

City of Merrill  
Meeting of Redevelopment Authority (RDA)

Tuesday, February 5<sup>th</sup>, 2019 at 8:00 a.m.  
City Hall Common Council Chambers

RDA Present: Tim Meehean, Derek Woellner, Clyde Nelson, Jill Laufenberg,  
and Tim Haight

RDA Excused: Sheila Polak and Tony Kusserow

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/Zoning Administrator Darin Pagel, and Ken Maule and Bill Bialecki from Lincoln County Economic Development Corp. (LCEDC)

**Call to Order:** RDA Chairperson Meehean called the meeting to order at 8:00 a.m.

**Consider approval of RDA meeting minutes from December 4<sup>th</sup>, 2018:**

**Motion (Laufenberg/Nelson) to approve the meeting minutes from December 4<sup>th</sup>, 2018.**  
Carried.

**Public Comment:** None.

**Update on final 2019 Tax Increment (TID) Revenues:**

Unertl reported that the last step of the 2018 property tax calculation process is completion and submission of the Tax Increment Worksheet. The 2018 tax increment (2019 collection) totals \$1,065,721 which is allocated by equalized value of each of the TIDs. Unertl noted that seven of the ten TIDs are now generating tax increment. Exceptions are TID No. 7 (North Center Ave. area), TID No. 9 (Wisconsin River and South Center Ave.), and TID No. 10 (Fox Point).

Wisconsin Department of Revenue releases new equalized valuations by mid-August. Unertl will provide the 1/1/2019 information at that time.

**Update on 2019 TID-funded infrastructure improvements, including proposed deferring of water and sewer extension to Lincoln County Highway G Industrial/Business Park till 2020:**

The M2018-04 Street - Utility Project bid was awarded to Merrill Gravel & Construction in May 2018. This work includes downtown streets east of Center Ave. Public Works Director/City Engineer Rod Akey is completing design and bid process for 2019 construction projects.

With no immediate developments, Akey recommending deferring the water and sanitary sewer extension to the Lincoln County Highway G Industrial/Business Park. This work would be combined with the North Pine Ridge Ave. utility and street extension in 2020.

TID Revenue Bonds will be issued about October 2019 to finance these infrastructure improvements.

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### **Update on Graham Architectural closure:**

Johnson and Akey reported that Graham Architectural closed effective February 1<sup>st</sup>, 2019. The business had fifty to sixty employees whom are being recruited by other Merrill manufacturers.

Extensive resources were allocated in 2018 to assist with potential new facility development or potential relocation to another Merrill manufacturing facility.

**Next RDA meetings:** Tuesday, March 5<sup>th</sup> at 8:00 a.m.

### **Closed Session:**

Chair Meehean 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 RDA meeting minutes from December 4<sup>th</sup>
- b. Continued status review of proposed Nelson's Power House new development - Lot 1 ( 2400 E. Main St. – TID No. 3) and consider potential amendments to the TID development agreement
- c. Status review of potential sale of Lot 3 (i.e. 2600 E. Main St. between Pearl St. and Gem St. – TID No. 3) and potential TID cash development incentives to facilitate new development and jobs expansion
- d. Update/discussion on potential new restaurant developments (TID No. 3 and No. 4 – East Side area)
- e. Update and discussion on potential sale of former Fox Point site (TID No. 10) for residential development project and potential request for TID cash development incentives
- f. Update/discussion on potential commercial business rehabilitation and expansion (TID No. 7 – N. Center Ave.)
- g. Update/discussion on potential commercial business relocation into vacant building (TID No. 9 – S. Center Ave.)
- h. Update/discussion on potential utility improvements and TID cash development incentives for manufacturing relocation (TID No. 7 – N. Center Ave. area)

**Motion (Laufenberg/Nelson) to move into closed session.** Carried 4-1 on roll call vote at 8:15 a.m.

- **Motion (Nelson/Haight) to approve the Closed Session meeting minutes from December 4<sup>th</sup>, 2018.** Carried.
- Johnson and Hayden updated RDA Commissioners on the status of Nelson Powerhouse development. City staff met with Pat Taylor of TSI State Property (Lot 1 - 2500 E. Main St. - TID No. 3) in January. RDA Commissioners directed City staff to draft development letter to Taylor with specific performance timeframes.
- Johnson, Akey, and Unertl provided update on potential Lot 3 (2700 E. Main St. - TID No. 3) development, as well as potential TID cash development incentive. A preliminary facility layout was reviewed by RDA Commissioners. Both City staff and the developer continue with due diligence activities and will be finalizing the TID development agreement for RDA consideration.
- Bill Bialecki from LCEDC provided updates on potential new restaurant development options in TID No. 3 and No. 4. There will be continued discussions on potential site(s), developer(s), and operator(s).
- Johnson reported that no additional information had been received concerning potential developer financing to facilitate residential development on the former Fox Point site (TID No. 10).
- Ken Maule from LCEDC provided overview of potential acquisition, rehabilitation, and expansion of commercial site on North Center Ave. There needs to be additional information provided by the developer before potential TID development incentive can be considered.
- Johnson, Maule, and Bialecki provided information on potential commercial business considering a vacant facility on South Center Ave. There needs to be additional information as to potential request for TID assistance to facilitate business relocation.
- There was extensive review and discussion of request from a manufacturer to relocate to Merrill with planned new job expansion. RDA Commissioners directed City staff to draft potential TID development incentive agreement based upon jobs.

**Adjournment:** Motion (Nelson/Woellner) to adjourn at 9:45 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl