

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, September 18th, 2019 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Ken Maule, Clyde Nelson, Tony Kusserow, Steve Sabatke,
Dan Koblitz, and Derek Woellner

RDA Excused: Sheila Polak

Others: City Clerk Bill Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, Building Inspector/Zoning Administrator Darin Pagel, Paul Russell from Merrill Area Housing Authority (MAHA), Bill Bialecki from Lincoln County Economic Development Corp., Ryan Schwartzman, and Merrill Productions Student

Call to Order: Chair Nelson called the meeting to order at 8:00 a.m.

Consider approval of RDA meeting minutes from September 4th:

Motion (Maule/Kusserow) to approve the meeting minutes from September 4th. Carried.

Public Comment: RDA Chair Nelson read a written statement from LaDonna Fermanich regarding the employment certification for FreMarq Innovations.

Consider request from Merrill Area Housing Authority (MAHA) for City-provided property:

Paul Russell highlighted Merrill Area Housing Authority (MAHA) and Merrill Area Public Schools (MAPS) plans for Blue Jay affordable rental houses. MAHA Commissioners are concerned with the three-year potential redemption period for lots obtained through Lincoln County delinquent tax foreclosure process.

For 2019, there is a City-owned lot at 402 N. Mill St. where the former owner died in a fire. The City razed the abandoned structure in 2017. The representative of the former owner's estate went to Lincoln County Circuit Court since there was a negative estate value. Lincoln County processed the delinquent tax foreclosure in 2019 and City of Merrill purchased.

Building Inspector/Zoning Administrator advised that two Blue Jay houses (i.e. duplex) could be moved to the 402 N. Mill St. site if a common deck connected the buildings. The Zoning Board of Appeals could consider zoning split for the large Van Buren St. site which would also allow site for another house.

Unertl distributed information on 122 S. Prospect St. vacant lot which was formerly owned by a LLC from Houston, Texas. City of Merrill razed the former house in 2015. Lincoln County processed delinquent tax foreclosure in 2019. Tax Increment District No. 8 has almost \$20,000 invested in demolition, delinquent taxes, and payoff of mowing special charges. City Street Department continues to mow. Unertl suggested that modernization of Wisconsin Statutes related to delinquent tax foreclosures is something that City of Merrill should discuss with our State of Wisconsin Representative and Senator.

Consider response to Impact Seven Offer to Purchase former Fox Point site (TID No. 10):

Johnson clarified that Impact Seven is requesting control of the property during the 180-day due diligence period. Property ownership will remain with the City of Merrill. City Attorney Hayden described as option to purchase.

Nelson recommended obtaining equivalent of earnest money for the City to take the property off the market. Johnson and Hayden will follow-up with Impact Seven. RDA Commissioners requested monthly status reports.

The proposed development will be fully taxable. A formal development agreement will need to be drafted after there is additional information from Impact Seven.

Review and discuss information on City of Marshfield housing incentive program:

Information was provided on the number of new residential units built annually in Marshfield before their new housing incentive program began – ten to eleven new units. During 2018, there were twenty-four new units constructed.

Commissioners emphasized the need for all types of housing and potential funding sources. After extensive discussion, RDA Commissioners recommended that Mayor Woellner form an Ad Hoc Housing Committee to involve interested Community Development Committee members, Aldermen, and RDA members.

Review and discuss proposed 2020 Tax Increment District (TID) budget requests:

Unertl distributed preliminary 2020 TID budget information. Unertl is projecting over \$1.3 million in Tax Increment revenue to support 2020 expenditures.

About \$340,000 in cash development incentive payments are committed. There will be follow-up by Maule seeking clarification of façade and improvement plans for 1504 West Main Street.

TID-funded debt service (Principal and Interest payments) will be about \$1.1 million. There are two 2019 borrowing bids pending. TID No. 3 will be issuing TID Revenue Bonds for the major East Main Street (Memorial Dr. to Pine Ridge Ave.) and downtown East Main St. infrastructure improvements.

Significant TID-funded infrastructure investments are proposed for 2020 construction. A list and maps were highlighted. Engineer estimates of probable costs are being updated. The extension of Pine Ridge Ave. from Thielman St. to Lincoln County Highway G will be submitted for the 90% Wisconsin Multimodal Supplemental (MLS) transportation grant funding.

There will be additional review and discussion of the 2020 budget requests at the next RDA meeting.

Review and discuss why RDA has Closed Sessions and need to maintain confidentiality during negotiations:

City Attorney Hayden emphasized that an LLC are now being recognized as “people” potentially entitled to privacy and protection of their business plans/trade secrets. This discussion item will continued at the next RDA meeting.

Next RDA meetings: Wednesday, October 2nd at 8:00 a.m.

Closed Session: No closed session was held due to meeting length.

Adjournment: Motion (Kusserow/Koblitz) to adjourn at 9:26 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl