

**CITY OF MERRILL
Redevelopment Authority (RDA)**

**Tuesday, March 31st, 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. Public Comment
3. Consider approval of meeting minutes from March 3rd, 2015
4. Update on delinquent tax foreclosure acquisition, demolition schedule, and planned Request for Proposal (RFP) redevelopment opportunity - 900 E. 1st St.
5. Consider purchase of vacant property from Kwik Trip to facilitate potential future new development (referred from March 16th, 2015 Committee of Whole meeting)
6. Wisconsin Economic Development Corp. (WEDC) awarded \$417,250 to City of Merrill for Idle Sites Grant (Target redevelopment area within Tax Increment District No. 9)
7. Presentation and discussion of Downtown Revitalization Plan
8. Review and discuss proposed Housing Strategic Action Plan Proposal
9. Next RDA meeting
10. 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. 9 (Wisconsin River area) and TID No. 6 (Downtown)
11. The RDA may reconvene in open session to take action on closed session property acquisition matters
12. Adjournment

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

Note: A potential quorum of the Common Council could attend the meeting for information. There will be no Common Council action taken.

The Merrill City Hall is accessible to the physically disadvantaged. If special accommodations are needed, please contact the Merrill City Hall at 536-5594.

Date and time agenda was posted: _____

Posted by: _____

City of Merrill
Redevelopment Authority (RDA)

3

Tuesday, March 3rd, 2015 at 8:00 A.M.
City Hall Council Chambers

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

RDA Absent: David Hayes

Others: Alderpersons Dave Sukow and Pete Lokemoen, City Administrator
Dave Johnson, City Attorney Tom Hayden, Finance Director Kathy Unertl,
Mary Rajek and Mike Morrissey from Redevelopment Resources,
Scott Meitus from The Windward Group, City Building Inspector/Zoning
Administrator Darin Pagel, and Community Development Program
Administrator Shari Wicke

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

Public Comment: None.

Approval of meeting minutes from February 3rd, 2015:

Motion (Schwartzman/Kostman) to approve the meeting minutes. Carried.

Status Update and Continued Discussion on Downtown Revitalization Planning:

Mike Morrissey highlighted the downtown as key economic development area based upon property tax values, wages generated, and about 400 jobs. The Downtown Plan has identified four districts: Gateway (from east), alley/riverfront, E. Main St., and E. 1st St. There is a historical picture from about 1930s that shows some of the features the plan is proposing be restored – angle parking and street trees. Laufenberg recommended signage as key to link the downtown to Highway 51.

Karow asked about the west side. Morrissey emphasized that Merrill has three business districts – east side, downtown, and west side. Bialecki reported that City staff, Housing Authority, and property owners are planning various west side redevelopment.

Next steps include presentation to the RDA (on Tuesday, March 31st), potential cable broadcast program on the plan, and meeting with downtown property and business owners. Laufenberg suggested involving the River Bend Trail group.

Status Update on Idle Sites Grant Application to WEDC: Apparently WEDC will be awarding grants sometime in March 2015.

Follow-up to Personnel & Finance Committee February 24th, 2015 review/ discussion of facilitating redevelopment of tax delinquent properties with demolition special charges:

Unertl reported that City and Lincoln County representatives will be meeting on the three identified delinquent tax parcels which have had raze orders issued and City-contractor demolitions. It will be possible for delinquent tax foreclosure process for 416 Grand Ave. after the August 2015 tax settlement.

Neither the property owner nor any mortgage holder is likely to pay the delinquent property taxes or the demolition special charges. Consensus at Personnel & Finance Committee was for City of Merrill to seek delinquent tax foreclosure by Lincoln County, obtain transfer of ownership from Lincoln County to the City, and then seek bids for sale to get the property back on tax roll.

RDA Commissioners discussed potential interest of S&S Bar in the 416 Grand Ave. parcel. Bialecki commented that 1008 E. 7th St. could be desirable residential lot. Since 310 Blaine St. is a non-conforming/unbuildable lot, the option is limited to either of the adjacent residential parcels (i.e. both are rental properties).

Review and discuss proposed Redevelopment Resources scope of work for Housing Study (in response to City Strategic Plan Issue #1 – How can Merrill city government help grow the city's tax base?):

Mary Rajek and Mike Morrissey from Redevelopment Resources provided overview of proposed Housing Study. Rajek emphasized that the existing housing stock is not meeting the existing real estate market. There was extensive discussion of existing housing stock (both smaller two bedroom homes and larger subdivided rental properties). Morrissey noted that about 65% of the City's property tax is being paid by residential properties.

Aldersperson Pete Lokemoen asked what information coming from the proposed Housing Study would be actionable. Rajek responded that implementation strategies would be key plan component to assist in repositioning the City's housing stock.

City Administrator Dave Johnson commented that the proposed Housing Study would be tool to assist. Johnson noted that several recent housing subdivisions had not been totally successful with either vacant lots remaining unsold or auctions of vacant lots.

Kostman reported on her house hunting experiences and lack of open-concept homes. Karow suggested that there were local contractors that could be involved in repositioning the housing stock. Building Inspector Darin Pagel advised that one challenge is the "blighted" conditions of some properties.

Lokemoen reemphasized need for actionable planning activities and need for more information. Laufenberg recommended that broader perspective is needed rather than just continuing on property-by-property basis. Smith observed that the housing situation cannot be fixed overnight. Rajek added that the study would provide a strategic framework to move the community forward.

Next RDA meeting: Due to the Tuesday, April 7th election, the RDA meeting is being moved up a week to Tuesday, March 31st, 2015 at 8:00 a.m.

Adjournment: Motion (Schwartzman/Smith) to adjourn. Carried at 8:55 a.m.

Minutes prepared by RDA Secretary Kathy Unertl

4

Redevelopment opportunity - 900 E. 1st St.

1503185 Redevelopment Authority

1503186 The Authority recommends pursuing acquisition of 900 East First Street through Lincoln County delinquent tax foreclosure process, with the City/Redevelopment Authority assuming financial responsibility for razing the existing structure.

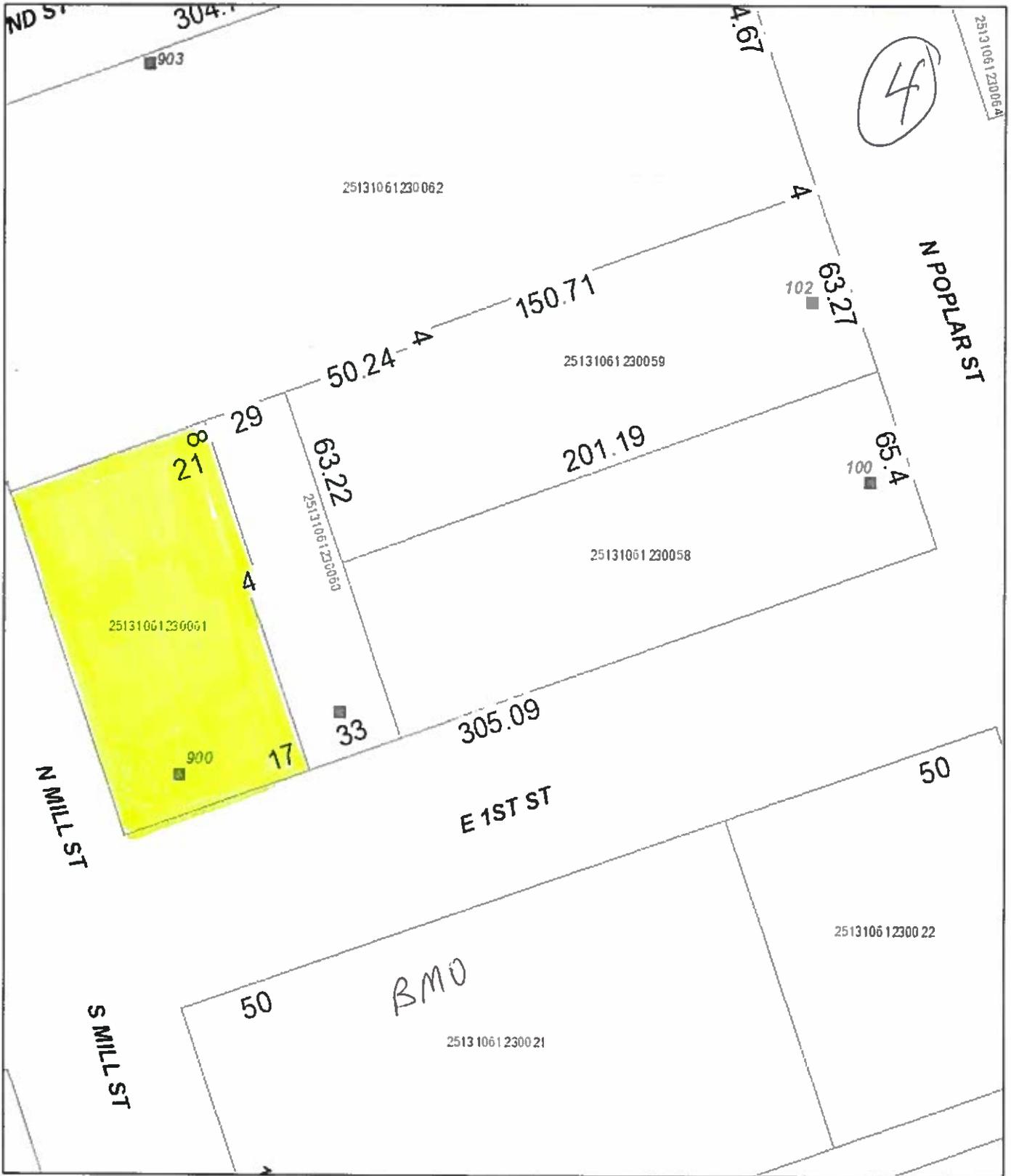
Motion (Schwartzman/Meehean) to adopt. Carried 6-0 on roll call vote.

Finance Director Note: Delinquent tax amount paid to Lincoln County was **\$14,298**.

1503120 Board of Public Works

1503121 Consider bids for demolition of structure at 900 East First Street. Mayor Bialecki is bringing this item directly to the Common Council.

Motion (Meehean/Norton) to approve the **bid of \$32,680** from C & D Excavating. Carried.



City of Merrill GIS

900 E 1st St



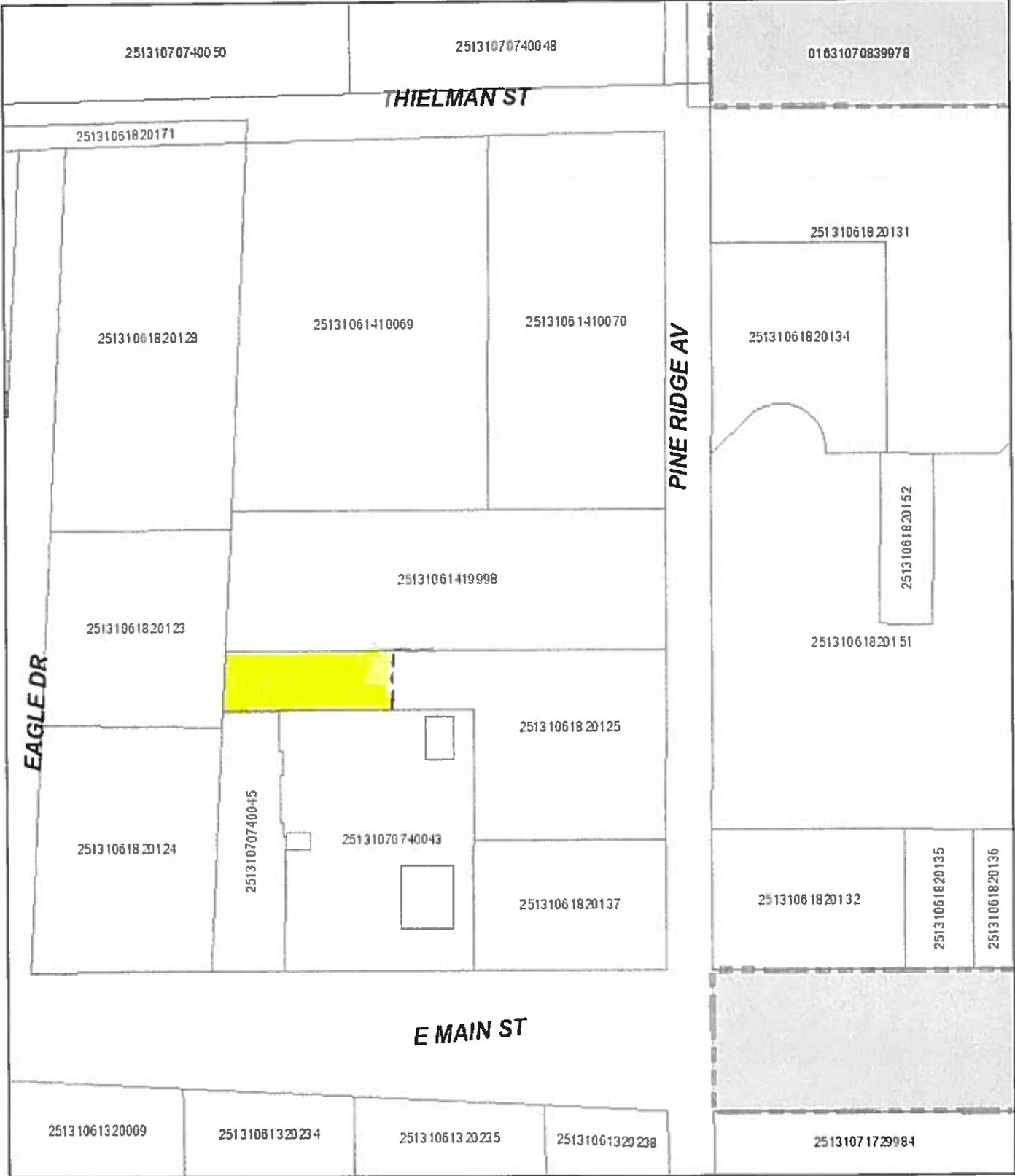
SCALE: 1" = 47'



DISCLAIMER: The City of Merrill Does not guarantee the accuracy of the material contained here in and is not responsible for any misuse or misrepresentation of this information or its derivatives.

Print Date: 3/23/2015

5



City of Merrill GIS

Potential Development Site



SCALE: 1" = 192'

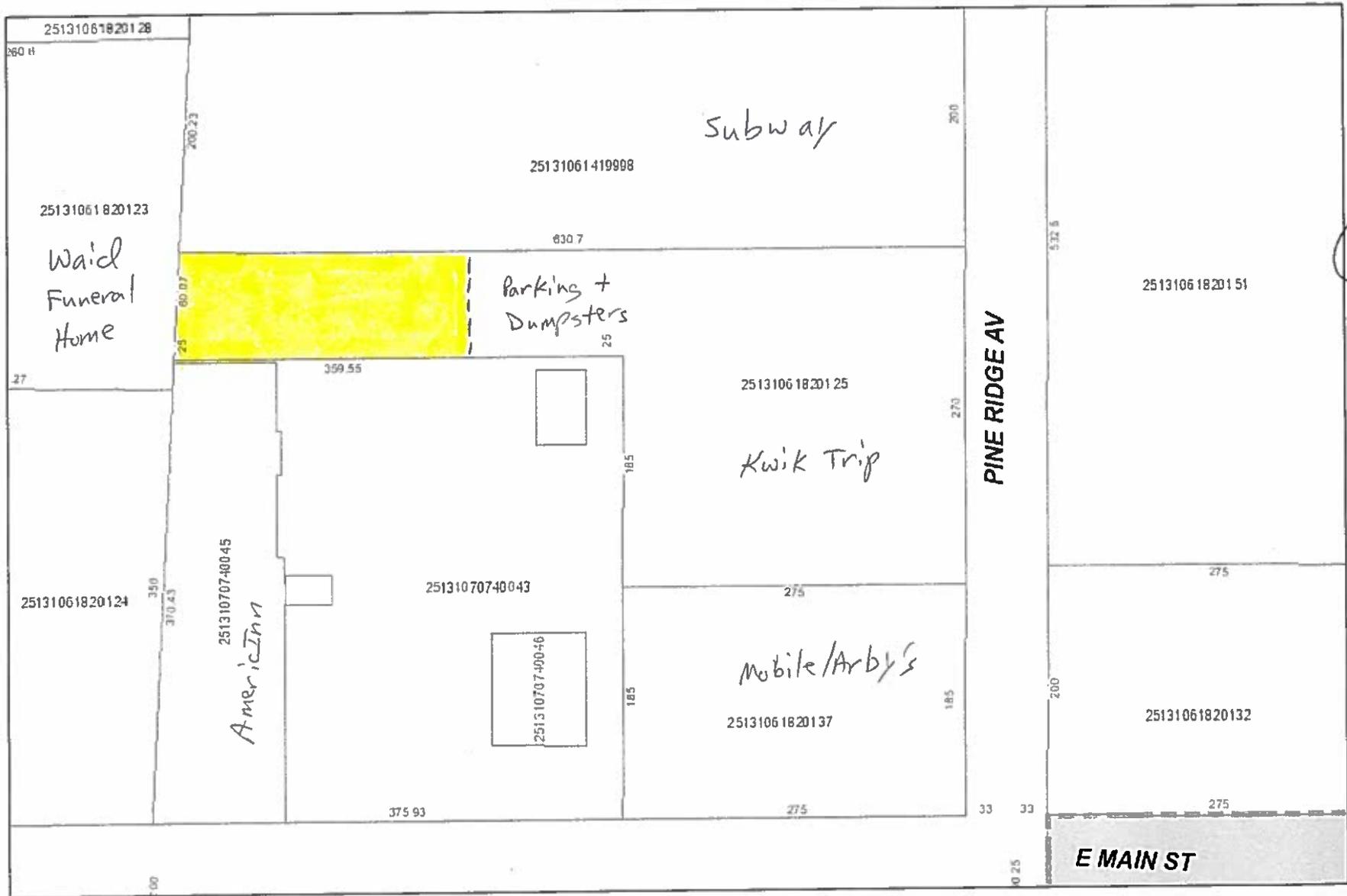


merrill
Location. Nature. People.

Smart Move

DISCLAIMER: The City of Merrill Does not guarantee the accuracy of the material contained here in and is not responsible for any misuse or misrepresentation of this information or its derivatives.

Print Date: 3/17/2015



City of Merrill GIS
 New Kwik Trip - Vacant Land



DISCLAIMER: The City of Merrill Does not guarantee the accuracy of the material contained here in and is not responsible for any misuse or misrepresentation of this information or its derivatives.

SCALE: 1" = 113'

Print Date: 3/17/2015



6

City of Merrill Receives \$417,250 State Grant to Help Redevelop Riverfront

City of Merrill Receives \$417,250 State Grant to Help Redevelop Riverfront

WEDC's Idle Industrial Sites Redevelopment grant assists city in spurring future development and job creation

MADISON, WI. March 16, 2015 – The City of Merrill has been awarded a \$417,250 grant from the state's Idle Industrial Sites Redevelopment Program, an initiative that helps spur redevelopment on abandoned properties throughout Wisconsin.

The grant, awarded by the Wisconsin Economic Development Corporation (WEDC), will be used to help fund a \$1.4 million project to redevelop 19 acres of vacant industrial property along the Wisconsin River. The city's Eastside Riverfront Redevelopment Project calls for demolishing the aging, idle buildings on site and clearing the land to make way for new development that will ultimately create jobs and increase the city's tax base. The project also aims to put more of a focus on one of Merrill's greatest assets: the Wisconsin River.

"This project provides Merrill with an outstanding opportunity for long-term economic development, and WEDC is pleased to assist the city in making it a reality," said Reed Hall, secretary and CEO of WEDC, the state's lead economic development organization. "The first step toward future development is eliminating the existing idle buildings on that property, and this grant will help the city do just that."

"This project and grant are the result of a great deal of hard work by city staff and consultants" said Merrill Mayor Bill Bialecki. "We look forward to the completion of this project to provide more additional jobs, tax base and recreational opportunities. We also thank WEDC for their assistance in making this project possible."

WEDC's Idle Industrial Sites Redevelopment Programs, created in 2013, stimulates investment and job creation in idle, abandoned and underutilized manufacturing sites that cannot be solely redeveloped by the private sector due to their scale and complexity.

The competitive program offers grants of up to \$1 million to communities for the implementation of redevelopment plans for sites of 10 acres or more that have been idle, abandoned or underutilized for at least five years. The sites must have had at least 25 years of prior commercial or industrial usage to qualify.

The funds can be used for demolition, environmental remediation, or site-specific improvements defined in a redevelopment plan.

WEDC expects to award \$3.4 million to municipalities in this round of funding, and more grant announcements will be made in coming weeks.

Officials in Merrill, a city in north-central Wisconsin with a population of about 10,000, have spent the last four years reclaiming and transforming property in the downtown and riverfront areas. The Eastside Riverfront Redevelopment Project is a continuation of that effort, and is expected to act as a catalyst for continued redevelopment and private investment along the riverfront.

The Eastside Riverfront Redevelopment Project will finish clearing the long-vacant 15-acre former Anson-Gilkey site for redevelopment and facilitate extension of the River Bend Trail along the Wisconsin River east of Center Ave. The project includes the demolition of the former Page Milk facility to facilitate redevelopment of that property adjoining the former Anson-Gilkey site.

###

About the Wisconsin Economic Development Corporation The Wisconsin Economic Development Corporation (WEDC) leads economic development efforts for the state by advancing Wisconsin's business climate. WEDC nurtures business growth and job creation by providing resources, technical support and financial assistance to companies, partners and communities in Wisconsin. WEDC has four focus areas: business and industry development, economic and community development, entrepreneurship and innovation and international business development. Together with more than 600 regional and local business development partners, it represents a highly responsive and coordinated network. Visit www.inwisconsin.com or follow WEDC on Twitter [@_InWisconsin](https://twitter.com/InWisconsin) to learn more.

-
-
-
-

The Merrill Vision Plan

7

Reshaping the Downtown

2015

Executive Summary

The City of Merrill, like much of north central and northern Wisconsin, was originally inhabited by Chippewa Native Americans. The first settlement was named Jenny Bull Falls and before 1850 a dam was constructed over the Wisconsin River by Andrew Warren, who also built the first saw mill in Merrill powered by that dam. T.B. Scott succeeded Warren and is credited with creating a successful logging industry. In 1870 the city was renamed Merrill in recognition of the contribution by Mr. Sherburn S. Merrill who was general manager of the *Chicago, Milwaukee, St. Paul and Pacific Railroad*. In 1883 the first city council met with T.B. Scott being named the community's first mayor. Throughout these early days, Merrill flourished and grew to have a population of 7,000 residents by 1885.

Over the years Merrill, as an enterprising community, has seen remarkable development in commerce and manufacturing. Although the city today has a population of only 3,000 more residents than in the late 19th century, it is the county seat for Lincoln County government and is a successful city serving its residents and businesses. Today, as well as historically, the central business district represents an important sector of the city's economy; and yet the downtown area requires continuing investment to maintain its economic position and contribution to the community.

The Vision Plan aims to renew and re-energize the downtown in order to produce greater benefit for the City of Merrill. In consideration of the city's recently approved Strategic Plan, the Vision Plan focuses on the entire downtown (rather than individual properties) and continues addressing blight concerns by outlining necessary investments for four districts within the downtown.

Recommendations included within the plan consist of varying sized investments which are intended to revitalize Merrill by initially reshaping its landscape and ultimately the downtown economy. The recommendations are based on a methodology which included a



combination of city staff input, observed conditions, downtown business focus group meeting, empirical research, individual interviews and project experience from other communities.

Benefits from both public and private investments are intended to recast downtown Merrill from its current function and image to one which will better serve residents, support the existing downtown retail and service base and better enable the city to attract visitors and new business. These objectives are directed toward meeting Merrill's overall goals of stabilizing and developing additional tax base, creating jobs and generating incomes for individuals and families.

The 'REAL' Importance of Downtown

Downtown areas have changed substantially over time due to changing demands within the marketplace, automotive and transportation improvements and general land use patterns as a result of growth. Historically, central business districts were the center of local economies and were thought of as 'the place to go' for nearly all resident and business needs; products and services. If it couldn't be made or baked at home, one went downtown to buy it. But the marketplace has changed dramatically over the past 60 years. While some communities have adapted to the change, others still rely on the old (now aging) model.

As changes have occurred within communities, downtowns have become less dominant economically, particularly when viewed as individual parts of the whole. Without adapting in order to keep pace with growth, downtowns do represent a smaller portion of the community's overall assessed value, and will weaken further without intervention. That said, an alternative perspective offers a vastly different view of the value of downtown areas: Instead of considering a downtown as a collection of small, independent, individual businesses, modern downtowns function economically because of the value added from relationships and experiences that occur among the various businesses. Taken as an economic ecosystem, downtowns produce greater economic result than if each business were attempting to contribute to the same goal independently. Considering practical day-to-day economic goals of adding tax base, creating jobs and generating incomes, downtown Merrill offers significant value to the community.

When taken as a whole – that is, viewed as a single corporation rather than many small retailers, downtown Merrill is, indeed, one of the city's largest and most important corporations. In examining the data for all taxable property within the study area the downtown represents an assessed value of approximately \$10,854,100. It is estimated to have approximately 430 (full and part time) employees and (in 2012 the Wisconsin Department of Workforce development estimated) an \$18,769 annual wage per employee). These jobs generate approximately \$8,070,700 in wages paid. Commercial properties within the downtown Vision Plan study area represent slightly over





10% of the city's total commercial property value and downtown employment levels represent approximately 7% of the city's total jobs. According to information from the city's assessor, the downtown when considered as a whole is one of the top three private, taxable and employing corporations within the entire City of Merrill. These factors are very significant.

Based on its assessed value of \$10,854,100, the real importance of downtown Merrill is that it has greater taxable value than the top three manufacturers in the city. And at 93% of Walmart's \$11,595,400 assessed value the downtown provides a very powerful and significant contribution to the economy and the community overall. From an economic development perspective policy makers and city staff would rightfully ask themselves, "To what extent would a city invest in retaining or recruiting a corporation to town which would create over 400 jobs, \$8M in wages and generate \$10M in tax base"? Investment appears obvious.

Fundamentals of Revitalization

Every community lies somewhere on the 'Redevelopment Spectrum' - from not having made any redevelopment investments in itself, to witnessing a renaissance in revitalizing their downtown economies. Some of the fundamentals associated with redeveloping central business districts include both programmatic and structural elements. Even though different, they are intended to work together.

For example, opening up the waterfront and connecting it to downtown can be both structural (physical improvements) and programmatic (hosting activities) in nature, which serve to link residents and visitors to the waterfront. In addition, fundamental concepts which are considered 'basic' in many ways should not be taken for granted: clean and litter free conditions are requisite to accommodating both structural and programmatic elements.

Fundamental concepts include:

- 1) **Infrastructure** Assessment and Improvements. Keeping the infrastructure serviceable and up-to-date is important and serves as a framework to accommodate all existing as well as new investments. Traditionally, municipal infrastructure includes streets, sidewalks, signage, lighting, curb and gutter, bridges, water service, sanitary and storm water. However, access to high speed internet has become a fundamental necessity for the daily activities of both businesses and residents alike. Communities that offer services such as WIFI access in their downtown not only enhance the "downtown experience" for visitors and residents; it also supports the businesses located in downtown areas.

In addition to the provision of critical infrastructure, servicing the existing infrastructure (including snowplowing, street sweeping, and refuse collection) is also important. Developing a partnership with Wisconsin Public Service Corporation would also serve to manage and maintain gas and electric utilities.





- 2) **Parking and Traffic.** Parking is a universal issue. No matter how much or where it's located, parking is usually viewed as insufficient to serve downtown especially when downtown patrons cannot find a parking space in front of or immediately adjacent to their intended destination. Developing public parking can change as conditions change. This may be especially true for constructing or moving surface parking lots to accommodate new development. One guiding rule is that surface parking located on waterfront property is an ineffective use of land and should be avoided where possible. Within downtown Merrill traffic and parking doesn't appear to be problematic except for possible future use of waterfront property as surface parking.
- 3) **Blight Elimination** is the single most important activity which can be undertaken to improve downtown. Together with other activities, blight elimination creates an immediately improved inventory of property. The City of Merrill has undertaken a meaningful effort at thwarting blight which has occurred over (and for the most part has gone unattended for) decades. Blighting influences are the most destructive factor in revitalizing downtown Merrill and is akin to cancer. It can metastasize or spread to adjacent properties block to block, and like any illness or problem, the time and cost associated with remedying it grows, if not treated early.
- 4) **Commercial Building Stock** is an essential part of the downtown which primarily houses retail and service functions serving the entire community. Having appealing downtown buildings is critical to maintaining value, attracting both new building owners and tenants as well as storefronts signaling to prospective customers the quality of the merchandise or service within. Creating appealing storefronts in older downtowns means returning them as close as possible to their original style and character. Rehabilitation includes historic design, materials, scale, color and craftsmanship.
- 5) **Land Banking** is an important technique which has as its purpose to renew and re-energize an area in order to fulfill a future redevelopment goal. It consists of acquiring property for future use to produce greater economic development benefit either directly (as a host site for a new development) or indirectly (as a contribution to a larger project or purpose). A building or property may be purchased outright, optioned, gifted or condemned in consideration for a combination of cash and tax benefits, exchanged or otherwise acquired. Land banking requires as initial outlay for future benefit, which is an investment oriented concept.
- 6) **Waterfront** property and its use have changed dramatically in every community from its early days. Originally, rivers were devoted to industrial and utility uses and in consideration of that, the waterfront was viewed as mostly undesirable property.





History has resulted in river front land being used for heavy manufacturing, utilities, trade and railroading and has resulted in deteriorating old buildings, environmental contamination and has separated the community from its waterfront. Now that economies have evolved cities are seeking to reclaim waterfront property for new and higher uses. Waterfront land is being viewed as desirable and increasing in worth. It is incumbent on Merrill for its downtown to re-connect to the Wisconsin River waterfront and so that downtown can utilize the waterfront.

- 7) **Programmed activities** which draw people into the downtown are nearly as important as 'structural elements'. **'People' are the single most important element to creating or developing a successful downtown;** everything undertaken, whether structured or programmed, is aimed at attracting people into the downtown area. Creating events, festivals and celebrations are important beyond attracting people because they bring the community together and create a sense of place for downtown Merrill. The caveat, of course, is that a venue (either outdoor space or an indoor facility) is needed in order to host a variety of programmed activities. Examples of programming elements are discussed in the recommendation section of the Main Street District.

Whether structural or programmed activities, the basic idea is to bring people into the downtown. The concept of 'live, work, play' is a strategy of "new urbanism" and has been underway in communities for years. Successful downtowns are often associated with green space, experiences and, often, new housing development. Reshaping Merrill is about undertaking fundamental structural and programming activities and investing at all levels. The goal is to bring people, people and more people into Merrill's downtown.

Revitalization Investment – Levels of Impact

Investments take different forms in terms of size and purpose and yet each are aimed at actualizing future benefits. A city's economic investments differ from financial investments in that they generally do not primarily seek an accumulation of wealth within a specific time frame, but are instead focused on supporting public goals with the expectation of some future advantage or effect. Whether made by either a single corporation, or by a city for the revitalization of an entire downtown corporation, investments may take several forms.

When engaging in community revitalization, there are three types of investment scales that will deliver varying redevelopment effects; they include 1) *small scale*, 2) *impact level* and 3) *transformative change*.





Each of the investment levels represents a means to affect change in downtown revitalization, and can be applied in varying order; however, small scale investments are typically preparatory for larger scale developments. Most often the municipality is responsible for stimulating the majority of initial small scale investments with responsibility for larger and more impactful investments to be shared by both public and private sectors and the private sector is most always responsible for transformative change.

Levels of Investment include:

- 1) **Small Scale** – Amenities which enhance appearance and beauty create a pleasant atmosphere. These aesthetics are highly effective in attracting and accommodating people to downtown areas. Examples include installation of benches, bicycle racks, banners and flags, flowers and planters, signage, music, streetscaping and particularly landscaping and lighting.
- 2) **Impact Level** – Impact activities are those which bring about a strong result in changing the redevelopment environment over the long term and create a basis for future developments. Types of investments which represent ‘impacts’ include improving the downtown commercial building stock especially those historic in nature, new infrastructure designs, blight elimination and events and festivals.
- 3) **Transformative Change** – Investments which shape new experience and inspire positive changes create a powerful effect and a beginning for economic change. Projects which may instill transformation include accentuating existing focal points, green space, new construction on redevelopment sites and riverfront development.

The cost associated with the varying levels is generally low for the small amenities and escalates through the impact and transformative scales. In addition, there’s a close correlation between cost and timeframe in which to complete improvements. The cost for installing ornamental lighting and planting trees along Main Street is relatively inexpensive and can be accomplished within one season. Acquiring, remediating and designing new spaces to create a downtown redevelopment impact will come at a greater expense and may require several years to complete.

As mentioned above, small scale amenities are usually undertaken first in an effort to create an appealing environment which is aimed at attracting future additional investment. It can be said that undertaking numerous amenities and impact-type developments can achieve transformation - when accomplished synchronously through a management-type capital improvement approach. For example, a regular program of installing urban amenities together with creating green space and rehabilitating commercial storefronts will transform a downtown without having to make transformative level investments like building a hotel or sports arena.





REDEVELOPMENT RESOURCES

8

March 13, 2015

Kathy Unertl, Finance Director / RDA Secretary
City of Merrill
1004 E. 1st Street
Merrill, WI 54452

Kathy,

Thank you for the opportunity to provide supplementary information regarding the Proposed Scope of Services on the housing-related project submitted last month. We are pleased that the Council and RDA have an interest in actionable items that have both short and long-term value for the City of Merrill. I am also pleased to say that a focus on *implementation* is at the core of Redevelopment Resources' organizational philosophy, and therefore our interest in the outcome of this project is 100% aligned.

In response to our discussion during the March 3rd RDA meeting, and in better alignment with the actual conceived outcomes for the project, Redevelopment Resources submits that we intend to develop an **Action Plan for Housing Development and Remediation** for the City of Merrill.

Action- oriented deliverables on this project are three-fold:

- 1) Support new housing investment by providing a private-market based market assessment for 3-4 sites that have been identified as ready and prime for residential or mixed use redevelopment.
 - A) Former Lincoln House Site
 - B) Former Fox Point Site
 - C) East Main Mobile Home Park
 - D) Subdivision site – to be finalized
- 2) Develop innovative programs that work to reposition and revitalize existing residential areas as well as housing stock.
 - A) Establish Public/Private Partnerships for acquisition and remediation of identified, qualified housing stock. Goal: enhance property value, positively impacting both the property and the neighborhood.
 - B) Establish relationships with area organizations to align housing remediation efforts with low-income housing support programs.
- 3) Create a strategic framework for housing policy, land use and development that will serve the City into the future.

In addition to 'action-oriented' deliverables, it is imperative that the **Action Plan** includes baseline market information such as demographic and housing data, a formalized analysis of existing housing conditions and trends, and refining of goals/objectives based on identified housing findings, aimed at addressing issues and unmet needs. Without the formal analysis, the plan risks not being market-aligned, and therefore, risks failure to meet its stated goals and objectives.



REDEVELOPMENT RESOURCES

March 13, 2015

It must be noted that, in order to affect an appreciable change in Merrill's overall housing inventory, it will require a sustained effort for 20 or more years by the City and associated organizations and partners. While the proposed *Action Plan* will contain information intended to affect site-specific changes in the near-term, the issue of blighted housing is wide-spread, highly variable, and chronic. Only a sustained, patient and persistent effort towards improving the quality of life and housing for residents will improve the value of the properties in Merrill over the long-term.

Sincerely,

Kristen Fish, CEcD, Managing Partner



REDEVELOPMENT RESOURCES

February 23, 2015

Kathy Unertl, Finance Director / RDA Secretary
City of Merrill
1004 E. 1st Street
Merrill, WI 54452

Kathy,

Thank you for inviting us to provide you with a scope of services as related to an assessment of the housing stock and future needs for the City of Merrill. With Redevelopment Resources' familiarity with the market area, alignment with housing development partners and experience with economic and community development, we are well-positioned to add value in the effort that is aligning the City's housing stock with the demands of today's market and area workforce.

The recent Wausau Daily Herald article highlights Merrill as the 4th most affordable City in the State of Wisconsin. When taken alongside median income data and housing unit age data, this distinction appears to not be an endorsement of Merrill's current housing stock. Census data indicates that roughly 34% of housing units in the City were constructed in 1939 or earlier; 30% constructed 1940-69; 29% constructed 1970-99. Only 0.07% of City housing stock has been constructed since 2000.

Cities across the Nation and State are facing similar challenges; those willing to act in an aggressive manner will be able to distinguish their efforts above others in a bid to attract investment and residents. The residents of the City of Merrill are fortunate to be served by staff and officials that are willing to take risks and make strategic investments when it comes to community and economic development. In addition to implementing the TIF and Comprehensive plans that have been created, the City has embraced opportunities when they arise, with an eye toward long-term prosperity for the area.

Therefore, deliverables on this project are three-fold: 1) provide a comprehensive assessment of the existing housing stock; 2) support new housing investment by providing a proactive market assessment for use in courting development; 3) work "hand-in-glove" with ongoing Comprehensive Planning efforts and Community Development efforts to both reposition existing stock, as well as work to shape the future of quality new development for the City of Merrill.

In the scope of work that follows, you will see how in partnership with The Windward Group, and in concert with the Comprehensive Planning effort that has commenced with the NCWRPC, Redevelopment Resources intends to develop a Housing Assessment and Market Study that serves the purposes of:

1. Providing a demographical context for supply and demand on rental and direct ownership units
2. Assessing the status of the community's overall housing inventory and identifying housing needs



REDEVELOPMENT RESOURCES

February 23, 2015

3. Developing a right-sized, market-ready implementation strategy for positively impacting the market
4. Creating a strategic framework for housing policy, land use and development that will serve the City into the future.

Please let us know if you would like any additional, specific information about our proposed scope of work, as presented in the following pages.

Kind regards,

Kristen Fish, CEcD, Managing Partner



Scope of Work:

PHASE I	Estimated Hours
I. Primary and Secondary Research	180
a. Establish demographic context	
b. Conduct housing market analysis - to include direct survey work - that identifies:	
1. Existing unit inventories	
2. Needs assessment / gaps analysis	
3. Housing preference profiles	
II. Recommendations on Housing Strategies	120
a. Develop a inclusive approach that is aligned with the Comprehensive Plan, as well as the existing market that addresses the following:	
1. Blight elimination	
2. Housing supply gaps	
3. New housing development opportunities	
While also providing:	
1. Prioritization of projects and rationale	
2. Identification of possible funding streams	
b. Develop a strategic framework for long-term investment in land uses that maximizes land values for residential (as well as commercial and industrial) uses	
PHASE II	
III. Implementation	
a. Partner with lending intuitions on vacancy and blight issues	
b. Work with developers to address housing needs and gaps	
c. Work to actively reposition properties as needed in the City to comply with:	
3. Strategic, consistent land use	
4. Maximizing land values	
5. Maximizing and leveraging area assets in development policy	

Phase I includes approximately 300 hours of work. At Redevelopment Resources' hourly rate of \$90/hour, this phase of the proposal represents an investment not to exceed \$27,000. Mileage is charged at the current IRS rate.

The implementation phase of the proposal is designed to be carried out on a contractual basis for a number of hours per month for the services listed above and others not identified herein. Monthly fee is based on an hourly rate of \$90/hour. Mileage is billed at the current IRS rate.



Team Background



**Mike Morrissey, Partner
Redevelopment Resources**

Mike Morrissey has a long successful history in municipal government, responsible for all planning, administration, financing and execution of housing, redevelopment, economic and community development functions. Morrissey is adept at creating partnerships for difficult projects and significantly improving the landscape and property tax base while eliminating blight and energizing a community's city center.



**Mary Rajek, Associate
Redevelopment Resources**

Mary Rajek is an Economic Development professional with Redevelopment Resources focused on client project management, research and implementation. She has experience providing business consulting services, including startup, growth, and 'business triage' assistance. She has been working in economic development since 2008, and her experience includes providing economic development services and support at Community, County, and Regional levels.

Ms. Rajek serves on the Board of the Wisconsin Economic Development Association (WEDA), and serves on the WEDA Legislative Committee. She holds a B.S. in Communications for UW-Superior (2005), as well as B.S. degrees in both Business Administration and Business Economics Comprehensive from UW-Platteville (2009). She is currently working towards her Economic Development Finance Professional certification through the National Development Council (NDC) as well as the Certified Economic Developer designation through the International Economic Development Council (IEDC).



**Scott Meitus, Strategic Partner - Redevelopment Resources
(Managing Partner - The Windward Group)**

Scott is an experienced and successful real estate market & financial analyst, investor, asset manager, and general contractor. He has a proven and demonstrated ability to maximize profits to clients, equity investors, and principals. With nearly 25 years of experience in the real estate / construction industry, he brings a deep analytical skill set to development projects.

Current projects for The Windward Group are centered on providing sound market/feasibility analysis and financial/performance forecasting for residential real estate builder/developers and investors.