

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, November 1, 2023 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Steve Hass, Clyde Nelson, Mark Bares, Steve Sabatke, Rebecca Rutkowski, Tony Kusserow and Gary Hartwig

Others: Alderpersons LaDonna Fermanich and Nathan Meyer, City Clerk Lori Anderson-Malm, Finance Director Kathy Unertl, City Attorney Tom Hayden, City Public Works Director/City Engineer Rod Akey. City Building Inspector/Zoning Administrator Darin Pagel, Police Chief Corey Bennett, Fire Chief Josh Klug, Elsa Duranceau from Lincoln County Economic Development Corp. (LCEDC), Stephanie Springborn from Winds and Paradox, Inc., and City Social Media Specialist Hallie Savall. Meyer set up the Merrill Productions camera until the meeting adjournment into the Closed Session.

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

Consider approval of RDA meeting minutes from October 4, 2023:

Motion (Sabatke/Rutkowski) to approve the meeting minutes from October 4. Carried.

Public Comments: None.

Consider resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and Wendorf Construction LLC for residential development (TID No. 7):

Akey reported that Dave Wendorf from Wendorf Construction LLC is still pursuing financing. Proposed development agreement will be included on the December RDA meeting agenda.

Update on redevelopment plans for Mathias Building and potential requests for City of Merrill assistance (419 W. Main St. – TID No. 8):

Stephanie Springborn of Winds & Paradox Inc. highlighted plans for redevelopment of 419 W. Main St. historical building. Estimated cost for several commercial spaces and nine residential units is \$1.2 to \$1.4 million. Springborn is requesting City of Merrill to serve as pass-through agent for potential Federal and State grants, as well as consideration of potential TID No. 8 cash development incentive. Springborn is also interested in potential low-interest loan funding through Merrill Community Development Department or Central Wisconsin Economic Development Fund (CWEDF).

Springborn would be interested in leasing parking spaces in the proposed new City public parking lot at the corner of W. Main St./S. Prospect St.

In response to RDA Commission Sabatke, Springborn indicated preliminary monthly rent range of \$600 - \$700 for apartments. Sabatke emphasized that this type of smaller, more affordable residential units are needed in Merrill.

Motion (Bares/Hartwig) to authorize City of Merrill as pass through for potential Federal and State grant funding. Carried.

Update on real estate listing for Lincoln County Highway G Industrial/Business Park (TID No. 13):

Akey distributed the NAIPfellerle real estate marketing information.

Update on Cedar Corp. site development grant opportunities – 401 Keyes St. (TID No. 9):

The agenda packet included list of potential site development grant opportunities and timeline. A Wisconsin Assessment grant application has been submitted to the Wisconsin Department of Natural Resources. Akey advised that updated Phase 1 and Phase 2 environmental reports were needed on the eastern side of former Anson-Gilkey parcel (i.e. closest to former SEMCO manufacturing plant).

Wisconsin Economic Development Corp. (WEDC) Site Assessment Grant was recommended for 2024. Future planning included potentially updating the 2010 Eastside Riverfront Plan and possible WEDC Idle Sites redevelopment grant.

Review of preliminary 2024 Tax Increment District (TID) budget requests:

Unertl highlighted the 2024 TID budget requests. The planned 2023 TID-supported borrowing has been deferred to early 2024. With maturing TIDs, the primary expenditures include paying debt service (i.e. Principal and Interest), paying remaining cash development incentive installments, repayment of General Fund Advances, and for City staff and contractor TID-related expenses.

Two corrections to the preliminary 2024 TID budgets were noted: There is no \$200,000 new borrowing in 2024 for TID No. 11. The 2023 development incentive for Brooke's School of Dance in 2023 is \$35,000 (instead of listed \$30,000).

TID-funded infrastructure improvements through new 2024 borrowing include: O'Day Street reconstruction from S. Center Ave. to Riverside Park, pavement replacement of S. Center Ave. (from Burgener's Contract Carriers to Joe Snow Rd.), and potential utility extensions and gravel base of Spruce St. (from E. 10th St. to E. 14th St.). The \$60,000 for new public parking lot at the corner of W. Main St./S. Prospect St.) would be funded through TID No. 8 without borrowing.

Next RDA Meeting: Tentatively scheduled for Wednesday, December 6 at 8:00 a.m.

Closed Session:

Chair Hass 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) Negotiation of potential TID development incentives to facilitate future redevelopment (TID No. 8 – Mathias Building)
- b) Negotiation of potential sale terms for City-owned vacant land to facilitate new commercial development (TID No. 4 at southeast corner of Pine Ridge Plaza)

Motion (Kusserow/Nelson) to move into Closed Session. Motion carried 7 – 0 on roll call vote at 8:50 a.m.

Closed Session (Continued):

Potential discussion related to TID No. 8 – Mathias Building rehabilitation was deferred until a future RDA meeting. Stephanie Springborn provided RDA Secretary Unertl with completed TID No. 8 development incentive request form.

Akey highlighted the offer to purchase of the City-owned two acre vacant site at the southeast corner of the Pine Ridge Plaza with \$5,000 refundable escrow amount. There is six month developer due diligence period with potential additional timeframe options.

Motion (Nelson/Hartwig) to authorize acceptance of the offer to purchase for the six month due diligence period. Carried.

Adjournment: (Kusserow/Sabatke) to adjourn at 9:02 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl