

City of Merrill
Redevelopment Authority (RDA)

Tuesday, January 3rd, 2017 at 8:00 a.m.
City Hall Common Council Chambers

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

RDA Absent: Karen Karow and Tony Kusserow

Others: Alderpersons Kandy Peterson and Mary Ball, City Administrator
Dave Johnson, Finance Director Kathy Unertl, City Attorney Tom
Hayden, Public Works Director Rod Akey, Mary Rajek from
Redevelopment Resources, Ken Maule from Lincoln County
Economic Development Corp. (LCEDC), City Clerk Bill Heideman,
and Dr. Lori Weyers, Shelly Mondeik, and Rob Elliot representing
Northcentral Technical College (NTC)

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

Consider approval of meeting minutes:

**Motion (Schwartzman/Haight) to approve the RDA meeting minutes from
December 6th, 2016.** Carried. The RDA Secretary will make one spelling correction.

Public Comment: None.

Review City building permit activity in 2016 compared to prior years:

Unertl highlighted both private-sector and public-sector building permit summary information from 2012 through 2016. In three of the past five years, the private-sector building permit construction value has been over \$8 million. There has also been significant public-sector investment in new or improvements to existing public facilities.

Bialecki and Unertl emphasized that the building permit information is key economic indicator that bond rating firms review as part of their fiscal evaluation process.

Review tax increment fiscal overview:

The tax increment will be \$915,232 in 2017 compared to \$645,849 in 2016. Unertl reported that there is major increase in TID No. 4 (Thielman St./N. Pine Ridge Ave. area). In addition, TID No. 7 (N. Center Ave. area) is back generating tax increment. There is now almost \$28.5 million in equalized tax increment with the majority coming from TID No. 3 (East Side area).

Review tax increment fiscal overview (Continued):

Schwartzman commented that this information represented positive growth in the community. Bialecki added that the City/RDA is following through in implementing the City's strategic plan objectives. Laufenberg recommended further dissemination of the TIF information.

Consider recommendation to purchase property fronting on West Taylor Street from Russ Davis Wholesale to facilitate development of Northcentral Technical College commercial driving program facility (Tax Increment District No. 11):

Bialecki reported that the City of Merrill has been pleased to have Northcentral Technical College (NTC) educational facilities here. There are four major contract truck carriers in the Merrill area, as well as other businesses with truck drivers requiring Commercial Driver's License (CDL). Johnson added that City employees in the Street Department, Utility Department, and Transit Department are required to have a CDL.

Dr. Lori Weyers, NTC President, emphasized that the CDL program would bring people to Merrill impacting on the local economy. Individuals stay in local hotels, purchase food from local restaurants, and buy fuel from area convenience stores. The CDL program would be purchasing diesel fuel from Merrill convenience stores.

Truck drivers are a key workforce need and central Wisconsin is a transportation hub. Bialecki advised that Russ Davis Wholesale has hired a couple employees whom attended the NTC program. Russ Davis Wholesale has expanded their workforce since 2006 from about fifty to almost eighty.

In response to questions about proposed \$100,000 purchase price, Unertl highlighted the assessed valuations of the three Russ Davis Wholesale parcels located north of Commerce Street. There has been significant investment by the firm since purchasing the vacant building in 2006. Elliot also reported that NTC paid \$25,000 for the one-acre former Taylor Insulation parcel in 2012 when NTC rebuilt and expanded public safety facilities following the tornado damage.

Mondeik reported that NTC now has a full-time CDL instructor, a full-time Administrative Assistant, and would add two Instructor Assistants. Weyers added that the CDL program is currently operating without a "home". NTC funding is inadequate for both purchase of property and development of new buildings/facilities.

Elliot and Weyers reported that there would be two phases in the Merrill development. Phase 1 would be construction of new building beginning about June 2017 at an estimated \$500,000 construction cost. Phase 2 would be new CDL track. The existing NTC emergency vehicle operation course (EVOC) located east of Champagne Street would also be used for the CDL training.

Mondeik advised that the new facility would allow NTC to expand class size for the ten-week training program. There would be also expanded opportunities to upgrade CDL special certifications and on-going training. Church Mutual Insurance is now insuring schools, so loss reduction related to school transportation is of potential interest.

Consider land purchases for Northcentral Technical College CDL facilities (Continued):

Laufenberg asked about safety of driver-trainees, especially given location of City aquatic center. Weyers and Mondeik responded that most of the CDL training would be on the existing EVOC course, potentially on Merrill airport property, and the future CDL course. Any truck driving on roadways would be limited to designated truck routes.

Laufenberg also asked about potential wear and tear on City streets. Bialecki emphasized that Taylor Street and Champagne Drive are designated truck routes and constructed for truck traffic. There is extensive existing truck traffic in the industrial park area.

In response to question from Haight, Weyers reported that the NTC Board would be meeting on Tuesday, January 10th to formally approve development of the CDL facility. Weyers plans on attending the Merrill Common Council meeting on that same date.

Motion (Schwartzman/Bialecki) to recommend purchase of two lots from Russ Davis Wholesale for \$100,000 for the proposed Northcentral Technical College commercial driving program facility in Tax Increment District No. 11. Carried.

RDA meeting: Next RDA meeting is scheduled for Tuesday, February 7th at 8:00 a.m.

Bialecki read the following notice:

The RDA may convene in closed session per Wis. Stats. Sec. 19.85(1)(e) - deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session to consider:

Potential purchase of properties and potential TIF development incentives in TID No. 3, No. 8, or No. 9 to facilitate new commercial development

Motion (Schwartzman/Laufenberg) to move to closed session. Motion carried 5-0 on roll call vote at 8:38 a.m.

There was discussion on potential site options for a new commercial development. City Administrator Johnson will follow-up with the proposed developer.

Adjournment: Motion (Schwartzman/Laufenberg) to adjourn at 8:52 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl