



**CITY OF MERRILL**  
**COMMON COUNCIL**  
**MINUTES • TUESDAY AUGUST 8, 2017**

**Regular Meeting**

**City Hall Council Chambers**

**7:00 PM**

1. Call to Order

Mayor Bialecki called the meeting to order at 7:02 P.M.

| Attendee Name    | Title                                     | Status  | Arrived |
|------------------|---|---------|---------|
| Paul Russell     | Aldersperson - First District             | Present |         |
| Pete Lokemoen    | Aldersperson - Second District            | Present |         |
| Ryan Schwartzman | Aldersperson - Third District             | Present |         |
| Kandy Peterson   | Aldersperson - Fourth District            | Present |         |
| John Burgener    | Aldersperson - Fifth District & President | Excused |         |
| Mary Ball        | Aldersperson - Sixth District             | Present |         |
| Rob Norton       | Aldersperson - Seventh District           | Present |         |
| Tim Meehean      | Aldersperson - Eighth District            | Present |         |
| Bill Bialecki    | Mayor                                     | Present |         |

Also in attendance: Public Works Director/City Engineer Rod Akey, Street Superintendent Dustin Bonack, City Attorney Tom Hayden, City Administrator Dave Johnson, Enrichment Center Director Tammie Mrachek, Building Inspector/Zoning Administrator Darin Pagel, Utility Operations Manager Gabe Steinagel, Library Director Stacy Stevens, Finance Director Kathy Unertl, Parks and Recreation Director Dan Wendorf and City Clerk Bill Heideman. Police Chief Corey Bennett and Fire Chief Dave Savone had excused absences.

2. Silent Prayer

3. Pledge of Allegiance

4. Roll Call

5. Public Comment Period

Jeremy Ratliff recommended that, as a part of future street projects, comprehensive analysis and action be given to traffic and safety concerns. He reported that he observed several traffic-safety concerns during the N. Pine Ridge Avenue project, but that, in his opinion, the Center Avenue project addressed those types of concerns well.

6. Minutes of previous Common Council meeting(s):

1. Minutes of July 11, 2017 meeting and July 25, 2017 meeting

Motion (Schwartzman/Norton) to approve.

|                |                 |
|----------------|-----------------|
| <b>RESULT:</b> | <b>APPROVED</b> |
|----------------|-----------------|

7. Revenue & Expense Reports(s):

1. Revenue & Expense Report for Period Ending July 31, 2017

Motion (Schwartzman/Ball) to approve.

**RESULT: APPROVED**

8. City Plan Commission:

1. Site Plan submitted by Merrill Area Housing Authority (MAHA) for gazebo and garage addition at Jenny Towers, 711 East First Street. The City Plan Commission recommends approval.

Motion (Meehean/Norton) to approve.

**RESULT: APPROVED**

9. Health and Safety Committee:

1. Application from Dixie Land BBQ, LLC, Scott A. Sense Agent, for a Class "B" (beer) and a "Class C" (wine) license for Dixie Land BBQ, 608 East Second Street, effective August 9, 2017. The Health and Safety Committee recommends approval.

Motion (Peterson/Russell) to approve.

**RESULT: APPROVED**

10. Placing Committee Reports on File:

1. Consider placing the following committee reports on file: Airport Commission, Board of Public Works, City Plan Commission, Committee of the Whole, Committee of the Whole/Redevelopment Authority, Festival Grounds Committee, Health and Safety Committee, Library Board, Merrill Enrichment Center Committee, Parks and Recreation Commission, Personnel and Finance Committee, Redevelopment Authority and Zoning Board of Appeals.

Motion (Meehean/Norton) to place on file.

**RESULT: PLACED ON FILE**

11. Ordinances:

1. An Ordinance amending Code of Ordinances Chapter 36, Article II, Division 4, Section 36-119 (Two-hour Parking Zones) to reinstate the two-hour parking limitation on the east side of the 100 block of N. Scott Street.

City Attorney Hayden gave the ordinance a first reading by title only.

Motion (Schwartzman/Norton) to suspend the rules and give the ordinance a second reading and a third reading by title only. Carried.

City Attorney Hayden gave the ordinance a second reading and a third reading by title only.

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>APPROVED [7 TO 0]</b>  |
| <b>MOVER:</b>    | Kandy Peterson, Alderperson - Fourth District                   |
| <b>SECONDER:</b> | Ryan Schwartzman, Alderperson - Third District                  |
| <b>AYES:</b>     | Russell, Lokemoen, Schwartzman, Peterson, Ball, Norton, Meehean |
| <b>EXCUSED:</b>  | Burgener  |

2. An Ordinance amending Code of Ordinances Chapter 16, to change water rate fees (3% increase) at Sections 38-40 and 38-42(a) and 38-42(b).

City Attorney Hayden gave the ordinance a first reading by title only.

Motion (Norton/Ball) to suspend the rules and give the ordinance a second reading and a third reading by title only. Carried.

City Attorney Hayden gave the ordinance a second reading and a third reading by title only.

|                  |   |
|------------------|---|
| <b>RESULT:</b>   | <b>APPROVED [7 TO 0]</b>  |
| <b>MOVER:</b>    | Rob Norton, Alderperson - Seventh District                      |
| <b>SECONDER:</b> | Tim Meehean, Alderperson - Eighth District                      |
| <b>AYES:</b>     | Russell, Lokemoen, Schwartzman, Peterson, Ball, Norton, Meehean |
| <b>EXCUSED:</b>  | Burgener  |

12. Resolutions:

1. A Resolution authorizing a Development Agreement by and between the City and Cobblestone Hotels LLC.

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 3 on September 13, 2005 and the redevelopment site is within TID No. 3; and,

WHEREAS, Cobblestone Hotels LLC has proposed acquisition and rehabilitation of the Badger Hotel; and,

WHEREAS, the City of Merrill finds that the proposed development and the fulfillment of the items and conditions of the attached Development Agreement are in the vital and best interest of the City of Merrill, the Merrill Redevelopment Authority and City residents and serves a public purpose in accordance with State law; and,

WHEREAS, new property tax and additional room tax will be generated from this redevelopment project, and,

WHEREAS, Cobblestone Hotels, LLC have negotiated the development agreement to provide an incentive payment not to exceed \$150,000 to facilitate the commercial project;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 8<sup>th</sup> day of August, 2017, that the Mayor and City Clerk are authorized to sign the development agreement by and between the City of Merrill and Cobblestone Hotels LLC and to facilitate the implementation thereof.

Motion (Schwartzman/Meehean) to approve.

**RESULT: APPROVED**

2. A Resolution authorizing updated structure for TID No. 8 Development Incentive for 1504 West Main Street rehabilitation project.

WHEREAS, the Common Council of the City of Merrill authorized a development agreement via Resolution No. 2437 on January 12, 2016; and,

WHEREAS, Mark A. Raymer still proposes rehabilitating the exterior façade and interior of a commercial building located at 1504 West Main Street, which is located within TID No. 8; and,

WHEREAS, the January 2016 development incentive was structured with City of Merrill payment of indirect project costs of \$13,000 (such as architectural services) and a \$30,000 cash development incentive; and,

WHEREAS, there have been substantial delays in this redevelopment project which require a restructured incentive payment not to exceed \$43,000 to facilitate the rehabilitation of a commercial building;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 8<sup>th</sup> day of August, 2017, that the Mayor and City Clerk are authorized to sign the development agreement by and between the City of Merrill and Mark A. Raymer and to facilitate the implementation thereof.

Motion (Russell/Schwartzman) to approve.

**RESULT: APPROVED**

3. A Resolution authorizing City purchase of a vacant lot fronting on Thielman Street for street infrastructure fill and for future commercial development site.

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 3 on September 13, 2005 and the TID boundaries and project plan has been amended since the TID creation to include the proposed acquisition property; and,

WHEREAS, State Highway 64 (East Main Street) is the gateway into the community from US Highway 51 and the City of Merrill intends to extend Pine Ridge Avenue north from Thielman Street to Lincoln County Highway G to provide north-south access to the future east side industrial/business park; and,

WHEREAS, an undeveloped 4.3 acre parcel owned by Lance Nienow ET AL fronts on Thielman Street and will provide gravel fill material for the Pine Ridge Avenue infrastructure construction after the existing trees are harvested; and,

WHEREAS, this property be available for future commercial development after the site has been leveled and part may be used for a potential new City water tower; and

WHEREAS, the City of Merrill finds that the proposed property purchase and future commercial site development serves a public purpose in accordance with State law; and,

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 8th day of August, 2017 to authorize the purchase of property described per Lincoln County Land Records as PIN 251-3106-141-0069 Parcel Number 34-0001-000-089-05-30 for an amount not to exceed \$140,000.00.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are authorized to complete and sign any offer documents, agreements, or related paperwork required to facilitate the acquisition thereof.

Motion (Meehean/Norton) to approve.

**RESULT: APPROVED**

- 4. A Resolution authorizing amendment of the purchase price authorized by Resolution No. 2513 for two Badger Portfolio LLC (Continental Properties) tax parcels.

WHEREAS, Merrill Common Council adopted Resolution No. 2513 on July 11, 2017 authorizing the purchase of two tax parcels at amount not to exceed \$575,000; and

WHEREAS, Badger Portfolio, LLC is consolidating their Whispering Pines mobile home community onto one tax parcel that fronts on Thielman Street instead of four separate tax parcels; and

WHEREAS, the City of Merrill is purchasing two tax parcels on the north side of State Highway 64 (East Main Street), an additional tax parcel on the River Street is also being cleared for sale and redevelopment; and,

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 8<sup>th</sup> day of August, 2017 to authorize the purchase of two tax parcels at an amended amount not to exceed \$600,000.

BE IT FURTHER RESOLVED, that the Mayor and City Clerk are authorized to complete and sign any offer documents, agreements, or related paperwork required to facilitate the acquisition thereof.

Motion (Schwartzman/Peterson) to approve.

**RESULT: APPROVED**

- 5. A Resolution authorizing a Development Agreement by and between the City and Badger Portfolio LLC (Continental Properties).

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 3 on September 13, 2005 and the redevelopment site is within TID No. 3; and,

WHEREAS, Badger Portfolio, LLC (Continental Properties) proposes construction of a new maintenance garage to support their consolidated Whispering Pines mobile home community on a Thielman Street parcel; and,

WHEREAS, the City of Merrill finds that the proposed redevelopment and the fulfillment of the items and conditions of the attached Agreement are in the vital and best interest of the City of Merrill, Redevelopment Authority and City residents and serves a public purpose in accordance with State law; and,

WHEREAS, the City and Continental Properties have negotiated the development agreement to an incentive payment not to exceed \$25,000 to construct a new maintenance garage; and

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 8<sup>th</sup> day of August, 2017, that the Mayor and City Clerk are authorized to sign the development agreement by and between the City of Merrill and Badger Portfolio LLC (Continental Properties) and to facilitate the implementation thereof.

Motion (Norton/Schwartzman) to approve.

|                |                 |
|----------------|-----------------|
| <b>RESULT:</b> | <b>APPROVED</b> |
|----------------|-----------------|

**6. A Resolution approving Merrill Area Housing Authority request to continue and adjust Payment in Lieu of Taxes and support of renovation program.**

WHEREAS, there exists a program entitled Section 42 Low Income Housing Tax Credits which is administered in the State of Wisconsin by the Wisconsin Housing and Economic Development Authority ("WHEDA") whose purpose is to provide development of rental units for low income households, and

WHEREAS, the Merrill Area Housing Authority is renovating and redeveloping 102 units of affordable housing currently known as Park Place Apartments and Westgate Apartments in connection with an allocation of Section 42 Low Income Housing Tax Credits it has received from WHEDA and has requested the City of Merrill to support the renovation and redevelopment of Park Place Apartments and Westgate Apartments, and

WHEREAS, City Council finds that the redevelopment of affordable rental housing within the City will be beneficial to the City of Merrill and its residents, and

WHEREAS, in connection with WHEDA's allocation of tax credits and the redevelopment, Merrill Area Housing Authority will transfer federal income tax ownership of Park Place Apartments and Westgate Apartments to the entity formed to receive the tax credits from WHEDA, Park Place & Westgate, LLC (the "LLC"), by leasing the land, buildings and other improvements constituting the apartment projects to the LLC pursuant to a capital lease, and

WHEREAS Merrill Area Housing Authority is the sole member of the managing member of the LLC and the property manager of the apartment projects, with the exception of compliance associated with the Section 42 Low Income Housing Tax Credits, and as such, notwithstanding the transfers of ownership of the improvements to the LLC as described above, continues to exercise exclusive control and authority over the operation of the apartment projects, and

WHEREAS upon completion of the redevelopment, the project will consist of 54 units of affordable housing known as Park Place Apartments, 38 units of affordable housing known as Stonebridge Apartments and 10 units of affordable housing known as Westgate Apartments, and

WHEREAS, the current payment in lieu of taxes for Park Place Apartments PILOT is now shelter rent less utilities x 10% will remain the same, and

WHEREAS, the payment in lieu of taxes for Westgate Apartments PILOT is now shelter rent less utilities x 10% and will remain the same, and

WHEREAS, the payment in lieu of taxes for Stonebridge Apartments PILOT is proposed to be shelter rent less utilities x 10%.

NOW, THEREFORE, BE IT RESOLVED, BY THE COMMON COUNCIL, OF THE CITY OF MERRILL this 8<sup>th</sup> day of August, 2017, that it supports the Merrill Area Housing Authority's allocation of tax credits and hereby authorizes the Mayor to execute all documents necessary to accomplish those purposes, including the PILOT Agreement in the form of Exhibit A attached hereto.

Note: Exhibit A is available for inspection in the Clerk/Treasurer office at City Hall.

City Attorney Hayden recommended that the resolution be referred to a special Common Council meeting.

Motion (Norton/Schwartzman) to refer to a special Common Council meeting scheduled for 4:00 P.M. on Tuesday, August 23<sup>rd</sup>, 2017. Carried.

### 13. Mayor's Communications

Merrill Community Night Out will end at 8:00 P.M.

Relay for Life will begin on Friday, August 11<sup>th</sup>.

Crazy Daze is Thursday, August 10<sup>th</sup>.

The 2017 street projects are concluding.

Labor Day festivities are upcoming.

The V.F.W 75<sup>th</sup> anniversary celebration went well.

### 14. Adjournment

Motion (Schwartzman/Ball) to adjourn. Carried. Adjourned at 7:30 P.M.