

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, May 4, 2022 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Clyde Nelson, Steve Hass, Steve Sabatke, Mark Bares, Sheila Polak, Jim Koppleman, and Tony Kusserow,

Others: Alderpersons Rick Blake, Mark Weix, Dick Lupton, and LaDonna Fermanich, Finance Director Kathy Unertl, City Administrator Dave Johnson, City Attorney Tom Hayden, Public Works Director/City Engineer Rod Akey, City Building Inspector/Zoning Administrator Darin Pagel, Bill Bialecki from Lincoln County Economic Development Corp. (LCEDC), Renea and Todd Frederick, Ryan Ott, and Tina Dengel, IT Manager Dustin Brown, and video operator from Merrill Productions,

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

Consider approval of RDA meeting minutes from April 19th:

Motion (Hass/Sabatke) to approve the meeting minutes from April 19th. Carried.

Public Comments: None.

Status update on new residential developments and 2022 infrastructure projects

Unertl highlighted the 2022 residential developments, including Ryan Ott Construction/Denyon Homes, Timber Ridge Builders, JJ Premier/CMO Building Services, JS Builders, and Merrill Area Housing Authority/MAPS BlueJay House. On Webster Street, there will be three Nicolet Lumber apartment buildings, seven rental duplexes by S.C. Swiderski and four single-family homes by S.C. Swiderski. Several of the FoxPoint apartment buildings have tenants and S.C. Swiderski continues construction work.

As far as infrastructure improvements, the E. 10th St. right-of-way from N. Mill St. to N. Spruce St. has been cleared and grubbed. Public Works Director Akey advised that waiting for drier conditions before water and sanitary sewer mains are installed and gravel base. The new street will include curb, gutter, paving, and streetlighting.

Webster Street utilities were installed in Fall 2021. Akey is checking with the developers on potentially delaying Webster Street curb, gutter, and paving improvements until 2023.

Follow-up from 3/16/2022 Lincoln County Housing Summit, including Affordable Housing:

Written meeting summary information was included in the RDA agenda packet. LCEDC Executive Director Bill Bialecki reported that a follow-up Lincoln County meeting is scheduled for Thursday, May 19th. Unertl commented that there are several regional issues including workforce, housing, and child care.

Consider proposed Spruce St. development concept and estimates of probable costs (TID No. 7):

The potential plat concept for extension of Spruce St. from E. 10th St. to E. 14th St. was reviewed. Akey reported that potential duplexes are being considered on the south side of E. 10th St. closest to N. Mill St. Renea Frederick at the April 12th RDA meeting suggested potential duplex development on proposed Lot 1 through Lot 4. Four additional lots could be developed on the north side of E. 10th St.

RDA Commissioners reviewed the estimate of probable cost prepared by City Public Works Director/City Engineer Rod Akey. Unertl reported that formal Plats were taking about six months for State of Wisconsin approvals, so potential 2022 residential development would be limited to three lots via Certified Survey Map (CSM) land division process.

As done for development of Champagne Park subdivision, including extension of Superior St., the City used TID to pay for CSM and Plat development. Clearing and grubbing of the street right-of-way would assist in marketing the lots. The potential utility and street infrastructure improvements of Spruce St. would be considered as part of the TID No. 7 budget for 2023.

Motion (Hass/Kusserow) to reallocate 2022 TID No. 7 budgeted funds for survey work for the CSM and future plat (\$8,500) and to clear and grub the future street right-of-way (\$30,000). Carried.

Consider request to improve E. 13th St. for three residential lots (TID No. 7):

Tina Dengel from Riversbend Realty Group is requesting improvement of E. 13th St. west of Cedar St. to facilitate sale for residential development (such as potential duplexes). There are existing City water and sanitary sewer mains in the street right-of-way. There is also one water service lateral installed.

Dengel requested TID assistance comparable to the 2021 RDA commitment to extend utilities to the corner of N. Poplar St./E. 10th St. to facilitate development, Dengel emphasized challenges to market the property without commitments for utility and street infrastructure improvements.

Discussion focused upon the need to split the three lots from the larger tax parcel and then install potential lateral installations when building permits issued. City Building Inspector/Zoning Administrator Pagel advised that rezoning would also be needed for duplexes. Potential curb, gutter, and paving improvements would be considered in the 2023 TID No. 7 budget based upon whether residential development underway.

Motion (Hass/Polak) to commit to water and sanitary sewer laterals through TID No. 7 when building permits issued. Carried. Mark Bares abstaining from the RDA vote.

Consider City potential purchase of properties for residential development:

1. S. State St. property along Wisconsin River from State Street 13 LLC (TID No. 8):

City Administrator Dave Johnson highlighted history of property pricing which initially was at \$300,000 when discussing for potential 2021 WHEDA tax credit residential development. Lincoln Wood demolished vacant buildings on the 9.1 acre site a couple years ago. Negotiated purchase price is now \$175,000. Some of site is within Wisconsin River flood plain; however, parking lot could be located in this area.

1. S. State St. property along Wisconsin River from State Street 13 LLC (TID No. 8) - Continued:

Bill Bialecki, LaDonna Fermanich, and Rick Blake provided info on affordable (i.e. income-based) housing and low-income housing (if subsidized). Johnson emphasized that the S. State St. site scores high for WHEDA tax credits as to walkability and available community amenities and businesses. Bialecki noted that American Rescue Plan Act (ARPA) funding could be used for affordable housing.

Steve Sabatke suggested that a City-owned site in the 6th District should be considered. City staff reported on a former City dump along the Wisconsin River as negative factor, as well as low potential WHEDA tax credit scoring. Tony Kusserow mentioned gas vapor monitoring in his business warehouse located on Jackson Street adjacent to this site.

Sheila Polak emphasized that finding a location for affordable housing was key step in the development process and supported the initial investment in purchasing the S, State St. site. Jim Koppleman commented that this type of investment is why TIDs exist.

Motion (Hass/Sabatke) to table potential land purchase to the next RDA meeting. Carried. Unertl will include the Fall 2021 site plan that Horizon Development provided.

2. Johnson St. property from Church Mutual Insurance Company (TID No. 4):

Church Mutual Insurance has agreed to sell the City of Merrill about 2.61 acres for \$50,000. Concept plat includes eight single-family home lots, as well as right-of-way for potential future extension of E. 8th St. to the east.

Unertl emphasized that only three lots could be developed in 2022 through a Certified Survey Map (CSM) land division process. Akey suggested that formal Plat process would take six or more months.

Motion (Hass/Sabatke) to recommend purchase of the 2.61 acres for \$50,000 from Church Mutual Insurance Company through TID No. 4. Carried.

Chair Nelson advised that no need to consider moving into Closed Session related to TID No. 7 potential development incentives.

Adjournment: (Hass/Sabatke) to adjourn at 9:24 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl