

**Community Development Authority  
of the City of Onalaska**

Wednesday, February 14, 2018

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1 The meeting of the Community Development Authority of the City of Onalaska was called to  
2 order at 4:11 p.m. on Wednesday, February 14, 2018. It was noted that the meeting had been  
3 announced and a notice posted at City Hall.

4  
5 Roll call was taken with the following members present: Ald. Harvey Bertrand, Ann Brandau,  
6 John Lyche, Mike Gargaro

7  
8 Also Present: City Administrator Eric Rindfleisch, Planner/Zoning Inspector Katie Aspenson

9  
10 Excused Absences: Ald. Jim Olson, Ron Johnson, Joe Buchegar

11  
12 **Item 2 – Approval of minutes from the previous meetings**

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14 Motion by John, second by Ann, to approve the minutes from the previous meeting as printed  
15 and on file in the City Clerk’s Office.

16  
17 On voice vote, motion carried.

18  
19 **Item 3 – Public Input (limited to 3 minutes/individual)**

20  
21 Mike called three times for anyone wishing to provide public input and closed that portion of the  
22 meeting.

23  
24 **Consideration and possible action on the following items:**

25  
26 **Item 4 – Report on 2017 Year End: Building Permit Data and Residential/Commercial**  
27 **Development**

28  
29 Katie shared the following data:

- 30  
31
  - There were 222 residential building permits issued. This amount is below the five-year  
32 average (302); however, the five-year average includes 2013 when 440 residential  
33 building permits were issued. Katie also noted the city is running out of land on which to  
34 construct new homes.

35  
36 John inquired about the city’s buildable inventory.

37  
38 Katie it is minimal unless the city looks into annexation.

39  
40 John asked if the city should do a survey of what is available.

41  
42 Katie said it would be possible to do so. However, Katie also said there are unknowns, citing  
43 French Valley as an example. Katie said there could be a number of housing units in French  
Reviewed 2/16/18 by Eric Rindfleisch

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44 Valley, but no one has come forward with an official final plat.

45

46 John said the city will ultimately need this data if it starts examining annexation proposals,  
47 adding it might be worthwhile to know what the city is looking forward to.

48

49 City Administrator Rindfleisch said that while there is an expectation there are areas that will be  
50 annexed into the city and are developable, they are not yet annexed in.

51

52 • There were 83 commercial permits issued. The five-year average is 84. Katie said that  
53 due to recent trends in construction, she anticipates continued commercial development  
54 and permit issuance in 2018.

55 • There was \$33.2 million in total investment. The five-year average is \$37.4 million.  
56 Commercial investment totaled \$22.3 million, with the five-year average being \$23  
57 million.

58 • The five-year average (2013-2017) for the number of building permits issued for single-  
59 family homes. Duplexes, and single-family attached units is 43 permits issued, with an  
60 average of \$11.7 million.

61 • The Inspection Department issued 23 permits for single-family homes, duplexes, and  
62 single-family attached units with a total approximate value of \$8.7 million. Katie said the  
63 city will start to see slower increments due to the fact there is less land available.  
64 However, Katie also said individuals are constructing high-value, single-family homes.  
65 The approximate value of single-family detached homes was \$7,818,000.

66 • No new multifamily apartment buildings were constructed. However, a large expansion  
67 of an existing multifamily apartment (three-story and 33 dwelling units) occurred at the  
68 Sand Lake Road Luxury Apartments. Katie said this was Phase 2 and noted that Phase 3  
69 (29 more units, commercial retail on the end of the structure) is coming forward in 2018.

70 • The Common Council approved the Final Implementation Plan for a Planned Unit  
71 Development on Abbey Road. It includes six multifamily apartment buildings, and it is  
72 expected to total 328 dwelling units. The first apartment building (three stories, 24  
73 dwelling units) is scheduled for construction this spring. Katie said the plan is to  
74 construct one apartment building per year, adding that there also are plans to construct a  
75 community hall, a pool area, and a park. Katie noted there are several apartment  
76 buildings in this area, which she described as a “heavy, multifamily hub.”

77

78 John inquired about the approximate value of the first phase of the project.

79

80 Katie said she does not know the offhand value of the three-story, 24-unit building.

81

82 John estimated the value to be \$5 million.

83

84 Katie said there are no permits on file, noting the developer had filed the Final Implementation

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85 Plan, which she described as a site plan for the entire area. Katie said the developer will come in  
86 on an individual, site-by-site basis for site plans and pulling building permits.

87

88 Ald. Bertrand inquired about a spike in multifamily units in 2015.

89

90 Katie said she believes Terry Weiland constructed two, 16-unit apartments on Abbey Road. In  
91 addition, an apartment complex was constructed on Green Bay Street, near Onalaska Luther  
92 High School. Eight townhomes also were constructed in that area.

93

94 John asked, "How did we come out taxwise, with cost of services going high density versus low  
95 density? I would think it would be better with high density."

96

97 City Administrator Rindfleisch told John he is correct and noted that single-family residences  
98 totaled \$8 million in 2017. City Administrator Rindfleisch said that as the city reaches its natural  
99 boundaries there still are pieces that can be annexed into the city. However, City Administrator  
100 Rindfleisch said expenses are increasing as the city reaches its boundaries and there are fewer  
101 homes to fund.

102

103 John asked if the city has ever considered asking builders to cover a larger share of the structure  
104 cost beyond constructing roads and making a contribution for a new lift station or new tower.

105

106 Katie said it is built into it as the more difficult development occurs. Katie said either the city is  
107 funding it or the developer is funding the upfront costs. Katie also said it is a consideration as  
108 the city enters French Valley, the Manske property or the Nicolai property. Katie said there are  
109 properties located on vacant land on the ridges, and they pose new issues. Katie asked, "Do we  
110 put it in hoping the development will come? Typically the city has asked the developer to \_\_\_\_  
111 first and \_\_\_\_ second. That's the way it's worked in Onalaska. I think people want to be in  
112 Onalaska, so it's been a good strategy for the city to take."

113

- 114 • For commercial construction, the total investment was \$22.2 million. The five-year  
115 average (2013-2017) is \$23 million.
- 116 • Six permits were issued for new commercial structures, which exceeded construction  
117 from 2016. Major additions and remodeling activities account for 60 percent of the total  
118 construction value in 2017. Remodeling totaled \$5,280,600. Additions totaled  
119 \$8,816,200.

120

121 Katie shared the following list of larger commercial projects in the city in 2017:

122

- 123 • Misty's International Dance Studio (Mixed Use Structure), 923 12<sup>th</sup> Avenue South –  
124 21,187 square-foot new building (\$3.2 million value)
- 125 • Sand Lake Road Luxury Apartments: Phase 2 – 51,552 square-foot building addition (33  
126 dwelling units) (\$2.99 million value)

Reviewed 2/16/18 by Eric Rindfleisch

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- 127 • First Evangelical Free Church, 123 Mason Street – 20,132 square-foot building addition  
128 (\$2.7 million value)
- 129 • ALDI, 3133 Market Place – 3,283 square-foot building addition (\$1.4 million value)
- 130 • David Reay’s, 214 Main Street – 4,542 square-foot new building (\$1.1 million value)
- 131 • Professional Office Building (Mike Gavin), 1613 Main Street – 15,400 square foot new  
132 building (\$1.1 million value)
- 133 • Coulee Region Cremation, 131 Mason Street – 7,300 square-foot building addition  
134 (\$325,000 value), and parking lot expansion
- 135 • Dash Park, 206 Main Street. Katie said Skogenheim, LLC is looking to remove The  
136 Spillway Pub and expand Dash Park to the south, and also to construct a seating/shade  
137 structure.
- 138 • Sand Lake Road Luxury Apartments Addition (Mixed Use Structure) by Traditional  
139 Trades: Phase 3, 1631 Sand Lake Road – building addition of 29 dwelling units and  
140 4,700 square feet of retail space
- 141 • Kwik Trip, 1276 Crossing Meadows Drive – 104 square-foot building addition
- 142 • Downtown city parking lot, 209 Irvin Street
- 143 • Schneider Heating & Air Conditioning – parking lot expansion  
144

145 John noted that Skogenheim, LLC controls the entire block with the exception of one or two  
146 houses and said there had been a past discussion regarding un-dedicating Irvin Street. John  
147 asked if there had been any recent discussions regarding that proposal.  
148

149 Katie said different options are being explored.  
150

151 City Administrator Rindfleisch said it is unlikely Irvin Street will be un-dedicated. Rather, the  
152 focus is to enhance this area for better use of the area.  
153

154 Ald. Bertrand said the new construction and the expansions show that Onalaska is a vibrant city,  
155 which is encouraging.  
156

157 Katie said the following building permits have been issued for larger commercial projects that  
158 have had Site Plan Review prior to 2017:  
159

- 160 • Menards, 1301 Sand Lake Road – 10,240 square-foot warehouse addition and loading  
161 dock (\$1.1 million value)
- 162 • MOKA Coffee Shop, 9348 State Road 16 – 400 square-foot new building (\$218,000  
163 value)
- 164 • La Crosse Sign Company, 1450 Oak Forest Drive – 6,000 square foot building addition  
165 (\$200,000 value).  
166

167 Katie said the following larger commercial projects applied for a building permit, but did not

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168 require Site Plan Review:

169

170 • Mayo Clinic Health System, 191 Theater Road – 14,099 square-foot interior remodel (\$2  
171 million value)

172 • Gander Outdoors, 1200 Crossing Meadows Drive – interior renovations/updates, roofing  
173 (\$1.1 million value)

174 • Crossroads Center, 9348 State Road 16 – interior alterations/remodel (\$911,000 value)

175 • Gundersen Health System, 3111 Gundersen Drive – solar photovoltaic system (\$700,000  
176 value)

177 • U.S. Fish & Wildlife, 555 Lester Avenue – 4,450 square-foot interior renovations  
178 (\$640,000 value)

179 • Onalaska School District, 237 2<sup>nd</sup> Avenue South – 683 square-foot interior remodel  
180 (\$367,000 value)

181 • Altra Federal Credit Union, 1821 East Main Street – 3,470 square-foot interior remodel  
182 (\$320,000 value)

183 • St. Patrick’s Parish, 127 11<sup>th</sup> Avenue North – 400 square-foot interior remodel (\$100,000  
184 value)

185

186 Katie said, “I think that seeing people invest in their existing structures and infrastructure and  
187 showing that they want to be here is a really good sign for the city overall. And it’s varied in the  
188 types of business that we have. ... I think it’s definitely indicative of what we’re seeing for  
189 construction is our key targets.” Katie added she will attempt to present another report to the  
190 CDA in early summer, noting that the data she just presented is always given to LADCO (La  
191 Crosse Area Development Corporation). LADCO utilizes this data to try to justify how the  
192 region is performing overall.

193

194 John asked if there are any projects that look to remove property from the tax base.

195

196 Katie said the land on which The Spillway Pub is located will become tax-exempt when the City  
197 of Onalaska assumes control of Dash Park. Katie also noted the Onalaska School District  
198 property became tax-exempt. In comparison, Katie said the Four Square Gospel Community  
199 Church did not sell to another tax-exempt agency and thus should be returning to the tax rolls.

200

201 John asked if a PILOT (Payment in Lieu of Taxes) structure is being utilized.

202

203 Katie said the city always has the ability to do a PILOT, telling John the city has utilized it.  
204 Katie said she believes there currently are fewer than 20, adding the most recent PILOTs have  
205 been for churches and daycares.

206

207 John said that in the past the CDA had met with Warren Loveland regarding the construction of  
208 apartments. John said Warren gave the CDA a proposal to construct apartments on city-owned

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209 land located along State Trunk Highway 35. John said a question had been raised as to how the  
210 city could better utilize the properties that it owns, and he noted the city was going to perform a  
211 land swap with the Wisconsin Department of Transportation so that the property in question  
212 could be placed on the city's tax rolls. John asked if any action had been taken.

213  
214 Katie said she believes a land swap had occurred as part of the Great River Landing. However,  
215 Katie also said she is unsure if WisDOT had been involved in the process and told John that City  
216 Engineer Jarrod Holter could answer his question.

217  
218 John suggested revisiting this topic.

219  
220 City Administrator Rindfleisch noted there had been swaps, purchases and sales amongst various  
221 entities when the Great River Landing was obtained.

222  
223 John asked Katie if she can give the CDA an update regarding Mayo Health System.

224  
225 City Administrator Rindfleisch said the city has not yet hit Mayo's five-year plan, although the  
226 city wants to ensure that there will be land and service available for storm water.

227  
228 Katie noted she had reread the city's 1999 Downtown Master Plan and said several buildings in  
229 the area have been demolished. Katie said she enjoyed reading that there was a desire to have  
230 more video rental in the downtown area and stated, "Other than that, we did OK." Katie said  
231 goals included focusing on tourism, improving the Great River Landing area, and rerouting the  
232 Great River State Bike Trail. Another goal was to create the Form Based Overlay Code, which  
233 has been done and then redone. Katie noted the bulk of the plan included a market analysis of  
234 what that area could hold and said perhaps this information could be interesting. Katie said the  
235 CDA might want look into what this area is calling for, or perhaps consider creating a smaller  
236 scale downtown plan. Katie said she believes the city is starting to build some momentum due to  
237 the development in the downtown district, adding that having the new Form Based Overlay Code  
238 means the city has what it takes to spur redevelopment.

239  
240 John said he believes such a project belongs with the CDA.

241  
242 City Administrator Rindfleisch said he would like to see active planning and marketing for the  
243 unrealized areas he drives past daily.

244  
245 John said he believes the CDA needs to move away from the waterfront area. John also said he  
246 has concerns about the long-term survival of some of the big-box retailers located in the city.

247  
248 City Administrator Rindfleisch said he is concerned that Valley View Mall, which is located on  
249 the east side of State Trunk Highway 16 in the City of La Crosse, will have a drag on some of the

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250 City of Onalaska's values as the retail marketplace changes. City Administrator Rindfleisch said  
251 he would like to see smaller retail establishments created (coffeehouses, law offices, dental  
252 offices, insurance brokers), with two or three stories of residential stacked on top of these  
253 businesses.

254

255 John said he believes Center 90 is underutilized and that that area would be an ideal location to  
256 develop those ideas.

257

258 Ann noted there is a case before the United States Supreme Court in which the court is revisiting  
259 the issue of taxing online retailers and said perhaps smaller retailers could enjoy a renaissance  
260 depending on the ruling.

261

262 City Administrator Rindfleisch said broad goals should be established, which in turn could lead  
263 to specific projects and areas to be targeted.

264

265 John said developers will support a master plan.

266

267 City Administrator Rindfleisch asked if there is a master plan for the STH 16 corridor.

268

269 Katie said no, noting the city's Comprehensive Plan is the lone overall plan. Katie said there had  
270 been discussions regarding the Menards area for the Mayo property and the surrounding area,  
271 adding this is the closest to a corridor plan that the city has. Katie said the focus could be shifted  
272 to STH 16 or U.S. Highway 53 if the CDA wishes to do so.

273

274 City Administrator Rindfleisch he believes the primary focus should be on downtown Onalaska.  
275 However, City Administrator Rindfleisch said he also believes a corridor plan for STH 16 is vital  
276 over the long term.

277

278 Katie said both STH 16 and Sand Lake Road, which would encompass Center 90, are vital.

279

280 John said he believes the City of Onalaska becomes "the next logical choice" because the City of  
281 La Crosse is reaching a saturation point.

282

283 **Item 5 – Review and consideration of CDA 2017 Year End Financials**

284

285 Mike referred to a copy of the final draft of the 2017 CDA balance sheet, which contains the  
286 following information:

287

288 • **Total assets:** \$307,807.51

289 • **Total liability:** \$166.86

290 • **Total revenue:** \$8,514.26

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- 291       • **Total expense:** \$7,855.86  
292       • **Revenues over:** \$658.40

293

294       John noted a transfer tax occurs when a property is sold in the State of Colorado, and he asked if  
295       the City of Onalaska has ever considered utilizing such a tax.

296

297       City Administrator Rindfleisch said the State of Wisconsin has restrictions regarding what types  
298       of taxes may be imposed by communities.

299

300       John said the tax ranges from as low as .5 percent of the property's value to as much as 1.5  
301       percent of its value.

302

303       The first part of City Administrator Rindfleisch's response was inaudible on the recording. City  
304       Administrator Rindfleisch also said charging a fee for a service the city does not provide is  
305       acceptable. However, the expenditure must be reduced somewhere else if the city provides a  
306       service.

307

308       John noted East Main Street/County Highway OS is in subpar condition and said one way to  
309       fund repairs is to implement a tax to which most citizens would not object as it would only be  
310       implemented when a property is sold.

311

312       City Administrator Rindfleisch told John he would ask if his proposal is viable, but his instincts  
313       tell him it is not because property taxes would need to be reduced if John's suggested tax was  
314       imposed.

315

316       Motion by John, second by Ald. Bertrand, to approve CDA 2017 Year End Financials.

317

318       On voice vote, motion carried.

319

320       **Adjournment**

321

322       Motion by Ann, second by Ald. Bertrand, to adjourn at 5:03 p.m.

323

324       On voice vote, motion carried.

325

326

327       Recorded by:

328

329       Kirk Bey