



Community Development Authority Agenda

Wednesday, February 8, 2023 @ 4:00 PM

415 Main Street, Onalaska WI 54650

Meeting in person in Room 112 & remotely on Zoom

Members of the public wishing to attend remotely and provide public input:

Meeting Link: <https://us06web.zoom.us/j/87918556252?pwd=aDBJY2F1ZGFKNWIURUFEQzQwQmZDZz09>

Phone Number: 1-312-626-6799 Meeting ID: 879 1855 6252 Password: 54650

1. Call to Order and roll call.
2. Consideration and action on minutes from the previous meeting.
3. Public Input (limited to 3 minutes per individual).

Consideration and possible action on the following items:

4. Discussion on potential Facade Improvement Program for Commercial Properties.
5. **Closed Session:** To consider a motion to convene in closed session under Section 19.85(1)(e) for the purpose of 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:
 - Downtown Redevelopment Opportunities

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

6. Adjournment.

Notice is hereby given that members of and possibly a quorum of the Common Council of the City of Onalaska who do not serve on the Community Development Authority and members of and possibly a quorum of members of other governmental bodies may attend this meeting to gather information about a subject over which they have decision making responsibility. No action will be taken by any governmental body at the above stated meeting other than the governmental body specifically referred to above in this notice.

Notices also provided to: Community Development Authority (**Mike Gargaro – Chair, Joe Bucheger – Vice Chair**, Ald. Diane Wulf, Ald. Dan Stevens, Ann Brandau, John Lyche, Ron Johnson), Common Council (Ald. Tom Smith, Ald. Leanne Stokes, Ald. Dan Stevens, Ald. Diane Wulf, Ald. Steven Nott, Ald. Larry Jiracek), Mayor Kim Smith, Interim City Administrator Amanda Jackson, Department Heads, Media, & Applicants.

In compliance with the Americans with Disabilities Act of 1990, the City of Onalaska will provide reasonable accommodations to qualified individuals with a disability to ensure equal access to public meetings provided notification is given to the City Clerk within seventy-two (72) hours prior to the public meeting and that the requested accommodation does not create an undue hardship for the City.

Statutory Notice Mailed and Posted: 02/01/2023

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1

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, February 8, 2023. 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 (either in person or remotely): Ald.
6 Diane Wulf, Mike Gargaro, John Lyche, Joe Bucheger, Ron Johnson. Ann Brandau arrived with
7 the meeting in progress.

8
9 Also Present (either in person or remotely): Planning Manager Katie Aspenson, Financial
10 Services Director/Treasurer Sabrina Steger, Planning Associate Erin Duffer, Planning
11 Department Intern Allie Johnson, Fire Chief Troy Gudie. Mayor Kim Smith arrived with the
12 meeting in progress.

13
14 Excused Absence: Ald. Dan Stevens.

15
16 **Item 2 – Consideration and action on minutes from the previous meeting**

17
18 Motion by John, second by Joe, to approve the minutes from the previous meeting as printed and
19 on file in the City Clerk’s Office.

20
21 On voice vote, motion carried.

22
23 **Item 3 – Public Input (limited to 3 minutes/individual)**

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

27
28 **Consideration and possible action on the following items:**

29
30 **Item 4 – Discussion on potential Façade Improvement Program for Commercial Properties**

31
32 Katie said that per the conversation that had occurred at the December 6 Community
33 Development Authority meeting, there appeared to be some interest in the CDA potentially
34 putting forth a Façade Grant Improvement Program. The CDA also had discussed a revolving
35 loan fund; however, Katie said this afternoon’s conversation will focus specifically on the grant
36 program due to the amount of staff time that would be necessary to create a revolving loan fund.
37 Katie said if the CDA wishes to pursue this avenue, staff potentially would invite representatives
38 from La Crosse County, which already administers a number of revolving loan funds, to ensure
39 that the City of Onalaska does not duplicate existing efforts. Katie said, “We want to make sure
40 that if we do this program that we’re filling a need that Onalaska specifically has for our
41 commercial entities.”

Reviewed 2/13/2023 by Katie Aspenson

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42
43 Katie said one way the CDA can assist City of Onalaska businesses and commercial entities is to
44 help individuals invest in their properties. Katie said businesses oftentimes focus on sales and
45 putting out a product for the public, and businessowners overlook potential façade improvements
46 such as awnings, signage, paint, or cleaning. Improvements to a building’s façade could lead to
47 increased attention and customers. Katie said she believes the City of Onalaska has a very high
48 standard of the commercial businesses in the community, and she told CDA members the intent
49 of this particular program is focused on the façade and the exterior improvements of the building
50 itself.

51
52 Katie noted staff had examined a number of different communities throughout the State of
53 Wisconsin, and she said there typically are a number of grant requests ranging from \$2,500 to
54 \$20,000. All of those different programs had a 1-to-1 match, meaning a municipality will, for
55 example, match an individual’s \$10,000 investment with \$10,000 of its own funding. Katie said
56 one thing all the communities had in common is that the municipality does not pay until a
57 businessowner expends the \$20,000 – the municipality pays \$10,000 upon completion of the
58 project and the presentation of receipts.

59
60 Katie said, “In looking at Onalaska, we were trying to figure out where in the community would
61 be an opportunity, or what area should we look at. When the new Unified Development
62 Ordinance was approved in 2020, we created two new mixed-use districts: Mixed Use-
63 Neighborhood, and Mixed Use-Community. The intention of those districts were to find
64 commercial businesses and/or that have a multifamily component to have them meld into the
65 surrounding area and not be really obtrusive.” Katie cited Oak Forest Dental, which is located
66 on Quincy Street, as an example, noting the property had been a vacant parking lot. Katie noted
67 the redevelopment of the property had involved the removal of a residential structure, the
68 construction of a dental office, the installation of screening and trees, and extensive work on the
69 building’s façade. Katie told CDA this is an example of infill development, which is the goal of
70 the Unified Development Code.

71
72 John noted there are few greenfield opportunities in the city.

73
74 Katie acknowledged that, “[The city is] running out [and has] very little left,” and she noted there
75 had been a significant amount of development from 2014 through 2016 that included significant
76 gains in terms of new construction. Katie said that while the city still is seeing some new
77 construction, she also admitted it has slowed significantly over the past few years due to a lack of
78 available land. Thus, prices are increasing, and Katie said, “Unless you have a really ... then
79 you’re probably not going to necessarily develop and we’ll have these tracts of land that just
80 continue until the right opportunity presents itself. This is a way to aid our existing businesses. I
81 will say there were a number of businesses that participated in WEDC’s business improvement.
82 ... Any new business that started or expanded into what was previously vacant space in 2022

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83 was able to get a \$10,000 grant from the state. It was a tremendous opportunity for our area, and
84 that was really helpful. In looking at it through that lens, this is another way we can help people
85 invest in their structure itself.”

86

87 Katie noted the document she had distributed to CDA members shows potential eligible costs,
88 including:

89

- 90 • Updates to or restoration of historical facades or features.
- 91 • Entrances, doors, windows, awnings, canopies.
- 92 • Structural repair issues.
- 93 • Removal of existing materials and replacing or updating a building’s appearance, such as
94 what is occurring at the former Masonic Temple on Main Street.
- 95 • Siding, rails, exits, exterior lighting, signage, painting, roof repair.

96

97 Katie said based off the four different communities she had looked at for ineligible costs, it had
98 been very consistent that this grant is not for new construction, nor is it for additions, the
99 purchase of land, or necessarily for a building’s interior (i.e., restoration, furnishings, inventory,
100 operating capital, permit fees, legal fees). Rather, individuals must invest in a building’s exterior
101 façade, and items such as pest extermination, fire alarms, sprinkler systems, security systems,
102 landscaping, and parking lots are not eligible for funding.

103

104 John noted both metal and vinyl siding do not qualify.

105

106 Katie said what is being presented is merely a suggestion.

107

108 Katie noted CDA members had requested a list of properties that potentially could be located in
109 one of the following districts: B-1, MU-N, and MU-C. Katie said Erin had reviewed every
110 property located within one of the aforementioned districts, and she told CDA members the
111 properties listed in the packet Erin has compiled have a commercial component to them. Katie
112 said the purpose of the list is not to say that all of the businesses and entities on it require this
113 program. Rather, Katie said its purpose is to provide an exhaustive list of all the properties that
114 are perhaps zoned that.

115

116 John asked, “None of these are including any residential?”

117

118 Katie said only if the property is mixed use (i.e., apartment on the upper floor, commercial on the
119 ground floor).

120

121 John inquired about the difference between MU-C and MU-N zoning.

122

123 Katie told John it is a zoning distinction, noting there would be fewer commercial-type

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124 businesses allowed in the MU-N District compared to the MU-C District. Katie directed CDA
125 members' attention to Table 13.02.22-1: Principal Uses and said a "P" notes that that use is
126 allowed in a specific district. A "PS" designation means that use is allowed in a particular
127 district, but certain standards must be met. Certain uses are not allowed in a district if it is blank
128 on the table. Katie cited an animal/veterinary clinic as an example of something that would be
129 allowed in the MU-C District, but not allowed in the MU-N District. Katie next cited a dog
130 boarding facility as an example of an establishment that would need to follow specific standards
131 regarding how far away setback and exterior dog runs would need to be from residential
132 properties.

133
134 Katie asked CDA members to focus their attention on the zoning map, which she showed to
135 them, and noted the city's two mixed-use districts are shaded in light (MU-N) and dark blue
136 (MU-C). Areas zoned B-1 are predominately located along Main Street. Katie noted Erin also
137 had pulled B-2 and B-3, and she said that while the city would allow a Target in an area zoned
138 B-3 red, it would not be allowed on Main Street as it is inappropriate in terms of size and scale.
139 Katie said the focus will be on the city's smaller businesses, which are located in the B-1, MU-N,
140 and MU-C districts.

141
142 John asked Katie to give an example of businesses in the B-2 District.

143
144 Katie pointed out businesses located along East Main Street such as Coldwell Bankers and dental
145 offices, and she said, "Just because you're in B-2 doesn't mean you can't be in B-1." Katie said
146 dental offices located in a B-2 District would have more opportunities to change the office as
147 compared to being located in a B-1 District.

148
149 Katie returned to the proposed grant program and noted the following:

- 150
- 151 • Projects may be tailored specific to the City of Onalaska.
 - 152 • Projects must be completed within one year unless an exemption is granted.
 - 153 • A project must begin within six months of approval.
 - 154 • All necessary state building approvals and permits must be obtained.
 - 155 • An applicant must pay for all construction work and retain all receipts. The city would
156 reimburse that individual upon final occupancy and final inspections.

157
158 Katie encouraged CDA members to review the list of parcels that is before them today in tandem
159 with the zoning map, go out into the field, and tell her if they believe this is a necessary program.
160 Katie said city staff can recommend, create ideas, and put together policies, and she told CDA
161 members that while staff might have a few opinions on the matter, she also noted this would be a
162 CDA program and that she needs total commitment from its members. Katie said, "To be all in,
163 you need to know which areas we're looking at. You need to believe that this is truly a project
164 for the city. It's entirely possible that if you go out and you survey these areas, we might not

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165 need it, or maybe we need it in one district. ... The worst thing that we do is create a new
166 program and then no one uses it because there isn't a need for it." Katie said staff can provide
167 maps to CDA members, and she again encouraged them to conduct research and determine if
168 they wish to proceed with this project. Katie said, "If the need is apparent and we want to
169 continue, then it would be moving forward to the actual development of the grant program. We
170 would have to create guidelines, policies, the applications, scoring grids, criteria – things of that
171 nature." Katie noted the CDA also would need to work with Sabrina as there would be an
172 auditing aspect to the program.

173
174 Katie next addressed the staffing aspect, noting the Planning Department typically has provided
175 much of the staffing for the CDA in terms of conducting background research and creating ideas.
176 However, Katie also cautioned that the development of a full program and administrating it is "a
177 very large task that currently is not on the workload of our Planning [Department] staff." Katie
178 said, "If this is something we want to move forward with, there may have to be a conversation of
179 the CDA assisting in paying for staff time to actually complete this work because this isn't
180 typical. It would be a new program we don't currently have."

181
182 John asked if La Crosse County administers programs similar to this one.

183
184 Katie said that while La Crosse County does not administer a grant program similar to this one,
185 the county does have a number of revolving loan funds.

186
187 John said perhaps some businessowners might experience a hardship if they have to expend
188 funds before being reimbursed, and he inquired about the CDA's current capital fund balance.

189
190 Sabrina told John the current balance is more than \$400,000.

191
192 John pointed out those funds are earning virtually no interest, and he suggested perhaps creating
193 a loan fund that is repaid from the grant funding. John said this would mean that, for example, a
194 businessowner who wants to improve his/her building façade would receive a loan from the
195 CDA at an interest rate of perhaps 12 percent. John said this would allow the CDA to profit
196 from the lending portion – half of the loan would be repaid in a grant, and the other half would
197 be repaid by the businessowner. John said that while that has not been done by any of the
198 communities that staff had researched and brought forward, he also said, "I thought it was an
199 opportune time to capitalize on helping our people in a way that is meaningful, but yet at the
200 same time improve the CDA funding."

201
202 Sabrina said what John had described sounds very comparable to a revolving loan fund that La
203 Crosse County administers, and she told CDA members the City of Onalaska does not qualify to
204 receive those revolving loan grant funds.

205

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206 John told Sabrina he is not speaking of a grant fund; rather, he is suggesting utilizing the CDA's
207 existing fund balance.

208

209 Mike said, "If I wanted to re-façade my building, say I'll do it [for] \$20,000. I pay back
210 \$10,000, and you charge me a rate of somewhere between 10 and 12 percent. We would do it."

211

212 John said, "I thought [La Crosse County] had a revolving loan fund _____ fall into that same
213 kind of professional management of so we don't put the liability on staff to try to do it in the
214 proper way. [Rather], we use existing staff that already knows what they're doing, and we pay a
215 nominal fee to make that happen."

216

217 Katie asked John if he is asking that La Crosse County run the program.

218

219 John told Katie yes.

220

221 Erin noted La Crosse County's current revolving loan fund is for capital improvements, and she
222 said, "It would be creating a new program with them as well."

223

224 John said, "I would consider it to be our program. We're just paying [La Crosse County] to
225 administer it."

226

227 Katie said she is willing to speak with La Crosse County representatives and determine their
228 interest.

229

230 John said his idea of having La Crosse County assist the CDA is that the county could take on
231 another five to 10 loans with very little effort. John said, "This was meant to take care of the
232 store fronts that need a little bit of sprucing up. We might affect, if we're lucky, probably 20
233 clients, total. To get [city staff] up to speed seems like an awful lot of much ado about nothing
234 when it's out there and already available."

235

236 Mayor K. Smith said that once she and Katie had focused on the actual properties, "I think we
237 need to establish, do we really need this? Just because we make it available, to what scope are
238 we going to make it available? And just because it's available doesn't mean people are going to
239 use it. I think it would be a good idea to have multiple people give feedback on, [for example],
240 the Center 90 area could really use a lift, or the downtown area, or the [State Trunk] Highway 16
241 corridor, which is kind of iffy because it's two sides of the street. ... Some areas are more needy
242 than others."

243

244 Ann said CDA members potentially could prioritize areas based on criteria that determines if
245 properties fit within the areas the CDA considers the most in need of updating.

246

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247 Katie noted a number of communities had created target zones and determined where they
248 wanted to focus the funding. Properties were given the first opportunity if they were located
249 within a target area. Properties not located within the target area only could receive funding if no
250 one located within that area had originally applied. Katie raised the possibility of multiple
251 individuals wanting to participate in the program, noting that funding would be extremely
252 limited. Katie said she would want to have conversations with individuals in the targeted areas
253 in addition to news releases and sending individual mailings.

254
255 Joe asked if CDA members should go to areas as a group.

