

City of Merrill
Meeting of Redevelopment Authority (RDA)

Tuesday, January 19th, 2021 at 6:00 p.m.
Virtual Meeting

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

RDA Excused: Tony Kusserow

Others: Alderpersons Steve Hass, Mark Weix, and Paul Russell, City Clerk Bill
Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden,
Finance Director Kathy Unertl, City Public Works Director/Engineer Rod
Akey, Brian Reilly and Josh Low from Ehlers & Associates, Ryan
Schwartzman, and City IT Manager Dustin Brown

Call to Order: Nelson called the meeting to order at 6:00 p.m.

Consider approval of RDA meeting minutes from December 2nd, 2020:

Motion (Woellner/Sabatke) to approve the meeting minutes from December 2nd, 2020.
Carried.

Public Comment: None

Preliminary Items:

**Review Public Hearing Notice published in the Merrill FotoNews on December 31, 2020
and January 7, 2021:**

Unertl reported that the required legal notice was published in the Merrill FotoNews.

**Overview of proposed Tax Incremental District No. 13 creation plan and amendments of
Tax Increment District No. 4 and No 11 plans:**

Brian Reilly from Ehlers & Associates provided overview of the proposed Tax Incremental District (TID) Plans. The Merrill Joint Review Board met earlier on Tuesday, January 23rd. Reilly highlighted the process steps.

Sabatke asked numerous questions regarding TID No. 13 creation. Responses confirmed that:

- There are no immediate manufacturing or commercial commitments for new development.

Overview of proposed Tax Incremental District No. 13 creation plan (Continued):

- The proposed TID No. 13 Plan includes potential eligible projects and potential future development projections. As development occurs in the future, a Plan Amendment could be needed.
- The only 2021 expense is consulting services from Ehlers & Associates for about \$15,000. This will be funded by a General Fund Advance that will be repaid from future tax increment.
- Unertl emphasized that TID No. 13 creation is proposed now so that the City of Merrill protects the opportunity to create a new TID as the City's overall TID increment equalized valuation is approaching the 12.0% State of Wisconsin maximum limit.

Reilly noted that it could be a number of years before a new TID could be created or an existing TID boundary expanded once the 12.0% State limit is reached. TID No. 3 is scheduled to close in 2026 (with extension to 2027 for housing).

- Potential acquisition of road right-of-way relates to future extension of North Pine Ridge Avenue from Thielman Street to Lincoln County Highway G. There could be some Federal infrastructure funding to encourage economic development.
- Public Works Director/City Engineer Rod Akey reported that it would cost about \$400,000 to extend water and sewer mains along Lincoln County Highway G from Johnson Street to the Industrial Park site and another \$125,000 to extend utilities to the north into the Industrial Park.
- Sabatke asked about potential increased traffic issues. Public Works Director/City Engineer Rod Akey advised that Wisconsin Department of Transportation has future highway improvement plans for the intersection of Lincoln County Highway G and State Highway 17. Potential turning lanes along Lincoln County Highway G are also included as potential eligible TID No. 13 infrastructure expenses.
- There is an existing need for an east side water tower which would serve the entire City of Merrill. Public Works Director/City Engineer Rod Akey advised that water tower cost is estimated at about \$1.8 million dollars. Johnson emphasized that a 1985 study recommended an east side water tower be planned.
- Sabatke suggested that other sites should be considered for industrial development.

Motion (Sabatke/Anderson-Malm) to table creation of TID No. 13. There was extensive discussion on why proposing creation of TID No. 13. Mindak and Nelson reemphasized that proposed TID creation is to protect the City's opportunity if new manufacturing developments are proposed within the next several years. The City of Merrill already owns 67 acres of the proposed TID area. **Motion to table failed on 2-4 roll call vote.**

Reilly then highlighted the proposed TID No.4 and TID No. 11 Plan amendments. TID No. 4 amendment includes potential tax increment sharing with the 'blighted area' TIDs including No. 6, No. 7, No. 8, No. 9, and No. 10. The sharing of tax increment will repay General Fund Advances.

Public Hearings:

Public Hearing regarding the proposed project plan, boundaries and creation of Tax Incremental District No. 13

Public Hearing regarding the proposed amendment of project plan for Tax Incremental District No. 4

Public Hearing regarding the proposed amendment of project plan for Tax Incremental District No. 11

Motion (Woellner/Anderson-Malm) to open the public hearings at 6:55 p.m. Carried.

There were no public comments regarding the TID Plans.

Motion (Nelson/Woellner) to close the public hearings at 6:57 p.m. Carried.

Resolutions:

Consider Resolution Designating Proposed Boundaries and Approving a Project Plan for Tax Incremental District No. 13, City of Merrill, Wisconsin:

Motion (Mindak/Woellner) to recommend the resolution creating TID No. 13. Carried 4-2 on roll call vote.

Consider Resolution Approving a Project Plan Amendment for Tax Incremental District No. 4, City of Merrill, Wisconsin:

Motion (Mindak/Woellner) to recommend the resolution amending TID No. 4 Plan. Carried 6-0 on roll call vote.

Consider Resolution Approving a Project Plan Amendment for Tax Incremental District No. 11, City of Merrill:

Sabatke asked about new commitment for single-family homes. Johnson reported that the existing three West St. Paul Street homes have been sold. Denyon Homes and Ott Development are planning on construction of ten additional single-family homes.

There is no amendment of the TID No. 11 boundary. Potential infrastructure costs for both single-family home developments are included.

Motion (Woellner/Mindak) to recommend the resolution creating TID No. 11. Carried 5-1 on roll call vote.

Consider a resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and Denyon Homes Inc. and Ryan Ott Development and Construction LLC (Tax Increment District No. 11):

Ott confirmed that the three West St. Paul Street homes have been sold.

The resolution and draft development agreement reflect the previous RDA discussions for additional phased single-family home development. An additional ten single-family homes are planned.

Johnson advised that extension of Superior Street is planned to facilitate home construction on the additional ten lots. As far as infrastructure improvements, there is \$440,000 in the 2021 TID No. 11 budget including curb, gutter, and paving of West St. Paul Street, extension of Superior Street between West 10th Street and West St. Paul Street, and streetlighting improvements.

Motion (Woellner/Anderson-Malm) to recommend the resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and Denyon Homes Inc. and Ryan Ott Development and Construction LLC. Carried 6-0.

Next RDA meeting: The next RDA meeting is scheduled for Wednesday, March 3rd at 8:00 a.m.

Adjournment: (Sabatke/Polak) to adjourn at 7:16 p.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl