



CITY OF MERRILL
REDEVELOPMENT AUTHORITY
AGENDA • TUESDAY AUGUST 29, 2017

Regular Meeting

City Hall Council Chambers

8:00 AM

- I. Call to order
- II. Minutes of previous meeting(s):
 1. Consider approval of RDA meeting minutes from August 8th, and of Joint COW-RDA meeting minutes from August 8th
- III. Public Comment
- IV. Agenda items for consideration:
 1. Discussion of future directions related to housing in City of Merrill
- V. Next RDA meeting (s)
- 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. Consider approval of closed session minutes from RDA meeting from August 1st
 2. Potential purchase of properties and potential TIF development incentives in TID No. 3 and TID No. 4 to facilitate new commercial developments
- VII. The RDA may reconvene in open session to take action on closed session items related to potential purchase of properties and potential TIF cash development incentives in TID No. 3 and TID No. 4
- VIII. Adjournment

City of Merrill
Meeting of Redevelopment Authority (RDA)

Tuesday, August 8th, 2017 at 6:00 p.m.
City Hall Common Council Chambers

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

Others: Alderpersons Kandy Peterson and Mary Ball, City Clerk Bill Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, Public Works Director Rod Akey, City Building Inspector Darin Pagel, Ken Maule from Lincoln County Economic Development Corp. (LCEDC), Dewey Pfister, Lori Anderson Malm, and representatives of Merrill Renewal Properties

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

Consider approval of meeting minutes from August 1st, 2017:

Motion (Karow/Laufenberg) to approve the meeting minutes from August 1st.

Public Comment: None.

Public Hearings: Motion (Schwartzman/Laufenberg) to open the public hearings. Carried at 6:02 p.m. The public hearings included:

- the proposed project plan, boundaries and creation of Tax Incremental District No. 12 (Weinbrenner factory area)
- the proposed amendment of boundaries and project plan for Tax Incremental District No. 8 (West side area)

RDA Secretary Kathy Unertl provided the following TID Plan overviews:

TID No. 8 changes:

- Three parcels being deleted
 - two owned by Trinity Lutheran Church (Laundromat & parking lot)
 - vacant land (6.9 acres) along the Wisconsin River (Merrill Area Development Corp/Merrill Renewal Properties) - to TID No. 12
- Project expenses include water and sewer utility infrastructure for Mitchell Metal Products (within ½ mile of TID No. 8 boundary) – manufacturing addition

TID No. 12 creation:

- Mixed-Use TID including Weinbrenner Shoe Outlet, factory/parking lot, two houses, River Bend Trail, and the vacant land along Wisconsin River (parcel from TID No. 8)
- Instead of two tax parcels related to Weinbrenner factory and parking lot, there are actually five tax parcels. Final TID Plan will include all these parcels as identified by Lincoln County Tax Lister and Lincoln County Abstract.
- Potential TID expenditures include:
 - separation of Polk St. streetlights from Weinbrenner parking lot lighting;
 - potential future TID cash development incentive for Weinbrenner parking lot improvements;
 - various potential street infrastructure improvements (including street lighting) within ½ mile of the TID boundary; and
 - potential TID cash development incentives or infrastructure improvements if the Wisconsin River parcel is developed in the future.

Unertl reported that if there were future expansion(s) of the Weinbrenner factory, potential TID cash development incentive(s) would need to be included within an amended TID No. 12 plan.

There were no public comments on the proposed TID plans. Motion (Schwartzman/Laufenberg) to close the public hearings. Carried at 6:07 p.m.

Consideration of resolution designating proposed boundaries and approving a project plan for Tax Increment District No. 12, City of Merrill, Wisconsin:

Motion (Schwartzman/Karow) to adopt the resolution designating proposed boundaries and approving a project plan for Tax Increment District No. 12, City of Merrill, Wisconsin. Carried.

Consideration of resolution designating proposed amended boundaries and approving a project plan for Tax Increment District No. 8, City of Merrill, Wisconsin:

Motion (Schwartzman/Kusserow) to adopt the resolution designating proposed amended boundaries and approving a project plan for Tax Increment District No. 8, City of Merrill, Wisconsin. Carried.

Next RDA meeting: Tuesday, August 29th at 8:00 a.m. instead of the week after Labor Day weekend.

Adjournment: Motion (Schwartzman/Karow) to adjourn at 6:08 p.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

Attachment: 2017-08-08 RDA Minutes (2726 : August 8th, 2017 RDA Minutes)

City of Merrill Joint Meeting of
Committee of Whole (COW), Redevelopment Authority (RDA)
and Community Development

Tuesday, August 8th, 2017 at 6:15 p.m.
City Hall Common Council Chambers

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

RDA Absent: None

COW Present: Bill Bialecki, Ryan Schwartzman, Kandy Peterson, Mary Ball,
Paul Russell, Pete Lokemoen, Rob Norton, and Tim Meehean

COW Absent: John Burgener (Excused)

Community Development Present: Ron Peterson and Mary Ball

Others: City Clerk Bill Heideman, City Administrator Dave Johnson,
City Attorney Tom Hayden, Finance Director Kathy Unertl,
Public Works Director Rod Akey, City Building Inspector Darin
Pagel, Ken Maule from Lincoln County Economic Development
Corp. (LCEDC), Dewey Pfister, and Lori Anderson Malm

Call to Order: Bialecki called the meeting to order at 6:15 p.m.

Public Comment: None.

**Review and discussion of Merrill housing report prepared by Art Lersch from UW
Extension and incentives used in other Wisconsin communities:**

Lersch emphasized the following key findings related to housing focusing upon single-family homes:

- Need for transitional housing
- Low inventory of quality homes for sale
- Professionals are looking for higher value homes with amenities and two-car (or more) garage spaces

Some of the perceptions issues related to housing include:

- Lack of available vacant land
- Potential higher City of Merrill property taxes
- Need to promote City of Merrill
- Potential need for down payment assistance financial support

Review and discussion of Merrill housing report (Continued):

Lokemoen reported that he had checked with three employers and they indicated that housing issues not preventing employee hires. Bialecki emphasized that many Merrill employers have been communicating the need for adequate housing to assist with workforce recruitment. Meehean noted that business community potentially losing out of local dollars related to individuals commuting to Merrill for work.

Bialecki and Unertl advised that TID could be used for housing under current Wisconsin Statutes. At the end of the twenty-year lifecycle of TID No. 3 (East Side Area), it will be possible to keep the TID open one additional year - 2027 revenues - for community-wide housing-related expenditures.

Ball asked about building new homes on non-conforming lots. Pagel reported that Zoning Board of Appeals has never denied a new housing request. The importance of flippers investing in making home improvements was noted by Bialecki and Ball. There was clarification that CDBG (Community Development Block Grant) loan funds could be obtained by landlords as low as their rental tenants met income criteria.

Nelson questioned potential down payment assistance. For a \$40,000 residential property, a 3-5% down payment would be about \$1,200. The ability of potential homeowners to save down payment is perceived by financial lenders as indication of ability to handle home-ownership financial requirements.

There was discussion of interest of both younger and older populations in renting vs. home ownership. Lokemoen commented that there are lots available; however, no one is building spec homes and construction contractors were hit hard by the housing recession starting in 2008.

Akey emphasized that even if flippers are investing in some existing homes, the overall housing stock age is old. Russell cited a housing assessment conducted for the Merrill Area Housing Authority (MAHA). About 58% of Merrill homes are over sixty (60) years old. It is estimated that 50% have some level of disrepair.

Bialecki suggested that the expanding amenities in the Merrill community were important. Karow emphasized the importance of the River Bend Trail and recommended future downtown apartment development.

Lersch commented on the expanding need for transitional housing options. The Merrill population aged sixty (60) and over will double by 2035. Individuals are looking for ground-level residences for accessibility.

Mayor Bialecki thanked Lersch for his assistance and everyone for participation in this housing meeting. Unertl suggested continued discussion related to housing by the Redevelopment Authority (RDA) and Community Development Committee.

Adjournment: Motion (Schwartzman/Karow) to adjourn at 6:55 p.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl

F.A.Q.

- **Is the incentive a loan or a grant?** The incentive is a grant and does not need to be paid back.
- **When is the incentive applied?** The payment is made after a clean occupancy permit has been granted and an improvement value has been determined by the City Assessor Office. Funds may not be paid out until the following calendar year.
- **Does the newly constructed home have to be owner-occupied?** No. Developers building spec homes or rental developments may still qualify for the MRI program.
- **Are there any restrictions to how the awarded incentive is used?** No. The City will not regulate how the money is spent after it has been awarded. The purpose is to offset the cost of construction and encourage new development.
- **Is there anything that would cause the City not to release an incentive?** Failure to comply with all regulations, inspections, and orders, could cause the City to void incentive
- **Does the incentive apply to previous developed sites where an old dilapidated home was removed?** Yes.



Marshfield Residential Incentive (MRI) Program is made possible by the Marshfield Economic Development Board and Marshfield Utilities



CITY OF MARSHFIELD

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CITY OF MARSHFIELD

Marshfield Residential Incentive Program

Let us help.



Program Goals

Based upon the findings of the 2014 Housing Study, there is an inadequate supply of desirable owner-occupied housing in the City under \$200,000. While there is an abundance of homes in this range, many are deemed unacceptable due to their condition. The Marshfield Residential Incentive (MRI) program is a grant program with the purpose of encouraging developers and/or residents to invest or rehabilitate the City's housing stock by providing financial incentives to new single family and two family residential dwelling units.

How to Apply

- When submitting a building permit application, also complete the MRI program application located with the Development Services Department
- **Only building permits for new single family and two family residential dwellings units issued after June 1, 2017 are eligible for incentive**

Restrictions

- The permit must be for a new single family or two family construction following the WI UDC standards
- The incentive payment does not apply to additions, remodeling or construction of accessory buildings/uses
- New multifamily developments (3+ units) are not eligible for an incentive payment

Program Award

The incentive payment can be applied to any new single family or two family residential construction.

- An award shall not be granted until an Occupancy Permit is granted by the Building Inspector
- The incentive payment will be calculated based upon the improvement value as determined by the City Assessor's Office (land value not included)
- Maximum amount of the incentive payment is \$7,500 per property (two family duplexes/twin homes are considered one property)
- Awards made are also based on available funding
- Payment/actual incentive will be made to the owner of record
- An award shall not be granted if there are any outstanding charges or violations against the property

Examples of Payment

• Assessed value \$0.00—\$150,000	5% incentive	\$0.00—\$7,500
• Assessed value \$150,001—\$175,000	4% incentive	\$6,000—\$7,000
• Assessed value \$175,001—\$200,000	3% incentive	\$5,250—\$6,000
• Assessed value \$200,001+	2% incentive	\$4,000—\$7,500 max



MARSHFIELD RESIDENTIAL INCENTIVE (MRI) PROGRAM APPLICATION CITY OF MARSHFIELD, WISCONSIN

Permit Holder Name: _____

Phone: _____ Email: _____

Site Address: _____

Site Owner: _____

Home Type: Single Family Two Family

Construction Purpose: Spec Home Rental Unit Private Party

Estimated Completion Date: _____

Person Entitled to Incentive: Land Owner Builder Purchaser Other

Entitlement Name: _____

Phone: _____ Email: _____

Bank/Lender: _____

Bank/Lender Address: _____

Checks Payable to: _____

I hereby apply for the Marshfield Residential Incentive (MRI) Program and I acknowledge that the information above is complete and accurate; I understand that an incentive shall not be granted until a clean certificate of occupancy is granted and an assessed value has been calculated (excluding land value); I understand that failure to comply with all required inspections or failure to comply with all ordinance and code requirements may void an incentive; I understand that funds are based on availability; I understand that an award shall not be granted if there are any outstanding charges or violations against the property; and I shall not hold the City liable.

Owner Signature: _____ Date: _____

*** Office Use Only***

Permit #: _____ Date Issued: _____ Parcel #: _____

Certificate of Occupancy (CO) #: _____ CO Issued Date: _____

Final Assessed Value: _____ Date of Assessment: _____

Eligible Incentive %: _____ Incentive Award: \$ _____



City of Merrill Redevelopment Authority (RDA)

Kathy Unertl, RDA Secretary
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 e-mail: Kathy.Unertl@ci.merrill.wi.us

Date: June 8th, 2017
 To: RDA Commissioners
 From: Kathy Unertl, Finance Director/RDA Secretary
 RE: Draft RDA Closed Session Minutes – August 1st

The following draft meeting minutes have been released in the August 29th, 2017 RDA agenda packet as a public record.

The motions (and background information) were previously provided, along with resolutions, for action at the August 8th, 2017 Merrill Common Council meeting. The Council adopted three resolutions:

- Res. No. 2518 – Authorizing purchase of vacant land fronting on Thielman St.
- Res. No. 2519 – Amending purchase price for two Badger Portfolio, LLC tax parcels
- Res. No. 2520 – Authorizing development agreement with Badger Portfolio, LLC for new maintenance garage (Whispering Pines Community – Thielman St.)

City of Merrill
Meeting of Redevelopment Authority (RDA)

Tuesday, August 1st, 2017 at 8:00 a.m. – Closed Session
City Hall Common Council Chambers

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

RDA Absent: Clyde Nelson (Excused) and Tony Kusserow

Others: City Clerk Bill Heideman, City Attorney Tom Hayden, Finance Director Kathy Unertl, Public Works Director Rod Akey, City Building Inspector Darin Pagel, Ken Maule from Lincoln County Economic Development Corp. (LCEDC)

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:

- a. Consider approval of closed session minutes from Joint RDA-COW minutes from June 27th
- b. Potential purchase of properties and potential TIF development incentives in TID No. 3 and TID No. 4 to facilitate new commercial developments

Motion (Schwartzman/Laufenberg) to move to closed session. Motion carried on 5-0 on roll call vote at 8:35 a.m.

Motion (Schwartzman/Laufenberg) to approve the Joint RDA – Committee of Whole closed session meeting minutes from June 27th. Carried.

There was extensive review and discussion on above items in closed session. City staff provided updates on potential property acquisitions and TID development agreements.

Recommending purchase of vacant land fronting on Thielman Street for street infrastructure fill and for future commercial development site (TID No. 3):

Motion (Schwartzman/Laufenberg) to recommend purchase of the Nienow ET AL vacant land parcel fronting on Thielman Street through TID No. 3. Carried.

Recommending amendment of the purchase price for two Badger Portfolio, LLC tax parcels and authorizing a development agreement by and between the City of Merrill and Continental Properties for new maintenance garage (TID No. 3):

Unertl advised that she misinterpreted Continental Properties plans to have three clear redevelopment parcels. The City of Merrill is purchasing two tax parcels on the north side of State Highway 64 (about 6.5 acres). There is an additional tax parcel on River Street (about 1.3 acres) that will be available for purchase and new development.

City of Merrill agreement on purchase price for the two parcels on the north side of State Highway 64 (between O'Reilly Auto Parts and Gem Street) was for \$600,000 not the \$575,000 in Resolution No. 2513.

- Nelson's Powerhouse is finalizing their site plan for the western area adjacent to O'Reilly Auto Parts.
- There was RDA Commission consensus to continue discussions for proposed new development on the about 2.7 acre site between Pearl St. and Gem St.
- Unertl advised that the City would be issuing a Request for Proposal (RFP) for commercial development proposals for the about 2.2 acre site west of Pearl St.

During the past several years, City staff discussions with Continental Properties ownership included TID No. 3 development incentive for construction of new maintenance garage on the Whispering Pines parcel fronting on Thielman St.

Motion (Schwartzman/Laufenberg) to recommend adjustment of the purchase of price to \$600,000 for the two Badger Portfolio parcels and recommending a development agreement for an amount not to exceed \$25,000 upon completion of the new Whispering Pines maintenance garage (TID No. 3). Carried.

Adjournment: Motion (Karow/Schwartzman) to adjourn from closed session at 9:10 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl