

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

**Tuesday, September 9th, 2014 at 8:00 A.M.
City Hall Council Chambers**

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

RDA Absent: Karen Karow and Wally Smith

Others: Alderpersons Chris Malm and Dave Sukow, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, Mary Rajek from Redevelopment Resources, Mike Morrissey from Morrissey Consulting, City Building Inspector/Zoning Administrator Darin Pagel, Community Development Program Administrator Shari Wicke, Dean Feske from AECOM, and Tonia Speener from Clark Dietz, Inc. - Engineers

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

Approval of meeting minutes from June 24th, 2014:

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

Consider recommendation on proposed development agreement by and between the City of Merrill, Wisconsin and Clark Cup-N-Cone (Tax Increment District No. 3 – East Side):

Redevelopment project includes property purchase and clean-up, façade improvements, some interior building improvements, and future additional food-preparation equipment. Objective is year-round instead of seasonal business on this highly visible property.

Unertl and Schwartzman advised that financing is through Merrill Federal Savings & Loan Association and a \$45,000 CWED low-interest loan. Schwartzman advised that he recommended a TIF development incentive be requested at the Merrill Community Development Committee. The proposed \$10,000 TIF development incentive will help move site redevelopment forward quicker.

Motion (Schwartzman/Laufenberg) to recommend the proposed development agreement by and between the City of Merrill, Wisconsin and Clark Cup-N-Cone at 2802 East Main Street (Tax Increment District No. 3). Carried.

Update on potential bids for sale/redevelopment of former ranger station parcel (110 East 10th Street – Tax Increment District No. 7):

City Administrator Johnson reported that two bids were received - \$7,501 and \$23,500. Neither bidder had immediate redevelopment plans for the site. Given the minimal bid amounts, Johnson will be recommending that the City's Board of Public Works reject the bids and that the City retain the buildings/site for summer Parks & Recreation Department use.

Consider draft 2015 Tax Increment District (TID) operating budget and potential TID capital budget requests:

Unertl emphasized with the expanded TID No. 3 tax increment generated from the new Wal-Mart, that it was now fiscally feasible and strategic to begin transferring TID funding from TID No. 3 to the "blighted area" TIDs – especially TID No. 6 (Downtown) and TID No. 8 (West Side).

In follow-up to the City's new Strategic Plan, Unertl advised that there is \$20,000 split among various TID Districts for proposed Housing Study. Unertl noted that all the TIDs have Personnel Services line items for wages/benefits of City employees working on TID-related projects.

TID No. 3 (East Side)

Since the Hwy 64/Pine Ridge Ave. infrastructure has not yet been accepted, the City has not yet paid the \$400,000 development incentive to Wal-Mart. Pending items include stormwater drainage issue from driveway to Wal-Mart across S. Pine Ridge Ave. Additional right-of-way is needed by McDonald's corner and the sidewalk needs to be reconstructed with ADA ramp toward State Highway 64.

TID No. 4 (Thielman St. /N. Pine Ridge Ave.)

The stormwater culvert replacement under Thielman St. is now planned for early 2015 bidding. Objective is to try to obtain more than one bid for this construction project.

City staff anticipates an announcement shortly related to the former Wal-Mart space.

TID No. 5 (State Hwy 107/Taylor St Area)

Proposed installation of new streetlights in this underserved area, including industrial park (i.e. Commerce Street by Russ Davis Wholesale has no streetlights).

TID No. 6 (Downtown Area)

Unertl noted that the 2013 City borrowing for the Courtview access project was \$137,500. Unertl suggested with the River Bend Trail development, that this was the time to move forward with downtown planning, including building facades along the Wisconsin River and City-owned public parking lot north of the railroad tracks. City staff and contractors continue to work on marketing the Lincoln House site for potential multi-story redevelopment.

TID No. 7 (North Center Ave. Area)

Updates on environmental work related to former dry cleaner site were provided by Dean Feske from AECOM and Unertl. Wisconsin DNR has just approved a waiver to use AECOM, without bidding for environmental contractors, to continue environmental monitoring well and analysis work that the firm has been involved in for almost a decade. City would like to eventually recover State of Wisconsin reimbursements through the Dry Cleaner's Environmental Remediation Fund (DERF).

Laufenberg questioned the timing for Pine Ridge Restaurant development incentive payments. Unertl verified that the \$10,000 next payments would be in 2016 and 2017 when the new building is generating tax increment (i.e. no 2015 amount).

TID No. 8 (West Side Area)

Now that the Hurd – Superseal development incentive is a grant rather than a loan, Unertl will be recommending borrowing the \$200,000.

Based upon exterior renovation work, it is unclear what is happening with 1502 West Main Street redevelopment project (Mark Raymer) or when it might be completed. Unertl has included potential \$25,000 development incentive in the 2015 budget.

As of end of May 2014, the \$200,000 loan from 2013 to Merrill Area Development Corp. (MADC) for 201 South Prospect Street site has been repaid to the City of Merrill. The City has also paid off the Zastrow's development incentive to MADC (TID No. 4).

TID No. 9 (Wisconsin River/South Center Ave. Area)

Bids are pending for demolition/clean-up of the former Anson-Gilkey property buildings. Sturm strongly recommended getting performance bond to ensure that demolition work is completed in timely manner in contrast to Lincoln House demo. Sturm disagreed that the extreme winter temperatures should have prevented equipment operation.

Unertl advised that potential demolition/environmental work at DC Motors parcel that the City of Merrill is condemning was missed in the draft budget. Estimated \$150,000 to \$200,000 range to remove this "blighted" building. City staff will be reviewing potential State environmental grant funding options.

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

Public Comment: None.

Adjournment:

Motion (Schwartzman/Hayes) to adjourn the meeting at 8:50 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl