

CITY OF MERRILL
Redevelopment Authority (RDA)
Tuesday, April 23, 2013 at 8:00 a.m.
Location – City Hall Council Chambers 1004 East 1st Street

AGENDA

Voting RDA Members: Bill Bialecki, Ryan Schwartzman, Ralph Sturm, Wally Smith,
Karen Karow, Jill Laufenberg, and David Hayes

1. Call to order
2. Consider approval of meeting minutes from January 29th, 2013
3. Consider contract extension for Redevelopment Resources consulting services
4. Consider insurance settlement for water-damaged Lincoln House, update on potential demo timeframes, and discussion of future site redevelopment options
5. Next RDA Meeting
6. Public Comment
7. 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 TIF development incentives including in TID No. 6 (Downtown)
 - a) Review and discuss Request for Proposal (RFP) responses for sale of 811-813 E. 1st St. and proposed redevelopment plans
8. The RDA may reconvene in open session for potential action on closed session items
9. Adjournment

Agenda Prepared by RDA Secretary Kathy Unertl & City Administrator Dave Johnson
Reviewed by RDA President Bill Bialecki

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Date and time agenda was posted: _____ *Posted by:* _____

**City of Merrill
Redevelopment Authority (RDA)**

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**Tuesday, January 29th, 2013 at 8:00 A.M.
City Hall Council Chambers**

RDA Present: Bill Bialecki, Ryan Schwartzman, Ralph Sturm, and David Hayes

RDA Absent: Wally Smith, Karen Karow, and Jill Laufenberg

Others: Finance Director Kathy Unertl, City Attorney Tom Hayden, City Administrator Dave Johnson, Kristen Fish from Redevelopment Resources, Community Development Program Administrator Shari Wicke, City Building Inspector/Zoning Administrator Darin Pagel from Northwinds Inspection, and representative from AECOM

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

Approval of meeting minutes from October 25th, 2012:

Motion (Schwartzman/Hayes) to approve the meeting minutes. Carried.

Resolution authorizing development agreement by and between the City of Merrill and William J. and Sunee Fillmore (Business Entity – Fillmore Metal Crafters, LLC) – 1000 W. Main St.:

Unertl highlighted the proposed building expansion, equipment installation, and job creation project, as well as TID fiscal projections. RDA Commissioner consensus that new TIF development incentive overview format should be used unless it a more complicated project.

Motion (Schwartzman/Sturm) to recommend the resolution and TIF development incentives of \$17,500 for William J. and Sunee Fillmore (Business Entity – Fillmore Metal Crafters). Motion Carried.

Resolution authorizing development agreement by and between the City of Merrill and Mark A. Raymer (1502 W. Main St.):

This project will restore the façade, including leaded glass, of long vacant building. Extensive interior rehabilitation is planned for both retail storefronts and residential units. **Motion (Schwartzman/Sturm to recommend the resolution and TIF development incentives of \$25,000 for Mark A. Raymer). Motion Carried.**

Discussion of potential formal policy related to development assistance to delinquent tax properties (including Brownfields environmental grant/loan applications and TIF development incentives):

City staff recommended adopting formal policies based upon recent request from a tax delinquent property owner to submit potential Brownfields grant application. Proposed policies include:

- City staff/contractor resources will be minimized in facilitating potential redevelopment or new development by current or prospective owners of tax delinquent properties;
- City/RDA will not apply for Brownfield's grants/loans on behalf of owners of tax delinquent properties; and
- City/RDA will not consider TIF development incentives for current owners of tax delinquent properties.

RDA Commissioners discussed whether there might be an exceptional case. City staff advised they would appreciate formal guidance especially since the City/Community Development committee cannot provide economic development loans to tax delinquent properties. **Motion (Schwartzman/Hayes to recommend adoption of the above policies to the Common Council.** Motion Carried.

Discussion of potentially splitting Tax Increment District No. 3 (Wisconsin Riverfront) with new "blighted" area TID extending to South Center Ave. Area):

Unertl highlighted WPS, SEMCO, and Development & Leasing properties that could be deleted from TID No. 3 and included in new "blighted" area TID. There are now demolition orders issued for the red lumber storage buildings on WPS property, SEMCO, and Development & Leasing structures. The WPS dam site west of North Center Ave. is also not currently in a TID.

Sturm suggested including DC Motors parcel which is currently not in a tax increment district. Exterior Maintenance orders will be issued on this property after a meeting is scheduled with the property/business owner.

There has been a request from a South Center Avenue property owner interested in potentially expanding an existing business. Unertl emphasized that more analysis is needed on property valuations to verify that it is possible to meet "blighted" TID criteria, especially since some parcels will have higher land valuation than improved values.

As part of amending the TID No. 3 boundary, some additional continuous connecting parcels will need to be added to the TID. The mobile home park on the north side of Main Street (Highway 64 frontage) should be included, as well as potentially Pine Ridge Plaza to facilitate redevelopment.

Next RDA Meeting: At the call of the RDA Chair.

Public Comment: None.

Closed Session:

RDA Chair Bialecki 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 TIF development incentives including in TID No. 3 (Wisconsin Riverfront), TID No. 6 (Downtown), TID No. 7 (North Center Avenue), and No. 8 (West Side)

Motion (Schwartzman/Hayes) to move to closed session. Motion carried on 4-0 roll call vote at 8:30 a.m. There was discussion on potential new development in TID No. 3 (East Side Area). City staff will seek Committee of Whole input on the proposed new development project and potential TID development incentives.

Adjournment:

Meeting adjourned from closed session at 8:45 a.m.

Minutes prepared by RDA Secretary Kathy Unertl

REQUEST TO INCLUDE ITEM ON AGENDA

3

Board or Committee: Redevelopment Authority (RDA)

Date of Meeting: TDB

Request by: Finance Director/RDA Secretary Kathy Unertl

Describe below the item(s) you wish to have put on the agenda:
(please attach any pertinent information)

Consider contract extension for Redevelopment Resources consulting services

Yes, I missed this on the January 29th, 2013 meeting agenda.

Submitted by: Kathy Unertl, RDA Secretary
March 4th, 2013





REDEVELOPMENT RESOURCES

November 8, 2012

Mr. Bill Bialecki - Mayor
1004 East First Street
Merrill, Wisconsin 54452

Subject: Proposal for Contract Extension: Redevelopment Consulting Services

Dear Mayor Bialecki,

Thank you for the opportunity for Redevelopment Resources, LLC to submit a proposal to the City of Merrill for extending and expanding redevelopment advisory services. It's been rewarding to see the improvements taking place in the City and there is a feeling of positive momentum as a result of this work.

This proposal serves to expand our time in continuing these important efforts as well as become an extension of city staff to carry out a broader range of services relative to economic development and revitalization. The program will be aimed at analyzing proposed developments, making recommendations on and implementing specific activities to produce an economically healthy and active community.

This 'Economic and Redevelopment Services' component will be directed by the City's staff leadership and will include:

- Continuing existing work already underway, including project analysis and continuing commercial rehabilitation activities,
- Undertaking and completing an initial downtown assessment highlighting important issues necessary for implementing a revitalization program,
- Fundraising and incentive structure – to support above mentioned efforts like identifying sources of funds, grant writing, tax credits, gifting/exchanges and other,
- Recommending redevelopment of properties on a block by block basis and creating an inventory of properties suitable for redevelopment implementation (demolition, rehabilitation, environmental remediation, relocation and more as required)
- Seeking developers to build new housing as well as recruiting local and regional retail and service businesses (1) intended to increase jobs and incomes for residents,
- Conduct business retention and expansion visits with local employers in an effort to develop an ongoing relationship and to discover needs and offer solutions,
- Meet with and advise Merrill City Council, City committees, administrative leadership, staff and community groups as needed.

Proposed Fee:

The fee for continuation of our extended and expanded service contract for a twelve month period and will be billed on a fixed rate of \$90.00 per hour as needed. (A six month contract is available at a rate of \$95.00 per hour.)



REDEVELOPMENT RESOURCES

A typical schedule will be 50 hours per month in the community and in RR offices working on behalf of the City of Merrill. Mileage is to be billed in addition to the monthly fee at the rate of \$.55 per mile. Additional costs related to any architectural design, engineering or other professional services are approved by the City and are costs in addition of monthly fee paid to Redevelopment Resources.

Developer Recruitment/Business Recruitment Pay for Performance:

Redevelopment Resources will be paid One and One-half percent (1.5%) of the value of new construction or complete redevelopment projects for buildings constructed by builders, developers, owners recruited by Redevelopment Resources, and One percent (1%) on total value of leases on a case by case basis depending on the project and agreed to in advance by the City of Merrill.

Sincerely,

Kristen L. Fish, CEcD, Managing Partner
Redevelopment Resources, LLC

Approved by:

_____ Date: _____
City of Merrill, Wisconsin

_____ Date: _____
Redevelopment Resources, LLC