



CITY OF MERRILL
REDEVELOPMENT AUTHORITY
AGENDA • TUESDAY MARCH 7, 2017

Regular Meeting

City Hall Council Chambers

8:00 AM

- I. Call to Order
- II. Minutes of previous meeting (s):
 1. Minutes of February 7, 2017
- III. Public Comment
- IV. Agenda items for consideration:
 1. Consider 2017 water and sewer utility improvements (within 1/2 mile of Tax Increment District No. 8 boundary) to facilitate manufacturing expansion at Mitchell Metal Products (905 S. State St.)
 2. Consider potential time frames and parcels to include for Tax Increment District No. 3 boundary and plan amendments to facilitate commercial business expansion
- V. Next RDA meeting
- VI. 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:
 1. Potential TIF development incentives and potential purchases of properties in TID No. 3 to facilitate new commercial developments
 2. Consider approval of closed session meeting minutes from January 3rd, 2017
- VII. Adjournment

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City of Merrill
Redevelopment Authority (RDA)

Tuesday, February 7th, 2017 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Bill Bialecki, Ryan Schwartzman, Tim Haight, Jill Laufenberg, and Clyde Nelson

RDA Absent: Karen Karow and Tony Kusserow

Others: Alderperson Mary Ball, City Administrator Dave Johnson, Finance Director Kathy Unertl, City Attorney Tom Hayden, Public Works Director Rod Akey, City Building Inspector Darin Pagel, Mary Rajek from Redevelopment Resources, Ken Maule from Lincoln County Economic Development Corp. (LCEDC), City Clerk Bill Heideman, and David Cooper from David J Cooper Agency, Inc.

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

New RDA Commissioner:

Bialecki advised that Clyde Nelson had been appointed to replace Amanda Kostman.

Consider approval of meeting minutes:

Motion (Schwartzman/Laufenberg) to approve the RDA meeting minutes from January 2nd. Carried.

Public Comment: None.

Update on revision of 2017 TID-financed infrastructure improvements and status of TID planning:

Unertl advised that the Board of Public Works has reprioritized 2017 infrastructure improvements due to the significant deterioration of Center Ave. Several TID No.3 projects are being deferred to 2018 (including E. 6th St. from Sales St. to Johnson St. and Thielman St. from Memorial Dr. to Gem St.).

Various TID plan amendments are being worked on. Several new TIDs are likely. Unertl emphasized that the TID No. 4 tax increment has increased. This favorable cash flow will allow for future tax increment transfers to "blighted area" TIDs just like is occurring from TID No. 3.

Consider resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and the David J Cooper Agency Inc. (900 E. 1st St.) – TID No. 6:

Johnson reported that David Cooper is offering \$5,000 for purchase of the 900 E. 1st St. vacant lot which is the same as Kindhearted Care offered in 2015 before building on the former Lincoln House site. The new commercial building would be about 2,000 sq. ft. with construction planned for 2018. David Cooper advised that it might be multi-tenant building.

Unertl advised that the \$40,000 total development incentive is comparable to the Pine Dells development incentive (i.e. Salon 64/childcare building which also was total of \$40,000). New tax increment during remaining lifespan of TID No. 6 is projected at over \$100,000.

Motion (Schwartzman/Laufenberg) recommending authorizing a development agreement by and between the City of Merrill, Wisconsin and the DJC, LLC – TID No. 6. Carried.

Consider resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and the Northcentral Technical College (for new Commercial Driver's License truck driving training center) – TID No. 11:

Unertl noted that there are two contingencies on the City offer to purchase the two vacant lots from Russ Davis Wholesale, Inc. These include rezoning of the property from Industrial to Public which will be considered by the Plan Commission at a future meeting, as well as action by the Wisconsin Technical College System (WTCS) State Board at their March meeting.

Schwartzman emphasized the major economic impact of having this NTC training center would have on City of Merrill businesses (such as gas stations, restaurants, and hotels). Bialecki noted that there are several major trucking firms in the Merrill area recruiting for trained workforce. In addition to the CDL training, NTC would also have diesel mechanic training at the new facility.

Unertl advised that the Personnel and Finance Committee had recommended interim City General Fund loan funding for the land purchase. Since TID No. 11 was created in May 2016, there is no tax increment being generated at this time. The Premier Apartments will be generating tax increment beginning in 2019.

Motion (Schwartzman/Haight) recommending authorizing a development agreement by and between the City of Merrill, Wisconsin and the Northcentral Technical College (for new Commercial Driver's License truck driving training center) – TID No. 11. Carried.

Consider resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and the Horizon Development Group, Inc. – TID No. 10:

This resolution is in follow-up to the September 2016 Request for Proposal process and selection of Horizon Development Group, Inc. as site developer for 1905 E. 14th St. property.

Motion (Schwartzman/Laufenberg) to recommend authorizing the development agreement by and between the City of Merrill Wisconsin and the Horizon Development Group, Inc. – TID No. 10. Carried.

Consider resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and Badger Portfolio, LLC (Continental Properties) to facilitate construction of new maintenance garage, relocation of nineteen (19) mobile homes, and City options to purchase three (3) tax parcels – TID No. 3:

Bialecki questioned the proper procedure to consider since this matter was tabled at the September 6th, 2016 RDA meeting.

Motion (Bialecki/Schwartzman) to table consideration. Carried.

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

Adjournment: Motion (Schwartzman/Haight) to adjourn at 8:17 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

City of Merrill – TIF Development Incentive Overview

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TID No. 8 (West Side) - Within ½ mile for water/sewer infrastructure

- Business Entity: Mitchell Metal Products
- Property Owner: FVZ LLC
- Location: 905 South State Street
- Development: Construction of 15,000 sq. ft. addition along with materials handling and storage improvements.
- Jobs: Five seasonal jobs are in process of becoming permanent. Fifteen to twenty additional potential future job creation.
- Investment: About \$600,000
- Public Infrastructure: Water lateral and sanitary sewer lateral at estimated \$20,000 construction cost.

TID No. 8 Expenditure:

Staff recommendation:

Installation of water lateral and sanitary sewer lateral either through City contractor or City Utility Department

Assessed Manufacturing Valuation – 1/1/2016:

Acres	Land	Improvement	Total	2016 Property Tax
6.505	\$52,400	\$1,064,900	\$1,117,300	\$30,852

Ms Kathy Unertl, Finance Director

February 22, 2017

City of Merrill, WI

Mitchell Metal Products - 2017 Expansion

The current ownership team purchased Mitchell Metal Products in 2008. Despite the recessionary period 2009 – 2011 and lack of internal growth, we invested heavily in new equipment to help restore the company to a healthy and profitable position. In the last few years we have enjoyed modest growth as we supported our current customers and added new customers to both our stamping and wreath ring divisions. A significant part of our growth has derived from returning business previously lost to China and other low labor cost off-shore competition. Our customers rank us very highly on the quality of our products and on-time and complete shipments. Our high level of service and customer satisfaction is accomplished through careful production planning and a commitment to warehouse finished goods for immediate shipment to arrive in lock-step just-in-time with our customer's own production schedules.

In 2016 the company's growth accelerated in excess of 10% and we are targeting similar growth in 2017 and beyond. Customer shipments in January – February 2017 exceeded previous year's level by a very considerable margin. In order to support and accommodate this level of growth and continue into the future, we are planning a 15,000 square foot expansion to the north and east of our existing plant with a budget of \$600,000. Plans are being finalized and we will be breaking ground early this spring. The project, which will include additional shipping docks, will more than double finished goods storage, product staging and shipping throughput, which in turn will enable our manufacturing and logistics to operate more efficiently.

Up until the present time we have been able to realize growth through careful management and increased productivity of our existing workforce. Going forward however, we will require the hiring of 15 – 20 good-paying skilled and semi-skilled manufacturing and technical associates to adequately support forecasted growth.

There is an aspect of the expansion which we would like to respectfully request the assistance of City of Merrill resources: Specifically, we are requesting the City bring water and sanitary sewer service from the State Street mains 30' into our property. We have secured a preliminary contractor estimate for this scope at approximately \$20,000. Mitchell Metal Products will of course be responsible for continuing services from that point to and within our building. An additional water line is necessary for fire protection and a sewer line for restroom services.

We sincerely thank the City in advance for your consideration of this request and ask that if you have any questions or require additional information, please direct your requests to Dan Frick.

Respectfully submitted,

Tim Zimmerman, President and Owner

Dan Frick, Vice-President and Owner

Alan Verploegh, Treasurer and Owner



City of Merrill
Redevelopment Authority (RD)

Kathy Unertl, RDA Secretary
1004 East 1st Street • Merrill, Wisconsin • 54452
Phone: 715.536.5594 • Fax: 715.539.2668
e-mail: Kathy.Unertl@ci.merrill.wi.us

Date: February 27th, 2017
To: RDA Commissioners
From: Kathy Unertl, Finance Director/RDA Secretary *Kathy Unertl*
RE: Proposed Timeframes and Parcels to include in Tax Increment District No. 3 Boundary and Plan Amendment

Proposed timeframes for RDA and Common Council:

RDA public hearing on Tuesday, April 11th at 6:00 p.m. [Before regular Merrill Common Council meeting]

Special Common Council meeting on Tuesday, April 25th at about 6:15 p.m. (i.e. after Personnel & Finance Committee meeting)

Parcels to include within TID No. 3 boundary:

There is potential interest to develop a vacant lot north of the existing AmericInn Hotel. The parcel is currently not within TID No. 3. This land-locked parcel was split from the current Kwik Trip site.

Two additional parcels to include: existing AmericInn Hotel and existing Subway. The existing Econolodge parcel is within TID No. 4.

Any other parcels to include? This would be the fourth amendment of the TID No. 3 boundary and would be the final one allowed under Wisconsin Statutes.

CITY OF MERRILL, WI
TAX INCREMENTAL MIXED USE DISTRICT NO. 3
PROJECT PLAN & BOUNDARY AMENDMENT
Proposed Timetable - 2/27/17

<u>ACTION DATE</u>	<u>STEP</u>
Mar.	City will provide Ehlers with a list of the parcel tax key #'s within the amended area to the District, pertinent parcel information, the maps, list of projects and costs, etc.
	Ehlers will prepare & provide the City with a feasibility analysis report, options, and/or draft project plan document
March 7	Redevelopment Authority makes a motion to call for a public hearing (optional)
March 27	City will e-mail a Notice to Official City Newspaper of organizational JRB meeting & public hearing. (cc: Ehlers) Ehlers will mail notification letters, along with required enclosures, to overlapping taxing jurisdictions of JRB organizational meeting & public hearing, as well as the agenda - to be posted by the City. (cc: City & attorney) <i>(Letters must be postmarked prior to first publication).</i>
March	Ehlers will provide City, overlapping taxing entities, and/or City Attorney with [revised] draft Project Plan document, if not yet provided and/or necessary, as well as agenda language (City to post) & resolution (City to distribute) for first meetings, and will also request legal opinion of the plan.
March 31	Publication of Public Hearing & JRB Meeting Notice <i>(At least 7 days prior to public hearing & at least 5 days prior to JRB meeting)</i>
April 5 - 11	Joint Review Board meets to review plan, appoint chairperson and public member and set next meeting date. <i>(Prior to public hearing)</i>
April 11 6 p.m.	Redevelopment Authority Public Hearing on Project Plan and TID boundary. <i>(Within 14 days of publication)</i> Redevelopment Authority reviews Plan & approval of District Project Plan and boundaries.
April	Ehlers will provide City & City Attorney with revised draft Project Plan, if necessary, as well as agenda language (City to post) & resolution (City to distribute) for Common Council meeting.
April 25 @ 6:15 p.m.	Special Common Council reviews plan & adopts resolution approving District Project Plan and boundaries.
May 1	Ehlers' will e-mail a Notice to Official City Newspaper of JRB meeting. (cc: City) Ehlers will mail notices & required attachments to JRB of the final meeting, along with the Agenda (City to post). (cc: City & Attorney) <i>(Letters must be postmarked prior to publication).</i>
May 5	Publication of JRB Meeting Notice <i>(At least 5 days prior to meeting)</i>
May 10 – June 23	Joint Review Board considers approval of District Project Plan and boundaries. <i>(Within 45 days of notification of meeting / receipt of Redevelopment Authority & Common Council resolutions)</i>
June – Oct.	City will notify the DOR within 60 days of approval that the TID amendment took place. City will then gather, prepare, and submit state forms & required documents to the state, once the <u>2017</u> assessed parcel values are available (following the BOR) and receives all remaining maps, legal descriptions, parcel information, documents, etc. DOR deadline October 31.

*RDA meets as needed Tuesday's @ 6 p.m.
Council meets 2nd Tuesday @ 7 p.m.
Merrill Courier publishes: Fridays, deadlines: Tuesdays..*

Lincoln County Public Access Land Records Viewer



Author: Public
 Date Printed: 2/27/2017

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