CITY OF MERRILL
Redevelopment Authority (RDA)

Tuesday, February 3rd, 2015 at 8:00 a.m.
Location – City Hall Council Chambers 1004 East 1st Street

AGENDA

Voting RDA Members: Bill Bialecki, Ryan Schwartzman, Amanda Kostman, Wally Smith, Karen Karow, Jill Laufenberg, and David Hayes

1. Call to order
2. Consider approval of meeting minutes from January 6th, 2015
3. Update and continued discussion on Downtown Revitalization Planning
4. Status update on Idle Sites Grant Application to WEDC
5. Update and discussion on potential inclusion of Lincoln County Fairgrounds within Tax Increment District No. 3 (East Side) boundary and project plan
6. Next RDA meeting
7. Public Comment
8. 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. Potential property acquisitions to facilitate redevelopment opportunities in Tax Increment District No. 6 (Downtown) and No. 9 (Wisconsin River area)
9. The RDA may reconvene in open session to take action on closed session property acquisition matters
10. Adjournment

Agenda Prepared by RDA Secretary Kathy Unertl
Reviewed by RDA President Bill Bialecki

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Date and time agenda was posted: _____ *Posted by:* _____

City of Merrill
Redevelopment Authority (RDA)

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Tuesday, January 6th, 2015 at 8:00 A.M.
City Hall Council Chambers

RDA Present: Bill Bialecki, Ryan Schwartzman, David Hayes, Karen Karow, Wally Smith, Jill Laufenberg, and Amanda Kostman

RDA Absent: None

Others: Alderperson Dave Sukow, City Administrator Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl, Kurt Rust from Lincoln Community Bank, Ken Maule from Lincoln County Economic Development Corp., Kristen Fish and Mary Rajek from Redevelopment Resources, City Building Inspector/Zoning Administrator Darin Pagel, Rick Schroeder from Becher-Hoppe, Tonia Speener from Clark-Dietz, and Dean Feske from AECOM

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

Approval of meeting minutes from December 2nd, 2014:

Motion (Schwartzman/Smith to approve the meeting minutes. Carried.

Status Update on Downtown Revitalization Planning and TID No. 6 Boundary and Plan Amendment:

There will be a meeting with downtown business and property owners on Tuesday, January 20th beginning at 6:00 p.m. RDA Commissioners are invited to participate and appropriate public meeting notice will be posted. Unertl reported that all properties in the downtown area would be included in amended TID No. 6 boundary.

Unertl noted that the intent is to develop downtown plan during 2015 with any potential construction for 2016 and future budget requests.

Consider potential purchase of 913 East Main Street for $25,000 from Lincoln County Bank (former Guy's Shop which is now vacant land):

Unertl advised that the proposed $25,000 purchase price was a discounted amount based upon City staff discussions with former Lincoln Community Bank President Bob Roe whom wanted to support downtown revitalization. There would be deed restriction that the City/RDA could not sell the site to another financial institution.

Consider potential purchase of 913 East Main Street (Continued):

In response to RDA Commissioner questions, City Administrator Johnson advised that the River Bend Trail would be completed in Spring 2015. A small section adjacent to the CN Railroad tracks still needs to be paved.

Bialecki emphasized that the objective of keeping the parcel as vacant, public space is to enhance the downtown and bring events to the area. The site would be also used to link the River Bend Trail to the downtown business district. Laufenberg commented on the positive view from this vacant land toward the WPS dam, Wisconsin River, and River Bend Trail. Kostman and Schwartzman expressed support for moving forward.

Smith suggested that it was too soon to take any action. Smith asked about the adjacent building owned by Merrill Federal Savings & Loan. City Building Inspector Pagel reported that the City has issued a raze order.

Maule noted that the City of Merrill/RDA could still sell the property if there were other redevelopment interest than from a financial institution.

Laufenberg asked about any additional potential regulations related to the site. Johnson responded no and noted that the parcel is separated from the Wisconsin River by an alley, railroad tracks, River Bend Trail, and WPS property. Smith asked who would maintain the property. Johnson and Bialecki emphasized that the River Bend Trail Foundation would be reimbursing the City for Parks Department maintenance of the path and trail-related amenities.

Motion (Kostman/Schwartzman) to recommend to the Common Council the purchase of 913 East Main Street parcel for $25,000. Motion carried.

Update on time extension for 413 – 419 West Main Street Redevelopment:

City Attorney reported that Stephanie Springborn had requested a time extension for the new roof and replacement of windows and doors. There were some unanticipated structural issues with the old roof supports. Time extensions are to June 1, 2015 for new roof and to July 1, 2015 for new windows and doors.

Next RDA meeting: Tuesday, February 3rd, 2015 at 8:00 a.m.

Public Comment: None.

Closed Session: 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

Closed Session (Continued):

require a closed session to consider: Discuss potential development incentives for properties located in Tax Increment District No. 9 (Wisconsin River/S. Center Ave. Area) and Tax Increment District No. 6 (Downtown) and Potential property acquisitions to facilitate redevelopment opportunities in Tax Increment District No. 6 (Downtown), No. 3 (East Side), and No. 9 (Wisconsin River area)

Motion (Schwartzman/Smith) to move into closed session. Carried on roll call vote 8:15 a.m. City staff provided updates on various potential redevelopment projects and properties for potential acquisitions.

Adjournment: Motion (Smith/Laufenberg) to adjourn. Carried at 8:37 a.m.

Minutes prepared by RDA Secretary Kathy Unertl

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Unertl, Kathy

From: Unertl, Kathy
Sent: Thursday, January 08, 2015 4:12 PM
To: Bialecki, Bill; Johnson, David; Hayden, Tom
Subject: Potential TIF - "Fairgrounds" (Strong Potential)

Thanks Mayor Bill! Yes, weather conditions only getting worse. I will be available via phone for tonight's COW meeting if needed.

In response to my questions, this is broad overview of potential TIF eligibility after discussion with Quarles & Brady attorney:

-With only TID No. 3 Plan Amendment, it would be possible to use TIF for street/parking-type infrastructure at the "Fairgrounds".

-Community/Recreation Facilities (or other normal governmental facilities) are NOT eligible. Needs to be used for more than annual fair or Labor Day events.

-Expo-Event Type Facilities could be TIF-eligible is property is included within amended TID boundary and potential costs included in amended TID Plan. Key criteria is hosting events/activities bringing in people and economic dollars from outside Merrill (I.e. comparable to expenditures that can be covered through Room Tax). Whether owned by Lincoln County or City of Merrill, the same outside economic impact is key for TIF.

-With appropriate Master Plan to revitalize the "blighted" property, I believe that new restroom facilities could be covered through TIF. Further, something BIGGER than a grandstand could be TIF-eligible.

-Personal suggestion/question - what "crappy" buildings could be eliminated with scarce $'s going into bigger-scale events/expo facility?

Note - Link to "Fairground" parcel to TID No. 3 is Pine Dells parcel (Salon 64 building) and Lincoln County Highway parcel. Both State Armory and existing Humane Society parcels should be included.

Based upon the consultant's preliminary report/presentation, I concur that the "fairgrounds" could be significantly expanded and enhanced component of City of Merrill's economy.

Kathy Unertl, Finance Director/RDA Secretary City of Merrill

Merrill Foto News – January 21, 2015

Fairgrounds Update: County moves forward in partnership with city

Following a presentation of final feasibility study results by Rod Markin of Minneapolis, MN based Markin Consulting, the Lincoln County Board voted 15-5 on Tuesday in favor of pursuing joint ownership of the Lincoln County Fairgrounds.

The motion made by supervisor Curt Powell called for "the (county) Public Property Committee to enter into meetings with city officials, and legal counsel from both sides, to iron out an agreement and report back to the Board of Supervisors in two months." Jim Alber seconded the motion; Supervisors Bill Zeitz, Loretta Baughan, Dan Caylor, Bob Lee and Garth Swanson stood opposed to the measure.

The study was prompted by an indication of interest from city officials in a fairgrounds transfer of ownership from the county this past summer. County government then opted for a feasibility study to be conducted and chose Markin Consulting at a price of $49,780. The study kicked off in the fall and preliminary results were presented by Markin last month during a special meeting of the Board of Supervisors.
During that presentation, Markin revealed several key findings of the study, including inspection and assessment of buildings on the grounds.

According to Markin, all but the privately owned food stands were assessed by K/O Architects based out of Des Moines, Iowa. All buildings were graded on a 1-5 scale, 1 being rated "Very Poor" and 5 being "Excellent" condition. The results were less than favorable. None of the buildings were found to be in excellent condition and only 17% were found to be in good condition. According to the study, 41% of the buildings were found to be in very poor condition and in need of immediate attention. The buildings identified in the "red zone" on a graph distributed by Markin were all the restroom facilities on the grounds, First Aid/Storage Shed as well as the Schulz building.
The Sell and Steckling Buildings, along with the Our Saviour's food stand, were found to be in fair condition, while the livestock barn and announcers stand were found to be in poor condition. The private food stands were given a fair rating, despite consultants being unable to gain access.

According to Markin, cost estimates for upgrading the buildings are relatively high.
Those in need of immediate attention (restrooms, Schulz and first aid/storage shed) would cost an estimated $1.2 million. The Schulz Building alone comes in at an estimated $870,000, while the north, east and west restroom facilities are estimated to cost over $100,000 each. Necessary upgrades include renovations for ADA compliance as well as addressing safety and clearance issues.

Markin's report also included recommendations regarding which types of events would be most favorable for the grounds and least favorable. Topping the recommended list are demolition derbies, snowmobile races and tractor pulls. "The USSA has indicated they would be more than happy to bring their snowmobile races back to Merrill if they could," Markin added. Markin stated concerts would be possible at the fairgrounds, but large scale concerts may not be interested due to the current design.

"I think it's very important to emphasize the need for pro-active marketing management here," Markin added. "These events won't come if you sit by the phone and wait for them to call. You will need to pursue them and try to sell them on your fairgrounds. Pro-active marketing is key to successful fairgrounds."

To accommodate the events, Markin recommended a simple ADA compliant grandstand structure with roof over seating over a berm system. He also recommended a minimum 320 foot track for pulls. "A berm system seating area like Marathon Park in Wausau is designed for concerts and festival seating and that just would not be practical in this case," Markin stated. Suggestions for other additions included a perimeter fence to assist with crowd control at paid events and camp sites.

Markin recommended restroom facilities, safety and accessibility improvements and a grandstand structure be given the most immediate attention. Some long term items Markin mentioned for consideration include a climate controlled Exhibition Building for year-round use such as craft and gun shows, and camp sites.
During Tuesday's meeting, Markin re-iterated the need for a new grand stand structure and upgrades to the north and west end restrooms. Markin still recommended renovating the Schulz building, but also noted return on investment from the building should be evaluated, before any renovations are started. "It is important to first determine if some improvements are worth the investment, such as the Schultz building," Markin cautioned. "In my opinion, that building would not be worth the investment."

Markin estimated a cost of $693,000 for 2,500 seat roof-over grandstand structure and $835,000 for a 3,000 seat structure. Berm system costs would range from $980,000-$1.08 million.

Other key recommendations included in the final results were for both the city and county to consider one of four options for ownership and operating the fairgrounds:

1) Continued ownership and operation by Lincoln County
2) Continued ownership by Lincoln County and operation by the City of Merrill
3) Transfer of ownership and operations from Lincoln County to the City of Merrill
4) Joint ownership, investment and operation by the County and City

Verbiage included in the study goes on to state: "While Options 1 and 3 have been discussed at length in recent months by the County and City, Options 2 and 4 offer alternatives that may mitigate possible negative public perception of any County decision to divest itself of the Fairgrounds, as well as establish the public joint efforts that will be needed to successfully improve and operate the Fairgrounds in the future."

"I recommend county and city officials work together with some type of community organization to market and stage events," Markin added. "Highway and street signage is a very important part of this as well."

Following Markin's presentation, Merrill mayor Bill Bialecki took the floor in public comment
"Since our last meeting, I have met with the Committee of the Whole and it appears the members are split 4-4 on sole ownership," Bialecki stated. "I have told them I would not vote to break the tie, so on that note the city would be interested in sitting down and discussing with the county option #4. We feel it is the most attractive option and a partnership is something I feel is something we can do. We have tools at our disposal the county doesn't, such as TIF funds.

"(County Board) Chairman (Bob) Lussow is on board as well. If the county board would like to discuss this tonight, we are interested, if they are interested."

Alber immediately challenged Bialecki's statement. "We have been beating on this horse for a number of years. At this point it's on the ground and I would consider it a dead horse. In terms of what is in the best interest of the county, I'm not seeing it. If the city isn't interested, just say so," Alber said. "If I remember right, Lazarus was raised from the dead as the scripture was written," Powell responded. "Last time we met, I said I thought we have individuals on this board who want to kill this idea,"

Supervisor Bill Zeitz added. "The fairgrounds is only a 'dead horse' because we stopped feeding it. "It's a shameful thing that we don't get behind maintaining the buildings we have. This is county property. If you have a car but you don't change the tires or the oil, eventually you will begin to wonder why it's not working. I think there is money available from the city and county to get some things done over there. I commend supervisor Powell for what we he said. Let's bring Lazarus back." "If we resurrect the horse, it's gonna cost a lot of money!" Alber replied.
"As long as we are talking about horses, I'd like to get the city and county together and buy a new horse," Bialecki added before returning to his seat.

Lincoln County Fair Board president Dale Christiansen also spoke on Tuesday, relating to those in attendance a recent conversation with state Secretary of Agriculture Ben Brancel. "He said 'your county fairgrounds is the showcase for your county.' It's a place for your residents and youth to come and show some pride in their county."

Christiansen explained. "I'm not blaming anyone for the condition of the fairgrounds. It's not just the county board's problem, it's not just the rodeo's problem and it's not just the fair association's problem. It's our problem. We need to get past the political bickering and grand standing and move forward."

Further board discussion included Supervisor Loretta Baughan's sentiments of the limitations of the fairgrounds compared to neighboring counties due to its smaller land area. "Before entering into partnership with the city, I would encourage exploring other locations. The current far southern location of the fairgrounds is a far reach from residents in the northern end of the county. Our grounds is also quite a bit smaller than neighboring counties. Our land area is 22 acres and Langlade County for example is 55 acres," Baughan said.During discussion prior to voting on Powell's motion, Zeitz voiced his opposition. "If you kick this back to public property, it's not going to help," he said. "There are members on that committee who see this as a dead horse."

Supervisor Hans Breitenmoser spoke in favor of the motion to open up talks of joint ownership. "Financially, Lincoln County isn't able to do what the community wants. I think joint discussion with the city makes sense, it can't hurt!" "It's time the county gets together with the city to get things done. Is it the fastest way to get things done? No. But then again all the back and forth talking going on in this room and in the Public Property Committee hasn't been very speedy either. We arein the same place we were months ago."

Following the meeting, Bialecki appeared pleased with the decision. "I think they made the right decision tonight. It was certainly better than the alternative of just letting the grounds go." Bialecki said.

"The city is not entirely interested in sole ownership. We have a split council consensus, but the entire council is interested to sit down and talk. They want us to show results in two months and we can certainly do that. I would like to see the grand stand be made top priority and I agree with Mr. Markin about the Schulz building. I think it should come down and replace it with a multi-purpose building. As for the bathrooms, I checked with the state and we can use port-a-potties during events. If you doubt me, go over and check out Lambeau Field during a packer game!"