

City of Merrill  
Redevelopment Authority (RDA)

Tuesday, April 11<sup>th</sup>, 2017 at 6:00 p.m.  
City Hall Common Council Chambers

RDA Present: Bill Bialecki, Ryan Schwartzman, Tim Haight, Jill Laufenberg,  
Karen Karow, and Tony Kusserow

RDA Absent: Clyde Nelson

Others: Alderpersons Mary Ball and Rob Norton, City Administrator  
Dave Johnson, Finance Director Kathy Unertl, City Attorney  
Tom Hayden, Mary Rajek from Redevelopment Resources,  
Dewey Pfister, Patricia Karabowski, and City Clerk Bill Heideman

**Call to Order:** Chair Bialecki called the meeting to order at 6:00 p.m.

**Consider approval of meeting minutes:**

**Motion (Schwartzman/Karow) to approve the RDA meeting minutes from  
March 7<sup>th</sup>. Carried.**

**Public Hearing regarding the proposed amendment of boundaries and project  
plan for Tax Increment District No. 3 (Notice published on March 31<sup>st</sup>, 2017):**

**Motion (Schwartzman/Karow) to open the public hearing at 6:01 p.m. Carried.**

There were no public comments.

**Motion (Schwartzman/Karow) to close the public hearing at 6:03 p.m. Carried.**

**Consideration of resolution designating proposed amended boundaries and  
approving a project plan amendment for Tax Increment District No. 3, City of  
Merrill, Wisconsin:**

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 1/3<sup>rd</sup> of the Subway parcel is actually developed.

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.

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**Consideration of resolution designating proposed amended boundaries and approving a project plan amendment for Tax Increment District No. 3, City of Merrill, Wisconsin (Continued):**

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

**Motion (Karow/Laufenberg) adopting RDA Resolution No. 2017-01 – resolution designating proposed amended boundaries and approving a project plan amendment for Tax Increment District No. 3. Carried.**

**Consideration of resolution authorizing a development agreement by and between the City of Merrill, Wisconsin and Gateway North LLC for expansion of AmericInn Hotel:**

Although a preliminary TIF cash development incentive of \$125,000 had been suggested by City staff, there is larger financial gap to proceed with this development. The proposed hotel expansion is about 12,000 sq. ft. including new entryway, elevator, common/support areas, and twenty new rooms. Projected construction costs of over \$1.2 million dollars with planned future modernization of some existing hotel rooms.

Unertl reported that \$125,000 for almost a million in new tax base with new job creation is a bit lighter than other recent City of Merrill TIF development incentives. For comparison, Kindhearted Home Care is \$100,000 TIF development incentive for projected \$500,000 development and proposed Nelson's Powerhouse is \$225,000 for projected \$1.2 million dollar development.

**Motion (Schwartzman/Karow) recommending authorizing the development agreement by and between the City of Merrill, Wisconsin and Gateway North LLC for \$200,000 TID No. 3 development incentive. Carried.**

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

Depending upon potential development proposals, Unertl advised that it is possible that a joint RDA - Committee of Whole meeting might be needed sometime in May.

**Public Comment:** None.

**Adjournment:** Motion (Schwartzman/Laufenberg) to adjourn at 6:23 p.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl