

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

Monday, October 26, 2015

1

1 The meeting of the Community Development Authority of the City of Onalaska was called to
2 order at 3:43 p.m. on Monday, October 26, 2015. 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: Ron Johnson, Ald. Jim Olson, John
6 Lyche, Mike Gargaro. Ald. Barry Blomquist and Ann Brandau arrived with meeting in progress.

7

8 Also Present: Mayor Joe Chilsen, Ald. Jim Binash, Land Use and Development Director Brea
9 Grace

10

11 Excused Absence: Mark Hansen

12

13 **Item 2 – Approval of minutes from the previous meeting**

14

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

17

18 On voice vote, motion carried.

19

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

21

22 Mike called for anyone wishing to provide public input.

23

24 **Jim Binash, First District Alderperson**

25 **700 Westwood Drive**

26 **Onalaska**

27

28 “There has been some discussion about a possible Tourism building in the Onalaska area, and if
29 the Community Development Authority would consider what this might mean to the Great River
30 Landing area that we’re discussing, if it has anything to do with the TIF District or if it’s going to
31 have some kind of positive or negative effect down there for the work that we’re going to be
32 doing.”

33

34 John said he believes this likely will become part of a “point of negotiation” between Mayor
35 Chilsen and City of La Crosse Mayor Tim Kabat.

36

37 Mayor Chilsen said if he is interpreting Ald. Binash correctly, Ald. Binash is asking if a Tourism
38 center would be the best use for the property because the city “would have to take a bigger
39 piece” than just fulfilling the requirements of the Wisconsin Department of Natural Resources.

40

41 Ald. Binash told Mayor Chilsen he is correct and asked if the property would have a positive,

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42 negative or no effect on the TIF District.

43

44 John said he does not object to a Tourism facility being constructed on the site because the city is
45 attempting to promote tourism. However, John also questioned whether the City of La Crosse
46 would approve of the facility being constructed in the City of Onalaska.

47

48 Ron expressed skepticism that the City of La Crosse would be agreeable to such a proposal.

49

50 John said he doubts that the TIF District would be affected.

51

52 Mike said Ald. Binash's question likely is an agenda item and promised it will be discussed
53 further under Item 4.

54

55 Mayor Chilsen said this topic should not be discussed during public input.

56

57 Mike called three times for anyone else wishing to provide public input and closed that portion
58 of the meeting.

59

60 **Consideration and possible action on the following items:**

61

62 **Item 1 – Update on La Crosse Area Development Corporation (LADCO) & the La Crosse**
63 **Area Oktoberfest in the Capitol event**

64

65 Mike said the CDA will return to this item when Mike Herro arrives.

66

67 **Item 2 – Update on the 7 Rivers Alliance's 2015 State of the Region Event November 4th**

68

69 Brea said she had included a notice for the meeting in CDA members' packets.

70

71 **Item 3 – Review and discussion on 2015 Comprehensive Plan: Chapter 7 – Economic**
72 **Development**

73

74 Brea said a "solid draft" of the 2015 Comprehensive Plan has been completed and may be found
75 at cityofonalaska.com. Brea noted that while the CDA already has reviewed the Economic
76 Development chapter, she said City Attorney Sean O'Flaherty was asked to examine the entire
77 document. Brea said legal counsel asked that future growth areas (economic development sites)
78 be defined more specifically and she identified the following sites that could be added to the list:

79

80 • Mayo Clinic site on Sand Lake Road

81 • Elmwood site on Sand Lake Road

82 • TIF No. 4/State Road 35 corridor/Great River Landing. Brea said legal counsel has asked

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83 for more specificity regarding the State Road 35 corridor and that she believes this
84 corridor runs from Main Street to the railroad bridge to the south.

- 85 • Elmwood Business Park, which is located along Theater Road and Midwest Drive
- 86 • The business park located south of County Trunk Highway OT and United States
- 87 Highway 53
- 88 • State Road 16 corridor north of Interstate 90 to Nathan Hill
- 89 • North Kinney Coulee Road and the economic overlay areas

90

91 Mayor Chilsen inquired about the Nicolai property.

92

93 Brea said the Nicolai property is part of the State Road 16 corridor.

94

95 Mayor Chilsen noted that the Schroeder property has been sold to La Crosse County and said
96 there have been discussions about constructing a road with a new entrance because at times the
97 entrance to the La Crosse County Landfill becomes congested.

98

99 John asked if there is a description of how many theoretical acres could be developed in the
100 comprehensive plan.

101

102 Brea said no.

103

104 John suggested including this information.

105

106 Brea suggested including a map that would display these areas.

107

108 John suggested showing access or distance to Interstate 90 and related business areas. John also
109 suggested adding Gundersen to the list and said further development could occur on the Menards
110 site.

111

112 Brea said legal counsel also suggested examining changes in technology (e.g. drones,
113 broadband).

114

115 John inquired about the city's water infrastructure, noting that there are cases of lead poisoning
116 in older cities.

117

118 Brea noted that much of the city's growth has occurred since the 1950s and 60s and said there
119 are newer pipe systems present. Brea also said City Engineer Jarrod Holter told her many of the
120 older pipes in the core of downtown have been changed out. Brea also pointed out that the city
121 has invested approximately \$3 million in the reconstruction of Well No. 9.

122

123 John asked if there are any advantages stemming from CapX2020 that can be included in the

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124 Comprehensive Plan.

125

126 Mike Herro said the regional infrastructure is much stronger and creates grid strength.

127

128 Brea promised to add information regarding the fact Onalaska High School was named a
129 National Blue Ribbon School.

130

131 Mike Gargaro noted that other communities utilize citywide Wi-Fi.

132

133 Mike Herro noted that natural gas is available throughout the city, and he also noted that there is
134 a CNG refueling station located in the La Crosse Industrial Park.

135

136 Mike Gargaro said the CDA would now return to Item 1.

137

138 **Item 1 – Update on La Crosse Area Development Corporation (LADCO) & the La Crosse**
139 **Area Oktoberfest in the Capitol event**

140

141 Mike Herro said the intent of this event, which is held every other year, is to bring forth issues
142 that are important to La Crosse. Mike said the idea is to reach both the legislators and the
143 department heads. Mike said he believes some of the meetings with the department heads are
144 “more impactful,” noting he had attended a meeting with the Wisconsin Department of Natural
145 Resources. Each individual attending the event was given a packet, and Mike noted that his team
146 was scheduled to speak to five legislators. Although the team was unable to speak to the
147 legislators due to the State Assembly being in session, Mike said the team was able to speak to
148 their respective staffs.

149

150 Mike highlighted the following from the packet he had distributed to CDA members:

151

- 152 • Page 2 describes the La Crosse area.
- 153 • Page 3 contains information regarding historic building rehabilitation tax credits. The
154 report notes that every dollar for historical tax credit funding leverages at least \$5 in
155 private investment. Mike also pointed out that the program does not include buildings
156 constructed after 1936 and said there was a request to allow for some funding for
157 buildings constructed after 1936.

158

159 Brea noted that several buildings in the City of Onalaska were constructed after 1936 and said
160 she and Planner/Zoning Inspector Katie Aspenson had obtained grant funding from the
161 Wisconsin Historical Society to perform an inventory of all the city’s historical properties. Brea
162 said the goal was to get property owners to acknowledge they have an older structure to
163 encourage renovation and provide information about historic tax credits.

164

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- 165 • Page 4 contains information regarding workforce shortages. Mike noted that many
166 businesses, including some in the City of Onalaska, are experiencing workforce
167 shortages. Mike noted that one of the suggestions to address this challenge was to
168 establish workforce response teams to identify at-risk companies and develop solutions
169 for building steady talent pipelines into the workplace. Another suggestion was to
170 encourage the state to work harder at convincing recent college graduates from
171 Wisconsin universities to remain in the state.

172
173 John asked which professions are being targeted.

174
175 Mike said he believes the fields of science and engineering are among the professions being
176 targeted.

- 177
178 • Page 5 contains information regarding economic development issues in the Legislature.
179 Mike said LADCO has a good relationship with the Wisconsin Economic Development
180 Corporation. Mike noted that LADCO supports two priorities being emphasized by the
181 Wisconsin Economic Development Association: increase TIF limits from 12 to 15
182 percent, and remove the 25 percent vacant land restriction. The summary of this report
183 states that LADCO “*would like changes at WEDC to be constructive and in the spirit of*
184 *continuous improvement rather than punitive and hobbling.*” The report also notes that
185 WEDA has asked the Legislature to “*retain flexibility in funding, to enhance*
186 *accountability and transparency, and accept the view that lending programs must be a*
187 *key piece in the economic development toolbox.*”

188
189 Brea noted a committee at the state level was created to examine TIF legislation and said there
190 are bills going through the Legislature. One such bill addresses assistance for distressed TIFs,
191 and Brea said this will return to the agenda at a future CDA meeting. Brea said the Finance and
192 Personnel Committee has asked the CDA to reevaluate the TIF 4 District.

- 193
194 • Page 6 contains information regarding the future of transportation in the area. Mike said
195 the request is to obtain a sustainable funding mechanism to keep transportation sound in
196 the region. Mike also noted that some La Crosse County roads will wait 80 years for
197 major reconstruction.
198 • Page 7 contains information regarding expanding the La Crosse Center. Mike said the
199 primary goal was to request assistance from the State Building Commission, adding he
200 believes a request for assistance will occur in 2016.

201
202 **Item 4 – Update and discussion on the Building the Great River Landing Project**

203
204 Brea said the Great River Landing Planning document received an award “for a plan of
205 unusually high quality and effectiveness” from the Wisconsin Chapter of the American Planning

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206 Association. Brea said the criteria on which the plan was judged included originality,
207 innovation, transferability, quality, public participation, role of planners, effectiveness and
208 results. Brea said the city has been tentatively selected to receive a Wisconsin DNR Grant in the
209 amount of \$346,000. The archaeological work for the DNR site has been completed, but Brea
210 noted there might be more artifacts located on Irvin Street which is not part of the WDNR grant
211 project site. City funding will be utilized to reconstruct Irvin Street. Brea said Phase I
212 construction funding has been discussed with the Tourism Commission, the Finance and
213 Personnel Committee and the Common Council. Brea said the Tourism Commission had
214 discussed utilizing reserves from the fund balance in the Special Projects account. However, the
215 Tourism Commission recommended utilizing 100 percent bonding for the project. Brea noted
216 this option also was discussed at the Finance and Personnel Committee and Common Council
217 meetings and said it will be placed in the 2016 Capital Improvements Budget, where final
218 decisions will be made regarding how much will be bonded.

219
220 Brea noted the proposed cost of Phase I was \$2.75 million and said the Finance and Personnel
221 Committee recommended deleting \$200,000 for the spray fountain and utilities, and also deleting
222 \$200,000 for the amphitheater and stone steps. Doing so reduces the cost of the project to
223 \$2,350,000. Brea said \$2 million of city funding will be required once the grant is accounted for.
224 Brea said the annual debt service payments would be \$140,000 from room tax revenues if a
225 conservative borrowing rate is utilized. Brea said there would be no impact to city taxpayers for
226 construction and added staff is looking into utilizing some of room tax dollars to fund the needed
227 additional maintenance. Brea noted that the Phase I design is currently at 30 percent and said the
228 Common Council had approved contracting with Short Elliott Hendrickson to get to a 100-
229 percent design. The design cost total is nearly \$150,000. Brea said \$100,000 was funded from
230 the CIB, and the remaining \$50,000 would be withdrawn from the Special Projects account.
231 Brea said the Phase I final design kickoff meeting with the Great River Landing Committee will
232 be held at 7 p.m. Wednesday.

233
234 Brea shared the following tentative timeline:

- 235
- 236 • An architectural open house would be held Wednesday, November 18.
 - 237 • The desired deadline to put the project out for bid is late February 2016.
 - 238 • The bid award would be approved in April 2016.
- 239

240 Ann inquired about the site where the amphitheater was planned.

241
242 Brea said this needs to be determined.

243
244 Mike Gargaro said this would be an appropriate time to discuss a Tourism facility at the Great
245 River Landing.

246

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247 Ald. Binash said local communities have been collaborating on intergovernmental tourism and
248 noted there has been discussions on possibly constructing a Tourism facility in close proximity to
249 where the trailhead will be built. Ald. Binash asked if constructing a Tourism facility in the area
250 of the Great River Landing would affect the TIF 4 District and said, “It seems that there’s
251 support for this issue, but the dollars to build it needs to be addressed. But otherwise, it might be
252 appropriate to this committee to either get your approval or disapproval or a discussion on a
253 building addition onto the trailhead facility and if that would be a negative or a positive.”

254
255 John noted there is an area in Colorado with a tourism site that, while not very large, shows films
256 and excites visitors about the viewing area. John said if a 5,000 square foot facility with full
257 amenities is constructed at a cost of \$200 a square foot, he believes this would allow for a
258 structure that is of sufficient quality and design that could include build-out for electronic and
259 other infrastructure items. John said doing so would increase the cost of the project by
260 approximately \$1 million and pointed out that the annual debt service payments of \$140,000
261 would increase by approximately \$70,000.

262
263 John said, “It does two things for us. One is it gets us a first-class facility, and I think \$200
264 wouldn’t be a first-class facility. It also creates another reason for traffic to come to Onalaska. It
265 creates another reason for us to do the rest of our projects going forward. It seems to me our site
266 is a little bit anemic and lacking anything that’s a real draw besides our bridge that comes with
267 Phase II or III. It would seem that that would be an ideal kickoff for actually making this a stop-
268 off point for anybody considering going from the Tourism center. It could be a site whereby you
269 could have some audio-visual aids where it’s not just getting pamphlets like we always see at
270 these rest stops. Instead it could be a spot where you could actually do something of some
271 meaning, and we could probably get some grant funding for making it a first-class facility.”

272
273 Ann said it seems that what John is proposing – a trailhead facility coordinated with a Tourism
274 center – is similar to the previously proposed Great River Cultural and Tourism Center. Ann
275 said it is her understanding that the city would not be solely responsible for funding such a
276 facility if there is a regional tourism entity.

277
278 John said that going forward there are limited options as to how room tax dollars may be spent.

279
280 Mayor Chilsen said the city will have approximately \$611,000 available on an annual basis.

281
282 John said, “It seems to me to divert \$70,000 to create a first-class facility on a 20-year bond, this
283 would get us to a point where we actually had something we could point to with pride. Yes, it
284 puts our trailhead on the map. But more importantly, it puts the Great River Landing on the map
285 because it is now something that we can actually say there is more here than just an amphitheater
286 with a water feature out front. It has some substance to it.”

287

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288 Mayor Chilsen said assuming that there is \$13 million in room sales, the city would have to pay
289 in about \$429,000 to the new Tourism entity, which is 3.3 percent, the first two years. This
290 amount decreases to 2.8 percent the third year and years thereafter. Mayor Chilsen reiterated
291 that the city would have approximately \$611,000 and noted that funds will be required to
292 compensate Financial Services Director/Treasurer Fred Buehler and also fund the Omni Center.
293 Mayor Chilsen said he hopes the city can fund \$200,000 to the Omni Center every year. Mayor
294 Chilsen said a regional tourism entity will make more funds available for both the waterfront and
295 the Omni Center.

296
297 Ann asked who would be involved in the design of a trailhead/tourism center.

298
299 John said he is unsure.

300
301 Ald. Binash suggested examining the tourism facility in Richland Center, which has a railroad
302 theme. Ald. Binash said he planned to attend [Wednesday] evening's [Great River Landing
303 Committee] meeting and suggesting that perhaps Short Elliott Hendrickson should look at
304 making plans for a single-level addition to the trailhead. If the trailhead is constructed, it could
305 be constructed with an addition in mind.

306
307 Ald. Blomquist noted Jarrod has said that "if any of this that moves forward it delays the project
308 for a year." Ald. Blomquist also asked, "Why are we paying SEH to plan a building that we may
309 change?"

310
311 Ann said SEH can plan the facility in two stages by designing it so the trailhead piece is
312 completed and then designing it to include the addition of the next section.

313
314 Brea said there will be discussions regarding about the facility. Brea said, "If we add on to this
315 building we're looking at some big site changes and some big grading changes because there's
316 so much of a drop on that site."

317
318 Ald. Blomquist said that while he agrees with John's financial analysis, he also asked, "Is the
319 intent for the new tourism entity to rent this facility?"

320
321 Mayor Chilsen said yes, noting that the City of Onalaska would serve as the landlord of the
322 facility. Mayor Chilsen noted that the La Crosse Area Convention and Visitors Bureau will need
323 to vacate its current location in 2016 and said, "They're looking. We don't have to move out of
324 the Omni Center. We have some time to put this together."

325
326 Brea said it is possible the Wisconsin DNR funding "may be gone" if the city proceeds with
327 adding on to the trailhead right away. Brea noted that the project must be completed within a
328 year as a condition of the grant and said the city might have to decline the \$346,000. Brea also

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329 suggested that perhaps the former Braund Lumber site might be a more ideal location.

330

331 Ann said she sees no reason why the tourism center could not be constructed in the same area,
332 but in a different location.

333

334 John referred to Ald. Binash's suggestion to construct the trailhead at a lower level and asked
335 why a facility could not have access at both a lower level and an upper level.

336

337 Ald. Blomquist said this would thwart progress on the trailhead facility.

338

339 Brea said the city would then lose its Wisconsin DNR grant funding as the trailhead facility must
340 be completed within one year.

341

342 Mayor Chilsen noted that the regional tourism entity has not been finalized and it requires
343 Common Council approval. Mayor Chilsen noted that no one is seeking a facility that can be
344 occupied in one year and said in theory the new entity is "ready to go" on January 1. However,
345 each community's governmental body must first approve the new entity.

346

347 Ald. Olson asked Mayor Chilsen, "Have they given you an OK on your idea of them moving to
348 our facility here?"

349

350 Mayor Chilsen said yes, noting that there is no written agreement and reiterating that the La
351 Crosse Area Convention and Visitors Bureau must vacate its current location.

352

353 John excused himself from the meeting.

354

355 Ron asked if the City of Onalaska would have to pay the City of La Crosse if a tourism center is
356 constructed there.

357

358 Mayor Chilsen said yes.

359

360 Ald. Blomquist asked if any other possible locations have been discussed.

361

362 Mayor Chilsen said no.

363

364 Ann said she believes Onalaska is "a logical place" to construct a tourism center as it is close to
365 Interstate 90.

366

367 Ald. Binash noted that a director and board members ultimately will make the final decision on
368 the location. Ald. Binash said he would like the city to proceed with construction of the trailhead
369 facility and parking. Ald. Binash also said discussions regarding the location of the tourism

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370 center will occur at a later date.

371

372 Mayor Chilsen said he does not want the city to lose its \$346,000 grant.

373

374 Brea said she will speak with SEH about expansion.

375

376 **Item 5 – Closed Session:**

377

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

382

- 383 • Discussion related to development and refinement of negotiating and development
384 strategies as well as review of development proposals for TIF 4 District.

385

386 If any action is required in Open Session, as the result of the Closed Session, the CDA Board
387 will reconvene in Open Session to take the necessary action and/or continue on with the printed
388 agenda.

389

390 Motion by Ald. Olson, second by Ann, to convene in Closed Session.

391

392 On roll call vote: Ann Brandau – aye, Ron Johnson – aye, Ald. Barry Blomquist – aye, Ald. Jim
393 Olson – aye, Mike Gargaro – aye. In Closed Session at 4:57 p.m.

394

395 Motion by Ald. Olson, second by Ann, to adjourn from Closed Session.

396

397 On roll call vote: Ann Brandau – aye, Ron Johnson – aye, Ald. Barry Blomquist – aye, Ald. Jim
398 Olson – aye, Mike Gargaro – aye.

399

400 Adjourned from Closed Session at 5:00 p.m.

401

402 Recorded By:

403

404 Kirk Bey