

City of Merrill - Joint Review Board

**Tuesday, April 11th, 2017 at 4:47 P.M.
City Hall Council Chambers, 1004 East First Street**

Members Present: Mayor Bill Bialecki (City of Merrill representative), Roxane Lutgen (Northcentral Technical District representative), Bob Weaver (Lincoln County representative), and Ryan Schwartzman (public member)

Members Absent: Brian Dasher (Merrill Area Public Schools representative)

Others Present: Finance Director/RDA Secretary Kathy Unertl, Brian Reilly from Ehlers & Associates, City Administrator Dave Johnson, City Attorney Tom Hayden, City Alderperson Mary Ball, Mary Rajeck from Redevelopment Resources, and City Clerk Bill Heideman

Call to order: Bialecki called the meeting to order at 4:47 P.M. upon arrival of Lincoln County representative Bob Weaver. There was a March 31st, 2017 publication notice in the Merrill Courier of the Joint Review Board meeting.

Appointment of Public Member:

Motion (Lutgen/Weaver) to appoint Ryan Schwartzman as the Public Member. Carried.

Reconfirm Chairperson:

Motion (Weaver/Schwartzman) for Bialecki to continue as Chairperson. Carried.

Discuss responsibilities of the Joint Review Board:

Unertl included information from the Wisconsin Department of Revenue website related to the purpose and responsibility of the Joint Review Board. The Joint Review Board is to ensure that all taxing jurisdictions are represented and allowed input when the creation or amendment of a Tax Increment District is being considered.

The primary decision criteria is whether the development expected in the TID would occur without the use of tax increment financing; whether the economic benefits of the TID as measured by increased employment, business and personal income, and property value, are insufficient to cover the costs of proposed improvements; and whether the benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing districts.

Review and consideration of minutes from May 31st, 2016 meeting:

Motion (Weaver/Lutgen) to approve the meeting minutes. Carried.

Review and discuss draft project plan for proposed TID No. 3 plan and boundary amendment:

Brian Reilly from Ehlers & Associates highlighted the basics of tax increment finance (TIF), district amendment proposal, and timelines. TID No. 3 is a mixed-use district created in 2005 with twenty-year lifespan. This will be the fourth addition of tax parcels into the TID boundary. The final revenue collection year will be 2026.

Three tax parcels are proposed to be added. Unertl advised that these include the existing AmericInn Hotel, a .39 acre land-locked vacant parcel to the north of the hotel, and the existing Subway parcel. Only about 1/3rd of the Subway parcel is actually developed. Unertl distributed aerial photo, concept illustration, and layout of the proposed hotel expansion onto the vacant lot.

The proposed hotel expansion is about 12,000 sq. ft. including new entryway, elevator, common/support areas, and twenty new rooms. Bialecki added that some of the existing forty-four rooms will be updated in the future as well.

Reilly reported that the proposed boundary amendment tax base meets the State of Wisconsin's 12% equalized valuation test. The proposed project costs were reviewed.

Unertl advised that now that Center Ave. reconstruction bids have been received, the City would be including on a revised infrastructure map and adding \$400,000 to the Street Improvements – Phase 1 (2017 – 2018) amount. City staff also advised that the Merrill Festival Grounds projects include part of the Expo Center (\$250,000), parking lots/lighting (\$50,000), and then future electrical and paving improvements.

Reilly also highlighted projected development and economic feasibility spreadsheets, as well as timelines. Broader discussion included potential fiscal challenges to tax increment projections such as “dark store” assessment challenges and potential elimination of Personal Property assessments.

Next Joint Review Board meeting date:

Merrill Common Council action on Redevelopment Authority (RDA) recommendation is scheduled for Wednesday, April 26th, 2017.

Consensus for Joint Review Board to meet on Thursday, May 18th at 4:30 p.m. This meeting will also include review and discussion of City of Merrill annual TIF reporting as now required by the State of Wisconsin.

Public Comment: None.

Adjournment:

Motion (Schwartzman/Lutgen) to adjourn. Carried at 5:12 p.m..

Minutes prepared and submitted by:

Kathy Unertl, Finance Director/RDA Secretary