256
257 Katie told Joe the CDA may create working groups – meaning three members or less, and
258 preferably two – and she noted the CDA would otherwise be creating a quorum. Katie told CDA
259 members they are welcome to work in pairs and target areas.

260
261 Sabrina noted she had worked on revolving loan funds when she was a La Crosse County
262 employee, and she told CDA members the accounting side of a revolving loan fund is not
263 complex. However, Sabrina also said, “If you have 20 different people who are paying the city,
264 they typically have to pay monthly. Somebody is reconciling that on a monthly basis on top of
265 duties of staff that we already have here at the city. That’s where the staffing [aspect] comes into
266 play. In my prior experience, some municipalities that had CDAs actually paid the municipality
267 for the work that the staff were doing. That’s something to keep in mind if you do go down the
268 route that you want the City of Onalaska to do it.”

269
270 John said, “My thought was that we would have to pay somebody. And I assumed that paying an
271 experienced party rather than going through the learning curve ... And it probably wouldn’t even
272 be 20 loans.” John asked Sabrina if an “arbitrage kind of deal” would be permissible – meaning,
273 the CDA would borrow funds from a bank at 5 percent and turn around and flip it to a property
274 owner at 12 percent – if the program were successful – meaning, 20 property owners agreed to
275 participate and received funding – and the CDA eventually got back half the funds it had loaned.

276
277 Sabrina told John that while she will need to conduct further research, her instinct is telling her
278 doing so is not an option.

279
280 John said that while the CDA would get back \$200,000 if it receives \$400,000 worth of requests,
281 there could a point at which the CDA would borrow from a bank and repay the bank as soon as
282 the CDA is repaid.

283
284 Sabrina reiterated she will need to conduct further research and said that while private businesses
285 may do what John is suggesting, she does not know if municipalities may do so.

286
287 Mike said, “You could just find a partner – financial – and send everybody to go there to do that.

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288 The bank is not doing the loan, the bank is not taking care of all of that. What are they going to
289 expect? Collateral from the CDA. For me, one easy thing would be [to say], ‘You have a
290 deposit account. Use that as your collateral.’ ”

291

292 John asked Mike if he is saying the CDA’s deposit account.

293

294 Mike said yes.

295

296 John said there might be individuals who will not want to speak to representatives at his/her bank
297 about installing an awning. However, those individuals will be willing to speak to City of
298 Onalaska representatives, and John said those individuals will not mind paying 12 percent
299 interest if it is only for six months. John said, “The idea is to encourage people in a
300 neighborhood to improve the neighborhood so that the neighbor next door will want do the same
301 thing.”

302

303 Erin asked CDA members if they want city staff to invite La Crosse County staff to attend the
304 next CDA meeting, or if they want city staff to engage in internal discussions with county staff.

305

306 John said, “I would recommend that you discuss it.”

307

308 Katie noted CDA members will perform their due diligence against the list they have been given,
309 and she told them staff can provide them with hard copy maps if they so desire. Katie said the
310 intent is not necessarily to name any one business, and she told CDA members staff is looking
311 for a cluster in any target areas they identify.

312

313 Ann suggested that perhaps there can be internal prioritization.

314

315 Katie said staff can assist with mapping and show CDA members different areas on a computer.

316

317 CDA members agreed to meet at 4 p.m. on Wednesday, April 5.

318

319 **Item 5 – Closed Session:**

320

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

325

- 326 • Downtown Redevelopment Opportunities

327

328 If any action is required in Open Session, as the result of the Closed Session, the Community

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329 Development Authority will reconvene in Open Session to take the necessary action and/or
330 continue on with the printed agenda.

331

332 Motion by Ald. Wulf, second by Joe, to convene in Closed Session.

333

334 On roll call vote: Ald. Diane Wulf – aye, Ann Brandau – aye, Ron Johnson – aye, John Lyche –
335 aye, Joe Bucheger – aye, Mike Gargaro – aye. In Closed Session at 4:39 p.m.

336

337 Motion by Joe, second by Ald. Wulf, to adjourn at 5:04 p.m.

338

339 On voice vote, motion carried.

340

341

342 Recorded by:

343

344 Kirk Bey