

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

**Tuesday, August 6th, 2013 at 8:00 A.M.
City Hall Council Chambers**

RDA Present: Bill Bialecki, Ryan Schwartzman, Wally Smith, Karen Karow,
David Hayes and Jill Laufenberg

RDA Absent: Ralph Sturm

Others: City Administrator Dave Johnson, Finance Director Kathy Unertl, City
Attorney Tom Hayden, Kristen Fish, Mike Morrissey, and Mary Rajek from
Redevelopment Resources, City Building Inspector/Zoning Administrator
Darin Pagel from Northwinds Inspection, Community Development Program
Administrator Shari Wicke, Dewey Pfister, and Jo Ellen James

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

Approval of meeting minutes from July 2nd, 2013:

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

Review and discussion of framework for TIF façade improvement development incentives:

RDA Commissioners review draft criteria and objectives for the TIF façade program. This program is not for routine property maintenance. Objective is façade upgrades or improvements to the existing structure with preference for improvements consistent with “original style and character” of historical buildings.

The TIF facade development incentive overview information will be provided to interested property owners, as well as reference available façade and economic development loans available through Community Development.

Update on proposed 201 South Prospect Street site redevelopment and proposed TIF development incentives for Merrill Area Development Corporation (MADC):

City Administrator Johnson provided an overview of the proposed redevelopment project. MADC has made an offer to purchase the thirty-three acre site from the individual whom purchased from Hurd Windows & Doors.

MADC would be selling two buildings to a manufacturing company. About forty jobs would be relocated to the site with planned doubling of workforce in future. Average wage for these jobs is about \$18.00 per hour.

Some building demolition is required. In addition, environmental issues need to be resolved to facilitate redevelopment of the majority of the property. Because MADC is a 503c organization, MADC would be able to apply for Brownfield's loans and grants to assist with environmental site assessment and remediation.

City TIF development incentives would include the following which have been discussed at the Committee of Whole on July 30th, 2013:

- City \$100,000 purchase of five acre site north of Zastrow's (TID No. 5) for stormwater drainage and development site along North Pine Ridge Ave.; and
- City \$200,000 TID No. 8 loan to MADC to facilitate site acquisition and environmental remediation cash flow.

It appears that it will take another month (or so) to finalize the purchase by MADC and complete due diligence for this major redevelopment project.

Update and discussion of Tax Increment District boundary and plan amendments:

Unertl highlighted preliminary plans for boundary and plan amendments of various Tax Increment Districts (TIDs). In addition, a new "blight" TID No. 9 is being proposed to include Wisconsin River parcels south of the railroad track currently in TID No.3, as well as various South Center Avenue properties.

Next RDA meeting: Next meeting scheduled for:

- Tuesday, September 10th at 5:30 p.m. with public hearings on various TIDs at 6:00 p.m. This would be before the regular Merrill Common Council meeting.

Public Comment: None.

Closed Session:

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 for façade improvements at 316 Grand Ave. in TID No. 8; and potential property title transfer of West Main Street parcels to City of Merrill/ Redevelopment Authority to facilitate demolition and site redevelopment in TID No. 8.

Motion (Schwartzman/Smith) to move into closed session. Carried 6-0 on roll call vote at 8:20 a.m.

- RDA Commissioners, property owner Jo Ellen James, and City staff/ redevelopment contractors discussed potential options related to 316 Grand Ave. which is adjacent to former blighted building that was demolished in fall 2012.
- The property owner of a West Main Street blighted building is willing to transfer title to his properties in a friendly condemnation process. The deteriorated existing structure is too expensive to renovate; has property maintenance orders from City Building Inspector due to roof conditions; and will be expensive to demolish. There was strong RDA Commissioner support for acquisition to facilitate demolition and site redevelopment. City staff is aware of one interested developer already.

RDA Secretary Unertl will issue “spot blight” public hearing notice and there will be resolution for consideration at the September 10th RDA meeting. Running parallel to the “spot blight” process timing, City staff will issue Request for Proposal for developers interested in demolition and site redevelopment.

Adjournment From Closed Session:

Motion (Karow/Smith) to adjourn the meeting at 8:57 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

City of Merrill TIF Façade Development Incentives

Criteria and objectives for the TIF façade program include:

- Property taxes must be current (i.e. not delinquent);
- Program object is façade upgrades or improvements to existing structures with preference for improvements consistent with "original style and character" of historical buildings;
- Not for routine property maintenance such as brick tuck pointing, repainting of brick facades, or window replacements unless part of an overall facade upgrade or improvement project;
- Not for roof replacement or other routine property maintenance;
- No installation of vinyl siding, especially to replace existing brick facades;
- Not for projects that are already underway prior to property owner request for potential TIF development incentive;
- Program to support continuation of existing jobs or potential new job creation; and
- Potential generation of new property tax increment at the parcel or surrounding areas. However, it is not necessary that TIF facade projects generate the total TIF development incentive amount during the remaining life of the Tax Increment District (TID).

City of Merrill Redevelopment Authority will use TIF funding to facilitate façade projects through:

- Hiring and paying for an architect and redevelopment consultant to identify potential project scope, costs, and funding options.

Contact person for potential TIF funding is City Finance Director/Redevelopment Authority Secretary Kathy Unertl at (715) 536-5594.

Potential Low-Interest Loan Funding:

The City of Merrill has other Community Development loan programs available for potential projects that do not meet these TIF façade development incentives. Contact person is Community Development Program Administrator Shari Wicke at (715) 536-4880.