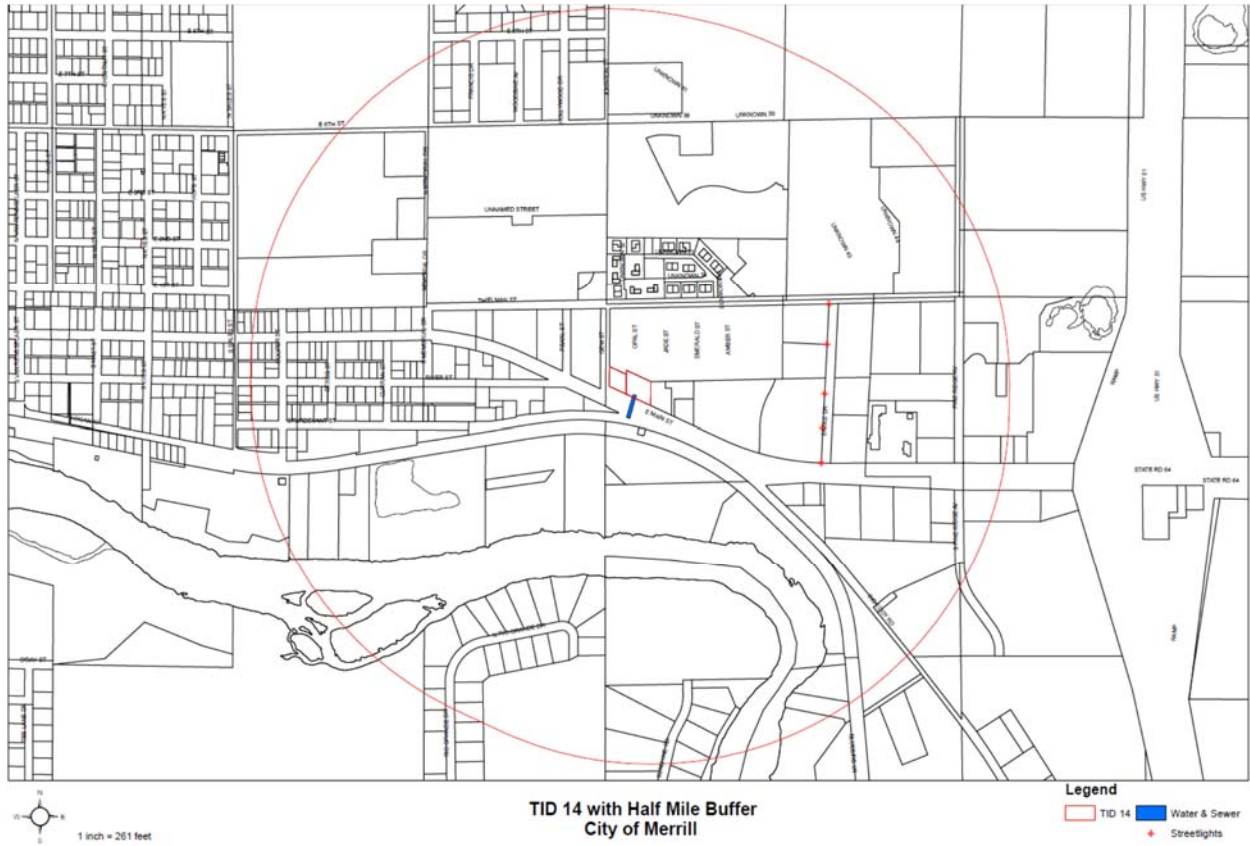
### Administrative Costs

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.*

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

# 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
<b>Total Projects</b>		<b>67,500</b>	<b>52,500</b>	<b>42,500</b>	<b>42,500</b>	<b>295,000</b>	<b>500,000</b>

Notes:  
 Note 1 Project costs are estimates and are subject to modification  
 Note 2 Costs include engineering and contingency where appropriate  
 \* Projects may occur within 1/2 mile of TID boundary

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

## **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**

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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		<u>750,000</u>	<u>350,000</u>	<u>1,100,000</u>		

Notes:

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

**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%		Apply to Base Value			
Valuation Date	Jan 1, 2021			Base Tax Rate	\$30.00					
Max Life (Years)	27			Rate Adjustment Factor						
Expenditure Period/Termination	22 6/8/2043			Tax Exempt Discount Rate	2.50%					
Revenue Periods/Final Year	27 2049			Taxable Discount Rate	4.00%					
Extension Eligibility/Years	Yes 3									
Eligible Recipient District	Yes									

Construction Year	Valuation Year	Value Added	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
<b>Totals</b>		<b>1,100,000</b>		<b>0</b>		<b>Future Value of Increment</b>		<b>796,514</b>		

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).

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

**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	<u>295,000</u>	<u>295,000</u>
Estimated Finance Related Expenses	7,500	
Total Financing Required	302,500	
Rounding	500	
Net Issue Size	<b>303,000</b>	<b>303,000</b>
Notes:		

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

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															
Year	Projected Revenues				Expenditures						Balances			Year	
	Tax Increments	Interest Earnings/ (Cost)	Other Revenue	Total Revenues	State Trust Fund Loan 303,000			Creation			Total	Annual	Cumulative		Principal Outstanding
					Dated Date:	04/01/30									
					Principal	Est. Rate	Interest	Costs	Project Costs	Admin.	Expenditures				
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
<b>Total</b>	<b>796,514</b>	<b>0</b>	<b>0</b>	<b>796,514</b>	<b>303,000</b>		<b>126,073</b>	<b>15,000</b>	<b>190,000</b>	<b>0</b>	<b>634,073</b>				<b>Total</b>
Notes:												Projected TID Closure			

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

## **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.

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

**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

Attachment: TID14 DRAFT Project Plan 2021-05-06 (5945 : TID 14 Draft Project Plan)

**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.

City of Merrill – TIF Development Incentive Overview

**TID No. 14 – New Overlay (East Side)**

Property Owner: Rain Auto Wash LLC (Mike VanDerGeest from Premier Companies) is purchasing from Gail Mattson

Location: 2806 - 2808 E. Main St.

Development: Demolition of existing block real estate building and construction of new cash wash/showroom. Removal and replacement of paved surfaces.

See following site plan and elevations.

Investment: Developer estimating about \$1.5 million investment, including:  
\$190,000 for property purchase  
\$ 50,000 for demolition of existing building  
\$ 35,000 for new 3-phase electrical power  
\$850,000 for new building construction, including engineering/architectural services, permits, and new paved surfaces  
\$350,000 for car wash equipment

Petroleum Environment Contamination:  
Preliminary testing & proposed vapor barrier capping - \$50,000

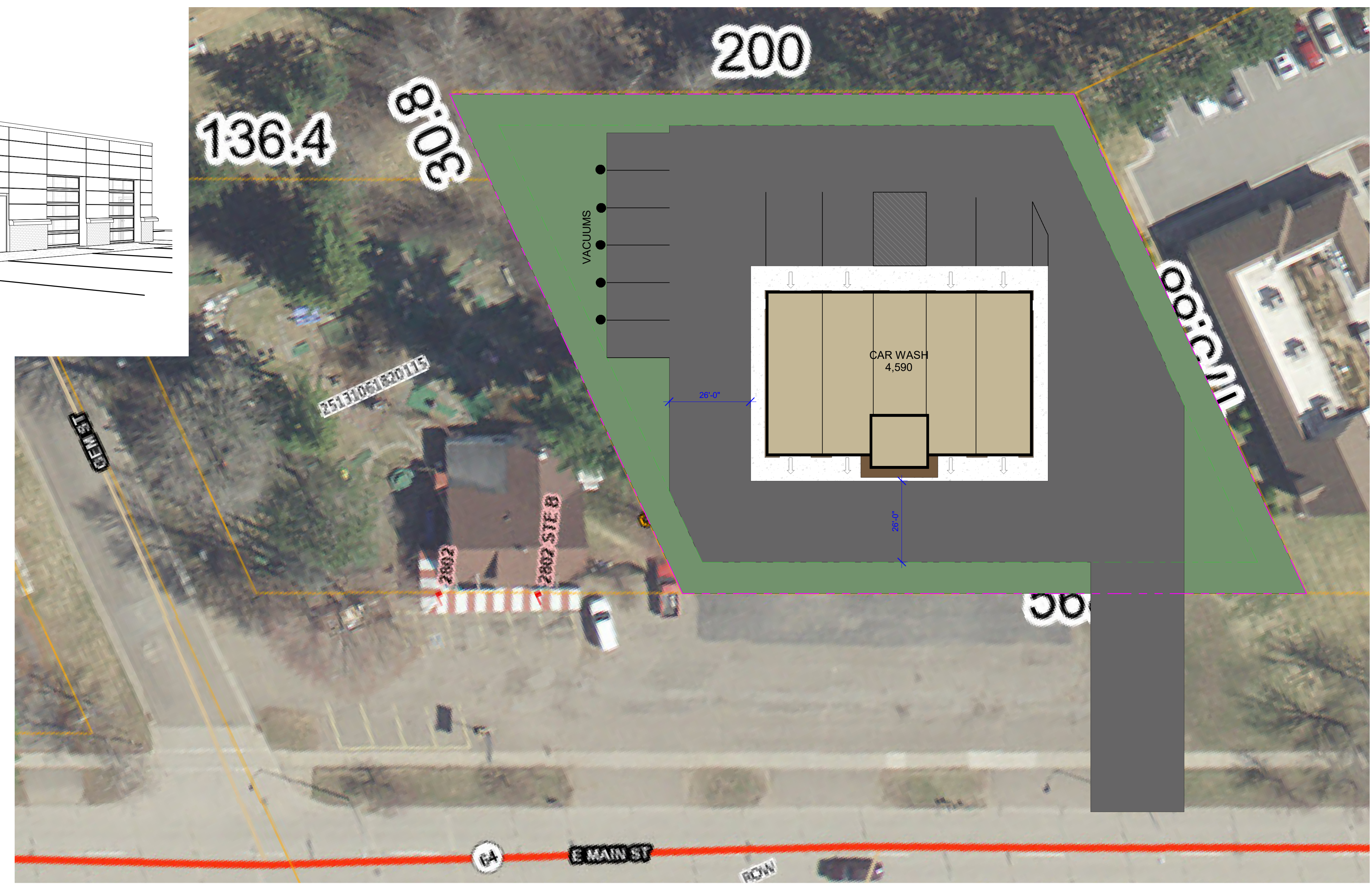
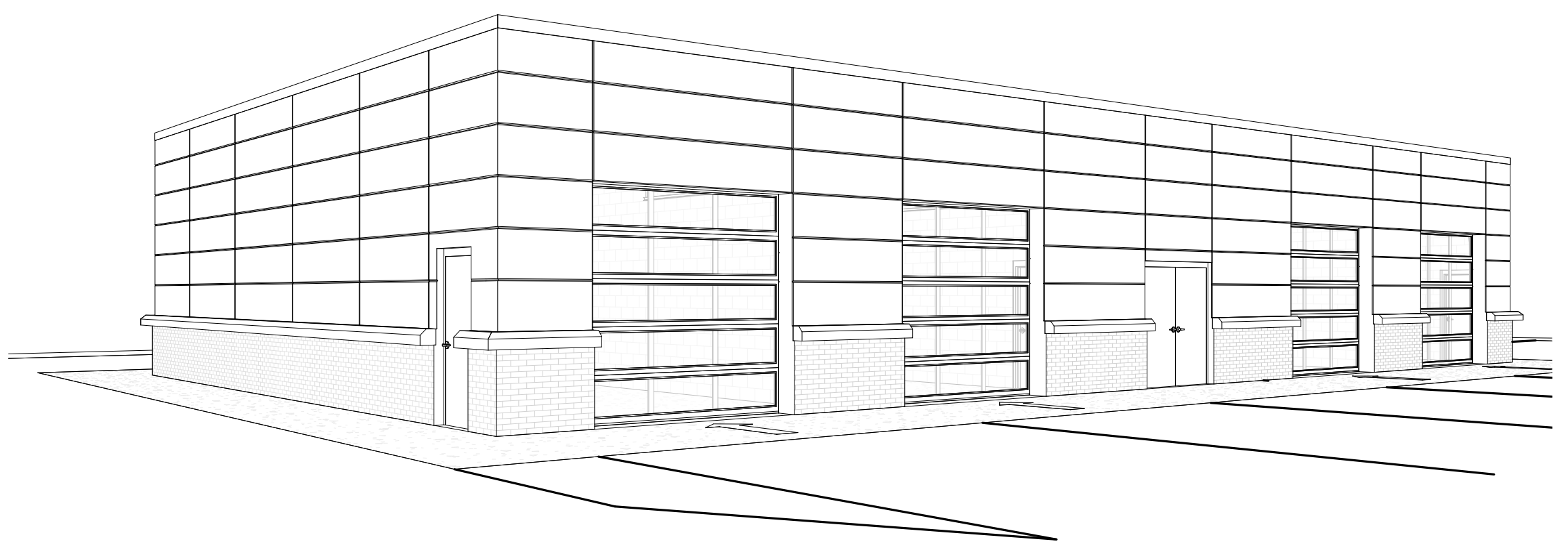
