

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

Wednesday, December 11, 2019

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1 The meeting of the Community Development Authority of the City of Onalaska was called to
2 order at 4:02 p.m. on Wednesday, December 11, 2019. 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. Jim Olson, Ald. Tom Smith, Ron
6 Johnson, Joe Bucheger, John Lyche, Mike Gargaro

7

8 Also Present: City Administrator Eric Rindfleisch, City Attorney Amanda Jackson

9

10 Excused Absence: Ann Brandau

11

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

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14 Motion by Ald. Olson, second by Joe, to approve the minutes from the previous meeting as
15 printed 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 – CDA Financials**

27

28 Mike noted the CDA has \$441,247.28 in assets, \$246,998.91 in miscellaneous income, and a net
29 revenue of \$256,927.20.

30

31 Ald. T. Smith inquired about the \$7,500 listed under “Operating Transfer.”

32

33 Mike said it typically is room tax revenue.

34

35 Motion by John, second by Ron, to approve the CDA Financials.

36

37 John inquired about a hanging balance under “Other Contractual Services.”

38

39 City Administrator Rindfleisch mentioned the Downtown Onalaska and State Road 16 Corridor
40 Redevelopment Study.

41

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42 Ron asked if the \$36,211.83 under “Other Contractual Services” is for the entire year.

43

44 Mike said it is.

45

46 City Administrator Rindfleisch said most of the charges for the study were covered in 2018.

47

48 On voice vote, motion carried.

49

50 **Item 5 – Information and update on the Unified Development Code/Zoning Code Rewrite**
51 **Project**

52

53 Amanda said the city has been working on a rewrite of its Zoning Code, and the city also is
54 doing a comprehensive map update. Amanda said the project began approximately 18 months
55 ago, and is slated to be completed in February 2020. Amanda said Draft 1 of the UDC is
56 available for viewing at cityofonalaska.com under the Planning Department/Unified
57 Development Code/Zoning Code Rewrite Project.

58

59 Amanda said, “The purpose of the project was that, one, it hadn’t been done in several years.
60 We had found that we were updating it frequently and doing a lot of updates piecemeal, and
61 that’s a good sign you should probably be looking at a comprehensive update.” Amanda noted
62 city staff has been working with Hoisington Koepler Group, inc. and said the focus is to
63 implement the 2015 Comprehensive Plan. Amanda also pointed out the development in
64 Onalaska has changed since the Zoning Code was written and said, “At this point we’re looking
65 at a lot more infill development [and] redevelopment. We have less land available for general
66 expansion. The code is written with that in mind, so things like parking restrictions are getting
67 looked at to become a little less stringent, design standards – things like that. [We’re] also
68 looking at zoning in areas where we can either rezone to invite development, or rezone to correct
69 zoning that’s outdated.”

70

71 Amanda told CDA members the City of Onalaska had utilized industrial districts for
72 “everything,” and she referred to the State Road 16 Corridor Redevelopment Study and noted
73 much of the commercial in the City of Onalaska is zoned Industrial even though it is not being
74 utilized for industrial purposes. Amanda said the Zoning Code rewrite is correcting this and
75 noted the Highway 16 corridor is being rezoned to “Regional Business,” other parts of it are
76 “Mixed Use-Community.” There will be three levels of business: Neighborhood Business,
77 Community Business, and Regional Business, and Amanda said, “From a scale, it just gets
78 larger.” Regional Business would include a big-box store such as Target or a large strip mall
79 development. Community Business would be Center 90 (mid-level). Neighborhood Business
80 would include The Wharf (smaller scale business found in a neighborhood). The Mixed Use-
81 Neighborhood and Mixed Use-Commercial districts are being added. Amanda described Mixed
82 Use-Neighborhood as “really more about Residential, with a little bit of Commercial integrated,”

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83 and she described Mixed Use-Community “is more about Commercial, with a little bit of
84 neighborhood integrated.”

85

86 Amanda said she believes residents have been “fairly happy” with what they’ve seen in the first
87 draft, noting there have been several meetings simply to walk through rezoning. The city is
88 updating its comprehensive map, and approximately 700 parcels are being rezoned. Amanda
89 noted this is the first time the city has updated the comprehensive map, which was first created in
90 1969.

91

92 Mike asked if the Highway 16 Corridor rezoning update will be reflective of what HKGi has
93 proposed for potential redevelopment in that entire area.

94

95 Amanda said that area will primarily be zoned B-3 (“Regional Business”), and some locations
96 will be zoned Mixed Use-Community. Amanda said representatives from the strip mall that
97 includes TJ Maxx asked to be zoned Mixed Use-Community because that is an area in which
98 there is potential to construct upward and perhaps add residential units above the strip mall in the
99 future. Amanda said B-3 zoning entails big-box retailers, and a mixed use will not be added.
100 Amanda noted a PUD currently requires five or more acres, and she said the proposal reduces
101 that amount to one acre. This would give individuals more flexibility to write their own zoning,
102 and Amanda said she believes that is a tool that likely will be utilized along Highway 16
103 Corridor as those properties are redeveloped.

104

105 John asked how Marvin Wanders’ project, the Great River Residences, will be zoned.

106

107 Amanda said she believes it will be zoned Mixed Use-Community.

108

109 John asked if that means primarily residential, with some commercial.

110

111 Amanda said it would be “the flip side of that” and told John the building that houses the
112 commercial development might be zoned one way, and the remainder might be zoned
113 Residential. Amanda noted Marvin Wanders’ project is in an area that is primarily zoned
114 Commercial, which might be why it would be zoned MU-C. Amanda also noted the three
115 primary areas that were targeted for mixed use are the Sand Lake Road area, Main Street (near
116 Marvin’s project area), and the County Trunk Highway PH area. Amanda said, “With the
117 exception of the PH area, there hasn’t been much resistance to the mixed use.”

118

119 Ald. T. Smith said he and Ald. Olson, both of whom represent the First District, said he believes
120 the city is in a better position regarding the Mason Street area, noting Amanda has worked with
121 the individuals in that area who had raised concerns. Ald. T. Smith said, “There was a lot of
122 misinformation they didn’t know about.”

123

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124 Ald. Olson thanked both Mike and Amanda for their input regarding the Mason Street area and
125 said, “It’s your patience and their understanding of what’s really going on that really helped a
126 lot.”

127

128 Amanda said, “They’re going to do a Planned Unit Development – not only to protect their
129 zoning because they have a few uses that skirt both sides of a couple districts, but they also have
130 kind of a unique layout as far as how their properties are, parking requirements, and things like
131 that. They’re going the ‘design your own district’ route.”

132

133 Mike told CDA members he knows businessowners and individuals who are employed in the
134 Mason Street area, and he said he had received telephone calls from individuals who did not like
135 the idea of the city rezoning. Mike said he had addressed the Plan Commission at a special
136 meeting held November 13 “on behalf of what they were saying, because I agreed with them.
137 They felt like what they understood at that point was it’s changing.”

138

139 Ald. T. Smith said there was a concern among individuals in that area that the zoning was
140 changing and some of the businesses would not fit the new zoning.

141

142 Mike said property value devaluation was another concern of these individuals, being zoned
143 Retail versus Commercial.

144

145 City Administrator Rindfleisch said, “The rezoning is about the map and properties that are
146 being rezoned, keeping in mind that part of the reason the property is not just the actual map, but
147 the ordinance and the code that we have.” City Administrator Rindfleisch said Act 67 plays a
148 crucial role in what the city does and the procedures it is utilizing.

149

150 Amanda said one of the challenges the city faced with rewriting the code is before the project
151 began, Act 67 was approved and limited the city’s ability to really allow for conditional uses.
152 Further, it hampered the city in terms of allowing conditional uses with conditions that relate to
153 the property without substantial evidence. Amanda said municipalities have addressed those in a
154 variety of different ways, and many municipalities still are working through it. Amanda said that
155 after speaking with HKGi representatives, she and the Planning Department employees believed
156 it would be prudent to eliminate conditional uses. Amanda said the city is utilizing a system in
157 which it is outright permitting more within the city, and she cited the examples of having
158 veterinary clinics and daycares within the City of Onalaska without a CUP. Amanda said,
159 “We’re kind of going to a system where it’s permitted, but it’s permitted with standards. Part of
160 what we think this will do is make things more uniform.”

161

162 John asked if the CDA needs to take any action.

163

164 Amanda said no and invited CDA members to attend the open house, which will include a

165 presentation by HKGi, beginning at 6:30 p.m. Wednesday, December 18, at the Omni Center.
166 HKGi representatives will be going over a summary of Draft 1. Amanda said the Plan
167 Commission will hold a public hearing on the UDC/Zoning Code Rewrite at its January 28
168 meeting. If approved, it will go before the Common Council for final approval February 11.

169

170 **Item 6 – Approval process for the CDA to initiate and fund development projects and land**
171 **acquisitions**

172

173 City Administrator Rindfleisch noted the financials show through the investments a large line
174 item of a grant by the City of property to the CDA, and the sale of the CDA’s property to Three-
175 Sixty Real Estate Solutions, and now GRR, LLC (Great River Residences). City Administrator
176 Rindfleisch said there is the potential for future revenue if the project overperforms, and the
177 profits may be shared with Three-Sixty Real Estate Solutions if it does sell. City Administrator
178 Rindfleisch said, “It’s quite a large boost to the bottom line for what the CDA has. That brings
179 up the question: What can the CDA do with it as a partner in the community to help jumpstart
180 some redevelopment?”

181

182 Amanda referred to “Powers and Duties” under the State of Wisconsin Statutes and noted the
183 following: *“To all other projects, all projects relating to blight elimination, slum clearance,*
184 *urban renewal and redevelopment programs, it shall proceed under – and there’s a whole host*
185 *of statutes – as determined appropriate by the Common Council on a project-by-project basis.”*
186 Amanda said the City of Onalaska’s ordinance mirrors the same language: *“The CDA may, upon*
187 *the direction of the Common Council, act as an agent of the city in performing any or all acts*
188 *except the General Development Plan of the city, which may otherwise be performed by the City*
189 *Plan Commission under many of the same statutes.”* Amanda said this means the CDA may do
190 projects related to blight elimination, slum clearance, development, urban development, and
191 redevelopment with Common Council approval.

192

193 City Administrator Rindfleisch said cash on hand is one thing and noted the next contribution the
194 CDA may do with investments is issue debt. City Administrator Rindfleisch told CDA members
195 he had spoken with both Financial Services Director/Treasurer Fred Buehler as well as Robert
196 W. Baird, the city’s financial advisor, and he said Mortgage Revenue Bonds are the tool that is
197 available to the CDA. City Administrator Rindfleisch told CDA members investors in those
198 bonds will be examining what the project is as well as the cash flow. City Administrator
199 Rindfleisch said, “It is available with Council oversight permission.”

200

201 John asked if there is any ability for a short-term bond.

202

203 City Administrator Rindfleisch said there is, as part of a plan compiled by the CDA, potentially
204 working with a developer, and going before the Common Council with that plan. City
205 Administrator Rindfleisch said it ultimately is short-term debt (General Fund debt), which only

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206 the Common Council may issue.

207

208 John cited the example of a property the CDA wants to acquire and then flip, asking if the CDA
209 would have the ability to put together a plan and forward it to the Common Council, which
210 would then become the lending authority at that point.

211

212 City Administrator Rindfleisch told John that is correct and said, “If we’re looking at a project,
213 we’re looking at, how does the bank get paid back? ... Generally, what I’ve seen is it’s that
214 partnership of the public/private partnerships that come together in the CDA, going to Council
215 for sort of that package to be wrapped up and blessed, and move forward from there.”

216

217 Ron asked what would happen if the CDA needed to make a purchase, but wanted to do it
218 privately. Ron said the Common Council still would need to approve that purchase in Open
219 Session.

220

221 City Administrator Rindfleisch said the CDA could tell the Common Council what its proposed
222 plan is in Closed Session, but the actual action would need to occur in Open Session.

223

224 Ron said, “Before you could really borrow the money or make the acquisition.”

225

226 Amanda said it would not have to be specific because there would be bargaining reasons not to
227 include what property you’re possibly buying or the information. Amanda said, “If you’re
228 ensuring the money’s there so you can negotiate a price, it gets a little gray there as far as what
229 would be included in Open Session. We would have to look at that because we obviously would
230 want to protect the CDA’s ability to negotiate.”

231

232 City Administrator Rindfleisch said if there is a parcel of land that costs \$440,000 and there are
233 assets remaining, the CDA has the ability to negotiate and acquire projects on a case-by-case
234 basis.

235

236 Ald. T. Smith asked Amanda if the Council may be generic if it approves the funding for a
237 project in Open Session after approving a project in Closed Session.

238

239 Amanda said yes.

240

241 City Administrator Rindfleisch told CDA members the project-by-project basis has been utilized
242 in other municipalities for which he has been employed and said “as determined appropriate shall
243 proceed.” City Administrator Rindfleisch said that does not necessarily always mean after the
244 fact and told CDA members the Common Council could deem it appropriate for the CDA to
245 negotiate a particular item. City Administrator Rindfleisch said the authority the Common
246 Council may grant can be fairly general.

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247
248 John asked if the negotiating team approach must be utilized.
249
250 Amanda said that is one approach, but also said she does not know if it would be the only
251 approach. Amanda said if the CDA authorized in Closed Session it wishes to purchase a certain
252 property is willing to spend up to a certain amount, one CDA member could serve as the leader.
253
254 Mike asked CDA members if they want to look at projects and discuss ideas at the next meeting.
255
256 John said he believes there are properties the CDA might want to consider.

257
258 **Item 7 – Closed Session**

259
260 To consider a motion to convene in Closed Session under Section 19.85(1)(e) for the purpose of
261 deliberating or negotiating the purchasing of public properties, the investing of public funds or
262 conducting other specified public business whenever competitive or bargaining reasons require a
263 closed session:

- 264
265
 - Downtown Redevelopment Project

266
267 If any action is required in Open Session, as the result of the Closed Session, the Community
268 Development Authority will reconvene in Open Session to take the necessary action and/or
269 continue on with the printed agenda.

270
271 Motion by Ald. Olson, second by Ron, to convene in Closed Session.

272
273 On roll call vote: Ald. Jim Olson – aye, Ald. Tom Smith – aye, Ron Johnson – aye, Joe
274 Bucheger – aye, John Lyche – aye, Mike Gargaro – aye. In Closed Session at 4:32 p.m.

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276 Motion to adjourn by John Lyche, second by Joe Bucheger to Adjourn at 4:53 p.m.

277
278 On roll call vote: Ald. Jim Olson – aye, Ald. Tom Smith – aye, Ron Johnson – aye, Joe
279 Bucheger – aye, John Lyche – aye, Mike Gargaro – aye.

280
281
282 Recorded by:
283
284 Kirk Bey