

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

**Tuesday, January 7<sup>th</sup>, 2014 at 8:00 a.m.  
Location – City Hall Council Chambers 1004 East 1<sup>st</sup> Street**

**AGENDA**

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

1. Call to order
2. Consider approval of meeting minutes from October 1<sup>st</sup>, 2013
3. Update on Lincoln House demolition schedule and site redevelopment marketing plans
4. Consider resolution and TIF No. 6 development incentives to facilitate new business at 808 East First Street
5. Update and discussion on economic development activities and planning
  - a. East Side (TIDs No. 3, No. 4, and No. 9)
  - b. Downtown (TIDs No. 3 and No. 6)
  - c. West Side (TID No. 8)
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 TIF development incentives for proposed redevelopment in Tax Increment District No. 3 (East Side) or No. 4 (N. Pine Ridge Ave./Thielman St.)
9. 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: \_\_\_\_\_

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**City of Merrill  
Redevelopment Authority (RDA)**

**Tuesday, October 1<sup>st</sup>, 2013 at 8:00 A.M.  
City Hall Council Chambers**

RDA Present: Bill Bialecki, Ryan Schwartzman, Wally Smith, Karen Karow,  
Ralph Sturm, and Jill Laufenberg

RDA Absent: David Hayes

Others: City Administrator Dave Johnson, Finance Director Kathy Unertl, City  
Attorney Tom Hayden, Mike Morrissey from Redevelopment Resources,  
City Building Inspector/Zoning Administrator Darin Pagel from Northwinds  
Inspection, Community Development Program Administrator Shari Wicke,  
Dewey Pfister, Dean Fenske from AECOM, and Collin Lueck from FotoNews

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

**Approval of meeting minutes from September 10<sup>th</sup>, 2013:**

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

**Update on Lincoln House tenant relocation and demolition schedule:**

Morrissey and Hayden noted that the radio station has had four months' notice to vacate the building. Johnson reported that asbestos abatement work has started. City contractors/staff will continue to facilitate relocation of the radio station.

**Review of proposed 2014 budget requests for Tax Increment Districts (TIDs):**

Unertl highlighted the proposed 2014 budget requests (and 2013 fiscal projections) for TID No. 3 through TID No. 9. Minor changes will be made prior to submission for Committee of Whole/Common Council consideration.

**Next RDA meeting:** Tuesday, November 5<sup>th</sup>, 2013 at 8:00 a.m.

**Public Comment:** None.

**Closed Session:**

Chair Bialecki read the following: 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: identification/discussion of specific properties for possible RDA acquisition to facilitate redevelopment.

**Motion (Schwartzman/Karow) to convene in closed session.** Carried on roll call vote.

During the closed session, City staff/contractors highlighted several potential acquisition sites. RDA Commissioner consensus to including 2014 budget funding requests related to these potential acquisition/redevelopment sites.

**Adjournment From Closed Session:**

**Motion (Smith/Sturm) to adjourn the meeting at 8:55 a.m.** Carried.

Minutes prepared by RDA Secretary Kathy Unertl

## City of Merrill – TIF Development Incentive Overview

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### TID No. 6 (Downtown)

Property Owner: Shelby Dzwonkowski

Business Entity: Studio 808

Location: 801 East 1<sup>st</sup> Street

Purchasing Building, remodeling, and façade improvements.

Development: New ceramic, mosaics, and glass fusing studio.

Business will also service ice cream, candy, other food treats, and pizza.

Wholesale ceramic, green-ware, and bisque distributor

Jobs: The two business owners anticipate hiring several part-time employees.

Infrastructure: N/A

### TID Development Incentives:

Business/Building Owner: \$10,000 upon new business opening

TID Lifespan Tax Increment:

Spreadsheet provided – projected at \$10,172

<b>City of Merrill - TID No. 6</b>					
<b>Projected Tax Increment for 808 E. 1st Street</b>					
<b>Studio 808 - Shelby Dzwonkowski</b>					
<b><u>Projected Assessment:</u></b>					
	Land	Improved	Total RE		
	Valuation	Valuation	Valuation		
2013	\$16,600	\$38,700	\$55,300		
2015	\$16,600	\$42,500	\$59,100		Personal
New Tax					Property
Increment	\$0	\$3,800	<b>\$3,800</b>		<b>\$13,500</b>
<b><u>Projected Tax Increment:</u></b>					
Const.	Value	Revenue	TID Value	Tax	Projected
Year	Year	Year	Increment	Rate	Tax Increment
<b>2014</b>	<b>2015</b>	<b>2016</b>	\$17,300	28.00	\$484
2015	2016	2017	\$17,300	28.00	\$484
2016	2017	2018	\$17,300	28.00	\$484
2017	2018	2019	\$17,300	28.00	\$484
2018	2019	2020	\$17,300	28.00	\$484
2019	2020	2021	\$17,300	28.00	\$484
2020	2021	2022	\$17,300	28.00	\$484
2021	2022	2023	\$17,300	28.00	\$484
2022	2023	2024	\$17,300	28.00	\$484
2023	2024	2025	\$17,300	28.00	\$484
2024	2025	2026	\$17,300	28.00	\$484
2025	2026	2027	\$17,300	28.00	\$484
2026	2027	2028	\$17,300	28.00	\$484
2027	2028	2029	\$17,300	28.00	\$484
2028	2029	2030	\$17,300	28.00	\$484
2029	2030	2031	\$17,300	28.00	\$484
2030	2031	2032	\$17,300	28.00	\$484
2031	2032	2033	\$17,300	28.00	\$484
2032	2033	2034	\$17,300	28.00	\$484
2033	2034	2035	\$17,300	28.00	\$484
2034	2035	2036	\$17,300	28.00	\$484
					<b>\$10,172 Total</b>

**DRAFT**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION AUTHORIZING A DEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MERRILL, WISCONSIN AND STUDIO 808 LLC**

WHEREAS, the Common Council of the City of Merrill created Tax Increment District (TID) No. 6 on May 12, 2009; and,

WHEREAS, Studio 808 LLC is purchasing and remodeling the building located at located 808 East 1<sup>st</sup> Street within TID No. 6: and,

WHEREAS, the City of Merrill finds that the proposed development and the fulfillment of the items and conditions of the attached Development Agreement are in the vital and best interest of the City of Merrill, the Merrill Redevelopment Authority and City residents and serves a public purpose in accordance with State law; and,

WHEREAS, several new jobs will be created and additional tax base generated, and,

WHEREAS, Studio 808 LLC has negotiated the development agreement to provide an incentive payment not to exceed \$10,000 to facilitate new business development and building improvements.

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this \_\_\_\_ day of \_\_\_\_\_, 2014, that the Mayor and City Clerk are authorized to sign the development agreement by and between the City of Merrill and Studio 808 LLC and to facilitate the implementation thereof.

Recommended by:

CITY OF MERRILL, WISCONSIN

Moved: \_\_\_\_\_

\_\_\_\_\_  
William R. Bialecki  
Mayor

Passed: \_\_\_\_\_

\_\_\_\_\_  
William N. Heideman  
City Clerk

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## RDA Meeting – January 7<sup>th</sup>, 2014

### Item #5 – Update and discussion on economic development activities and planning

#### a. East Side – (TIDs No. 3, No. 4, and No. 9)

Due to proximity to US Highway 51, market forces significantly impact on economic development in this area.

- Los Mezcales is now open! New Wal-Mart is projected to open in April 15<sup>th</sup>. The State Highway 64/Pine Ridge Avenue intersection will be completed as soon as possible spring construction season allows.
- There is an accepted offer to purchase from Kwik Trip for the existing Pine Ridge Restaurant/CENEX convenience store. Demolition and new construction anticipated to begin in April 2014.
- City contractors/staff are assisting in identifying potential new sites for new Pine Ridge Restaurant.
- City staff/contractors met with Mid-America representative (i.e. real estate broker whom represents the Pine Ridge Plaza including current space leased by Wal-Mart). Plan is to continue communications on potential future tenants and site redevelopment.
- Park City Credit Union (PCCU) continues planning for future options for their property at the corner of State Highway 64/South Pine Ridge Ave.
- City staff has discussed potential interest in redevelopment of their property with the ownership of Continental Communities (i.e. owner of Badger Portfolio, LLC – mobile home parcels). There is interest in relocating scattered mobile homes to the east with the area closest to O'Reilly Auto Parts available for potential sale/redevelopment. There is about 6.5 acres with State Highway 64 frontage.
- City staff/contractors continue to work with other property owners. We anticipate a redevelopment plan and potential TIF development incentive request for the property across from existing Kwik Trip (i.e. former greenhouse).

The City also continues to enforce “blight” elimination orders in the area along the Wisconsin River (TID No. 9).

**b. Downtown (TID No. 6 and TID No. 3)**

- There have been many positive comments regarding new access/parking on former Courtview site.
- **Is this now time for broader Downtown planning process?** It is also possible that some additional East Main Street properties should be included within TID No. 6 boundary.
- Lincoln House site redevelopment – does our priority remain multi-story residential?
- Request for potential TIF development assistance, as well as economic development loan for 808 East First Street new business.
- Although potential acquisition/demolition funding deleted from the 2014 budgets, City contractors/staff continue in efforts related to a site east of Center Avenue, as well as related potential new development.

**c. West Side (TID No. 8)**

- Unfortunately, another community was selected for potential gas/convenience store. City contractors/staff are reviewing potential other options.
- C&D Excavating will demolish 419 West Main Street “blighted” structure by June 2014. City contractors/staff assisting with identifying potential franchise options for future site redevelopment.
- Waiting for construction fiscal information on Ballyhoo’s and 1892 Building façade improvements. There will be a request for potential TIF development assistance.
- Bob’s 64 has purchased the parcel to the west and demolished the former “blighted” structure. Waiting for fiscal information and potential request for TID development assistance for building expansion.

## **West Side (TID No. 8) – Continued:**

- 201 South Prospect Street – Former Hurd Windows & Doors property is now owned by Merrill Area Development Corp. (MADC). Part of the site is being sold and should be occupied by a manufacture relocating from Tomahawk early in January 2014. Expansion of manufacturing workforce is anticipated.

**Site Assessment Grant (SAG)** application is still pending. Additional information was requested to support the environmental investigation and demolition plans.

Wisconsin Economic Development Corp (WEDC) did not fund the **Idle Industrial Sites** grant application. It appears that funded projects were further along in their redevelopment planning/process – including City of Wausau property north of the Dudley Tower.

### **City of Merrill Economic Development Team includes:**

- Mayor Bill Bialecki
- City Administrator Dave Johnson
- City Attorney Tom Hayden
- Finance Director/RDA Secretary Kathy Unertl
  
- Redevelopment Resources –Kristen Fish, Mike Morrissey, and Mary Rajek
  
- Lincoln County Economic Development Corp. (MADC) – Susan Ryman