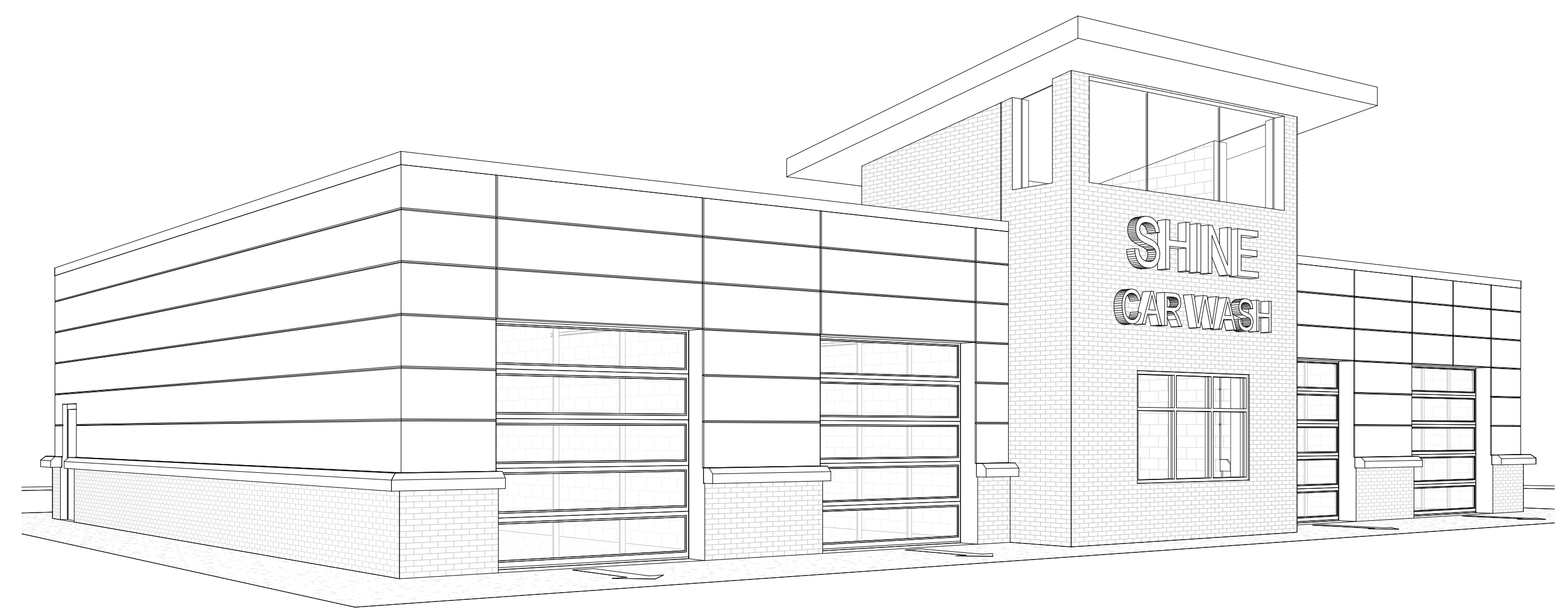
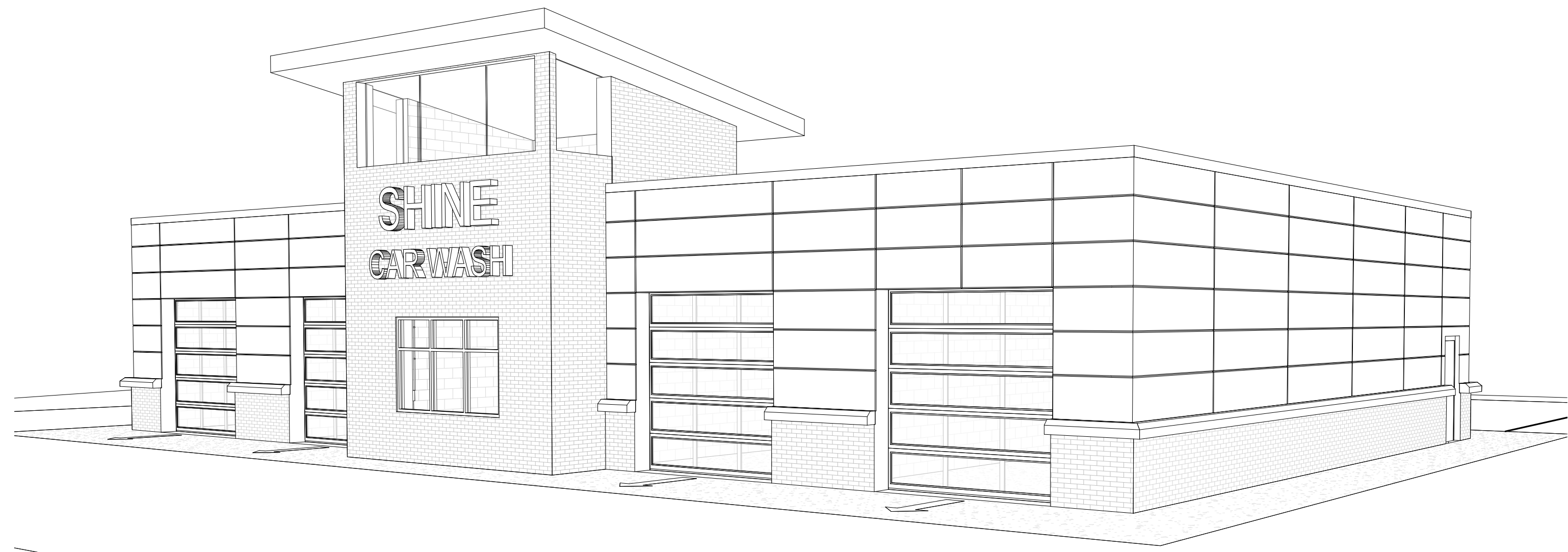
Infrastructure: Just Water and Sanitary Sewer service lines

**TID Development Incentive:**

Total of \$130,000 with the following payment structure:

Upon completion \$50,000 and then \$40,000 for each of the next two years

Tax Increment projection of over \$550,000 if TID lifespan is 27 years



1 SITE PLAN  
A-0.1 1" = 20'-0"

**Gries Architectural Group Inc.**  
 500 North Commercial Street  
 Neenah, Wisconsin 54956  
 Phone: 920-733-2446 Fax: 920-732-6665  
 www.griesarchitectural.com

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A NEW CAR WASH FACILITY FOR:  
**PRMIER COMPANIES - SHINE CAR WASH**  
 MERRILL, WISCONSIN

date: 03-01-2021  
 job: 21-899  
 d. by: Author  
 rev.: \_\_\_\_\_

**A-0.1**

City of Merrill - Tax Increment District (TID) No. 14 Overlay							
Projected Tax Increment (if open for 27-years)							
New Car Wash and Showroom							
Real Estate		Valuations					
		<u>1/1/2020</u>					
	Land		\$52,400				
	Improved		\$56,100				
	<b>Total</b>		<b>\$108,500</b>				
		Projected Valuation					
	Land		\$58,500				
	Improved		\$565,000				
	<b>New Total</b>		<b>\$623,500</b>				
<b>Projected Tax Increment:</b>				Personal			
Const. Year	Value Year	Revenue Year	Real Estate Increment	Property Increment	Total Tax Increment	Tax Rate	Total New Increment
<b>2021</b>	2022	2023	\$515,000	\$315,000	\$830,000	\$30.00	\$24,900
	2023	2024	\$515,000	\$291,375	\$806,375	\$30.00	\$24,191
	2024	2025	\$515,000	\$269,522	\$784,522	\$30.00	\$23,536
	2025	2026	\$515,000	\$249,308	\$764,308	\$30.00	\$22,929
	2026	2027	\$515,000	\$230,610	\$745,610	\$30.00	\$22,368
	2027	2028	\$515,000	\$213,314	\$728,314	\$30.00	\$21,849
	2028	2029	\$515,000	\$197,315	\$712,315	\$30.00	\$21,369
	2029	2030	\$515,000	\$182,517	\$697,517	\$30.00	\$20,926
	2030	2031	\$515,000	\$275,000	\$790,000	\$30.00	\$23,700
	2031	2032	\$515,000	\$254,375	\$769,375	\$30.00	\$23,081
	2032	2033	\$515,000	\$235,297	\$750,297	\$30.00	\$22,509
	2033	2034	\$515,000	\$217,650	\$732,650	\$30.00	\$21,979
	2034	2035	\$515,000	\$201,326	\$716,326	\$30.00	\$21,490
	2035	2036	\$515,000	\$186,226	\$701,226	\$30.00	\$21,037
	2036	2037	\$515,000	\$275,000	\$790,000	\$30.00	\$23,700
	2037	2038	\$515,000	\$254,375	\$769,375	\$30.00	\$23,081
	2038	2039	\$515,000	\$235,297	\$750,297	\$30.00	\$22,509
	2039	2040	\$515,000	\$217,650	\$732,650	\$30.00	\$21,979
	2040	2041	\$515,000	\$201,326	\$716,326	\$30.00	\$21,490
	2041	2042	\$515,000	\$186,226	\$701,226	\$30.00	\$21,037
	2042	2043	\$515,000	\$172,259	\$687,259	\$30.00	\$20,618
	2043	2044	\$515,000	\$275,000	\$790,000	\$30.00	\$23,700
	2044	2045	\$515,000	\$254,375	\$769,375	\$30.00	\$23,081
	2045	2046	\$515,000	\$235,297	\$750,297	\$30.00	\$22,509
	2046	<b>2047</b>	\$515,000	\$217,650	\$732,650	\$30.00	\$21,979
<b>Projected Tax Increment</b>							<b>\$561,549</b>
<b>Total</b>							<b>\$561,549</b>

Attachment: TID14 Rain Car Wash (5946 : TID 14 Rain Car Wash)

RESOLUTION NO. \_\_\_\_\_

**For Council action, after creation of TID No. 14 (Overlay)**

**A RESOLUTION AUTHORIZING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MERRILL, WISCONSIN AND RAIN AUTO WASH LLC**

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No.14 on June 8, 2021 and the redevelopment site is within TID No. 14; and,

WHEREAS, Rain Auto Wash LLC has proposed acquisition of the former real estate office site at 2806 – 2808 East Main Street; demolition of existing building; and construction of new car wash and showroom; 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 from this redevelopment project; and,

WHEREAS, Rain Auto Wash LLC has negotiated the development agreement to provide an incentive payment not to exceed \$130,000 to facilitate the commercial redevelopment project.

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 8<sup>th</sup> day of June, 2021, that the Mayor and City Clerk are authorized to sign the development agreement by and between the City of Merrill and Rain Auto Wash LLC and to facilitate the implementation thereof.

Recommended by:  
Redevelopment Authority (RDA)

CITY OF MERRILL, WISCONSIN

Moved: \_\_\_\_\_

\_\_\_\_\_  
Derek R. Woellner  
Mayor

Passed: \_\_\_\_\_

\_\_\_\_\_  
William N. Heideman  
City Clerk

Attachment: TID14 Rain Car Wash (5946 : TID 14 Rain Car Wash)

**DEVELOPMENT AGREEMENT  
BY AND BETWEEN THE  
CITY OF MERRILL, WISCONSIN  
AND RAIN AUTO WASH, LLC**

THE DEVELOPMENT AGREEMENT (the “Agreement”) is entered into as of \_\_\_\_\_, 2021 by and between the City of Merrill, Wisconsin, (the “City”) a political subdivision of the State of Wisconsin and Rain Auto Wash, LLC a Wisconsin Limited Liability Company, (the “Developer”).

**RECITALS**

- A. The City desires to encourage economic development, the development of underutilized land, expand its tax base and create new jobs within the City.
- B. Wis. Stat. §66.1105 (the “Tax Increment Law”) provides the authority and establishes procedures by which the City may exercise powers necessary and convenient to carry out the purposes of the Tax Increment Law, cause project plans to be prepared, approve such plans, implement provisions and effectuate the purposes of such plans and finance such development through the use of tax incremental financing.
- C. Wis. Stat. §66.1333 (the “Redevelopment Law”) provides the authority and establishes the procedures by which the City acting through and by the Redevelopment Authority of the City of Merrill (the “RDA”) may exercise powers necessary and convenient to carry out the purposes of the Redevelopment Law, cause redevelopment plans to be prepared, approve such plans, borrow money and issue bonds, implement provisions and effectuate the purposes of such plans and finance redevelopment through the Redevelopment Law.
- D. Rain Auto Wash, LLC is purchasing a development area described as:
- Prt of SW ¼ SE ¼ Cm at Intrs of W Ln Sd ¼ ¼ & N Row Ln Hwy 64 E Alg Sd Row 165’ to Pob E 200’ N 160’ W 200’ S 160’ to Pob
- Located at: 2806-2808 E. Main Street, Merrill, Wisconsin
- E. The Developer proposes to construct a new car wash and showroom, located within the Development Area.
- F. As an inducement to Developer to undertake the Development in TID 14 and to construct or cause to construct the Development, the City and the RDA intend to provide

an incentive to Developer by making an incentive payment to the Developer for project costs incurred to construct the new car wash and showroom within TID 14.

G. The City and RDA finds incentives to be necessary to encourage the Development in the Development Area and for Developer to undertake the Development in such a manner as to accomplish the City goals.

H. The City finds that the redevelopment and the fulfillment generally of the terms and conditions of this Agreement are in the vital and best interest of the City, RDA and City residents by expanding the tax base, creating new jobs and causing the redevelopment of underutilized property thereby serving a public purpose in accordance with state and local law.

NOW THEREFORE, in consideration of the promises and mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

## ARTICLE I

### Section 1.01 Initial Undertaking of the City of Merrill

The City will:

- a. Include the Development Area within TID #14.
- b. Has reviewed the Business Plans of the Developers

Following Execution of this Agreement, the City agrees that it shall cooperate with Developer to facilitate Developer's performance under this Agreement.

### Section 1.02 Initial Undertakings of the Developers

- a. Raised equity and financing necessary for the development.
- b. File site plan and permit applications with the City and/or State.
- c. Contracted for construction of a new car wash and showroom.
- d. Developer will commence construction of a new building, with occupancy planned by December 31, 2021.
- e. This development incentive is to facilitate the construction of a new car wash and showroom.

**ARTICLE II  
INCENTIVE PAYMENTS TO DEVELOPER**

The City shall pay a pay-as-you-go development incentive to the Developer in the aggregate amount of One Hundred Thirty Thousand Dollars (\$130,000). This incentive shall be paid to Rain Auto Wash, LLC per the following schedule:

<u>PAYMENT TIME FRAME</u>	<u>DEVELOPMENT INCENTIVES</u>
Within 30 days upon occupancy of the building	\$50,000
Annually by September 1 <sup>st</sup> for two (2) years following completion:	
Year 1 following occupancy	\$40,000
Year 2 following occupancy	\$40,000

**ARTICLE III  
MISCELLANEOUS**

Section 3.01 Restriction on Sale.

Prior to the earlier of January 1, 2046 or the date TID #14 is dissolved, Rain Auto Wash, LLC, 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.

Rain Auto Wash, LLC, its successors and assigns shall indemnify and save 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.

Attachment: TID14 Rain Car Wash (5946 : TID 14 Rain Car Wash)

### 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 Developers in the performance of its obligations and responsibilities under the terms and conditions of this Agreement. The Developers specifically agrees that no representation, statements, assurances or guarantees will be made by Developers to any third party contrary to this provision.

### Section 3.04 Default.

a. Default and Notice of Default. In the event either party to this Agreement is in default hereunder (the “Defaulting Party”) the other party (the “Non-Defaulting Party”) shall be entitled to take any action allowed by applicable law, by virtue of said default, provided that Non-Defaulting Party gives the Defaulting Party written notice of default describing the nature of the default, what action, if any, is deemed necessary to cure the same and specifying a time period of not less than sixty (60) days in which the default may be cured by the Defaulting party. Notwithstanding the foregoing, if any default cannot reasonably be cured within sixty (60) days, the Non Defaulting Party shall refrain from exercising remedies as long as a cure is being diligently pursued.

If either party fails to cure a default as permitted herein, the Non-Defaulting Party, without limiting its remedies under this Agreement, may compel performance by the Defaulting Parting by bringing an action for specific performance. If after the specified time period for cure proceedings are initiated to cure an alleged default, the prevailing party in such proceedings shall be entitled to reimbursement from the other party for its reasonable attorney’s fees and associated costs incurred in such proceedings.

b. Force Majeure. Neither party shall be responsible to the other party for any resulting losses if the fulfillment of any of the terms of this Agreement is delayed or prevented by revolutions or other civil disorders, wars, acts of the enemies, strikes, fires, floods, acts of God, unusual weather, or by any other cause not within the control of the party whose performance was interfered with and which by the exercise of reasonable diligence such party is unable to prevent, whether of the class of causes herein above enumerated or not, and the time for performance shall be extended by the period of delay occasioned by any such cause.

### Section 3.05 Non Discrimination.

Neither the Development nor any portion thereof shall be used by any party in any manner to permit unlawful discrimination or unlawful restriction on the basis of race, creed, ethnic origin or identity, color, gender, marital status, familial status, age, handicap, sexual orientation, or national origin and the construction and operation of the Development shall be in compliance with all effective laws, ordinances, and regulations relating to discrimination on any of the foregoing grounds.



Section 3.10 Severability.

If any provisions of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case, in any jurisdiction or jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance or of rendering and provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever.

Section 3.11 Compliance with Law.

The parties shall, in undertaking the construction and operation of the Development, comply with all applicable federal, state, and local laws.

Section 3.12 City Authorization.

The execution of this Agreement was authorized by Resolution No \_\_\_\_\_ adopted on June 8, 2021 by the Common Council

**IN WITNESS WHEREOF:**

The parties have executed this Agreement as of \_\_\_\_\_, 2021

**CITY OF MERRILL, WISCONSIN**

\_\_\_\_\_  
Derek Woellner, Mayor

\_\_\_\_\_  
William N. Heideman, Clerk

Approved:

Approved as to Form:

\_\_\_\_\_  
Katherine G. Unertl, Finance Director

\_\_\_\_\_  
Thomas N. Hayden, City Attorney

STATE OF WISCONSIN)

) ss.

COUNTY OF LINCOLN)

Personally came before me this \_\_\_\_ day of \_\_\_\_\_, 2021, the above named Derek Woellner, Mayor and William N. Heideman, Clerk, to me known to be the person who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My commission\_\_\_\_\_

**RAIN AUTO WASH LLC**

By\_\_\_\_\_  
Mike VanDerGeest, Owner

STATE OF WISCONSIN )

) ss.

COUNTY OF \_\_\_\_\_)

Personally appeared before me this \_\_\_\_ day of \_\_\_\_\_, 2021, the above named Mike VanDerGeest, Owner, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

\_\_\_\_\_  
Notary Public, State of Wisconsin  
My commission\_\_\_\_\_

Attachment: TID14 Rain Car Wash (5946 : TID 14 Rain Car Wash)