

City of Merrill  
Redevelopment Authority (RDA)

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

RDA Present: Bill Bialecki, Ryan Schwartzman, Amanda Kostman,  
and Jill Laufenberg

RDA Absent: Karen Karow, Wally Smith, and Tony Kusserow

Others: Alderperson Mary Ball, City Administrator Dave Johnson, Finance  
Director Kathy Unertl, City Attorney Tom Hayden, City Building  
Inspector Darin Pagel, Mary Rajek and Mike Morrissey from  
Redevelopment Resources, Ken Maule from Lincoln County  
Economic Development Corp. (LCEDC), and Dave Sukow

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

**Public Comment:** None.

**Consider approval of meeting minutes:**

**Motion (Schwartzman/Laufenberg) to approve the RDA meeting minutes from  
June 7<sup>th</sup>, 2016. Carried.**

**Consider recommendation for purchase of 401 W. Main St. and adjacent parking  
lots from RD Properties of Wisconsin LLC (TID No. 8 – West Side):**

Laufenberg asked why proposed City purchase of the property compared to proposed TIF loan program? Unertl advised that Dan Colehouse proceeded with the purchase since City staff did not want potentially competing purchase interest coming from Merrill Area Housing Authority and/or the City of Merrill. There had been some confusion over the past couple months of potential Merrill Area Housing Authority interest.

Bialecki emphasized that the objective is to get rid of the vacant building. Johnson reported that the former Lincoln Community Bank bubble-wrapped building has a leaking roof (with over \$100,000 estimated replacement cost); does not comply with ADA; there is asbestos; and any historical façade features were destroyed with the white bubble-wrap installation.

The existing building will be demolished prior to City acquisition. There is an individual potentially interested in establishing an antique-related business in the vacant 407 W. Main St. building; however, that individual will not proceed until the 401 W. Main St. building is demolished. City staff anticipates that the Merrill Area Housing Authority might have an interest in leasing the vacant site for parking during the Park Place redevelopment projects. The West Side Renewal Plan identifies the site for in-fill new development.

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**Motion (Schwartzman/Kostman) to recommend purchase of 401 W. Main St. and adjacent parking lots from RD Properties of Wisconsin LLC for up to \$140,000 (TID No. 8 – West Side).** Carried. Unertl reported that there would be transfer from TID No. 3 tax increment to TID No. 8 to cover this property purchase.

**Update on potential purchase of part of Whispering Pines Community (TID No. 3 – East Side):**

Bialecki reported that there are a couple potential manufacturing projects pending that might impact on future City borrowing. Unertl advised that overall City borrowing and TIF budgets will be reviewed over the next month. It is possible that the proposed three-parcel purchase could occur over a two or three-year timeframe depending upon TID No. 3 cash flow analysis.

**Consider implementation of TIF loan program for vacant “blighted” commercial or manufacturing buildings to facilitate environmental review and demolition:**

Unertl noted that only change in the draft is to clarify that the proposed TIF loan would be amortized over fifteen (15) year period instead of five (5) year period. On a potential \$50,000 amount, this would reduce potential monthly repayments in years three through five from almost \$900 per month to \$350 per month. Morrissey added that there would be a balloon payment due at the end of the five year loan period.

All potential TIF loans would be considered by the Redevelopment Authority (RDA) and Common Council with a formal development agreement and mortgage on the property.

**Motion (Laufenberg/Kostman) to recommend implementation of TIF loan program for environmental review and demolition of vacant commercial or manufacturing buildings.** Motion carried.

**Next RDA meeting:** Next meeting is scheduled for Tuesday, August 2<sup>nd</sup> at 8:00 a.m.

**Adjournment:** Motion (Schwartzman/Kostman to adjourn at 8:25 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl