

City of Merrill  
Meeting of Redevelopment Authority (RDA)

Wednesday, February 2<sup>nd</sup>, 2022 at 8:00 a.m.  
City Hall Common Council Chambers

RDA Present: Clyde Nelson, Derek Woellner, Sheila Polak, Steve Sabatke,  
Lori Anderson-Malm, and Val Mindak (remote)

Absent: Tony Kusserow

Others: Alderpersons Rick Blake and Steve Hass, Finance Director Kathy Unertl,  
City Administrator Dave Johnson, City Attorney Tom Hayden  
Public Works Director/City Engineer Rod Akey, IT Manager Dustin Brown,  
Bill Bialecki from Lincoln County Economic Development Corp. (LCEDC),  
Ryan Ott from Ott Development and Construction, LLC, Austin Jones  
from Jones & Jones, LLC, Vanessa Lazarz from Tranquil Times  
Wellness, LLC, LaDonna Fermanich, 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 January 5<sup>th</sup>, 2022:**

**Motion (Sabatke/Polak) to approve the meeting minutes from January 5<sup>th</sup>. Carried.**

**Public Comment:** None.

**Update from RyanOtt regarding Champagne Park development & interest in additional residential building sites:**

Ryan Ott and Austin Jones updated RDA Commissioners on the Champagne Park residential development project. There are now eight new homes, with seven occupied. There has been average investment of \$192,000 in the eight completed homes.

Five additional building permits have been issued for Superior St. lots. Basements will be going in over the next month. These are the last remaining lots in Champagne Park. The additional new homes could be completed by mid-summer 2022.

Ott and Jones are requesting consideration of City investment in additional development land and infrastructure to continue residential construction. Two documents were distributed including: "Continuing to Grow!" and "The Starter Home Shortage: A Growing Deficit". In response to RDA Commissioner questions about market, Ott and Jones emphasized that recent buyers were interested in new homes within smaller cities that are served by municipal utilities.

In closed session, various potential residential sites were reviewed and discussed. These included a potential site that Ott and Jones have been discussing with City Administrator Johnson and Public Works Director/City Engineer Akey.

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**Consider Resolution authorizing development agreement with Tranquil Times Wellness, LLC – 807 E. 1<sup>st</sup> St. (TID No. 8):**

Vanessa Lazarz highlighted her redevelopment plans for 807 E. 1<sup>st</sup> St. (i.e. former FotoNews building) since new wellness services are expanding due to client demand. The existing building has been vacant and there are maintenance issues that need to be resolved (such as electrical and leaky basement). Lazarz plans on future facade renovations which are still being reviewed. Since there are downtown design district guidelines, City staff recommended Lazarz consult with City Building Inspector/Zoning Administrator Darin Pagel.

Plan is to open in March 2022 in 807 E. 1<sup>st</sup> St. There are fourteen rooms in the building. Besides Lazarz, three other providers will be in the wellness facility. Two of these providers are new to Merrill. There will also be one full-time and one part-time employee. The wellness services will bring individuals from surrounding region to Merrill.

Besides purchase price, Lazarz projects investments of over \$50,000 in improvements. Woellner suggested potential Community Development Loan. Unertl reported on 2014 and 2015 TID cash development incentives to other businesses reoccupying vacant buildings.

Sabatke questioned fiscal status of TID No. 6, Finance Director Unertl reported that there is adequate cash flow for TID No. 6 to cover the proposed \$15,000 cash development incentive. Tax increment from other TIDs is being transferred into TID No. 6 to repay the City General Fund Advances.

Mindak requested future discussion of City aesthetic guidelines. Sabatke also mentioned historical preservation guidelines.

**Motion (Mindak/Polak) to recommend the development agreement with Tranquil Times Wellness, LLC for 807 E. 1<sup>st</sup> St. (TID No. 8). Carried.**

**Next RDA meeting:** Next meeting is scheduled for Wednesday, March 2<sup>nd</sup> at 8 a.m.

**Closed Session:**

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: Potential purchase of development sites.

**Motion (Polak/Sabatke) to move to closed session.** Carried on roll call vote at 8:38 a.m.

City Administrator Johnson and Public Works Director/City Engineer highlighted various potential residential development sites. RDA Commissions provided direction on potential short-term and longer-term development properties.

**Adjournment:** (Woellner/Sabatke) to adjourn at 9:14 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl