

**CITY OF MERRILL**  
**Joint Meeting of the Redevelopment Authority (RDA),**  
**City Plan Commission, and Committee of Whole**

**Wednesday, January 20<sup>th</sup>, 2016 at 6:00 p.m.**

**Location – City Hall Common Council Chambers**  
**1004 East 1<sup>st</sup> Street**

**AGENDA**

Voting RDA Members: Bill Bialecki, Ryan Schwartzman, Amanda Kostman, Wally Smith,  
Karen Karow, Jill Laufenberg, and Tony Kusserow

1. Call to order
2. Public Comment
3. Overview of 120 S. Mill St. (former Lincoln House site) Request For Proposal process and consideration of MSP Real Estate, Inc. proposal (Tax Increment District No. 6)
4. Consider potential recommendation to sell former Lincoln House site for \$1.00 (with contingencies, including obtaining potential WHEDA tax credits)
5. Consider potential preliminary TIF development incentive commitment of up to \$1,085,000 to MSP Real Estate, Inc. for 120 S. Mill St. (Tax Increment District No. 6)
6. Update on accepted \$200,000 offer to purchase 17 acres and discuss conceptual new development at 1501 Highway 107 (Tax Increment District No. 5)
7. Adjournment of RDA and Committee of Whole

**CITY PLAN COMISSION**

1. Minutes of January 5<sup>th</sup>, 2016 meeting
2. Consider Certified Survey Map from Lincoln Storage for land located at the east end of Mathews Street in the City of Merrill (Follow-up from January 5<sup>th</sup>, 2016 meeting)
3. Adjournment of City Plan Commission

Agenda prepared by RDA Secretary Kathy Unertl  
Reviewed by RDA President/Mayor 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 5<sup>th</sup>, 2016 at 8:00 A.M.  
City Hall Common Council Chambers

RDA Present: Bill Bialecki, Wally Smith, Amanda Kostman, Tony Kusserow,  
Ryan Schwartzman, Karen Karow, and Jill Laufenberg

Others: Alderpersons Dave Sukow and Kandy Peterson, City Administrator Dave Johnson, Finance Director Kathy Unertl, City Attorney Tom Hayden, City Building Inspector Darin Pagel, Ken Maule from Lincoln County Economic Development Corp., Mary Rajek from Redevelopment Resources, and Mark Hammond from MSP Real Estate, Inc.

**Closed Session Minutes – 120 S. Mill St. Site:**

RDA Commissioners were provided an update on and discussed the MSP Real Estate, Inc. redevelopment proposal (which was handed out at the meeting) for the former Lincoln House site. Key points that were noted:

- Proposed development is solely on the former Lincoln House site. The development assumes that the **existing Trophy Bar is unaffected**.
- Total of 40 residential units, of which 6 would be market rent and 34 at reduced rent due to participation in WHEDA low-to-moderate income tax credit program.
- Proposed new four-story building includes 30 underground parking stalls and several surface parking spots. Option to lease about 20 additional parking spots in the City parking lot west of the development site is being requested.
- There is proposed club/community room.
- A small potential retail space is proposed (i.e. about 375'). Hammond advised that due to likely rental cost, only minimal retail space appears feasible.
- There is outdoor space/patio on Northwest corner of the property.
- Proposed financing for the almost \$6 million development includes:
  - First Mortgage       \$ 856,000
  - TIF Grant             \$1,085,000
  - Land Pledge         \$         1 [Sale of former Lincoln House site]
  - Tax Credits         \$3,999,734 [WHEDA low-to-moderate tax credits]
- Deadline for the WHEDA tax credit application is end of January.

- Items needed to support the WHEDA tax credit application include:
  - Option by MSP Real Estate to purchase the site for \$1.00.
  - Preliminary City of Merrill TIF financial commitment.
  - Letters from area employers in support of workforce housing. [Mary Rajek from Redevelopment Resources following-up.]
  - Former action on Plan Unit Development (PUD) to allow conceptual zero lot line new development for residential overlay. Note: Public hearing held at the City Plan Commission on Tuesday, January 5<sup>th</sup>, 2016.
  - Letters of support from City of Merrill and community representatives.

Finance Director Unertl clarified that the requested TIF cash development incentive is proposed as up-front payment vs. pay-as-you-go TIF. Unertl advised that she will need to further review with the City's independent financial consultant firm, Ehlers & Associates.

Due to the scope of the proposal and WHEDA tax credit application deadlines, consensus that joint meeting be requested between RDA, City Plan Commission, and Committee of Whole members. Tentatively scheduled for 6:00 p.m. on Wednesday, January 20<sup>th</sup>, 2016.

**Motion (Schwartzman/Smith) to reconvene in open session.** Carried at 9:32 a.m. There was no action on closed session items.

Unertl informed Linda Berlin that there would be joint meeting between RDA, Common Council, and Plan Commission tentatively at 6:00 p.m. on Wednesday, January 20<sup>th</sup> in follow-up to the redevelopment proposal for the Lincoln House site.

**Adjournment:** Motion (Schwartzman/Kostman) to adjourn at 9:35 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

## **MSP Proposed Housing Project – 120 S. Mill St. (Tax Increment District No. 6)**

1. The development proposal is what the private sector believes will work given the site's geographic and economic circumstances (i.e. what the market will support in that location).
2. The proposal is a private sector taxable development. It will be privately owned and privately managed by the developer and their investors.

See attached WHEDA low-income housing tax credit (LIHTC) fact sheet.

**For 60% units, maximum income for one-person household will be \$26,700.** The income limit increases based upon household size. There will be 6 market rent apartments with no household income limit.

3. The WHEDA tax credit application is for Rural Set-Aside. Interim Director of Merrill Housing Authority Wayne Zimmerman advises that the Housing Authority's WHEDA tax credit application will be for Preservation Set-Aside.
4. The project is significant in that once constructed, it will increase the current total assessed value of the entire downtown by about 50%.
5. The ratio of public to private dollars is 1:4. For every public dollar, the private sector will invest the private sector will spend 4 dollars. Most significant development in today's redevelopment market requires a public private partnership; not unlike Merrill's recent Walmart development (i.e. Highway 64/Pine Ridge Ave. infrastructure).
6. The 40 apartments being proposed is based upon analysis of the housing market and the need within the community for new affordable housing. **Decent, safe, sanitary, and affordable housing is an important economic tool** in attracting business, workforce, maintaining population, and minimizing employee commuting.

Increasing downtown population will also support adjacent businesses and general quality of life. Workforce housing benefits the community as it enables individuals to dedicate less discretionary income towards housing and therefore allows of additional local spending.

This overview prepared with assistance from Redevelopment Resources and MSP Real Estate.

Kathy Unertl, Finance Director/RDA Secretary



# WHEDA

## LOW-INCOME HOUSING TAX CREDIT (LIHTC) FACT SHEET

### Background

The Low-Income Housing Tax Credit (LIHTC) program was created in 1986 to encourage private investment in the development and rehabilitation of rental housing for low- to moderate-income families, seniors, and persons with special needs. LIHTCs are governed by Section 42 of the Internal Revenue Code and corresponding Federal Regulations. The Federal government allocates LIHTCs to each state according to a population-based formula. At the state level, Housing Credit Agencies administer the LIHTCs to owners of housing developments according to their state Qualified Allocation Plan, which must meet Federal guidelines.

The Wisconsin Housing and Economic Development Authority (WHEDA) is responsible for allocating and administering LIHTCs in Wisconsin. Since the inception of the LIHTC program, WHEDA has allocated \$326.2 million in tax credits, creating 51,940 units of housing in 1,135 developments across the state. These developments are located in 69 counties and 303 municipalities throughout Wisconsin.

### How LIHTCs Work

LIHTCs are used by developers to achieve lower rents that are affordable for low- and moderate-income households. Many LIHTC properties also include market-rate units that are available to households regardless of income.

LIHTCs are neither a grant nor a loan; they are Federal tax credits that are used to offset income tax liability. The owner of a housing development uses the tax credits to generate an equity investment in the property. The equity investment reduces the amount of lending, and monthly debt service, needed to finance the development. Lower debt on the property allows the owner to charge lower monthly rents.

The developer can convert the tax credits into equity in one of three ways: (1) claim the tax credits directly against their own income tax liability; (2) sell the tax credits to an investor in exchange for capital, or equity, for development or rehabilitation of the housing; or (3) sell the tax credits to a syndicator who bundles tax credits from different developments and then sells them to investors.

LIHTCs are awarded by WHEDA to housing developers through a highly competitive process. Applicants must meet certain threshold requirements to be considered for the program. Priority is given to developments which will serve the lowest income families and remain affordable for longer periods of time. WHEDA's scoring process, detailed in its Qualified Allocation Plan, is updated annually to reflect current market and economic conditions.

As a threshold for eligibility, LIHTC developments must remain affordable for a 30-year period. Developments must also meet one of two thresholds for occupancy. At least 20% of all units in a development must be reserved for households at or below 50% of the area median income, or at least 40% of all units must be reserved for households at or below 60% of the area median income.<sup>1</sup>

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<sup>1</sup> WHEDA, Multifamily Tax Credits, "Wisconsin Standard Multifamily Tax Subsidy Project Estimated Maximum Income and Rent Limits" (December 2013), accessed at [http://www.wheda.com/root/uploadedFiles/Website/Business\\_Partners/Property\\_Managers/Other\\_Reports/14\\_Standard%20MTSP.pdf](http://www.wheda.com/root/uploadedFiles/Website/Business_Partners/Property_Managers/Other_Reports/14_Standard%20MTSP.pdf)

## How LIHTCs are Monitored

WHEDA continually monitors the physical condition, management, and income compliance of the property during the 30-year period. Development owners must submit annual certifications and unit status reports, as well as quarterly occupancy reports, to WHEDA.

WHEDA conducts on-site property inspections and file reviews of every LIHTC development throughout the 30-year compliance period. If WHEDA finds noncompliance with program rules, WHEDA informs both the development owner and the IRS. The owner has 30 days to remedy the noncompliance, unless it is a critical violation, for which they will have only 72 hours. If the IRS determines that the noncompliance has not been adequately remedied, the IRS may recapture some or all of the tax credits allocated to the development.

## How LIHTCs Benefit Communities

**Who Lives in LIHTC Housing?** The LIHTC program creates housing that is affordable for low- and moderate-income households. The highest use of LIHTCs in Wisconsin is for elderly housing. Since tracking the type of LIHTC units being developed in 2005, WHEDA has allocated tax credits for 14,981 units. Of those, 49% were elderly units, 46% were family units, and 5% were special needs units. Within LIHTC developments, 10% of the units are rented to households at market rates and without regard to income.

**What Income Levels are Served?** LIHTC units provide housing for households with incomes at or below either 50% or 60% county median income.

The 50% county median income in Wisconsin ranges from \$20,950 to \$28,950 for a family of one and from \$29,000 to \$41,350 for a family of four. The 60% county median income in Wisconsin ranges from \$25,140 to \$34,740 for a family of one, and from \$35,880 to \$49,620 for a family of four. Specific county-by-county income information can be found on WHEDA's webpage, under Multifamily Tax Credits.

**What is the Local Economic Impact?** All LIHTC developments involve either the construction or renovation of housing units. This activity has a positive effect on the economy as it creates jobs and increases local tax revenue.

The National Association of Home Builders (NAHB) estimates that the one-year local impact of constructing 100 units for a typical family LIHTC development includes \$7.9 million in local income, \$827,000 in taxes and other revenue for local governments, and 122 local jobs. The annual recurring impact of those 100 family units includes \$2.4 million in local income, \$441,000 in taxes and other revenue for local governments, and 30 local jobs.<sup>2</sup>

Similarly, NAHB estimates that the one-year local impact of constructing 100 units in an elderly LIHTC development includes \$7.3 million in local income, \$768,000 in taxes and other revenue for local governments, and 113 local jobs. The annual recurring impact of those 100 elderly units includes \$2.3 million in local income, \$395,000 in taxes and other revenue for local governments, and 32 local jobs.<sup>3</sup>

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<sup>2</sup> National Association of Home Builders, *The Local Economic Impact of Typical Housing Tax Credit Developments* (March 2010)

<sup>3</sup> National Association of Home Builders, *The Local Economic Impact of Typical Housing Tax Credit Developments* (March 2010)

**OPTION TO PURCHASE REAL ESTATE**

This Option is given this \_\_\_\_ day of January, 2016 by the City of Merrill, (“Owner”), with a mailing address of 1004 E. First Street, Merrill, Wisconsin to MSP Real Estate, Inc., Mark Hammond, Director of Development (“Buyer”) with a current address of 7201 Walker Street., #20, St. Louis Park, MN 55426.

1. **Grant of Option.** Owner, in consideration of one Dollar (\$1.00), paid by Buyer to Owner, receipt of which is hereby acknowledged by Owner, grants to Buyer the exclusive right and option to purchase the Property commonly known as

120 S. Mill Street, Merrill, WI 54452, more particularly described as follows:

Lots One (1), Two (2) and the East One-Half of Lot Three (E ½ Lot 3), Block Four (4), of the Original Plat of Jenny, now City of Merrill, Lincoln County, Wisconsin.

2. **Option Period.** The term of this Option shall commence on date first stated above and shall continue until July 1, 2016.
3. **Exercise of Option.** Buyer may exercise this Option upon the by signing the Exercise Provision on the bottom of this Option and delivering a copy to Owner, prior to the expiration of the Option Period stated above and at the address of Owner stated above. If this Option is exercised, Owner and Buyer shall sign a standard Wisconsin Real Estate Offer to Purchase Form and shall be bound by its terms and conditions as follows:

The offered purchase price shall be \$1.00, as authorized by the City of Merrill Common Council during the option period.

Buyer intends to construct a 4-story multiplex unit dwelling structure (“the project”) as outlined in it’s proposal dated December 29, 2015. This option shall be effective upon confirmation from WHEDA that MSP Real Estate, Inc. has received or will be receiving sufficient tax credits as a portion of the financing structure required for the project.

4. **Application of Consideration Paid.** In the event Buyer does not exercise this Option, Owner shall retain any amount paid as consideration for this Option. In the event Buyer exercises this Option, the amount paid as consideration for this Option shall be applied to the purchase price for the property.
5. **Binding Agreement.** This Option is binding upon parties and their respective heirs, successors, or assigns.

**DRAFT**

**BUYER: MSP REAL ESTATE, INC.**

**OWNER: CITY OF MERRILL**

\_\_\_\_\_  
Mark Hammond  
Director of Development

\_\_\_\_\_  
William R. Bialecki, Mayor

\_\_\_\_\_  
Dave Johnson, City Administrator

**EXERCISE OF OPTION**

By signing below and delivering a copy of such to Owner as specified above, Buyer is hereby exercising the above Option.

\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## City of Merrill

Kathy Unertl, Finance Director

1004 East 1st Street • Merrill, Wisconsin • 54452

Phone: 715.536.5594 • Fax: 715.539.2668

e-mail: Kathy.Unertl@ci.merrill.wi.us

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Date: January 14<sup>th</sup>, 2016

To: Mayor Bill Bialecki and Alderpersons

From: Kathy Unertl, Finance Director *Kathy Unertl*

RE: Fiscal Status – General Obligation (GO) Borrowing Capacity and Conceptual TID No. 6 Tax Increment from proposed 120 S. Mill St. development

As of 12/31/2015, the City of Merrill's GO remaining borrowing capacity is over \$8.5 million dollars (with about \$200,000 in Principal being paid in February 2016). Please see following information on Assessed and Equalized Valuation, as well as borrowing capacity.

The City is aggressively paying down existing debt service with about \$1 million dollars in Principal reduction annually.

I continue working with the City's independent financial advisor, Ehlers & Associates, on refinancing existing debt and major new borrowing (including for Tax Increment District reimbursements to the City's General Fund). This analysis will include potential future borrowing related to the proposed MSP development project on the former Lincoln House site.

**I am comfortable with the proposed MSP up to \$1,085,000 TIF development incentive which would be paid within thirty (30 days) after occupancy of the proposed new building** based upon the City's General Obligation borrowing capacity, existing and projected TIF Tax Increment generation, existing debt service, and planned new borrowing for capital equipment and projects. It is essential that the City use non-GO borrowing for potential future water and sanitary sewer infrastructure borrowing (such as Safe Drinking Water Loan Fund and Clean Water Fund through the State of Wisconsin).

I have attached a preliminary concept of potential tax increment would be generated from the proposed new MSP building. More detailed analysis in consultation with the City's assessor, Bowmar Appraisal Inc., would be completed if WHEDA tax credits were awarded and this development project moved forward.

**City of Merrill**

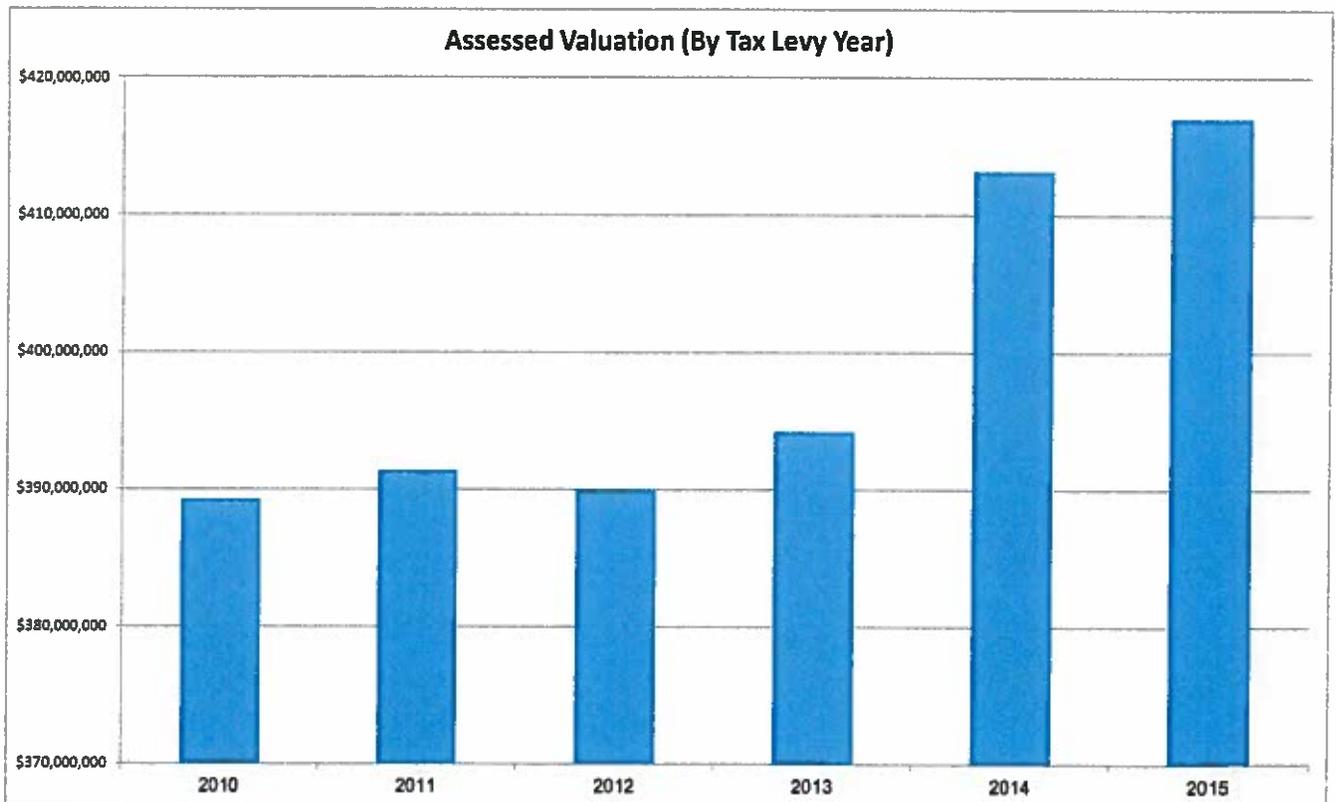
**Assessed and Equalized Valuations**

Levy Year	Assessed Valuation	% Change	Equalized Valuation TID In	% Change	Equalized Valuation TID Out	% Change	TID Value Increment	% Change	Ratio of Assessed to Equalized Value
2010	\$389,251,200	0.4%	\$390,935,400	-0.2%	\$382,255,600	-0.6%	\$8,679,800	23.2%	99.57%
2011	\$391,370,000	0.5%	\$392,919,700	0.5%	\$382,748,200	0.1%	\$10,171,500	17.2%	99.61%
2012	\$389,937,400	-0.4%	\$395,700,100	0.7%	\$385,099,400	0.6%	\$10,140,000	-0.3%	99.67%
2013	\$394,235,310	1.1%	\$374,530,100	-5.4%	\$364,710,300	-5.3%	\$9,819,800	-3.2%	105.26%
2014	\$413,207,200	4.8%	\$360,801,800	-3.7%	\$342,911,400	-6.0%	\$17,890,400	82.2%	114.53%
2015	\$417,048,310	0.9%	\$371,510,700	3.0%	\$351,277,000	2.4%	\$20,233,700	13.1%	112.26%
Change - 2014-2015	\$3,841,110		\$10,708,900		\$8,365,600		\$2,343,300		

State General Obligation Borrowing Capacity (2015)  
5% of Equalized \$18,575,535

Outstanding GO Principal \$10,045,778 as of 12/31/2015

**Borrowing Capacity \$8,529,757**



**City of Merrill - TID No. 6 (Downtown)**

**Projected Tax Increment for proposed former Lincoln House Site Redevelopment**

**PRELIMINARY**

**Projected Assessment:**

	Land Valuation	Improved Valuation	Total RE Valuation
2015	\$0	\$0	\$0
2018	\$65,000	\$1,130,000	\$1,195,000 *
New Tax Increment	\$65,000	\$1,130,000	\$1,195,000

Owned City of Merrill

**Projected\* Tax Increment**  
**\$1,195,000**

\*Tax Cap Rate 10% for first ten years

**Projected Tax Increment:**

Const. Year	Value Year	Revenue Year	TID Value Increment	Tax Rate	Projected Tax Increment
2016	2017	2018	\$65,000	27.07	\$1,760
2017	2018	2019	\$1,195,000	27.07	\$32,349
2018	2019	2020	\$1,195,000	27.07	\$32,349
2019	2020	2021	\$1,195,000	27.07	\$32,349
2020	2021	2022	\$1,195,000	27.07	\$32,349
2021	2022	2023	\$1,195,000	27.07	\$32,349
2022	2023	2024	\$1,195,000	27.07	\$32,349
2023	2024	2025	\$1,195,000	27.07	\$32,349
2024	2025	2026	\$1,195,000	27.07	\$32,349
2025	2026	2027	\$1,195,000	27.07	\$32,349
2026	2027	2028	\$1,195,000	27.07	\$32,349
2027	2028	2029	\$3,286,250	27.07	\$88,959
2028	2029	2030	\$3,286,250	27.07	\$88,959
2029	2030	2031	\$3,286,250	27.07	\$88,959
2030	2031	2032	\$3,286,250	27.07	\$88,959
2031	2032	2033	\$3,286,250	27.07	\$88,959
2032	2033	2034	\$3,286,250	27.07	\$88,959
2033	2034	2035	\$3,286,250	27.07	\$88,959
2034	2035	2036	\$3,286,250	27.07	\$88,959
					<b>\$1,036,916 Total</b>

# **Proposal for Redevelopment of Lincoln House Site City of Merrill**



**Prepared by:**

**MSP Real Estate, Inc.  
7201 Walker St., #20  
St. Louis Park, MN 55426  
952-351-4540**

**December 29, 2015**

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1. Cover Letter with Proposal Summary
2. Project Summary and Tentative Schedule
3. Preliminary Site Plan & Elevations
4. MSP Overview
5. Development Organization
6. Project Team and Management Qualifications
7. Financial Pro Forma

Mark Hammond  
MSP Real Estate, Inc.  
7201 Walker Street, Suite 20  
St. Louis Park, MN 55426  
Phone: 414-259-2108  
Email: [mhammond@msphousing.com](mailto:mhammond@msphousing.com)

December 29, 2015

Mr. David Johnson, City Administrator  
City of Merrill

RE: 120 S. Mill Street Redevelopment  
RFP Response/Letter of Interest

Dear Mr. Johnson,

MSP Real Estate, Inc. is excited at the opportunity to be involved in the redevelopment of 120 S. Mill Street, also known as "The Lincoln House." MSP specializes in developing multifamily and senior developments in the Midwest. Over the past twenty five years MSP has developed approximately thirty projects in the Midwest and has substantial experience using TIF, tax exempt bond financing, tax credits, and other financing tools to reposition sites to help build vibrant communities.

MSP has strong experience developing market rate and affordable apartments. MSP has developed over 1,350 units of workforce housing for moderate income individuals and families in the Midwest. We are a long term owner with a strong track record of getting complicated projects across the finish line and exceeding expectations in the communities in which we develop.

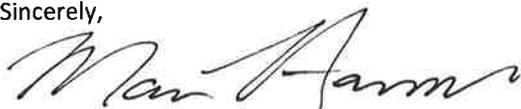
MSP is proposing to develop a 40 unit multifamily housing project at 120 S. Mill Street. This development would provide much needed workforce housing for individuals and families in Merrill and Lincoln County. Of the 40 units, 34 of those units would be reserved for residents at or below 60% of the area median income. The project will be one building that is four stories tall. The project will include a retail space, underground parking, community room, an outdoor patio area for get together, and an onsite leasing office.

The subject site located at 120 S. Mill Street represents an incredible opportunity to create a high quality development in one of the best locations in downtown Merrill. I am confident that with our experienced development team we can deliver the type of high quality project that the City of Merrill is looking for and that other cities have received and come to expect from MSP.

In order to make this project feasible, in addition to our request for land pledge and TIF Grant gap financing indicated in the included pro forma, we are also requesting that up to 30 parking stalls in the City-owned parking lot west of the subject site be made available for project residents at no cost. Please note that to maximize project density, we are providing 30 parking stalls in the project's basement.

If selected, we will dedicate all of our resources to working with the City on a project that meets and is constructed and managed to the standards expected for such a high profile project in the City of Merrill.

Sincerely,



Mark Hammond  
Director of Development

## 2) Project Summary Outline and Tentative Schedule

Below is a tentative schedule that will outline MSP's plan of execution to get the proposed 40 unit multi-family project completed.

<b>Activity</b>	<b>Proposed Completion Date</b>
Site Plan Design	1/04/2016
Zoning Approval	1/11/2016
TIF Financing	1/18/2016
WHEDA Application Submittal (Tax Credits)	1/29/2016
Announcement of WHEDA Tax Credits	5/2/2016
Construction & Permanent Loan Commitment	7/1/2016
Completion of plans and specifications	7/31/2016
Issuance of Building Permits	9/1/2016
Construction Start Date	9/1/2016
Construction Completion	7/1/2016

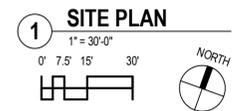
3) Preliminary Site Plan & Unit Layout



- (8) - 1.1A - 1 BDRM - 1 BATH - 560 S.F.
- (9) - 1.1B - 1 BDRM - 1 BATH - 650 S.F.
- (11) - 2.1 - 2 BDRM - 1 BATH - 800 S.F.
- (6) - 2.2 - 2 BDRM - 2 BATH - 950 S.F.
- (2) - 3.1.5 - 3 BDRM - 1.5 BATH - 1200 +/- S.F.
- (4) - 3.2 - 3 BDRM - 2 BATH - 1100 +/- S.F.

40 TOTAL UNITS  
 4 STORY BUILDING  
 10,500 S.F./FLOOR  
 42,000 S.F. TOTAL AREA

SITE PARKING = ?  
 GARAGE PARKING = 30





**6 EAST ELEVATIONS**  
3/32" = 1'-0"



**5 NORTH ELEVATIONS - ALLEY**  
3/32" = 1'-0"

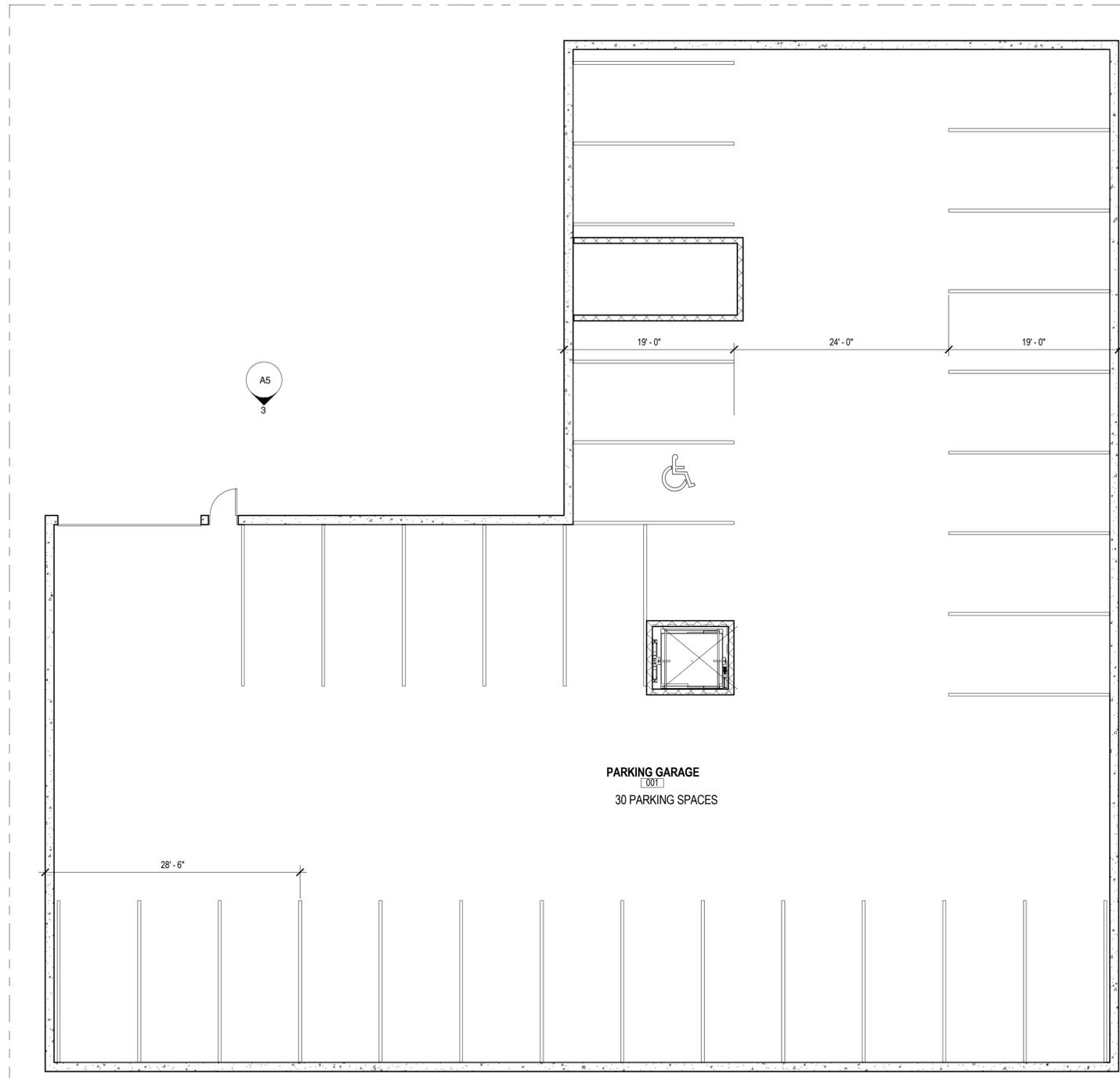
**4 WEST ELEVATION - COURTYARD**  
3/32" = 1'-0"

**3 NORTH ELEVATION - COURTYARD**  
3/32" = 1'-0"



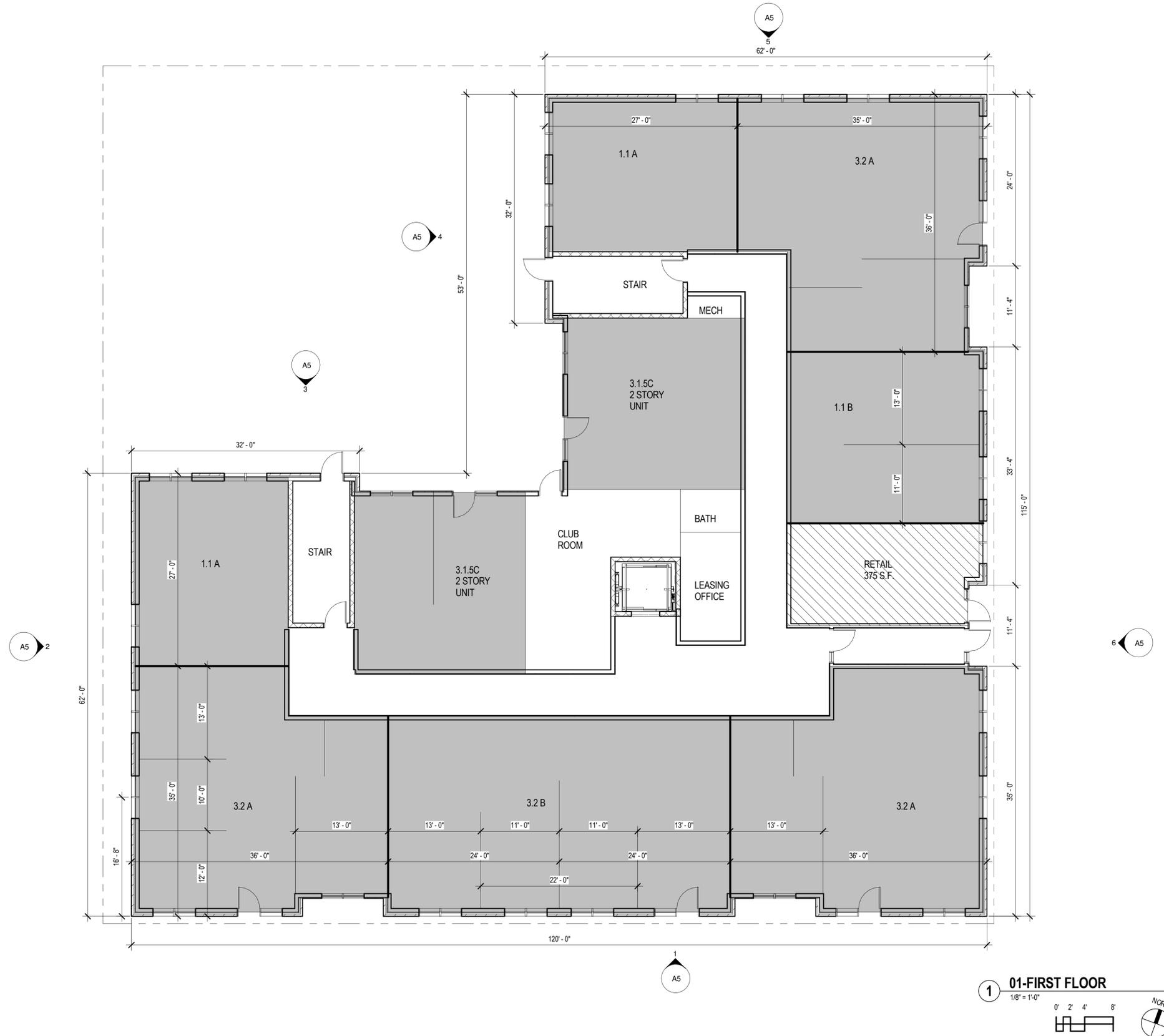
**2 WEST ELEVATIONS - ALLEY**  
3/32" = 1'-0"

**1 SOUTH ELEVATIONS**  
3/32" = 1'-0"



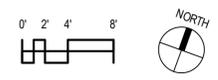
PARKING GARAGE  
001  
30 PARKING SPACES

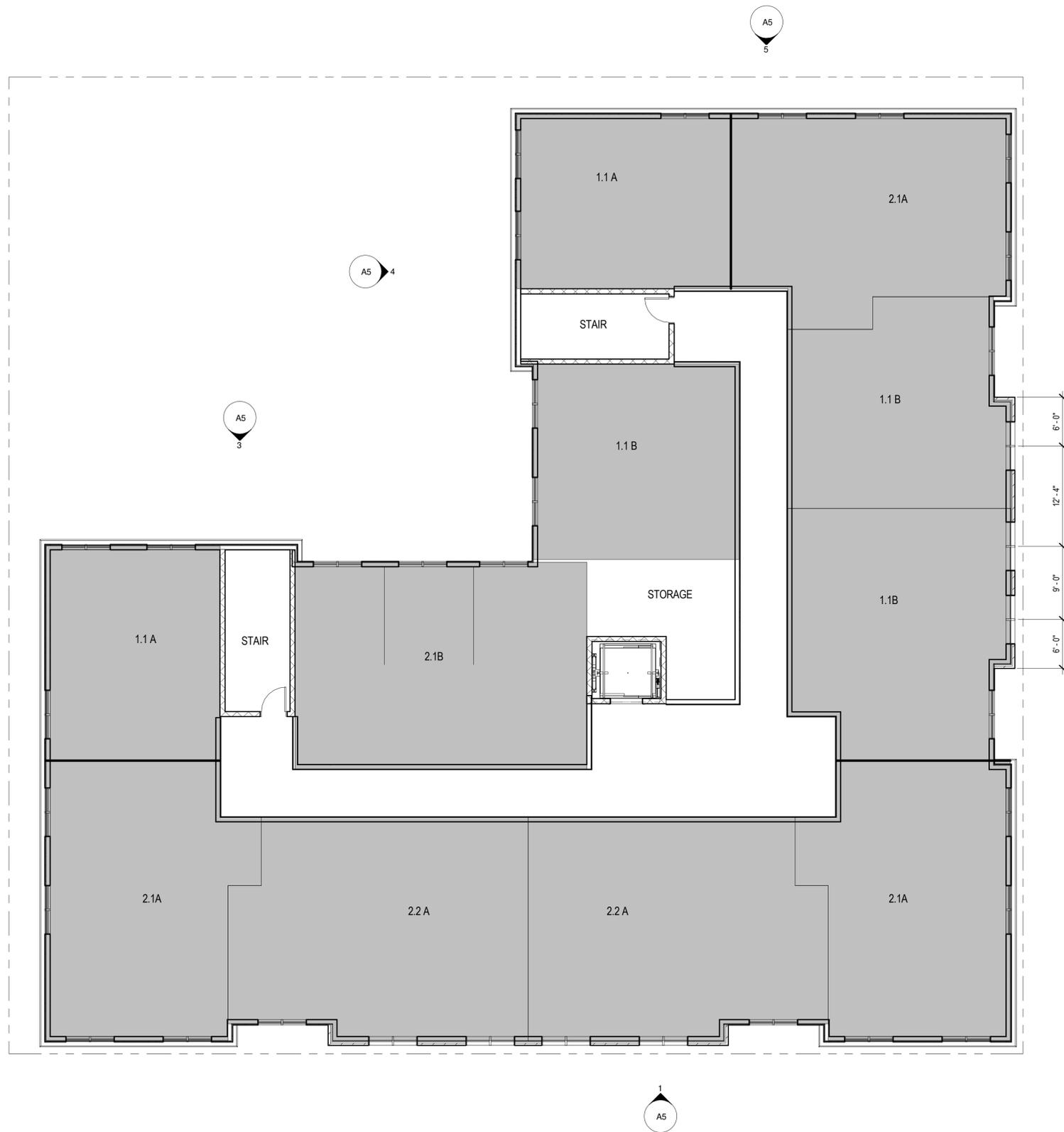
1 00-BASEMENT  
1/8" = 1'-0"





1 02-SECOND FLOOR  
1/8" = 1'-0"





4TH FLOOR SIMILAR  
**03-THIRD FLOOR**  
 1/8" = 1'-0"  
 0' 2' 4' 8' NORTH

## 4) Overview of MSP Real Estate, Inc.

### MSP Real Estate, Inc.

MSP Real Estate, Inc. (MSPRE) and its subsidiaries Heritage Assisted Living, MSP Construction and MSP Property Management make up a full service real estate development company.

Established in 1988 by Milo Pinkerton MSPRE has assembled a team with the experience and tenacity to get the job done. We are a long-term owner that owns over 90 percent of what we have built. Our philosophy is to develop high quality properties in strategic markets to ensure the best investment for us, our partners and the communities we build in.

MSPRE has experience with public/private development projects utilizing TIF, HOME Funds, Federal Home Loan Bank Funding, CBDG, Metropolitan Council grants, and DTED grants. MSPRE has extensive knowledge of real estate development gained over the past 20 years with 28 projects totaling over 140 million in value.

### Senior Housing Development

MSPRE has become one of the Midwest's leading developers of senior housing communities. To date we have developed over 1600 units of senior housing in 12 communities in Wisconsin and Minnesota. MSPRE has developed senior condominiums, independent apartments, assisted living and memory care.

Over the past 5 years MSPRE has focused on developing senior housing campuses to provide a continuum of care for its residents. These communities consist of mixed income independent senior apartments, assisted living and memory care.

### Affordable Housing Development

MSPRE specializes in Section 42 Affordable Housing Tax Credit development. To date MSPRE has received over \$10 million in tax credit allocations in three Midwestern states, constructing developments with a total project cost of over 95 million. This portfolio consists of approximately 1000 units of senior housing and over 350 units of family housing.

MSPRE has experience developing properties using both 9% tax credits and 4% tax credits with tax exempt bond financing.

### Market Rate Housing Development

MSP developed Louisiana Oaks Apartments in 2002, a 200 unit market rate development in St. Louis Park, Minnesota. This property was recognized as the 2006 MADACS Award-winning ("Property Excellence Award – Best New Development – Market Rate") in the Twin Cities. MSP sold Louisiana Oaks in 2015.

### Heritage Assisted Living

Founded in 2000, Heritage Assisted Living is an industry leading manager of assisted living and memory care communities. Today we own and operate nine communities in Wisconsin totaling over 600 units. We are one of the fastest growing Assisted Living companies in the region and now employ over 300 people.

### MSP Construction

MSP Construction is responsible for General Contracting service for MSPRE's developments. Acting as our own general contractor allows us to save costs and ensure quality on all our development projects.

In 2009 MSP Construction built 360 units with project costs totaling over 30 million. In 2012, MSP Construction built over 300 units in 3 different communities.

### MSP Property Management

MSP Property Management, LLC (MSPPM) was formed in 2005 to more fully service its affordable housing and market-rate housing in Minneapolis and Northwest Wisconsin. MSPPM currently manages over 500 units in six locations.

### Management Team

#### Milo Pinkerton, President

Milo has developed more than 2300 units spanning over 30 years. Milo's unique background of architecture, real estate and construction has enabled MSP projects to be of consistent high quality, on time and on budget.

Milo is primarily responsible for overseeing and directing all aspects of the MSP Family of Companies. Ensuring steady growth, consistent profitability and increasing cash flows annually. Milo works hands on with the development and construction company and

coordinates management and direction of Heritage and MSPPM through its various staff directors.

Prior to forming MSP Real Estate, Inc. Milo was vice president and manager of special projects for ITT Real Estate Services, where he was in charge of the disposition of \$50 million of troubled real estate nationwide. Milo was also project director with a regional development/construction company, Orville E. Madsen and Sons, based in Madison, Wisconsin, in charge of developing over 450 units.

Milo has a Master's of Science in Business, Real Estate Investment from the University of Wisconsin and a Master of Architecture Degree from the University of Minnesota. He is licensed in Minnesota and Wisconsin as a real estate broker.

#### MSP Real Estate Market Rate Apartments

	Unit	Completion
City Center at Deer Creek II, New Berlin	75	2015
<b>Total</b>	<b>75</b>	

#### Heritage Assisted Living Assisted/Memory Care

	Units	Completion
Lexington Heritage, Greenfield	20	2000
Heritage at Deer Run, Eau Claire	39	2002
Heritage at Deer Creek, New Berlin	76	2004
Heritage Court, Menomonee Falls	34	2004
Heritage Court, Eau Claire	34	2007
Heritage West Allis, West Allis	78	2009
Heritage Monona, Monona	75	2009
Heritage Monona Phase II, Monona	68	2012
Heritage Middleton, Middleton	79	2012

Heritage Elm Grove, Elm Grove	97	2014
Heritage Court Waukesha, Waukesha	36	2014
Heritage Port Washington, Port Washington	65	2015
<b>Total</b>	<b>701</b>	

#### MSP Real Estate Section 42 Apartments

	Units	Completion
Village Plaza, Paddock Lake	24	1991
Station House, Antigo	40	1991
Mill View, Kiel	24	1995
Courtyard, West Allis	63	1995
Silver Lake Pointe, Mounds View, MN	83	1995
Valley Farms Apartments, Westfield, IN	92	1996
Parkside Townhomes, Redwood Falls, MN	30	1997
Cityside Townhomes, Marshall, MN	50	1997
Lexington Village, Greenfield	120	1998
Silver Lake Commons, Mounds View, MN	50	1999
Silver Creek Village, Glendale	65	2000
Homestead Village, Chippewa Falls	48	2000
Deer Creek Village, New Berlin	145	2001
Lincoln Village, Port Washington	49	2002
Monona Senior Apartments, Monona	88	2009
West Allis Senior Apartments, West Allis	122	2009
Chippewa Senior Apart. II, Chippewa Falls	24	2011
City Center at Deer Creek, New Berlin	102	2012
Middleton Senior Apartments, Middleton	56	2012
New Berlin Senior II, New Berlin	34	2012
Meadow Ridge Apartments, Waukesha	70	2014
<b>Total</b>	<b>1,379</b>	

#### Contact Information

Milo Pinkerton  
 MSP Real Estate  
 7201 Walker St., Suite 20  
 St. Louis Park, MN 55426  
[milo@msphousing.com](mailto:milo@msphousing.com)  
 (952)351-4540  
[www.msprealestateinc.com](http://www.msprealestateinc.com)



*Independent Living, Assisted Living and Memory Care Communities*

## 5) Development Organization

### Corporate Information

MSP Real Estate, Inc.  
7201 Walker Street, Suite 20  
St. Louis Park, MN 55426

Phone: 952.351.4540  
Fax: 952.935.7202

Federal ID: 41-1630478

Private Minnesota Corporation

Date Business Started: 12/88

Date Business Incorporated: 09/88

Officer's Name: Milo Pinkerton  
Title: President

Type of Business: Real Estate Development

MSP Property Management, LLC  
7201 Walker Street, Suite 20  
St. Louis Park, MN 55426

Phone: 414-977-0040  
Fax: 414.302.9705

Federal ID: 20-2635042

Private Minnesota Limited Liability Company

Date Business Started: 04/2005

Date Business Organized: 04/2005

Officer's Name: Milo Pinkerton  
Title: Manager

Type of Business: Real Estate Management

MSP Construction, Inc.  
7201 Walker Street, Suite 20  
St. Louis Park, MN 55426

Phone: 952.351-4540  
Fax: 952.935.7202

Federal ID: 41-1745721

Private Minnesota Corporation

Date Business Started: 11/1992

Date Business Incorporated: 11/1992

Officer's Name: Milo Pinkerton  
Title: President

Type of Business: Construction

## 6) Project Team

**Developer:** Milo Pinkerton and Mark Hammond  
MSP Real Estate, Inc.  
7201 Walker Street, Suite #20  
St. Louis Park, MN 55426  
Phone: 414-259-2105  
Email: [mhammond@msphousing.com](mailto:mhammond@msphousing.com)

**General Contractor:** Steve Saucke  
MSP Construction, Inc.  
7201 Walker Street, Suite #20  
St. Louis Park, MN 55426  
Phone: (608)-375-4470  
Email: [ssaucke@msphousing.com](mailto:ssaucke@msphousing.com)

**Management & Operations:** Shawn Banks  
MSP Property Management, LLC  
7901 W. National Avenue  
West Allis, WI 53214  
Phone: (414)-977-0040  
Email: [sbanks@msphousing.com](mailto:sbanks@msphousing.com)

**Architect:** Jerry Bourquin  
Dimension IV Madison  
6515 Grand Teton Plaza, Suite #120  
Madison, WI 53719  
Phone: (608)-829-4444  
Email: [jbouquin@dimensionivmadison.com](mailto:jbouquin@dimensionivmadison.com)

**Legal Counsel:** Katie Rist  
Foley and Lardner LLP  
150 E. Gilman Street  
Madison, WI 53703  
Phone: (608)-258-4317  
Email: [krist@foley.com](mailto:krist@foley.com)

### Milo Pinkerton, President

Milo has developed more than 2300 units spanning over 30 years. Milo's unique background of architecture, real estate and construction has enabled MSP projects to be of consistent high quality, on time and on budget.

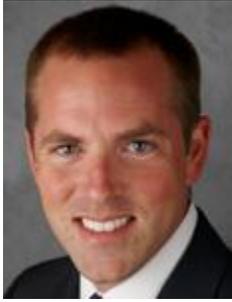


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Prior to forming MSP Real Estate, Inc. Milo was vice president and manager of special projects for ITT Real Estate Services, where he was in charge of the disposition of \$50 Million of troubled real estate nationwide. Milo was also project director with a regional development/construction company, Orville E. Madsen and sons, based in Madison, Wisconsin, in charge of developing over 450 units.

Milo has a Master's of Science in Business, Real Estate Investment from the University of Wisconsin and a Master of Architecture Degree from the University of Minnesota. He is licensed in Minnesota and Wisconsin as a real estate broker.

## *MARK HAMMOND – DIRECTOR OF DEVELOPMENT*



Mark Hammond, as Director of Development & General Counsel, leads all real estate development activities and assists the company in identifying and overseeing legal issues in other core business units.

Mark's primary responsibility is the identification and management of new development opportunities in senior housing campuses, MSP's core business category. His secondary focus is identifying market-rate multifamily and tax credit affordable housing opportunities. Mark actively manages all aspects of the development process, including site acquisition and approval, financing, design and value engineering, construction, and lease-up.

Mark holds a Bachelors Degree in Economics, an MBA in Real Estate, and a Juris Doctor, all from the University of Wisconsin-Madison.

## Construction Team Leader

### Steven Saucke, Vice President / Construction



Steve has been in the construction industry for more than 40 years. Originally in residential construction, Steve prided himself on designing and building the best home for each and every client. In 1997, he was offered a position as a Project Manager for a multi-family developer, building market-rate apartments. As the need for secure, affordable senior housing grew in the Midwest, Steve moved in that direction, overseeing the construction of the two largest senior housing facilities in the state of Iowa and multiple senior independent, assisted living, and memory care facilities throughout Wisconsin.

Now, with MSP Construction, Inc., Steve manages all aspects of construction, from site development through to turnkey completion.

## Shawn Banks – Regional Property Manager



Shawn Banks, as Regional Property Manager, is responsible for the property management of a portfolio of properties under ownership of the MSP Companies. Shawn will be transitioning the entire Oakbrook portfolio properties to be managed under MSP Property Management. Shawn will also be overseeing the 3<sup>rd</sup> party compliance and coordinating centralized maintenance.

Prior to his role with MSP, he was employed at ACC Management Group INC. as a regional manager, overseeing a portfolio of 1400 units of senior and family tax credit in WI and IL. Prior to ACC, he was the Vice President of Millennium Professional Management where he oversaw 1088 units of Section 8/ Tax Credit senior and family units in WI. Maintaining occupancy of 95% or better as well as overseeing compliance and maintenance for the entire organization.

Shawn currently holds a WI real estate license, certified in apartment management, tax credit specialist, certified occupancy specialist, and an associates in Science-Nursing degree from Cardinal Stritch University.

# RESUME

JERRY BOURQUIN, AIA

## Experience

**Principal  
Managing Partner  
Architect  
30+ years of experience**

## Registration/Accreditation

**Registered Architect in  
Wisconsin (1980)**

**Registered Architect in  
Illinois (1980)**

**Registered Architect in  
Vermont (2011)**

**Registered Architect in  
Missouri (2012)**

**Registered Architect in  
South Dakota (2013)**

**National Council of  
Architectural Registration  
Boards Certification (NCARB)**

**Certified WHEDA Capital Needs  
Assessment (CNA) Provider**

## Education/Training

**Master of Architecture,  
University of Illinois,  
Urbana-Champaign (1978)**

**Bachelor of Architectural  
Studies, University of Illinois,  
Urbana-Champaign (1976)**

## Organizations/Committees/ Memberships

**American Institute of  
Architects (AIA)**



Heritage of Monona Senior Living Community, Monona, Wisconsin

Jerry has extensive experience in the design of assisted living and senior housing facilities. He has provided architectural and construction administration services for housing projects of all types and sizes during his 30+ years as a practicing architect.

Heritage of Monona Senior Living Community, Monona, Wisconsin

Heritage of Middleton Senior Living Community, Middleton, Wisconsin

Bell Tower Place Senior Living Community, West Allis, Wisconsin

MSP New Berlin II, New Berlin, Wisconsin

MSP Monona II, Monona, Wisconsin

Heritage of Waukesha Memory Care, Waukesha, Wisconsin

Church Hill Assisted Living, Oregon, Wisconsin

Rothschild Assisted Living, Rothschild, Wisconsin

Plymouth Assisted Living, Phase 3, Plymouth, Wisconsin

Oshkosh Assisted Living, Oshkosh, Wisconsin

Sacred Heart at Monastery Lake, Franklin, Wisconsin

Appleton Assisted Living, Appleton, Wisconsin

Oakwood Village Prairie Ridge Senior Living Campus, Madison, Wisconsin

Oakwood Village University Woods, Madison, Wisconsin

Alternative Continuum of Care, Dubuque, Iowa

Chippewa Falls Senior Housing Phase II, Chippewa Falls, Wisconsin

Parkview Gardens Assisted Living Phase III & IV, Caledonia, Wisconsin

Blessed Sacrament Senior Housing, Madison, Wisconsin

Oak Park Place at Grandview Commons, Madison, Wisconsin



# Katherine R. Rist

*Senior Counsel*

*krist@foley.com*



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Katherine R. Rist is a senior counsel and real estate business lawyer with Foley & Lardner LLP. Ms. Rist has experience in real estate transactions, representing financial institutions, land developers, investors, property owners and managers in real property sales and acquisitions, real estate development and zoning matters, including mixed-use and residential condominium developments, and the negotiation of commercial and industrial leases. She is a member of the Real Estate and Finance & Financial Institutions Practices.

Ms. Rist concentrates her work in affordable housing development and finance. She has experience representing developers and investors involved in the development of affordable multifamily housing and supportive living projects that use the syndication of low income housing tax credits, rental subsidies, governmental loans and grant programs, including HOME loans and FHLB Affordable Housing Program grants. Ms. Rist also has experience in representing non-profit organizations along with for-profit developers in connection with FHA-insured multi-family loan

## *Locations*

P 608.258.4317  
Suite 5000  
150 East Gilman Street  
Madison, WI 53703-1482

## *Practice Areas*

Finance & Financial Institutions  
Real Estate



A  
4. INCOME/EXPENSE ANALYSIS

	# UNITS	RENT/UNIT	COST CAPS - DIRECT CONSTR.				UTILITY ALLOWANCE		GROSS	NET	NET MONTHLY NET RENT/SF			
			MONTHLY RENT	SQ FT	RENTABLE SF	% RENT. SF	RENT / SF							
1.1A - 30%	8	\$357	\$2,856	560	4,480	14%	\$0.64	\$66	\$357	\$291	11.15%	\$2,328	\$0.52	
1.1B - 30%	2	\$357	\$714	650	1,300	4%	\$0.55	\$66	\$357	\$291	2.79%	\$582	\$0.45	
1.1B - 50%	5	\$580	\$2,900	650	3,250	10%	\$0.89	\$66	\$580	\$514	12.31%	\$2,570	\$0.79	
1.1B - MKT	2	\$610	\$1,220	650	1,300	4%	\$0.94	\$0	\$610	\$610	5.85%	\$1,220	\$0.94	
2.1A - 50%	6	\$615	\$3,690	800	4,800	15%	\$0.77	\$81	\$615	\$534	15.35%	\$3,204	\$0.67	
2.1A - 60%	5	\$678	\$3,390	800	4,000	13%	\$0.85	\$81	\$678	\$597	14.30%	\$2,985	\$0.75	
2.2A - 60%	2	\$678	\$1,356	950	1,900	6%	\$0.71	\$81	\$678	\$597	5.72%	\$1,194	\$0.63	
2.2A - MKT	4	\$680	\$2,720	950	3,800	12%	\$0.72	\$0	\$680	\$680	13.03%	\$2,720	\$0.72	
3 1.5A&B - 50%	2	\$775	\$1,550	1,200	2,400	8%	\$0.65	\$97	\$775	\$678	6.50%	\$1,356	\$0.57	
3.2A&B - 50%	4	\$775	\$3,100	1,100	4,400	14%	\$0.70	\$97	\$775	\$678	12.99%	\$2,712	\$0.62	
<b>TOTAL UNITS</b>	<b>40</b>		<b>\$23,496</b>		<b>31,630</b>	<b>100%</b>	<b>#N/A</b>					<b>\$20,871</b>		
<b>LIHTC UNITS</b>	<b>34</b>	<b>85.00%</b>			<b>83.88%</b>									
RENTAL INFLATION	2.00%													
EXPENSE INFLATION	3.00%													
			<b>PARTIAL YEAR STABILIZED</b>											
			2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028
GROSS RENTAL INCOME		\$187,839	\$255,461	\$260,570	\$265,782	\$271,097	\$276,519	\$282,050	\$287,691	\$293,444	\$299,313	\$305,300	\$311,406	
OCCUPANCY		40%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	93%	
NET RENTAL INCOME		\$75,136	\$237,579	\$242,330	\$247,177	\$252,120	\$257,163	\$262,306	\$267,552	\$272,903	\$278,361	\$283,929	\$289,607	
RETAIL SPACE (\$9 NNN)	\$9.00	\$3,375	\$3,443	\$3,511	\$3,582	\$3,653	\$3,726	\$3,801	\$3,877	\$3,954	\$4,033	\$4,114	\$4,196	
MANAGER'S UNIT	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
PARKING	\$35.00	\$9,450	\$12,600	\$12,852	\$13,109	\$13,371	\$13,639	\$13,911	\$14,190	\$14,473	\$14,763	\$15,058	\$15,359	
Satellite and TV	\$0.00	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
EFFECTIVE GROSS INCOME		\$87,961	\$253,621	\$258,694	\$263,868	\$269,145	\$274,528	\$280,018	\$285,619	\$291,331	\$297,158	\$303,101	\$309,163	
REAL ESTATE TAX	\$650	(\$1,333)	(\$26,000)	(\$26,780)	(\$27,583)	(\$28,411)	(\$29,263)	(\$30,141)	(\$31,045)	(\$31,977)	(\$32,936)	(\$33,924)	(\$34,942)	
OPERATING EXPENSE @	\$3,300	(\$66,000)	(\$135,960)	(\$140,039)	(\$144,240)	(\$148,567)	(\$153,024)	(\$157,615)	(\$162,343)	(\$167,214)	(\$172,230)	(\$177,397)	(\$182,719)	
WIS MONITORING FEE	\$0 PER LI/DU	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
ANNUAL REPLACEMENTS	\$300	(\$4,800)	(\$12,000)	(\$12,360)	(\$12,731)	(\$13,113)	(\$13,506)	(\$13,911)	(\$14,329)	(\$14,758)	(\$15,201)	(\$15,657)	(\$16,127)	
MIP														
<b>NET OPERATING INCOME</b>		<b>\$15,828</b>	<b>\$79,661</b>	<b>\$79,515</b>	<b>\$79,313</b>	<b>\$79,054</b>	<b>\$78,734</b>	<b>\$78,351</b>	<b>\$77,901</b>	<b>\$77,382</b>	<b>\$76,790</b>	<b>\$76,123</b>	<b>\$75,375</b>	
INTERNAL NOI (NOI + 50% ASSET MGMT FEE)		\$15,828	\$79,661	\$79,515	\$79,313	\$79,054	\$78,734	\$78,351	\$77,901	\$77,382	\$76,790	\$76,123	\$75,375	
INTEREST ON RESERVES @	1.00%	\$180	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72	
ASSET MANAGEMENT FEE @	0.00%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
INTEREST EXPENSE		(\$25,151)	(\$49,842)	(\$49,354)	(\$48,837)	(\$48,289)	(\$47,707)	(\$47,091)	(\$46,437)	(\$45,743)	(\$45,007)	(\$44,226)	(\$43,398)	
DEPRECIATION/AMORTIZATION		(\$92,111)	(\$184,221)	(\$184,221)	(\$184,221)	(\$184,221)	(\$184,021)	(\$184,021)	(\$184,021)	(\$184,021)	(\$184,021)	(\$184,021)	(\$184,021)	
ACCRUED INTEREST		\$7,960	\$8,199	\$8,445	\$8,698	\$8,959	\$9,228	\$9,505	\$9,790	\$10,083	\$10,386	\$10,698	\$11,019	
TAXABLE INCOME		(\$93,293)	(\$146,131)	(\$145,544)	(\$144,975)	(\$144,425)	(\$143,695)	(\$143,184)	(\$142,695)	(\$142,226)	(\$141,780)	(\$141,355)	(\$140,954)	
DEPRECIATION/AMORTIZATION		\$92,111	\$184,221	\$184,221	\$184,221	\$184,221	\$184,021	\$184,021	\$184,021	\$184,021	\$184,021	\$184,021	\$184,021	
ACCRUED INTEREST		(\$7,960)	(\$8,199)	(\$8,445)	(\$8,698)	(\$8,959)	(\$9,228)	(\$9,505)	(\$9,790)	(\$10,083)	(\$10,386)	(\$10,698)	(\$11,019)	
ANNUAL REPL RESERVE @	above	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
PRINCIPAL REDUCTION		\$0	(\$8,040)	(\$8,527)	(\$9,044)	(\$9,593)	(\$10,174)	(\$10,791)	(\$11,445)	(\$12,139)	(\$12,875)	(\$13,655)	(\$14,483)	
DRAW FROM/(DEPOSIT TO) RESERVES		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
DISTRIBUTABLE CASH FLOW		(\$9,143)	\$21,852	\$21,705	\$21,504	\$21,244	\$20,925	\$20,541	\$20,092	\$19,573	\$18,981	\$18,313	\$17,566	

A =====	TOTAL COST	ELIGIBLE BASIS	ADJUSTED BASIS	QUALIFIED BASIS	DEPRECIABLE COST =====
<b>A. PURCHASE LAND &amp; BUILDING</b>					
LAND @	\$1	N/A	N/A	N/A	N/A
BUILDING	\$0	N/A	N/A	N/A	\$0
Parking Garage	\$0	N/A	N/A	N/A	\$0
Non- Basis Construction	\$0	N/A	N/A	N/A	\$0
SUBTOTAL	\$1	\$0	\$0	\$0	\$0
<b>B. SITE IMPROVEMENTS</b>					
SITE WORK	\$0	\$0	\$0	\$0	\$0
OFF-SITE	\$0	N/A	N/A	N/A	\$0
LANDSCAPPING	\$0	\$0	\$0	\$0	N/A
LAND IMPROVEMENTS	\$0	\$0	\$0	\$0	N/A
OTHER (PORCH)	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$0	\$0	\$0	\$0	\$0
<b>C. BUILDINGS</b>					
NEW BUILDING (96800x \$86)	\$4,111,250	\$3,344,096	\$2,804,896	\$3,646,365	\$4,051,250
Additional to Land	\$0	\$0	\$0	\$0	\$0
PERSONAL PROPERTY	\$0	\$0	\$0	\$0	\$0
COMMON AREA FURNITURE	\$0	\$40,000	\$40,000	\$43,616	\$40,000
GENERAL REQUIREMENTS	\$0	\$0	\$0	\$0	\$0
CONTRACTOR OVERHEAD	0%	\$0	\$0	\$0	\$0
CONTRACTOR OH&P	8%	\$328,900	\$328,900	\$275,868	\$427,570
PILINGS	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$112,003.75	\$4,480,150	\$3,712,996	\$3,120,765	\$4,117,551
<b>D. CONTINGENCY</b>					
CONTINGENCY	\$226,000	\$226,000	\$226,000	\$226,000	\$226,000
OTHER	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$226,000	\$226,000	\$226,000	\$226,000	\$226,000
<b>E. ARCHITECTURAL</b>					
ARCHITECT-DESIGN	\$80,000	\$80,000	\$67,101	\$87,231	\$80,000
INSPECTOR/OTHR Arch	\$15,000	\$15,000	\$12,581	\$16,356	\$15,000
REAL ESTATE ATTORNEY	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
Mueller	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$125,000	\$125,000	\$109,682	\$133,587	\$125,000
<b>F. INTERIM/CONSTRUCTION</b>					
INSURANCE	\$14,000	\$14,000	\$11,743	\$15,265	\$14,000
CONSTRUCTION INTEREST	4.0%	\$99,337	\$99,337	\$83,320	\$108,316
ORIGINATION FEE	1.00%	\$44,802	\$44,802	\$37,578	\$48,851
TAXES	\$8,000	\$8,000	\$6,710	\$8,723	\$8,000
LOC Fee	\$10,000	\$10,000	\$8,388	\$10,904	\$10,000
LEGAL	\$0	\$0	\$0	\$0	\$0
TITLE & RECORDING	\$0	\$0	\$0	\$0	\$0
SUBTOTAL	\$176,139	\$176,139	\$147,738	\$192,059	\$176,139
<b>G. PERMANENT FINANCING</b>					
ORIGINATION FEE	1.000%	\$8,560	N/A	N/A	N/A
TITLE & RECORDING	\$8,000	\$8,000	\$6,710	\$8,723	\$8,000
LEGAL (permanent loan)	\$15,000	N/A	N/A	NA	N/A
OTHER	\$0	N/A	N/A	N/A	N/A
SUBTOTAL	\$31,560	\$8,000	\$6,710	\$8,723	\$8,000
<b>H. SOFT COSTS</b>					
APPRAISAL	\$6,300	\$6,300	\$5,284	\$6,869	\$6,300
MARKET STUDY	\$5,500	\$5,500	\$4,613	\$5,997	\$5,500
ENVIRONMENTAL	\$0	\$0	\$0	\$0	\$0
TAX CREDIT FEES @ Credit AI	5.00%	\$40,000	\$0	\$0	\$40,000
SAC/WAC/PARK @	\$0	\$0	\$0	\$0	\$0
LEGAL/ACCOUNTING	\$0	\$0	\$0	\$0	\$0
RENT-UP/MARKETING	\$50,000	N/A	\$0	\$0	N/A
COMMON AREA F & F	\$0	\$0	\$0	\$0	\$0
COST CERTIFICATION	\$9,000	\$9,000	\$7,549	\$9,813	\$9,000
SURVEY	\$5,900	\$5,900	\$4,949	\$6,433	\$5,900
SOILS	\$2,000	\$2,000	\$1,678	\$2,181	\$2,000
ENGINEERING	\$12,000	\$12,000	\$10,065	\$13,085	\$12,000
OTHER SOFT COSTS	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
SUBTOTAL	\$135,700	\$45,700	\$39,138	\$49,379	\$135,700
<b>I. SYNDICATION</b>					
ORGANIZATION	\$2,000	N/A	N/A	N/A	N/A
Legal	\$0	N/A	N/A	N/A	N/A
TAX OPINION	\$0	N/A	N/A	N/A	N/A
Investor Legal	0.00%	\$0	N/A	N/A	N/A
SUBTOTAL	\$2,000	\$0	\$0	\$0	\$0
<b>J. DEVELOPER FEE @</b>					
CONSULTANT	12.00%	\$0	\$0	\$0	\$0
		\$636,186	\$636,186	\$533,608	\$693,690
SUBTOTAL		\$636,186	\$636,186	\$533,608	\$693,690
<b>K. PROJECT RESERVES</b>					
RELOCATION COSTS	\$0	N/A	N/A	N/A	N/A
OPERATING RESERVE- 1st Year Loss	\$35,000				
LEASEUP RESERVE(Marketing)	\$0				
LEASEUP FEE(1 mo/ Unit)	\$20,000				
INVESTOR RESERVE	\$70,000				
TOTAL RESERVES	\$125,000				
TOTAL DEVELOPMENT COST	\$5,937,735	\$4,930,020	\$4,183,640	\$5,420,989	\$5,038,989

City of Merrill  
Redevelopment Authority (RDA)

Tuesday, January 5<sup>th</sup>, 2016 at 8:00 A.M.  
City Hall Common Council Chambers

RDA Present: Bill Bialecki, Wally Smith, Amanda Kostman, Tony Kusserow,  
Ryan Schwartzman, Karen Karow, and Jill Laufenberg

RDA Absent: None

Others: Alderpersons Dave Sukow and Kandy Peterson, City Administrator Dave Johnson, Finance Director Kathy Unertl, City Attorney Tom Hayden, City Building Inspector Darin Pagel, Ken Maule from Lincoln County Economic Development Corp., Mary Rajek from Redevelopment Resources, Ryan Peacock and Mark Raymer, Mark Hammond from MSP Real Estate, Inc., and Linda Berlin from Trophy Bar

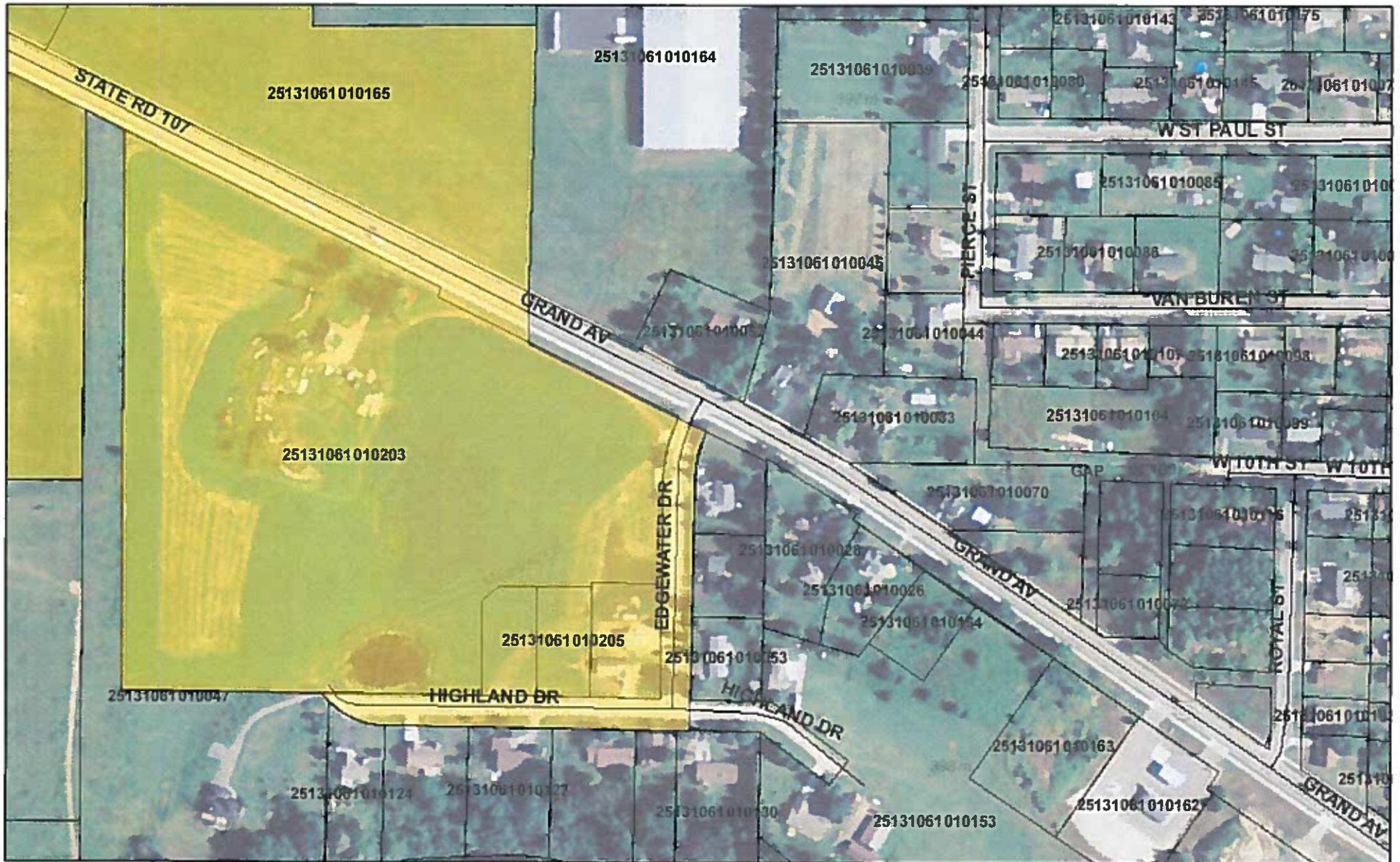
**Update on accepted \$200,000 offer to purchase 17 acres and request for proposals for new development at 1501 Highway 107 (TID No. 5):**

In follow-up to December 2015 RDA closed session discussion, Johnson advised that there is an accepted offer to purchase the 17 acre Lokemoen Construction property for \$200,000. The City's offer to purchase is contingent upon development proposals.

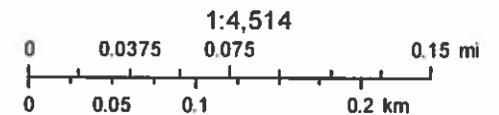
RFP development responses are due Thursday, January 21<sup>st</sup>. Johnson reported that one proposal has already been received.

City staff anticipates being able to review the RFP responses and potentially having a proposed development agreement for consideration at the February RDA meeting.

# City of Merrill's Tax Increment Districts



October 6, 2015



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey,

**Request for Proposals**

**Prime Property (17 acres) Available for Development**

**1501 Highway 107  
City of Merrill, Wisconsin 54452**

**Merrill Redevelopment Authority (RDA)  
Kathy Unertl, RDA Secretary  
1004 East 1<sup>st</sup> Street  
Merrill, Wisconsin 54452  
(715) 536-5594**

**RFP Issued December 23rd, 2015**

**PROPERTY BACKGROUND -**

This is a 17 acre parcel zoned Rural Development located on Merrill's west side. The parcel has frontage on Grand Avenue (State Highway 107), Highland Drive, and Edgewater Drive. Sewer and water are available in adjacent street.

The parcel is immediately adjacent to the Merrill Area Recreation Complex which is adjacent to Council Grounds State Park. The Merrill Area Recreation Complex includes the Smith Center with an indoor ice rink, the Bierman Family Aquatic Center, ball diamonds, soccer fields, concession stand, and fenced dog park.

See Attachment A for Certified Survey Map of the parcel.

**PROPOSAL SUBMISSION -**

Proposals submitted to the City of Merrill should be presented in concise form responding specifically and directly to purchase and development of the 1501 Highway 107 property.

All questions regarding the proposal shall be directed to and the proposal shall be submitted to:

Kathy Unertl, RDA Secretary  
1004 East 1<sup>st</sup> Street  
Merrill, Wisconsin 54452  
Telephone: (715) 536-5594  
Fax: (715)539-2668  
email: [Kathy.Unertl@ci.merrill.wi.us](mailto:Kathy.Unertl@ci.merrill.wi.us)

**City Contacts:**

- Dave Johnson, City Administrator 715-536-5594
- Kathy Unertl, Finance Director 715-536-5594
- Tom Hayden, City Attorney 715-536-3510

## PROPOSAL COMPONENTS –

Prospective developer proposals should follow the suggested components as listed below:

### 1. Proposal Summary –

Provide a brief description of the proposed uses for the property once acquired. How would the proposed uses benefit the adjacent area and businesses?

### 2. Project Summary Outline and Tentative Schedule –

Provide an outline of primary tasks necessary to develop this site, such as design, permitting, financing, construction, occupancy of the property, and any other tasks required to complete the proposed project.

Identify any phases in the development and include a timeline for the Scope of Work and list all anticipated conditions that might affect completion of the proposed project.

### 3. Development Organization –

Provide necessary details about the acquiring party whether individual, limited liability company LLC, partnership, and a brief history or level of experience in property redevelopment and a statement which demonstrates that bidding/acquiring party has financial capacity to perform.

Include contact information for the individual or company as well as contact information on project team: contact telephone number(s), cell phone numbers and email addresses which will be used in for communication while developing this project.

In the event more than one individual or company joins with another entity all of the above information is required for each participating party. The primary bidder will be the responsible party for all contracts, performances and guarantees.

### 4. Proposal Price Offer –

Each individual or party shall submit to the City of Merrill an offer to acquire listing any terms and conditions as they may apply to acquiring the property. The City's expectation is for a viable development project on this property..

PRELIMINARY SCHEDULE (all dates are for 2015-2016)

Wednesday December 23, 2015	RFP Available For Distribution
Thursday January 21, 2016	NOON CDT, PROPOSAL DUE DATE
<sup>January</sup> <del>February</del> 25 – February 9, 2016	Discussion and negotiation of project details, as well as Redevelopment Authority and Common Council review/approvals. Closing Date after RDA/Council approvals.

EVALUATION AND SELECTION CRITERIA –

Any award to be made for this project will be based upon the proposal with consideration for operational, technical, cost and business experience qualifications. The following items will be the primary considerations utilized to evaluate proposals and selection of the bidder or buyer:

1. Completion of all proposal component responses -
2. The extent to which the proposal fulfills City goals -
3. Developer's experience, history of successful property ownership and redevelopment experience -
4. Proposal and demonstration of financial ability -  
the developer's offer is not the sole basis for award.

The City of Merrill reserves the right to discontinue this Request For Proposal process without notice for any reason.

All dimensions, assessment values and any estimates are presented to the best of the City knowledge and should be verified by those individuals submitting proposals. The City may reject any and all proposals; may waive formalities in the review of proposals and may select whichever proposal it deems to be in the best interest of the City of Merrill.

V.14p58  
**LINCOLN COUNTY  
CERTIFIED SURVEY MAP NO. 2467**

Of part of the Northwest 1/4 of the Northeast 1/4 and part of Government Lot 4  
located in Section 10, Township 31 North, Range 8 East, City of Merrill,  
Lincoln County, Wisconsin.

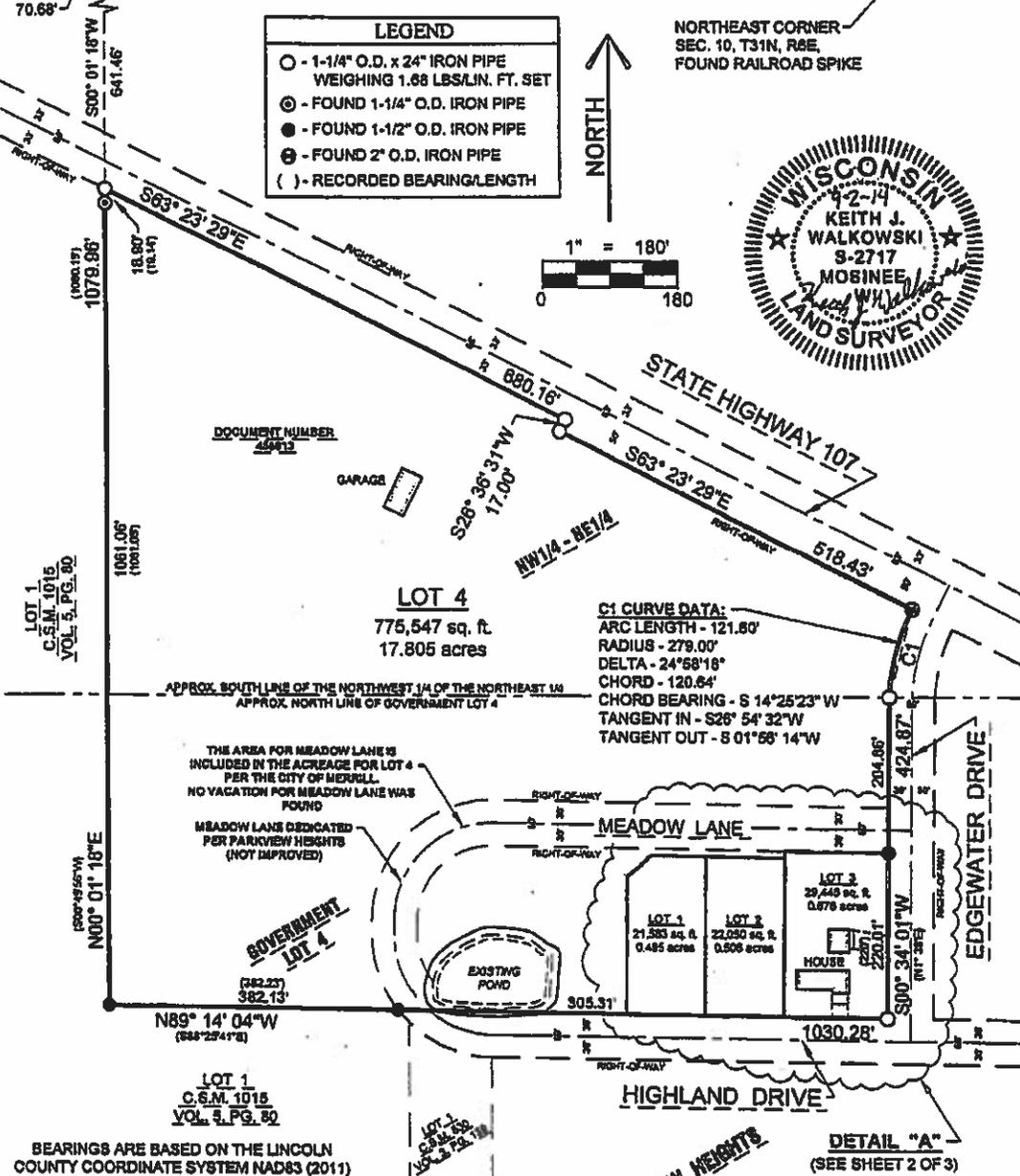
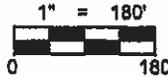
NORTH 1/4 CORNER  
SEC. 10, T31N, R8E,  
FOUND RAILROAD SPIKE



**LEGEND**

- - 1-1/4" O.D. x 24" IRON PIPE WEIGHING 1.68 LBS/LIN. FT. SET
- ⊙ - FOUND 1-1/4" O.D. IRON PIPE
- - FOUND 1-1/2" O.D. IRON PIPE
- ⊕ - FOUND 2" O.D. IRON PIPE
- ( ) - RECORDED BEARING/LENGTH

NORTHEAST CORNER  
SEC. 10, T31N, R8E,  
FOUND RAILROAD SPIKE



**C1 CURVE DATA:**  
 ARC LENGTH - 121.80'  
 RADIUS - 279.00'  
 DELTA - 24°58'18"  
 CHORD - 120.64'  
 CHORD BEARING - S 14°25'23" W  
 TANGENT IN - S26° 54' 32" W  
 TANGENT OUT - S 01°58' 14" W

BEARINGS ARE BASED ON THE LINCOLN COUNTY COORDINATE SYSTEM NAD83 (2011) AND REFERENCED TO THE NORTH LINE OF THE NORTHEAST 1/4 OF SECTION 10, TOWNSHIP 31 NORTH, RANGE 8 EAST, MEASURED TO BEAR NORTH 89°56'00" EAST.

SHEET 1 OF 3

	<b>RIVERSIDE LAND SURVEYING LLC</b>	
	6304 KELLY PLACE WESTON, WI 54476 PH 715-241-7500 - FAX 715-355-4834 email - mail@riversidelandsurveying.com	
	DRAWN BY M.F.L. CHECKED BY K.L.W. PREPARED FOR: JEFF LOKEMOEN	DATE AUGUST 28, 2014 PROJECT NO. 1847

**City of Merrill - TID No. 5 (Hwy 107/MARC Area)**

**Projected Tax Increment for proposed new apartment development**

**Phase 1 - Three Buildings**

Total land is 17.805 acres with 16.81 assessed as Undeveloped

The 2015 property tax generated was \$1,697

**Projected Assessment:**

	Land Valuation	Improved Valuation	Total RE Valuation
2015	\$57,000	\$8,000	\$65,000
2017	\$62,500	\$2,250,000	\$2,312,500
New Tax Increment	\$5,500	\$2,242,000	\$2,247,500

**Projected Tax Increment**  
**\$2,247,500**

**Projected Tax Increment:**

Const. Year	Value Year	Revenue Year	TID Value Increment	Tax Rate	Projected Tax Increment
2016	2017	2018	\$2,247,500	27.07	\$60,840
2017	2018	2019	\$2,247,500	27.07	\$60,840
2018	2019	2020	\$2,247,500	27.07	\$60,840
2019	2020	2021	\$2,247,500	27.07	\$60,840
2020	2021	2022	\$2,247,500	27.07	\$60,840
2021	2022	2023	\$2,247,500	27.07	\$60,840
2022	2023	2024	\$2,247,500	27.07	\$60,840
2023	2024	2025	\$2,247,500	27.07	\$60,840
2024	2025	2026	\$2,247,500	27.07	\$60,840
2025	2026	2027	\$2,247,500	27.07	\$60,840
2026	2027	2028	\$2,247,500	27.07	\$60,840
					<b>\$669,238 Total</b>

**City of Merrill - TID No. 5 (Hwy 107/MARC Area)**

**Projected Tax Increment for proposed new apartment development**

**With three phases**

Total land is 17.805 acres with 16.81 assessed as Undeveloped

The 2015 property tax generated was \$1,697

**Projected Assessment:**

	Land Valuation	Improved Valuation	Total RE Valuation		
2015	\$57,000	\$8,000	\$65,000	Current	
2017	\$62,500	\$2,250,000	\$2,312,500	3 buildings	
2019	\$125,000	\$5,250,000	\$5,375,000	7 buildings	
2021	\$187,500	\$8,250,000	\$8,437,500	11 buildings	
New Tax Increment	\$130,500	\$8,242,000	\$8,372,500		<b>Projected Tax Increment \$8,372,500</b>

**Projected Tax Increment:**

Const. Year	Value Year	Revenue Year	TID Value Increment	Tax Rate	Projected Tax Increment
2016	2017	2018	\$2,247,500	27.07	\$60,840
2017	2018	2019	\$2,247,500	27.07	\$60,840
2018	2019	2020	\$5,310,000	27.07	\$143,742
2019	2020	2021	\$5,310,000	27.07	\$143,742
2020	2021	2022	\$8,372,500	27.07	\$226,644
2021	2022	2023	\$8,372,500	27.07	\$226,644
2022	2023	2024	\$8,372,500	27.07	\$226,644
2023	2024	2025	\$8,372,500	27.07	\$226,644
2024	2025	2026	\$8,372,500	27.07	\$226,644
2025	2026	2027	\$8,372,500	27.07	\$226,644
2026	2027	2028	\$8,372,500	27.07	\$226,644
					<b>\$1,995,668 Total</b>







# JMM CONSULTING, LLC

CONSULTING ENGINEERS

840 CHALLENGER DRIVE - SUITE 140  
GREEN BAY, WI 54311  
PHONE: (920) 592-9606  
FAX: (920) 592-9613

## Why a Community will offer TIF funds for Private Multi-Family Housing Project?

- There is a significant need for quality affordable rental housing.
- To entice a developer into taking a risk in a moderate to weak rental market.
- To offset excessive costs of the development to make it economically feasible to construct the development.
- A combination of all of the above.

### Some Typical Excessive Costs:

- Land Costs (over \$2,500 per unit)
- Sewer and Water Extensions
- Regional Detention Ponds
- Fill
- Dealing with significant topography changes
- Park, Impact, SAC, etc. Fees

*SAC - Sewer Anticipation*

### Recent TIF Offers to Nicolet/Premier:

<u>Year</u>	<u>Community</u>	<u># of Blds/Est. Value</u>	<u>TIF Package</u>	<u>Outcome</u>
2012	Village of Kiel	4/\$3.3 mil	\$750,000	Built 4 Bld/\$68,500 Taxes
2013	Village of Elkart Lake	4/\$3.3 mil	\$687,000	Passed
2014	Village of Plover-Ph I	6/\$4.98 mil	\$556,000	Constructing Phase I
2015	Village of Plover-Ph II	4/\$3.3 mil	Asking \$300,000	Being Negotiated
2015	Village of Kiel-Ph II	4?/\$3.3 mil	Asking \$300,000	Being Discussed

**1. What is a newly platted residential development?**

An example is a residential development on a previously undeveloped parcel of land that was not divided for residential lots. This would include subdividing a farm field for housing.

TIF law only allows for increment revenue to be spent on newly platted residential development in mixed-use TIDs if one of the following three applies:

- density of the residential housing is at least 3 units per acre,
- residential housing is located in a conservation subdivision, as defined in sec. 66.1027(1)(a), Wis. Stats., or
- residential housing is located in a traditional neighborhood development, as defined in sec. 66.1027(1)(c), Wis. Stats.

The municipality must determine what is newly platted land.

**2. Can newly platted residential property be included in a TID created after 9/30/95?**

Yes, however, no project costs associated with it may be incurred. A mixed-use TID created after 10/1/04 can incur project costs for newly platted residential property, but the **property may not exceed 35% by area of the TID.**

APARTMENT LOG  
Of Projects for Nicolet Lumber done by Terry B.

Job	Location
1996 176 Unit Coldspring Apt.	Town of Menasha
1997 64 Unit TriPark Apt. 48 Unit Henry Street Apt. 16 Unit Fond Du lac Road Apt. 96 Unit Irish Road Apt.	Town of Grand Chute Seymour Oshkosh Town of Menasha
1998 48 Unit Still Meadows Apt.	Appleton
1999 32 Unit Old Orchard Apt. -Phase 1 116 Unit Hawthorn Trails Apt. 68 Unit American Drive Apt. 96 Unit Gillette Street Apt. Proposed 192 unit Sycamore Apt. - Did not Proceed	Sturgeon Bay Appleton Town of Menasha Town of Grand Chute Green Bay
2000 48 Unit Plank Road Apt.	Appleton
2001 56 Unit Old Orchard Apt. - Phase 2 36 Unit Greenville Apt.	Sturgeon Bay Greenville
2002 40 Unit Kewaunee Apt. 136 Unit Bridgewood Apt. 112 Unit Green Avenue Apt. 24 Unit Commercial Street Apt. 48 Units Old Orchard Apt. - Phase 3 112 Unit Metro Apt. 80 Unit Fond du Lac 64 Unit Valley Road Apt. 100 Unit Glory Road Apt. 60 Unit Spartan Road Apt. 64 Unit Ashbury Apt. Proposed Sherwood Apt. - Did Not Proceed 104 Unit Cherry Court Apt. 60 Unit Main Street Apt.	Kewaunee Neenah Stevens Point Neenah Sturgeon Bay Schofield Fond du Lac Appleton Appleton Green Bay Appleton Sherwood Oshkosh Oshkosh
2003 100 Unit Gateway Apt. 16 Unit Longfellow Apt. 158 Unit Garages Courtyard Apt. 84 Unit Charlotte Court Apt. 96 Unit Grand Avenue Apt. Clubhouse for Courtyard Apt. 46 Unit Gatehouse Apt.	Beloit Ripon Fond du Lac Antigo Wausau Fond du Lac Eau Claire

2004	66 Unit East Ridge Estates Apt. 100 Unit Shadow Ridge Apt. 48 Unit Bridgewoods Apt. - Phase II 68 Unit Linden Drive Apt. Garages for Evergreen Village 96 Unit Burton Street Apartments 100 Unit Bos Creek Apartments 84 Unit Northgate Apartments 68 Unit Pelican River Apt.	Marshfield Lawrence Neenah Holmen Fond du Lac Beloit Wausau N. Fond du Lac Rhineland	
2005	64 Unit Stanton Street Praireview Garages 8 Unit Apt Red Granite Apartments 96 Unit Davenport Street Apartments	Ripon Fond du lac Red Granite Rhineland	
2006	92 Units Northgate Phase 2 52 Units Lakeview Apartments- Did Not Proceed 52 Units Foxfire Estates 80 Units Kadlec Drive	N. Fond du lac Kewaunee Waupaca Beloit	
2007	80 Units Timber Creek Estates 36 Units Kadlec Drive Condos 12 Units Plank Road Condos 18 Units Tacoma Beach Condos 18 Units Eagle River Condos 40 Units Eagle River Apartments	Kronenwetter Beloit Appleton Sturgeon Bay Eagle River Eagle River	
2008	44 Units Whiting Ave 12/16 Apartments 84 Units Fox Ridge Apartments 4 Unit Condo - Did Not Proceed 56 Units Timbercreek Estates II 120 Units Country Creek Apartments 84 Units StoneMeadow Apartments w/ Garages	Stevens Point Platteville Luxemburg Kronenwetter Fond du Lac Appleton	
2009	40 Units Park Avenue Apartments Royal St. Patricks Apartments - Did Not Proceed 36 Units Whiting Ave. Apartment w/Garages 96 Units MountView Apartments w/Garages	Town Beloit Wrightstown Stevens Point Wausau	(Under Construction)  (24 built, Under Construction)
2010	24 Unit West Bend Fire Replacement	West Bend	
2011	12 Unit Foxwood Fire Renovation	Neenah	
2012	168 Unit French Garden Apartments w/Garages 40 Unit River View Apartments w/ Garages 40 Units Cobblestone Apartments w/ Garages	Appleton Kiel Ripon	(60 built, Under Construction) (Under Construction) (Under Construction)
2013	60 Units Premier Hillside Apt. w/ Garages 60 Units Stoney Ridge Apartments w/ Garages	Port Washington Little Chute	( State Approval stage) (State Approval stage)



**CITY OF MERRILL**  
**CITY PLAN COMMISSION**  
**MINUTES • TUESDAY JANUARY 5, 2016**

PLAN #1

**Regular Meeting**

**City Hall Council Chambers**

**5:30 PM**

**I. Call to Order**

Attendee Name	Title	Status	Arrived
Pete Lokemoen	Aldersperson - Second District	Present	
Bill Bialecki	Mayor	Present	
Mike Willman	Chairman - Park & Rec	Present	
Ralph Sturm		Present	
Melissa Schroeder		Present	
Ken Maule		Present	
Robert Reimann		Present	

Also in attendance: City Administrator Dave Johnson, City Attorney Tom Hayden, Building Inspector/Zoning Administrator Darin Pagel, Alderman Dave Sukow, Alderman Ryan Schwartzman, Alderwoman Kandy Peterson (arr. 5:32), Jim Dupke, Jeremy Ratliff, Duane Pfister and City Clerk Bill Heideman.

The following attended the public hearing portion of the meeting: Christine Vorpapel, Tim Haight, Erik Pfantz, Kyle Gulke, Greg Berlin, Linda Berlin and Gail Curren.

**II. Minutes of previous meeting(s):**

**1. Minutes of October 6, 2015 meeting**

A copy of the minutes was in the meeting packet.

Motion (Willman/Sturm) to approve the minutes.

**RESULT: APPROVED**

**III. Agenda items for consideration:**

**1. Site Plan for Merrill Festival Grounds Multipurpose Building.**

A copy of the site plan was in the meeting packet.

City Administrator Johnson reported that the building would be on the western side of the grounds and would replace the existing Schulz Building. The Merrill Enrichment Center will be relocated to that building.

Motion (Lokemoen/Willman) to approve the site plan.

**RESULT: APPROVED & SENT TO COUNCIL** **Next: 1/12/2016 7:00 PM**

**2. Consider Certified Survey Map from Lincoln Storage for land located at the east end of Mathews Street in the City of Merrill.**

A copy of the Certified Survey Map was in the meeting packet.

Building Inspector/Zoning Administrator Pagel reported that his only concern was the fact that the map did not meet the 50-foot minimum of frontage on the street. Jim Dupke replied that the land is unusable, and therefore he did not see a problem with less than 50 feet of lot frontage.

City Attorney Hayden suggested that this be delayed until the next meeting. An adjustment could be made to the map and the adjusted map could then be considered at that next meeting.

No action was taken at this time.

**3. A Resolution approving a Certified Survey Map on Rae Road in the Town of Scott by Lise Stefronik, Trustee.**

This was part of an amended agenda. Copies of the map were distributed at the meeting.

Building Inspector/Zoning Administrator Pagel explained that the map requires City Plan Commission consideration because the land falls within the extraterritorial zone of the City. He has no concerns with the map as presented.

Motion (Schroeder/Reimann) to approve the Certified Survey Map.

**RESULT:**

**APPROVED & SENT TO COUNCIL**

**Next: 1/12/2016 7:00 PM**

**4. Public Hearing (6:00 P.M.) on City of Merrill request for rezoning of property at 120 South Mill Street (former Lincoln House site) from Business District to Planned Unit Development (PUD) for residential/commercial development.**

At 5:38 P.M., Mayor Bialecki declared a recess until 6:00 P.M., the time scheduled for the public hearing portion of the meeting. At 6:00 P.M., he called the meeting back to order.

City Attorney Hayden read the public hearing notice.

Motion (Willman/Schroeder) to open the public hearing. Carried. The public hearing was opened at 6:02 P.M.

A copy of the proposal for redevelopment was distributed. Mayor Bialecki provided verbal information. A four-story building is being proposed. Mayor Bialecki added that a joint meeting made up of several City governmental bodies will be held later in January, to discuss this issue further.

Linda Berlin questions the reasoning for scheduling a public hearing before the proposal was made public.

Erik Pfantz spoke against using this property for an apartment building. He would rather see it used as a business.

Christine Vorpapel urged the City to join the Main Street group. She also urged a review of the Strategic Plan and how this project would fit in with that plan. Mayor Bialecki responded to her comments.

Erik Pfantz questioned whether there is currently a need for this type of housing.

Tim Haight, who lives downtown, stated that he was not opposed to housing being on the property. However, he recalled that when the Lincoln House was inhabited by primarily low-income people, tenants frequently loitered in the downtown area. He expressed his concerns that this could be repeated if the housing involves primarily low-income people. He repeated that he was not opposed to housing on the property, but would prefer business there.

Motion (Maule/Lokemoen) to close the public hearing. Carried. The public hearing was closed at 6:28 P.M.

Motion (Maule/Lokemoen) to recommend considering the rezoning at this time, pending additional plan submittal and approval. Carried.

#### IV. Public Comment Period

There was no public comment.

#### V. Establish date, time and location of next meeting

Sometime in January, there will be a special joint meeting of the Common Council, City Plan Commission and Redevelopment Authority.

The next regular City Plan Commission meeting will be Tuesday, February 2<sup>nd</sup>, 2016 at 5:00 P.M. in the City Hall Common Council Chambers.

#### VI. Adjournment

Motion (Lokemoen/Reimann) to adjourn. Carried. Adjourned at 6:32 P.M.

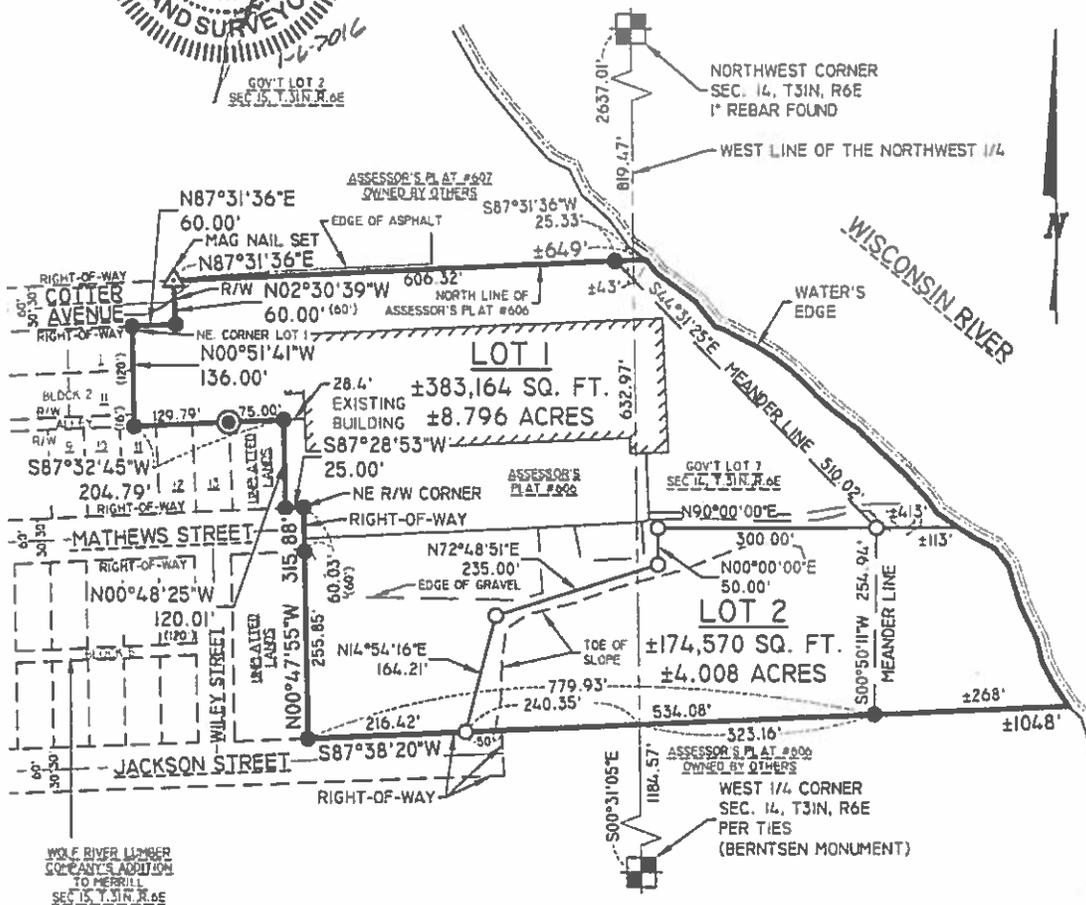
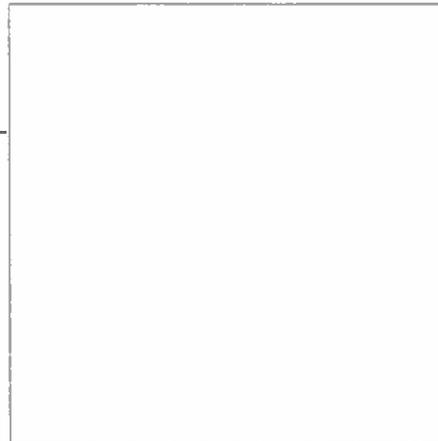
PLAN-(2)

R.E.I. 4080 N. 20th AVE WAUSAU, WI 54401 (715)675-9784  
**LINCOLN CO. CERTIFIED SURVEY MAP**

MAP NO. \_\_\_\_\_ VOLUME \_\_\_\_\_ PAGE \_\_\_\_\_

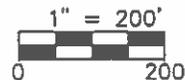
PREPARED FOR: LINCOLN STORAGE INC.  
 LAND OWNER: LINCOLN STORAGE INC.

OF PART OF ASSESSOR'S PLAT NUMBER 606, LOCATED IN GOVERNMENT LOT 2 OF SECTION 15 AND GOVERNMENT LOT 7 OF SECTION 14, ALL IN TOWNSHIP 31 NORTH, RANGE 6 EAST, CITY OF MERRILL, LINCOLN COUNTY, WISCONSIN.



**NOTES:**

1. BEARINGS ARE BASED ON THE LINCOLN COUNTY COORDINATE SYSTEM, NAD 83(2011) DATUM AND REFERENCED TO THE WEST LINE OF THE NORTHWEST 1/4 OF SECTION 14, TOWNSHIP 31 NORTH, RANGE 6 EAST, MEASURED TO BEAR SOUTH 00°31'05" EAST.
2. FIELD WORK WAS COMPLETED ON 11-12-2015.
3. RIGHT-OF-WAY IS BASED ON MONUMENTS FOUND IN FIELD.
4. THE CURRENT PIN FOR THE PARCEL IS 25131061520021.
5. THE CURRENT ADDRESS FOR THE SUBJECT PARCEL IS 1000 MATHews STREET.
6. ANY LAND BELOW THE ORDINARY HIGH WATER MARK OF A LAKE OR A NAVIGABLE STREAM IS SUBJECT TO THE PUBLIC TRUST IN NAVIGABLE WATERS THAT IS ESTABLISHED UNDER ARTICLE IX, SECTION I, OF THE STATE CONSTITUTION.
7. THE APPROXIMATE STREAM LOCATION AS SHOWN ON THE MAP. THE APPROXIMATE ORDINARY HIGH WATER MARK IS THE SAME AS THE APPROXIMATE STREAM LINE AS SHOWN ON THIS PLAT AND IS FOR REFERENCE ONLY.



LEGEND	
●	- 1 1/2 IN. REBAR FOUND
●	- 1-1/4 IN. O.D. IRON PIPE FOUND UNLESS NOTED
○	- 1-1/4 IN. O.D. X 18 IN. IRON PIPE WEIGHING 1.68 LBS./LIN. FT. SET
(126°)	- RECORDED BEARING/LENGTH
±126.00'	- MEASURED BEARING/LENGTH

R.E.I. 4080 N. 20th AVE WAUSAU, WI 54401 (715)675-9784

LINCOLN CO. CERTIFIED SURVEY MAP

MAP NO. \_\_\_\_\_ VOLUME \_\_\_\_\_ PAGE \_\_\_\_\_

PREPARED FOR: LINCOLN STORAGE INC.
LAND OWNER: LINCOLN STORAGE INC.

OF PART OF ASSESSOR S PLAT NUMBER 606, LOCATED IN GOVERNMENT LOT 2 OF SECTION 15 AND GOVERNMENT LOT 7 OF SECTION 14, ALL IN TOWNSHIP 31 NORTH, RANGE 6 EAST, CITY OF MERRILL, LINCOLN COUNTY, WISCONSIN.

SURVEYOR'S CERTIFICATE

I, JOSHUA W. PRENTICE, WISCONSIN PROFESSIONAL LAND SURVEYOR S-2852, DO HEREBY CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF: THAT I HAVE SURVEYED, MAPPED AND DIVIDED PART OF ASSESSOR'S PLAT NUMBER 606, LOCATED IN GOVERNMENT LOT 2 OF SECTION 15 AND GOVERNMENT LOT 7 OF SECTION 14, ALL IN TOWNSHIP 31 NORTH, RANGE 6 EAST, CITY OF MERRILL, LINCOLN COUNTY, WISCONSIN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 14; THENCE SOUTH 00°31'05" EAST, COINCIDENT WITH THE WEST LINE OF THE NORTHWEST 1/4 OF SAID SECTION 14, 819.47 FEET TO THE NORTH LINE OF SAID ASSESSOR'S PLAT NUMBER 606; THENCE SOUTH 87°31'36" WEST, COINCIDENT WITH SAID NORTH LINE OF ASSESSOR'S PLAT NUMBER 606, 25.33 FEET TO THE BEGINNING OF A MEANDER LINE ON THE WESTERLY SHORELINE OF THE WISCONSIN RIVER, SAID POINT ALSO BEING THE POINT OF BEGINNING; THENCE SOUTH 44°31'25" EAST, COINCIDENT WITH SAID MEANDER LINE, 510.02 FEET; THENCE SOUTH 00°50'11" WEST, COINCIDENT WITH SAID MEANDER LINE, 254.94 FEET TO THE EASTERLY EXTENSION OF THE NORTH RIGHT-OF-WAY LINE OF JACKSON STREET AND THE END OF SAID MEANDER LINE; THENCE SOUTH 87°38'20" WEST, COINCIDENT WITH SAID EASTERLY EXTENSION AND SAID NORTH RIGHT-OF-WAY LINE OF JACKSON STREET, 779.93 FEET; THENCE NORTH 00°47'55" WEST, COINCIDENT WITH THE SOUTHERLY EXTENSION OF THE EAST RIGHT-OF-WAY LINE OF MATHEWS STREET AND SAID EAST RIGHT-OF-WAY LINE OF MATHEWS STREET, 315.88 FEET TO THE NORTHEAST CORNER OF THE RIGHT-OF-WAY OF SAID MATHEWS STREET; THENCE SOUTH 87°28'53" WEST, COINCIDENT WITH THE NORTH RIGHT-OF-WAY LINE OF SAID MATHEWS STREET, 25.00 FEET; THENCE NORTH 00°48'25" WEST, 120.01 FEET TO THE EASTERLY EXTENSION OF THE SOUTH RIGHT-OF-WAY LINE OF AN ALLEY IN BLOCK 2 OF THE WOLF RIVER LUMBER COMPANY'S ADDITION TO MERRILL; THENCE SOUTH 87°32'45" WEST, COINCIDENT WITH SAID EASTERLY EXTENSION OF THE SOUTH RIGHT-OF-WAY LINE OF AN ALLEY IN BLOCK 2, 204.79 FEET TO THE SOUTHEAST CORNER OF THE RIGHT-OF-WAY OF SAID ALLEY IN BLOCK 2, SAID CORNER BEING ON THE SOUTHERLY EXTENSION OF THE EAST LINES OF LOT 1 AND LOT II OF SAID BLOCK 2 OF THE WOLF RIVER LUMBER COMPANY'S ADDITION TO MERRILL; THENCE NORTH 00°5'41" WEST, COINCIDENT WITH SAID EASTERLY EXTENSION OF THE EAST LINES OF LOT I AND LOT II AND SAID EAST LINES OF LOT I AND LOT II, 136.00 FEET TO THE NORTHEAST CORNER OF SAID LOT I OF BLOCK 2 AND THE SOUTH RIGHT-OF-WAY LINE OF COTTER AVENUE; THENCE NORTH 87°31'36" EAST, COINCIDENT WITH SAID SOUTH RIGHT-OF-WAY LINE OF COTTER AVENUE, 60.00 FEET TO THE SOUTHEAST CORNER OF THE RIGHT-OF-WAY OF SAID COTTER AVENUE; THENCE NORTH 02°30'39" WEST, COINCIDENT WITH THE EAST RIGHT-OF-WAY LINE OF SAID COTTER AVENUE, 60.00 FEET TO SAID NORTH LINE OF ASSESSOR'S PLAT NUMBER 606; THENCE NORTH 87°31'36" EAST, COINCIDENT WITH SAID NORTH LINE OF ASSESSOR'S PLAT NUMBER 606, 606.32 FEET TO SAID MEANDER LINE OF THE WESTERLY SHORE OF THE WISCONSIN RIVER AND THE POINT OF BEGINNING.

INCLUDING THOSE LANDS LYING BETWEEN THE ABOVE DESCRIBED MEANDER LINE OF THE WISCONSIN RIVER, THE WATER'S EDGE OF SAID WISCONSIN RIVER AND THE NORTH AND SOUTH LINES OF SAID PARCEL EXTENDING TO SAID WATER'S EDGE OF THE WISCONSIN RIVER.

THAT THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS 557,734 SQ. FT, 12.804 ACRES, MORE OR LESS.

THAT I HAVE MADE THIS SURVEY, DIVISION AND MAP THEREOF AT THE DIRECTION OF LINCOLN STORAGE INC., OWNER OF SAID PARCEL.

THAT SAID PARCEL IS SUBJECT TO EASEMENTS, RESTRICTIONS, AND RIGHT-OF-WAYS OF RECORD.

THAT I HAVE FULLY COMPLIED WITH THE PROVISIONS OF SECTION 236.34 OF THE WISCONSIN STATUTES AND THE SUBDIVISION REGULATIONS OF THE CITY OF MERRILL.

THAT THIS MAP IS A CORRECT AND ACCURATE REPRESENTATION OF THE EXTERIOR BOUNDARIES OF SAID PARCEL, AND OF THE DIVISION THEREOF MADE.

DATED THIS 6TH DAY OF JANUARY 2016

REI
JOSHUA W. PRENTICE
WI P.L.S. S-2852

[Handwritten signature of Joshua W. Prentice]



I, \_\_\_\_\_ (CITY CLERK) BEING DULY APPOINTED BY THE CITY OF MERRILL, HEREBY CERTIFY THAT THE ABOVE CERTIFIED SURVEY WAS APPROVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN AT ITS REGULAR MEETING ON \_\_\_\_\_ BY \_\_\_\_\_ RESOLUTION NO. \_\_\_\_\_.

CITY CLERK \_\_\_\_\_ DATE \_\_\_\_\_

I, \_\_\_\_\_ (CITY CLERK) CERTIFY THERE ARE NO DELINQUENT TAXES OR UNPAID SPECIAL ASSESSMENTS ON THE LANDS INCLUDED ON THIS CERTIFIED SURVEY MAP.

CITY CLERK \_\_\_\_\_ DATE \_\_\_\_\_