

City of Merrill
Meeting of Redevelopment Authority (RDA)

Wednesday, July 8th, 2020 at 8:00 a.m.
City Hall Common Council Chambers

RDA Present: Clyde Nelson, Derek Woellner, Tony Kusserow, Steve Sabatke, Sheila Polak, Lori Anderson-Malm, and Val Mindak

Others: City Clerk Bill Heideman, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, Public Works Director/City Engineer Rod Akey, City Building Inspector/Zoning Administrator Darin Page, Bill Bialecki from Lincoln County Economic Development Corp., Mike Harrigan and Steve Apfelbacher of H&A Advisors, LLC, Chester Kwiesielewicz, several members of the public from Merrill area and Tomahawk, and camera operator from Merrill Productions

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

Consider approval of RDA meeting minutes from June 17th, 2020:

Motion (Polak/Kusserow) to approve the meeting minutes from June 17th. Carried.

Public Comment: None.

Presentation by H&A Advisors, LLC and discussion of potential workforce housing endowment program:

Mike Harrigan and Steve Apfelbacher of H&A Advisors, LLC presented information on potential workforce housing endowment program with specific examples related to Lincoln County household income information. Both emphasized workforce housing as key to economic development in a community. There is an affordability gap with housing often exceeding 30% of household wages.

The proposed housing endowment program could facilitate new construction, as well as existing home rehabilitation. After an initial rent-to-own period of four to eight years, homeowners should be able to obtain traditional home mortgages based upon their home equity. The revolving loan pool would be set up with initial stakeholder investments and then from the interest paid for the rent-to-own participants.

It was noted that Tax Increment District (TID) No. 3 is scheduled to end in 2026. It is possible to extend the TID lifespan an additional year for workforce housing initiatives.

Bill Bialecki from Lincoln County Economic Development Corp. (LEDC) will continue to work on this proposed concept including potential county-wide program. Several individuals from City of Tomahawk attended this presentation.

Review and discuss proposed covenants (RDA Commissioner Kusserow):

Kusserow advised that he had further discussions with City staff. With City existing zoning, the Kienitz property as R-1 was limited to single-family homes. Kusserow noted that covenants were likely not needed if home ownership instead of potentially rental properties.

Potential proposal request for residential development on former Kientz parcel (Tax Increment District No. 11):

Chester Kwiesielewicz proposed construction of 1,600 to 2,000 sq. ft. single-family home with about 30' by 40" storage building. He would like to build within the City of Merrill. His proposed location is the 2 ½ acres west of the undeveloped Superior Street. Kwiesielewicz suggested that there might be future sales of vacant lots.

Unertl emphasized that without single-family home construction on West St. Paul Street, there would be inadequate TID No. 11 cash flow to extend utilities and develop the Superior Street infrastructure between West 10th Street and West St. Paul Street. Previous RDA discussions have focused upon workforce housing area with potentially ten to fifteen developable lots.

There was no RDA action. Polak emphasized the need for strategic vision for the site. Woellner recommended issuing a Request for Proposals if the Ryan Ott single-family development did not proceed.

Review FreMarq Innovations quarterly employee count information for 2020 (Tax Increment District No. 7):

RDA Commissioners discussed the employment counts from March and June 2020. City staff will follow-up to obtain further information on why the employment dipped; impacts of COVID-19; and future business directions. A minimum of 50 employees for two years was included in the TID No. 7 development agreement to move from \$100,000 potentially forgivable loan to a TID cash development grant status (i.e. no repayment).

Unertl emphasized that one of the RDA's major policy objectives was to see reoccupation of the former mill property with manufacturing after Graham curtain wall manufacturing shut down. The TID No. 7 development incentive facilitated relocation of FreMarq Innovations equipment and operations from Wausau to Merrill.

Next RDA meeting: Tentatively scheduled for Thursday, August 13th at 8:00 a.m. However, later rescheduled for Wednesday, August 19th at 8:00 a.m.

Adjournment: (Polak/Sabatke) to adjourn at 9:28 a.m. Carried.

Minutes prepared by RDA Secretary Kathy Unertl