

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

Wednesday, December 12, 2018

1

1 The meeting of the Community Development Authority of the City of Onalaska was called to
2 order at 3:32 p.m. on Wednesday, December 12, 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. Jim Binash, Ald. Jim Olson, Ann
6 Brandau, Ron Johnson, John Lyche, Mike Gargaro

7
8 Also Present: City Administrator Eric Rindfleisch, Mayor Joe Chilsen, Planner/Zoning Inspector
9 Katie Aspenson, City Engineer Jarrod Holter, Jeff Miller and Bryan Harjes of Hoisington
10 Kogler Group, Inc.

11
12 Excused Absence: Joe Bucheger

13
14 **Item 2 – Approval of minutes from the previous meetings**

15
16 Motion by Ald. Binash, second by Ald. Olson, to approve the minutes from the previous meeting
17 as printed and on file in the City Clerk's Office.

18
19 On voice vote, motion carried.

20
21 **Item 3 – Public Input (limited to 3 minutes/individual)**

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

25
26 **Consideration and possible action on the following items:**

27
28 **Item 4 – Review and Consideration of Onalaska Redevelopment Project:**

- 29
30 a. Review Feedback from Developer Roundtable (generally):
31 i. State Road 16 Corridor
32 ii. Downtown Onalaska

33
34 Katie told CDA members that Bryan and Jeff had led a discussion earlier Wednesday with a
35 variety of developers in the region and obtained their feedback on the plans CDA members have
36 been shown thus far. Katie said she, Bryan and Jeff began by going over market conditions, and
37 the lay of the land both for downtown Onalaska and State Road 16.

38
39 Bryan said he has created an outline of what HKGi would like to cover at the January 8 public
40 meeting. Bryan said final approval would occur either in February or March, based upon what
41 transpires at the open house. Bryan said HKGi is currently at the end of the second phase, which

Reviewed 12/18/18 by Katie Aspenson

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42 is examining ideas and gaining feedback on those ideas with the developer roundtable and the
43 CDA. HKGi also will conduct some additional development review for individuals Bryan and
44 Jeff know in the Twin Cities, with the discussion focusing on the downtown and State Road 16
45 corridors. Some of the ideas will be reviewed at the January 8 public meeting. CDA members
46 will review at their January 9 meeting the input obtained at the public meeting, and
47 implementation priorities going forward also will be discussed. Bryan said some of the draft
48 document will be pulled together, and he and Jeff will work on it in January and February.

49
50 Bryan addressed the developer roundtable, noting it had included local commercial and
51 residential developers. The developers were given a brief overview as to why the CDA is
52 looking at the downtown and State Road 16 sites. They also were given market background
53 information so they were aware of retail conditions, residential reactions, and stakeholder
54 feedback. Bryan said he had shown the developers some of the concept ideas, including the
55 more detailed footprint studies, and he also had discussed the framework concept. The
56 developers were given a list of questions. One of the developers had participated in another
57 roundtable pertaining to the Zoning Code update. Three of the developers, including Marvin
58 Wanders, had discussed downtown Onalaska. The participants also included Dennis Aspenson
59 of Traditional Trades and a group from Commonweal Development, which is based in Eau
60 Claire.

61
62 Ald. Binash asked if the January and February CDA meetings will begin at 3:30 p.m. or 4 p.m.

63
64 Katie said the CDA typically meets at 4 p.m., but the starting time has been moved up to 3:30
65 p.m. due to this particular project. Katie said the 3:30 p.m. starting time has on a case-by-case
66 basis.

67
68 Jeff said the feedback regarding downtown Onalaska HKGi had obtained from the developers
69 was “really positive,” and that “they saw a lot of potential.” Jeff said the group also had
70 discussed State Road 16; however, the developers’ views had been “less enthusiastic.” Jeff told
71 CDA members he first would discuss downtown Onalaska, and then State Road 16. Jeff
72 highlighted the following points from the PowerPoint presentation pertaining to downtown
73 Onalaska:

- 74
- 75 • The developers discussed downtown’s strategic advantages, including the Great River
76 State Trail.
 - 77 • Downtown revitalization is based on creating more housing in that district. More housing
78 will support existing businesses, and it also will attract new businesses.
 - 79 • The development of commercial property likely will require that tenants already are
80 known or in hand before construction commences.
 - 81 • The developers said they likely would not be able to construct a mixed-use building not
82 knowing who the tenants are going to be.

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- 83 • There was positive feedback regarding the concept of a pedestrian-designed alley, or
84 paseo. The pedestrian-designed alleys add a second front, and those frontages provide
85 value either to businesses or residences. Bryan said, “Having that upgrade in a very tight
86 area where we don’t have expansive space, the more attractive edges and thus, the more
87 attractive value it brings to the development.”
88

89 Jarrod said the Engineering Department has engaged HKGi to assist with the design of the
90 appearance of Irvin Street and the alley. Jarrod noted there are funds budgeted in both the 2018
91 and 2019 Capital Improvements Budgets to work on the block of Irvin Street between 2nd
92 Avenue and 3rd Avenue, and also the alleyway. Jarrod said he hopes work can be completed in
93 the summer of 2019.
94

95 Mike asked how many developers had either been unable to attend the roundtable or declined the
96 invitation.
97

98 Katie said Peter Shortridge, a Winona developer, was interested in attending but was unable to
99 do so. Also, Paul Borsheim of Borton Construction needed to take an unexpected flight out of
100 the area Wednesday, and another developer had to respond to a family emergency. However,
101 Katie said a majority of the developers had expressed an interest in attending the roundtable and
102 enjoyed the discussion.
103

104 Bryan said the developers who attended the roundtable made comments related to “order of
105 magnitude of development in a region like this that make the downtown palatable on a numbers
106 side because the State Road 16 side is really big numbers on the scale when we talk about
107 redevelopment. Maybe it’s not quite ready for some of that big transformation in areas like
108 that.”
109

110 Jeff returned to the top of the pedestrian-designed alley and said the developers had told him it
111 would be a positive move if a focus was placed on the alley segment Jarrod had mentioned, and
112 also the block to the south. Jeff noted Jarrod had not attended the meeting and said HKGi did
113 not present it as a project the city is considering, but rather one of several concepts. Regarding
114 the Great River State Trail, Jeff said the developers asked that bringing the trail closer to the
115 river on the west side of State Trunk Highway 35 be considered rather than having it on the
116 street.
117

118 Jeff continued with his PowerPoint presentation:
119

- 120 • The developers agree that the Great River Landing, Dash-Park, and David Reay’s are
121 “great catalyst projects,” meaning projects that already have made the downtown district
122 a place in which to reinvest and redevelop. The developers also said they believe the
123 focus should be on leveraging those assets.

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- 124 • Downtown could be an ideal market for senior housing (condominium apartments).
125 • Attract new residents to the community who hopefully would purchase homes in the City
126 of Onalaska in the future.

127

128 Regarding the condominium apartments, Bryan said Marvin Wanders had made the suggestion
129 that they could be eight- to 12-unit condo buildings located on a quarter-sized block, or perhaps
130 one-sixth of a block.

131

132 Jeff noted the developers had discussed what would attract development to the city and said one
133 of the topics that had been brought up was potential competition. Jeff said a developer had cited
134 Riverside North as an example.

135

- 136 • The developers from Commonweal Development brought up Phoenix Park in Eau Claire.
137 Jeff said that while Phoenix Park is a different scale, the developers from Commonweal
138 told him the City of Eau Claire had provided “great leadership” with the Comprehensive
139 Plan’s mixed-use guidance. The zoning for that type of redevelopment was ideal, and a
140 TIF District was created. The City of Eau Claire did the land assembly, and Jeff said “a
141 sense of place” has developed at Phoenix Park. There are mixed-use buildings present,
142 and retail has lagged. There is a municipal parking ramp on site. Jeff said the major
143 partners and tenants in the project include Royal Credit Union, and he told CDA
144 members he began thinking about “big players” in La Crosse and Onalaska.

145

146 John noted the cost of the Phoenix Park project was approximately \$80 million.

147

148 Ald. Binash asked Jeff to define “land assembly.”

149

150 Bryan said the land had been purchased between various private entities to adjoin properties
151 together and make them large enough for redevelopment.

152

153 Jeff next addressed parking, noting the developers had discussed this topic extensively. Jeff said
154 the developers had encouraged strategic thinking, meaning do not get carried away with
155 attempting to provide all the parking the city thinks it will need now and into the future. The
156 developers encouraged thinking about shared parking. Jeff said that overall there likely is
157 sufficient parking in the city, and he also said that going into the future the city should not
158 necessarily plan to have an overabundance of parking. Jeff said that perhaps younger people
159 utilize Uber or Lyft more often than their own automobiles, and he noted autonomous vehicles
160 have entered the conversation. Jeff also noted there are several electric scooters in Minneapolis,
161 and he pointed out no standalone parking ramps are being constructed in Minneapolis.

162

163 Bryan said, “It’s the cost of sharing and talking to people about finding shared facilities and
164 surface spaces versus \$30,000 a space for a built ramp space. It’s a different math game. It’s

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165 tenfold, it's twelvefold on the price of parking for some of those. Yeah, it doesn't pencil. There
166 has to be ways to think about having parking and still work in the downtown. Is it working with
167 streets and the existing right-of-ways and working with shared uses of facilities like the church
168 or City Hall or others that can help leverage additional parking, where needed? The trolley was
169 talked about as a way to circulate people with that. Don't overbuild it. Those are the vibrant
170 areas, the ones that have parking problems. Those are the places people want to go to and be
171 because there is activity, and that leads to these other solutions."

172
173 Jeff addressed land assembly, describing it as likely the most challenging piece of the
174 redevelopment formula. Jeff said having land assembled would help attract developers. Jeff also
175 said he and Bryan had asked the developers if they believe developer RFPs (Requests for
176 Proposals) are positive things, and they responded they can be. Jeff said, "The city knows what
177 they want, and the land has been acquired. Otherwise it's hard to do that land assembly." Jeff
178 said the developers also stated it is difficult to secure land for redevelopment when it is valued at
179 \$14 to \$15 per square foot and multifamily structures are built on it. Jeff said the developers had
180 stated their preference to have the CDA or the City of Onalaska's involvement in doing land
181 assembly and being part of the process both for redevelopment and parking. Jeff said the
182 developers also discussed redevelopment sites and told him they do not think they need to be
183 large – perhaps only a quarter-block.

184
185 Ann asked if any of the redevelopers had expressed concern about the amount of traffic on STH
186 35.

187
188 Katie told Ann traffic had not been mentioned.

189
190 Jeff noted the developers had seen the slide with the traffic statistics.

191
192 Katie said, "I think one item that I took away from that discussion was, how can we incentivize
193 people to come to Onalaska when there are just as good sites, in theory, that aren't necessarily
194 green, but may be more prime for development in La Crosse. ... That's kind of how [the
195 developers] kept circling back to land assembly, which they thought was one of the biggest
196 incentives the city could provide."

197
198 Jeff addressed the feedback from the developers regarding the State Road 16 corridor and shared
199 the following:

- 200
- 201 • Land assembly would be more difficult along State Road 16. Many of the owners are
202 large entities, and land values are significantly higher.
 - 203 • While Valley View Mall, which is located in the City of La Crosse and sits on the eastern
204 side of State Road 16, is struggling, the businesses located in the City of Onalaska on the
205 western side of State Road 16 are at the moment in sound financial condition. Jeff said

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- 206 the developers believed investment in that area might be premature.
- 207 • The developers noted the City of Eau Claire has begun constructing housing near
 - 208 Oakwood Mall.
 - 209 • The developers like the parkway backage road behind Valley View Mall.
 - 210 • The developers stated they believe parking space requirements should be reduced if they
 - 211 are not needed. Jeff said HKGi already has reached the conclusion there are too many
 - 212 parking spaces, and reducing the number would allow for additional development.
 - 213 • The developers recommended that investments in other areas – perhaps downtown or
 - 214 bringing in commercial closer to neighborhoods – could be more effective.

215

216 Bryan noted the developers stated the projects that cost \$10 million or more “are few and far
217 between” in this area. Bryan also said the assembly of some of the properties along the State
218 Road 16 corridor could cost between \$10 and \$15 million. Bryan also said, “It may take more
219 time and energy out there to do a bigger project to make the transformation happen. Otherwise
220 it’s the opportunities to add more capacity in those surface parking lots where it makes sense.
221 That seems likely out in front of those boxes.”

222

223 Bryan said that while the developers had not spent a significant amount of time discussing
224 transportation, he also stated, “That’s going to be a driver out there, too. We just have to respond
225 to that and know what that means, and how to cue up infrastructure improvements that can lead
226 to successful reinvestments of existing facilities or redevelopment if it were to take place.”

227

228 Ann asked if any changes that occur along the State Road 16 corridor likely will be spurred by
229 the individuals who already own the properties there. Ann said, “I don’t see that as a land
230 assembly. I see it as a different approach completely.”

231

232 Jeff said complications would arise if the city decided the road network was crucial and also
233 decided a connection at a certain location was necessary. Jeff told Ann the city would need to be
234 involved in the process as it would be impacting private land. Jeff said, “For redevelopment of
235 the site, it seems like it is difficult to figure out how to assemble land.”

236

237 Bryan said, “It’s going to be a delicate balance between saying you’ve incentivized more
238 capacity out there including more development or maybe new development with more
239 residential. That may drive more trips. That may create more conflicts with congestion or
240 access issues that may need more capital improvements to new roadways. It will be interesting
241 to see how it evolves over time out there. It seems like the focus was in those parking lot areas,
242 and the existing sites that are out there that are currently active. The one that Gundersen [Health
243 System] has is another greenfield site out there. ... It’s infrastructure at the same time that’s
244 going to drive some of those improvements.”

245

246 Jeff noted one of the developers is doing a housing project near this area, and the developer told

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247 Jeff there are positives to people wanting to live near the State Road 16 corridor. However, Jeff
248 also said the developer told him he did not feel at this point people would be attracted to residing
249 “right in it.” Jeff said the developer’s view regarding having mixed-use development within the
250 commercial area is that people would value living near it, but not directly in it.

251

252 Bryan said some businesses might react to what Valley View Mall does.

253

254 Katie said one question that has been raised is how to bring in more pedestrians and bicyclists to
255 the commercial properties along the edges. Katie acknowledged it is difficult to traverse that
256 area on a bicycle and said there has been discussion about establishing a potential trail
257 connection to the Village of West Salem.

258

259 Bryan said the developers had seen the slides of the capture rate along State Road 16, noting
260 individuals who live 45 minutes away come to this area. Bryan said, “The amount of dollars
261 spent, it’s almost double of what the capacity of Onalaska and the surrounding area ... it’s
262 almost double of that from outside forces coming in there. It’s a regional retail destination.”

263

264 City Administrator Rindfleisch said that while not all of the developers were uniform in their
265 opinions, he believes there is more excitement about the opportunity to redevelop downtown on
266 a more immediate basis than face some of the challenges the State Road 16 corridor would
267 present.

268

269 b. Discussion regarding Open House Format:

270 i. January 8, 2019 from 5:30-7 p.m. at Irving Pertzsch Elementary School;

271 ii. List of materials;

272 iii. Comment card(s); and

273 iv. Draft board samples

274

275 Bryan said the open house will be held in the Community Room at Irving Pertzsch, and it will be
276 more of a traditional open house in that all the materials will be on boards, with the ability to
277 provide comment on each of the boards as well as a handwritten comment card to obtain general
278 feedback from the public. Bryan said he and Jeff likely will run through the issues and
279 opportunities, the market findings, and there will be a focus on the framework concepts (using
280 precedent imagery) and key improvements (bike/pedestrian, parking, paseo). Bryan said one of
281 the strategies that had been discussed was taking that same information and making it available
282 online as a Survey Monkey link at cityofonalaska.com for view and comment.

283

284 Bryan said the open house will begin with a welcome, an orientation, and a background on what
285 has evolved in downtown Onalaska since the last time citizens saw planning in the downtown
286 district. From there, Bryan said HKGi would provide current existing conditions, summarize the
287 market analysis, and then show the framework plans and break them out into the core areas with

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288 precedent imagery, development character, and some of the ideas of the downtown strategies.
289 Bryan said he and Jeff will be at the boards to answer questions, and he said the boards could
290 provide a geographic layout of the area, and citizens can be asked about development types and
291 what they would like to see in specific locations. There are areas for citizens to provide
292 comments via Post-It Notes or the “dot exercise.” Bryan said he and Jeff will distill all the
293 information they gather from the public and present it to the CDA at its January 9 meeting. Jeff
294 said he believes there will be another window of online review for a couple of weeks after the
295 meeting. Bryan said he and Jeff will have more information about downtown Onalaska, and they
296 also will summarize State Road 16. Boards will be place on stage, the two projects will be
297 isolated, and there will be tables for people to complete comment cards.

298

299 Ald. Binash told Bryan there might be citizens who will ask questions about Marvin Wanders’
300 proposed housing development at the waterfront. The Common Council on Tuesday approved
301 the General Development Plan for Marvin Wanders’ project.

302

303 John noted the CDA had discussed at its November 14 meeting how to advertise the open house,
304 and he said the public needs to understand “what the topic is, and what the topic isn’t.”

305

306 Bryan asked if the discussion at the Common Council meeting included the fact the January 8
307 open house is an opportunity to discuss downtown Onalaska more broadly and not necessarily
308 review Marvin Wanders’ project in particular.

309

310 Mayor Chilsen said he had announced the intent of the open house at the Common Council
311 meeting, but he also cautioned that citizens will ask any questions they wish.

312

313 Bryan said he and Jeff can research Marvin Wanders’ project, the proposal, what it means, and
314 the process by which that project will move through the city’s channels.

315

316 John asked if Marvin should be invited to participate in the open house.

317

318 City Administrator Rindfleisch said he believes that doing so will invite what the city is
319 attempting to avoid. City Administrator Rindfleisch also said he believes the boards Bryan and
320 Jeff showed CDA members show the type of development in the riverfront living corridor as part
321 of this broader project. City Administrator Rindfleisch said, “I think by having those same kinds
322 of boards focused on, this is a portion of the full development, people will still have questions
323 about, is it too tall or will it block my sightlines or how many trees will have to be taken down.
324 But it will be in a location where the opportunity either for staff, or they can observe for
325 themselves, to see it’s part of the broader project.”

326

327 Ald. Olson noted there had been “negative people” attending Tuesday’s Common Council
328 meeting who spoke against Marvin’s project. Ald. Olson said, “It was contrived, and I’m pretty

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329 sure I know who the instigators were. They're always the same people. They were against it,
330 and they tried to do it and we prevailed because this is a worthwhile opportunity. I made a
331 statement to them and said I think the only mistake that we made previously is the fact that we
332 didn't address parking as seriously as we are. And I guaranteed everybody that we would make
333 that the primary concern."

334

335 Bryan said he and Jeff do not intend to give a formal presentation to anyone as there only will be
336 a few chairs and tables.

337

338 Ald. Olson told Bryan he thinks what he and Jeff want to attempt to do is "great," meaning
339 presenting the facts and showing the positive aspects of what could occur. Ald. Olson said, "If
340 you can control that ... If somebody doesn't let you control this, if they're being very rude and
341 obnoxious, then they look bad and not you. We want to get to the point where you're taken
342 seriously. We told everybody about the meeting and that it's important that you have this
343 information. We're not trying to hide anything from you."

344

345 Katie said those in attendance at Tuesday's Common Council meeting expressed a desire for
346 open space, opportunities to have festivals or farmers markets, and also for more outdoor dining.
347 Katie said, "They brought up a lot of the things we've been talking about in this. I think having
348 an emphasis not necessarily so much on the map, but more on the pictures and the different looks
349 of what it can be and the activity of, what is it that you like? Then, if they're scared of
350 multifamily and they have a vision of a five-story structure, [we can tell them] what we're
351 actually looking at ... You had in your notes a maximum of three stories potentially on the upper
352 side because of the elevation changes. These are one- to two- to three-story structures that fit in
353 with the neighborhood. I think what they're asking for, they're going to get. And I think they're
354 going to be pleasantly surprised because everything they've called out are things we've been
355 discussing."

356

357 Mike suggested going back, looking at some of the high-priority items for the waterfront that
358 have not yet transpired and making sure they are part of the process.

359

360 Jeff referred to a list of activities and said he and Bryan had heard they were activities residents
361 wanted when HKGi was involved with a project in Fergus Falls, Minnesota. Jeff said he and
362 Bryan could do something similar for Onalaska.

363

364 Ald. Olson said he believes both Bryan and Jeff are knowledgeable and serious, and their
365 positive attitudes will change the atmosphere of what the vision is.

366

367 Mayor Chilsen expressed a desire to have Robbie Young, the owner of Coulee Bicycle Company
368 on Main Street who spoke in favor of Marvin's project Tuesday at the Common Council
369 meeting, to attend the January 8.

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370
371 Mike asked Katie what has been decided regarding inviting the public to the open house.

372
373 Katie said she will be working closely with HKGi to craft “an appropriate message,” meaning a
374 letter will be written and mailed to everyone within the district area. That will include Robbie
375 Young, Mary Cody, Matt Boshcka of David Reay’s, and all the residents. Katie said there also
376 will be a press release, and she said she anticipates the open house will generate ample news
377 coverage. Katie noted the Facebook pages of both the Police Department and Parks and
378 Recreation Department are active, and she said Facebook is a tool with which the city will
379 promote both the open house and the Survey Monkey in addition to cityofonalaska.com. Katie
380 said she hopes to send out a reminder notice one week before the open house.

381
382 Ann asked if staff could create and distribute a mini-flier promoting the event as citizens come to
383 City Hall to pay their property taxes.

384
385 Katie said fliers could be placed on the counter.

386
387 John suggested obtaining citizens’ email addresses for future use, also suggesting they could
388 receive e-newsletters from the city.

389
390 Katie said staff still has a list of citizens’ email addresses from when the city was attempting to
391 reroute the Badger Coulee Line.

392
393 Ald. Binash said the general feeling he got from those who attended Tuesday’s Common Council
394 meeting was that people wanted open space and a park-like setting. However, Ald. Binash also
395 said there would be a significant amount of traffic. Regarding the citizens who spoke against
396 Marvin Wanders’ project due to the traffic and lost views, Ald. Binash said, “That’s just a small
397 part of what we have to offer here in the city.”

398
399 Jeff suggested giving citizens the opportunity to write down their email addresses on the sign-in
400 sheet when they arrive at the open house.

401
402 **Item 5 – Review and Consideration of Onalaska Redevelopment Planning Invoice #018-**
403 **036-5 from Hoisington Koegler Group inc. (HKGi)**

404
405 Motion by Ald. Binash, second by Ald. Olson, to approve Onalaska Redevelopment Planning
406 Invoice #018-036-5 from Hoisington Koegler Group inc. (HKGi) in the amount of \$3,899.75.

407
408 On voice vote, motion carried.

409
410

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411 **Adjournment**

412

413 Motion by Ald. Olson, second by Ald. Binash, to adjourn.

414

415 The meeting was adjourned at 4:29 p.m.

416

417

418 Recorded by:

419

420 Kirk Bey