

**Plan Commission
of the City of Onalaska**

Tuesday, July 26, 2016

1

1 The Meeting of the Plan Commission of the City of Onalaska was called to order at 7:00 p.m. on
2 Tuesday, July 26, 2016. It was noted that the meeting had been announced and a notice posted at
3 City Hall.

4
5 Roll call was taken, with the following members present: Mayor Joe Chilsen, Ald. Bob Muth,
6 City Engineer Jarrod Holter, Jan Brock, Paul Gleason, Skip Temte, Craig Breitsprecher, Andrea
7 Benco

8
9 Also Present: City Clerk Cari Burmaster, Deputy City Clerk JoAnn Marcon, Interim Land Use
10 and Development Director Katie Aspenson, City Attorney Sean O’Flaherty, Financial Services
11 Director/Treasurer Fred Buehler

12
13 **Item 2 – Approval of minutes from the previous meeting**

14
15 Motion by Craig, second by Andrea, to approve the minutes from the previous meeting as
16 printed 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 per individual)**

21
22 Mayor Chilsen welcomed public input at this time.

23
24 **Dave Trapp**
25 **323 East Larkspur Lane**
26 **Onalaska**

27
28 “We recently put in a neighborhood watch because we’ve had some minor crime, and I can
29 appreciate that the city needs tax revenue for all kinds of worthwhile purposes. But I’ll speak to
30 a different issue other than budgets and everything else that other people are going to talk about,
31 [and it’s] a very general issue, too. Has anybody read “Freakonomics?” Anybody? Nobody?
32 OK. Well, the intended consequence of this action is to raise revenue. The unintended
33 consequence, actually, would weaken all the instruments in our civilization that are trying to
34 teach the person not to break in my garage in Elmwood. It’s as simple as that. Thank you.”

35
36 **Lee Fehr**
37 **617 Hanson Court**
38 **Onalaska**

39
40 “I’m a member of St. Paul’s Lutheran Church in town here. I’m also an attorney in town. I’ve
41 been having my for-profit business for quite some time now. With regard to the ordinance
42 you’re considering tonight, I would like you to think about a few things. First of all, our

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43 churches and religious institutions are a great blessing to our community. Many of them have
44 schools attached to their institutions, which are a long and historic tradition. Our Constitution
45 protects that right of religious mission. It is not a for-profit motive. I have heard some people
46 make this argument on the Council that because they gain revenue they are for-profit. Their
47 ministry is their mission – not money. Money is the mission of the businesses that we have in
48 town, like mine, like the mall [Valley View Mall] and a few others. Their ministry, their mission
49 is about serving the community, and they do it in their own way and in a great way that benefits
50 your city government. They have elected you as citizens of this town to serve them. Their
51 ministries are not here to serve the city as a form of government. [They are here] to serve the
52 people of this community, and they don't need to be taxed. We can call it a Payment in Lieu of
53 Taxes and we can say it's voluntary, but the reality of it is for most of it it is like having a mob
54 saying, 'I won't throw a brick through your window if you sign this document.' It's a very
55 intimidating process, and it's really something that the citizens of this town have not asked for.
56 We have general revenue that takes care of the needs of our community. We have a great police
57 force, fire department, et cetera. We have a great Common Council. Our taxes from general
58 revenue sources adequately meet the needs of this community. We don't need to search out
59 these little areas and just grab money because we can. It defeats the very nature of our charitable
60 institutions. Then you have all the other kinds of ramifications that really complicate this. For
61 example, our public school district has needs as well from a fire and safety [standpoint]. Do you
62 tax them when they want to build? They're not for-profit. We have citizens within the city that
63 send their children to Holmen, so are they going to pay for protecting our schools here? They're
64 no different than Luther High School."

65

66 Mayor Chilsen informed Lee that he had reached his three-minute speaking limit.

67

68 Lee said, "If I may just finish up. I think that this ordinance should just be squashed. We don't
69 really need it, and it's not wanted. Thank you."

70

71 Katie read into the record the following letter from Amy Urbanek, 765 Domke Street, Onalaska:
72 *"I have lived in Onalaska for most of my life. I am against the PILOT program. What is the*
73 *difference between a fee and a tax? [It] sounds the same to me. Nonprofit, property-owning*
74 *organizations are usually filled with people who are trying to make the city a better place to be.*
75 *If you charge this fee some of them may have to close. This could greatly affect our community.*
76 *I ask you to reconsider what you are doing."*

77

78 Katie read into the record the following letter from Gerry and Marilyn Lee, W6753 Cloverdale
79 Road, Onalaska: *"As a resident of the Onalaska community and member of Rivers Harvest*
80 *Church, we are very concerned about the implementation of the PILOT agreement to include*
81 *tax-exempt organizations. Payment of the 'tax' is not really voluntary, as the proposal would*
82 *make it required for any improvements the organization wishes to make in order to get the*
83 *required permit. These tax-exempt organizations fill a very important role in the community.*
84 *Our church provides free counseling and support for those recovering from addiction. We also*

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85 *give monetary aid for people who can't pay their utility bills or car repairs. We have programs*
86 *for children and teenagers as well as numerous other ministries. We regularly send monetary*
87 *support to other ministries in the Onalaska area. These services/programs are all supported*
88 *through donations. To require a tax of places such as Rivers Harvest Church puts a burden on*
89 *the members that would require limitation of these services. If the churches must cut these*
90 *services, can the city guarantee that they will use this money to provide the same services for the*
91 *community? Our members are all tax-paying citizens of this area. It doesn't make sense to ask*
92 *them to donate more so it can be used to pay a tax to the city they already pay taxes to. The*
93 *same can be said for the YMCA North, of which I am an employee. Their programs are only*
94 *partially funded by fees. A large portion of their budget comes from donations. If they are*
95 *forced to pay a tax, which programs do you suggest they cut? People are not so willing to*
96 *donate when they know it will be used to pay a tax to the city they already pay taxes to. In*
97 *considering the above information, we believe implementation of the PILOT program to include*
98 *tax-exempt organizations is harmful to the Onalaska community and highly recommend that you*
99 *do not pass it."*

100

101 *Katie read into the record a letter from Dan Eumurian, 1634 Barlow Street, La Crosse: "I am a*
102 *Wisconsin DPI certified music teacher, and a piano technician, songwriter and musician. I have*
103 *been a substitute teacher in the School District of Onalaska beginning in 1991. From 1996 to*
104 *1999 I was the school board reporter for the Onalaska-Holmen Record and La Crosse Tribune,*
105 *and when I left the position I was given commendations by both school districts. I'm a member*
106 *of the Community Church of the Nazarene in La Crosse, but speak only on my own authority.*
107 *Back around the 1990s I wrote to former Mayor Ed Koch of New York City with a question about*
108 *the issue you are now considering. He wrote back to say that if the government were to tax*
109 *religious nonprofits it would be counterproductive since those nonprofits delivered services to*
110 *low-income residents more effectively and efficiently than did the public sector. Senator Gary*
111 *Hart said the same thing about foreign aid. When I contracted Polio in 1952 at the age of 10*
112 *months, my parents' Christian faith prompted them to disregard the doctor's prediction that if I*
113 *lived I would be a 'vegetable.' I would never be able to use a wheelchair. I would be a burden*
114 *to my family, and I should be put in an institution. I've taught thousands of children, performed*
115 *for thousands of people, and tuned thousands of pianos. Even in my small church, I could give*
116 *you the names of several people who have been delivered from alcohol abuse and have become*
117 *productive citizens.*

118

119 *From my limited study of music therapy, I have learned that music can have an effect even on*
120 *very young children, and music has been a part of the church since its inception. I remember*
121 *seeing a book in a local third grade public school classroom entitled 'The Bloody Claw.' The*
122 *teacher told me she used reading materials that captured the children's attention. I remember*
123 *substitute teaching in an elementary public school classroom in La Crosse that had over 70*
124 *references to Halloween. I believe parents have the right to instill a different message in the*
125 *minds of its children without interference from the state. When I was a music education student*
126 *at Kent State University, I was asked to play a pentatonic song. This is a song that could be*

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127 *played on just the black keys of a piano. I played ‘Jesus Loves Me, this I know/For the Bible*
128 *tells me so/Little ones to Him belong/They are weak but He is strong.’ My instructor had never*
129 *heard the song even though it is about a historical person attested to by much manuscript*
130 *evidence. Perhaps those who wish to tax nonprofits would like to join us and see how their lives*
131 *might be changed for the better. Until then, I suggest that the city continue to abide by the free*
132 *exercise clause of the First Amendment.”*

133

134 **John Brandt**
135 **2103 Sunset Lane**
136 **La Crosse**

137

138 “I’m a member of St. Paul’s Evangelical Lutheran Church in Onalaska. I’ve been a member
139 since 1981. ... I am here to represent St. Paul’s Onalaska, and I’m going to read a letter that we
140 would like to have you consider: “*Dear members of the Onalaska Planning Commission – We*
141 *are writing to you in regard to the proposed PILOT program. We are greatly concerned about*
142 *the negative impact of a PILOT on nonprofits in general, and churches in particular. We at St.*
143 *Paul’s Evangelical Lutheran Church, 1201 Main Street, Onalaska, dearly love our community*
144 *and serve it in a variety of ways. Here is a list of a number of the things that we do to serve the*
145 *community: we monthly support the Onalaska Food Pantry; annually we have a Community*
146 *Days rummage giveaway in which all donations come back into the city to different*
147 *organizations and groups; we have two support groups – Recovery from Addiction and grief*
148 *counseling); our pastors routinely counsel people in a variety of situation, mostly including*
149 *marriage and family counseling; annually we offer in thousands of dollars to people that come to*
150 *our door in need; and generally we promote good citizenship through our church and our*
151 *school. Much of the above would be negatively impacted through the PILOT program. Thank*
152 *you for giving us the opportunity for input. Sincerely, Congregational Chairman Michael J.*
153 *Paggi, Pastor Bill Bader, Pastor Norris Baumann, and Pastor Dan Olson.”*

154

155 **Shannon McKinney**
156 **1518 10th Street South**
157 **La Crosse**

158

159 “I’ve been a recipient of several of the nonprofit organizations in Onalaska. This PILOT
160 ordinance represents the city’s viewpoint that a religious organization’s financial resources
161 should no longer be protected. The city’s fact sheet illustrates a shift in attitude when they say
162 they don’t pay their fair share, taxpayer-subsidized nonprofits. Instead of being a benefit,
163 churches and nonprofits are now being seen as a burden. Does the City of Onalaska believe that
164 and want to practice that belief? This ordinance puts eight committee members in the position of
165 judge and jury in determining whether or not a church’s activities are religious or not.
166 According to this proposed ordinance, every time a church wishes to expand its entire operation,
167 including its existing facility, it will come under the scrutiny of the City of Onalaska to
168 determine whether or not its functions are religious or not. Do the residents of Onalaska want to

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169 give the city that power? But the even larger question is this: Does the city have the power to
170 judge what constitutes religious activity, and has it been correct in its judgments thus far?
171 According to the Religious Land Use and Institutionalized Persons Act, which is what the city is
172 pointing to as a federal statute that gives them this authority to judge, the city cannot impose a
173 substantial burden on the religious exercise of a person, assembly or institution. In the
174 RLUIPA's own definition, religious exercise is defined as any exercise of religion, whether or
175 not compelled by, or central to a system of religious belief. Not only does this definition seem to
176 be open-ended, but it seems to contradict the city's contention that only core religious activities
177 should be judged as religious activities. The fourth point to make is the argument that churches
178 and nonprofits have an unfair advantage when they conduct fundraising activities like a church
179 daycare or renting their facilities out to other for-profit organizations. The problem with this
180 comparison is in a comparison itself. Money being generated by a for-profit business is simply
181 that – it's for profit, while income from a nonprofit will be helping that organization survive as a
182 nonprofit. When you tax a nonprofit, you lessen its ability to survive and give back to the
183 community. Also, as far as PILOTs are concerned, Wisconsin Statutes only authorize city
184 governments to mandate PILOTs from four types of institutions: municipal electric companies,
185 parking systems, housing authorities, and redevelopment authorities. It says, 'Otherwise
186 agreements may be made with tax-exempt property owners upon 'reasonable consideration.'
187 What does that mean? It certainly doesn't sound like a mandate. It sounds like a choice is
188 involved. But the City of Onalaska seems to be removing that choice. My last point to make is
189 that you will also be placing the city in the position of deciding whether the church soup supper
190 or the event that is used to raise money like a fair or an auction constitutes a taxable interest.
191 These events are fundraising, whether it be a day-to-day operation that brings in funds to the
192 church like a daycare, or a once a month soup supper. All of those activities are what churches
193 and nonprofits do to continue to make themselves viable. In fact, it's the reason they were
194 granted their nonprofit status in the first place. As a community, instead of trying to extract
195 money from the organizations that help us, we need to drop the PILOT program and protect our
196 churches' and nonprofits' financial health."

197

198 **Jacob Wallace, Senior Pastor, River of Life Church**
199 **1330 Ridgeway Avenue**
200 **Onalaska**

201

202 "We have a food pantry that reaches out to those in need, week-in and week-out. Every
203 Thursday we have upwards of up to 20 to 25 couples and men, women and children that come
204 through and utilize our food pantry. That food pantry now has been running for over six years,
205 and it has been very, very successful. I want to read – very briefly, because I respect your time –
206 12 reasons why we should remain tax-exempt:

207

- 208 • Exempting churches from taxation upholds the separation of church and state embodied
- 209 by the Establishment Clause of the First Amendment of the U.S. Constitution.
- 210 • Requiring churches to pay taxes would endanger the free expression of religion and

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- 211 violate the Free Exercise Clause of the First Amendment of the U.S. Constitution.
212 • Churches earn their tax exemption by contributing to the public good.
213 • Taxing churches would place government above religion.
214 • A tax exemption for churches is not a subsidy to religion, and is therefore constitutional.
215 • Poor and disadvantaged people relying on assistance from their local churches would
216 suffer if churches were to lose their tax-exempt status.
217 • U.S. churches have been tax-exempt for over 200 years, yet there are no signs that
218 America has become a theocracy.
219 • Taxing churches when their members receive no monetary gain would amount to double
220 taxation.
221 • The only constitutionally valid way of taxing churches would be to tax all nonprofits,
222 which would place undue financial pressure on the 960,000 public charities that aid and
223 enrich U.S. society.
224 • Small churches already struggling to survive would be further endangered by a new tax
225 burden.
226 • The vast majority of churches refrain from political campaigning and should not be
227 punished for the actions of the few that are political.
228 • Withdrawing the parsonage exemption on ministers' housing would cost America Clergy
229 members \$2.3 billion over five years, which would be a major blow to modestly paid
230 men and women who dedicate their lives to helping people in need.

231
232 Thank you so much.”

233
234 **Kelly Riedesel**
235 **707 Shelly Lane**
236 **Onalaska**

237
238 “I am here on behalf of the Coulee Region Humane Society, for myself. I’m a volunteer there,
239 and I’m here to speak for the animals. I don’t know if a lot of people know how many hundreds
240 of animals come through those doors every day and go out every day. I know that they’re
241 bursting at the seams. They need help, they need to go forward, and they need more room. If
242 you do this to them and they would have to shut their doors, what would you do? What would
243 the City of Onalaska do, or [what would] La Crosse County [do] with all of the animals? Would
244 you just turn your head and just let them go? Every day it’s a sad story for people who either
245 have to surrender [their animals] or animals that are just running at large. Where would they go
246 if they closed their doors? I don’t think that they would be able to keep going. So please, don’t
247 do this. Think about that. Thank you.”

248
249 **Andy LeFebre, Pastor of Rivers Harvest Church**
250 **1001 Quincy Street**
251 **Onalaska**

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252
253 “I’m going to ask if I could, Mayor ... [Regarding] the Pacific Justice Institute, I know you
254 didn’t want the whole letter read, but we highlighted some [sections of it] and I’m only going to
255 take certain minutes, and then I have other pastors ... I just want to say we are going to read
256 parts of this letter, and anybody in the audience can read along if you would like. We have a
257 heart for the city even though we disagree with this proposal. We also know it is important to
258 pray and bless every one of you. Knowing this and our love for truth and what is best, we stand
259 waiting with our hearts in opposition to this PILOT proposal. I’ll start with the first reading
260 [from a letter written by Pacific Justice Institute Senior Staff Attorney Matthew B. McReynolds]:
261 *‘Dear Honorable Members of the Plan Commission – We have been contacted by church leaders*
262 *in Onalaska with concerns about a proposed ordinance aimed at tax-exempt nonprofit*
263 *organizations, and especially churches. We have reviewed the text and rationales for the*
264 *Payment in Lieu of Taxes [PILOT] ordinance and find it legally problematic in several respects,*
265 *as outlined below. By way of introduction, the Pacific Justice Institute is a nonprofit legal*
266 *organization dedicated to the preservation of constitutional and religious freedoms. We*
267 *represent many religious institutions who encounter onerous land use restrictions. A leading*
268 *case in this area is International Church of the Foursquare Gospel v. City of San Leandro,*
269 *where the city eventually agreed to pay a sizeable settlement to our clients after we prevailed on*
270 *appeal. One of the rationales put forward by the city in that case – and rejected – was that loss*
271 *of tax revenue could influence zoning and land use decisions relative to a church. We are well-*
272 *acquainted with these types of debates. The proposed PILOT ordinance presents a likely*
273 *violation ... the federal Religious Land Use and Institutionalized Persons Act of 2000.*
274 *Additionally, the First Amendment and state preemption are implicated.’ ”*

275
276 Andy noted he had only spoken for two minutes and asked that he be allowed one more minute
277 to speak later.

278
279 **Travis Becknell, Pastor of New Hope Fellowship Church**
280 **420 2nd Avenue South**
281 **Onalaska**

282
283 “I’m here to read the second page [of the letter], and also just to share a little bit on a personal
284 level. I believe what this discussion comes down to is that churches have the ability to use a
285 dollar in the community. And the city at this point is now wanting to take that dollar and use it
286 in the community as well. I’ve stood here at this particular pulpit more times than I care to. I’m
287 not much for politics, though I do respect what you do and that you have the temperament for it.
288 I do not. One of the things that has happened since I’ve been in this room as many times as I
289 have is I looked at those. And those, if you turn around and look at them you probably say that
290 they’re window panes. For me, I saw a cross. When the church has the ability to do something
291 in the community, even if it’s with a dollar, we have the ability to do something with far more
292 meaning than what a city can because to you those are window panes. They have to be. I would
293 like to submit that what we can do with a dollar comes with far more love and far more hope

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294 than what a city can. You kind of have to bring it down to the bottom dollar. We don't. We
295 build upon the power and the hope of Jesus Christ. We can do far more in a community with it.
296 With that being said, I'll finish the second page: *'The RLUIPA is best known for its application*
297 *to churches and houses of worship. ... It also encompasses a wide array of religious ministry and*
298 *outreach. ... In the land use context, RLUIPA has three main provisions – substantial burden,*
299 *equal terms, and non-discrimination. The June 23 "fact sheet" prepared by city staff indicates*
300 *awareness of the substantial burden provision, so it will not be set forth in full here. The fact*
301 *sheet omits, though, any discussion of RLUIPA's other provisions, and even as to substantial*
302 *burden there appears to be a failure to understand the significant conflicts between the proposed*
303 *ordinance and federal law. Most pertinently, the city may not realize that courts interpreting*
304 *RLUIPA have specifically condemned the type of PILOT approach now under discussion. The*
305 *city's approach here resembles actioned deemed to be illegal and unconstitutional in Fortress*
306 *Bible Church v. Feiner. ... There, it was suggested to a church that in order for its project to be*
307 *approved, it should donate a fire truck or agree to make payments in lieu of taxes. The Second*
308 *Circuit did not mince words in its rebuke of the city's approach. The court described the PILOT*
309 *demand as an "attempt to extort." ... It had little trouble concluding that this approach violated*
310 *RLUIPA.'* I'll resign and let somebody else take over there. Thank you."

311

312 **Jerry Hatlevig, Pastor of Connect Church**
313 **3340 South Kinney Coulee Road**
314 **Onalaska**

315

316 "The one thing that is happening in our nation at this particular time is the slaughter of police
317 officers. The Bible tells us in Psalm 127:1 that unless the Lord guards the city, the watchmen
318 labor in vain, or the police officers labor in vain. This is separation of church and state, but you
319 cannot separate God from anywhere. He is all-powerful, all over. I really stand with the other
320 pastors in opposition to this PILOT program. Let me finish a part of page three: *'The RLUIPA is*
321 *not the only hurdle for the proposed ordinance. In Fortress Bible Church, the Second Circuit*
322 *further held that the city's PILOT demand violated the Free Exercise Clause, and Equal*
323 *Protection as well. Even prior to the enactment of RLUIPA, or in its absence, several courts*
324 *have held that governmental attempts to restrict the free exercise rights of religious institutions*
325 *in land use contexts violate the First Amendment to the United States Constitution. Moreover,*
326 *free exercise, free speech and non-establishment of religion all come to bear on a law that*
327 *attempts to disingenuously tax churches and purports to vest the city with authority to declare*
328 *what does and does not constitute core religious functions.'* One thing that our church does is
329 we do have a child care. One of the Plan Commission people told me that we are the problem
330 because we're putting a fee on people. That fee is to help train their children, and one thing that
331 a tax-exempt organization can do, and a Christian tax-exempt can do, is we can include some
332 religious moral foundation on our children's lives. And the parents in our child care are very
333 blessed to be able to come there. Thank you."

334

335 **Park Hunter, Pastor of Onalaska United Methodist Church**

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336 **212 4th Avenue North**
337 **Onalaska**
338

339 “It falls to me to conclude the letter, and then I have a few comments to make. On the fourth
340 page, talking about the state preemption, [the letter states]: *‘Following an age-old tradition,*
341 *Wisconsin has exempted church property from taxation since at least 1849. ... The state’s*
342 *decision – like that of countless jurisdictions before and after it – to extend property tax*
343 *exemptions to religious land use cannot be second-guessed by the city. The PILOT ordinance is*
344 *clearly at odds with state policy and must therefore fail. In light of the foregoing analysis, we*
345 *urge you to reject the alluring but unwise and illegal attempt to extract funds from religious*
346 *nonprofits. We are aware that the city has already signed PILOT agreements with several such*
347 *entities in Onalaska. These entities have not waived and do not hereby waive their rights to*
348 *contest such PILOT agreements, which have been imposed by the city as unconstitutional*
349 *conditions, in addition to challenging the proposed ordinance, if necessary. We hope that the*
350 *city will abandon this ill-advised course of action and instead recognize the tremendous benefits*
351 *that religious and other nonprofits provide to the community.’* And just to follow up on that, the
352 city has posted on their information page a report from the Lincoln Land Use Institute. That is a
353 follow-up to an earlier report that they did, which was over 50 pages and more on the policies
354 and less on which particular institutions are involved in it. [There is an] earlier report, which the
355 second report also follows up, and the conclusion basically is a very mixed review of PILOTs. It
356 says that most nonprofits produce very little revenue for their communities via the PILOT, with
357 the exceptions tending to be universities and hospitals. I don’t know; maybe that’s why we’re
358 looking at this. But their own report concludes that generally less than 1 percent of revenue for
359 municipalities with PILOTs comes from PILOT fees. Speaking of the benefits of nonprofits, I
360 previously reported that Onalaska UMC alone puts over \$200,000 worth of goods and services
361 back into our community, and we are currently looking at a building project. It would be about a
362 \$3 million building project. If we were to, as the ordinance is currently written, come in for the
363 building permits for that we would immediately begin paying about \$25,000 a year based on our
364 current property value. When our building addition was completed we would be paying \$45,000
365 a year. That’s almost 10 percent of our church budget. To put this in practical terms, the reason
366 that we need to expand is we’re running out of classroom space and meeting space for groups
367 that use our institution. We have a fellowship hall that is downstairs that is hard for the elderly
368 and the disabled to access, including when we serve a community dinner to 150 people in our
369 community every month. Our plans are to bring a fellowship hall up on the main level and then
370 open up extra classroom space downstairs. If this ordinance passed I highly doubt we would do
371 our building project. The immediate consequences of that would be ... My guess would be ...
372 For instance, we house the Onalaska Head Start Program, which currently cares for 18 low-
373 income kids so that their mothers – often single mothers – can work. That takes up two
374 classrooms in our facility. We would need that space. If we couldn’t build we’d probably have
375 to have Head Start find another home. Many other programs that we do would be limited. In
376 conclusion, we’re not just in the business of helping people. We’re in the business of changing
377 lives. This would impact our ability to do that. Thank you.”

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379 **Connie Bader**
380 **W6474 Wendtland Road**
381 **Onalaska**

382

383 “I represent Luther High School, both as a faculty member as well as the parent of four Luther
384 High School alum. I’ve taught at Luther High School for 21 years. Luther High School started
385 in 1957 as a Christ-centered option for students attending their high school years. Tuition has
386 always been charged. The same law-abiding, tax-paying citizens who support area free public
387 schools also dig deep in their pockets to pay the tuition for their children at Luther High School.
388 To add a tax-type burden on the school’s budget will pass on another tuition expense to the
389 parents, in essence making them double pay on their taxes. Luther High School has many
390 successful alumni who serve in countless socioeconomic capacities in Onalaska and La Crosse.
391 As we currently work on new construction which will increase the value of the improved
392 property, this PILOT program could have heavy implications on the budget. Please consider
393 other options for municipal revenues. Thank you.”

394

395 **Larry Schreiner**
396 **2505 Spring Hill Way**
397 **Onalaska**

398

399 “I represent First Lutheran. ... I’m going to make my point relatively short. You’ve heard a lot
400 of stories of what churches do and the service they provide. My question to the [Plan
401 Commission] is have you considered ... Because as a church, if you raise their fees we’re going
402 to have to cut somewhere. We don’t have the luxury to pass on increases. We live truly by
403 donations or fundraising. In essence, if we have to pay an additional cost, those dollars are
404 reduced as to what we can do. At the end of the day, maybe the [Common] Council wins from a
405 funding standpoint, but I truly believe the City of Onalaska loses as a whole because those
406 services will go away. As you know, not everybody is willing to step up and say, ‘The city is
407 going to give me an extra tax. I’m willing to increase my donation by [a certain amount].’
408 That’s not happening today. All we ask is that you take that into consideration. I do understand
409 the values of the police; that’s important to us. But I think we need to just also take this into
410 consideration. Thank you.”

411

412 **Richard Gilmore**
413 **633 11th Avenue North**
414 **Onalaska**

415

416 “I am the former pastor of Christ is Lord Lutheran Church here in Onalaska. I’m concerned for
417 the churches, and also for the YMCA and the other nonprofits. And actually, if this is a tax and
418 the state has said that the nonprofits are not taxable, it doesn’t make sense. Otherwise my big
419 concern is that when the city has the ability to set up this PILOT program, from then on they can

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420 increase that more and more. The tax is big enough, and [it's] not good. There's no reason why
421 the city can't just increase that tax whenever they think they need more money. It would just
422 hurt all of the nonprofits. Certainly this country, our state and our city are based on principles of
423 [not only] the Christian religion, but for all religions. We like to have the ability to help people
424 live by the standards that God has set. That helps the city in an amazing way. So I would just
425 say that I think we're wrong in having this tax."

426

427 **Andy LeFebre, Pastor of Rivers Harvest Church**
428 **1001 Quincy Street**
429 **Onalaska**

430

431 "First of all, I want to say, Mayor, I don't know that you want your legacy as Mayor to be a part
432 of this. Not that that should influence you, but I just think that it would be a bad situation. The
433 YMCA, \$100,000 a year. How many people is that going to help? That's going to affect a lot of
434 people. I grew up around the American Legion; it seems like I spent half my life there at times.
435 They would have to pay \$21,000 if they were under this. But do you know something? The
436 American Legion isn't under this. They're under our regular taxes, or the mill rate. I found out
437 because it just happens to be next to our property that they're only paying \$4,000 a year. That
438 means all of us as churches would be paying quite a bit more for our taxes. If they were under
439 the regular mill rate for a \$2 to \$3 million property, they would be paying \$66,000 a year rather
440 than \$4,000. Something is wrong. I'm all for the American Legion; I think that's what they
441 should be paying. But if this happens, everybody is going to be affected – even the American
442 Legion. Thank you."

443

444 **Jason Stanton, Pastor of First Lutheran Church**
445 **142 Fairway Court**
446 **Onalaska**

447

448 "I want to second much of what has been said by many. I would simply add that I appreciate the
449 desire of this group to bring transparency and consistency. That seems to be the goal of what
450 you're trying to bring to this whole thing. The other way, of course, you could go is to
451 discontinue the negotiation of PILOTs altogether, which I think would be very wise. Many of us
452 would love that. Having entered into a PILOT agreement a few years ago, I didn't understand
453 why that was the case. I still don't exactly understand. Like I said, I do understand the desire for
454 consistency. It would be very consistent and very transparent for none of us to be burdened with
455 any kind of PILOT. Thank you."

456

457 **Dean Ciokiewicz**
458 **951 6th Avenue North**
459 **Onalaska**

460

461 "I'm also a member of Rivers Harvest Church. So far tonight, and in the past meetings, I've

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462 heard about the local effect and the collateral damages that this program might have an effect on.
463 But I was wondering if any forethought was given to, if this were to go through and if this were
464 to be challenged and if this were to survive the Supreme Court or an appeals court in such a
465 manner as to be put in place longstanding, what other starving cities – cities that are actually in
466 trouble in this county, in this state, in this federal government – would take as a precedent as a
467 PILOT program at its definition and cause a ripple effect, not only what is damaging to our local
468 501(c)(3) communities, but also what damage this could cause on a nationwide level? I think it
469 would be absolutely crippling 20, 30 years from now if this were to go through. Just a little food
470 for forethought. Thank you very much.”

471

472 **Greg Parkes**
473 **1803 Bainbridge Street**
474 **La Crosse**

475

476 “I attend Rivers Harvest Church. I am a happily recovering alcoholic of 14 years, and [also] a
477 [recovering] drug addict. I am totally free because of nonprofit organizations and because of
478 churches that took their time out to help me. And now me and a bunch of others help others out
479 of our own pocket. This year we didn’t get to do it – we’re going to do it later – but we do
480 fundraising. We give away blankets. We give away food to the homeless and to the needy that
481 the city doesn’t do. We do it. Churches do it. Nonprofit organizations do it. If you tax us and
482 you tax these people, you’re taking money out of their pockets to help these people that your
483 organizations really don’t have. We depend on churches and people like me and you –
484 compassionate people – to help other people in need. Don’t kick them when they’re down. This
485 PILOT, I was pretty ignorant of it before of what a PILOT organization was, so I attended last
486 week and became enlightened. I just don’t want to see any legal happenings come against you
487 because I believe it’s unconstitutional. I believe this is going to hurt more than it’s going to help.
488 It might bring the city revenue, but who are we serving? Are we serving money, or are we
489 serving God? Thank you.”

490

491 **Jacob Brown**
492 **239 Shelly Lane**
493 **La Crosse**

494

495 “I have not been able to attend any past meetings due to work schedules, so I might be a little
496 uninformed on some of my questions. If this is a truly voluntary program, can an organization
497 drop out at any time if they decide to after they signed? Will their building permits still be valid
498 or in compliance? I understand that this has also been on the books as a possible for many years,
499 but is now being enacted. Why now? Why are we waiting until now to get it going? Also, who
500 is it that came up with this idea to enact it now if this has truly been on the books for a while? I
501 guess that’s a question that has been raised before; we’re trying to find out who. If you had to
502 assign one person to blame or one person to throw under the bus, who would it be? Where does
503 the [Common] Council get off in not calling this what it really is? It is a tax. If it goes by mill

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504 rate or whatever, it is still a tax. If it's every single year, it's a tax. Thank you.”

505

506 **Joe Betsinger**
507 **N8091 CTH W**
508 **Holmen**

509

510 “I go to Rivers Harvest Church. Everything that I have heard – and I have been coming to these
511 meetings – there is nothing voluntary about this thing at all. It's mandatory. There is no
512 agreement in anything; it's you do it or you get stuck doing nothing. You get nothing. I don't
513 see anything that makes this a constitutional anything, anything legal at all. Like Mr. Parkes
514 [who was] up here, I'm also a recovering alcoholic and drug addict. I don't recall the cities or
515 the towns or the state helping me out. It was people that volunteered their time, that volunteered
516 their money, that volunteered everything. That's what I do: I give back, too. I do the same
517 thing: giving back. By crippling the money supply to be able to help the next people through the
518 churches or whatever, it's just not any good at all. It is just absolutely no good. Thank you.”

519

520 **Cherryl Jostad**
521 **117 Hillview Boulevard**
522 **La Crescent, Minn.**

523

524 “First of all, I do want to thank everyone – and in particular, Katie – for the organization of these
525 meetings and communication. My comments tonight have to do with, I'm going to strongly
526 encourage each individual Plan Commission member. You have a vote to vote against passing
527 this ordinance on, and to make it clear that you don't want to see any other version of the
528 ordinance. The reasons for this have to do with, you have enough information to really feel
529 comfortable that this taxation is actually legal. There's no federal or Wisconsin Statute granting
530 the power to tax tax-exempt agencies, or at least it has never been stated in the fact sheet other
531 than ‘we interpret.’ Interpretation, in this case, is a severe government overreach. Secondly,
532 despite several comments in the listening session regarding the proposed draft, there have been
533 no changes to the draft. I would like to remind you of some of the things that were brought up
534 that could have been reincorporated into the draft to at least make it a tiny bit more palatable.
535 There is no appeal provision for the tax-exempt agency. The funds are stated to go into the
536 General Funds, yet many people in the listening session said if you're taxing for essential
537 services, why would it not go directly to the line item? It's supposed to. Thirdly, the review of
538 each tax agency's exempt status on a yearly basis. Is this really what the City of Onalaska
539 intends to do is every year review every tax-exempt agency who owns property to see if maybe
540 you can squeeze out just a little bit more money? And ultimately, who in the city is going to
541 handle this burden? If you add a half-time person to a full-time person – especially a full-time
542 person fully loaded – are we talking \$60,000 to \$70,000 just to maintain this type of program?
543 Finally, as many people have said, it's supposed to be a voluntary agreement. Yet many
544 organizations that have entered into PILOTs have felt strong-armed. There's nothing voluntary
545 about that. Many people talked about the RLUIPA law, and I would like to read from a

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14

546 Department of Justice Q&A document, which I found: *‘Compelling interest is a legal term*
547 *meaning interest of the highest order. Government interests that are merely reasonably or even*
548 *significantly important are insufficient. Courts have ruled that municipal interests in revenue*
549 *generation’* – which was clearly stated in the fact sheet – *‘economic development or eliminating*
550 *_____ are not compelling. The burden of proving that an interest is compelling lies squarely on*
551 *the local government.’* Do you believe that you have enough information to understand what
552 exactly is the City of Onalaska’s compelling interest in wanting this? I ask you before you vote.
553 Also, in the last fact sheet it states, *‘It is difficult to say that all taxpayers support each not-for-*
554 *profit institution.’*”

555

556 Mayor Chilsen asked Cherryl to finish as she has reached her time limit.

557

558 Cherryl said, “That may be true [in that] not everyone supports the mission of every tax-exempt
559 organization. However, we all have something in our heart that a tax-free organization
560 represents. So think about it when you place your vote.”

561

562 **Larry Schneider**

563 **No address given**

564 **La Crosse**

565

566 “I love Onalaska. I’ve worked in Onalaska. I’ve lived in Onalaska. I do business in Onalaska.
567 Instead of having an adversarial relationship with the churches in this community, and instead of
568 spending all this time and energy and effort trying to generate more revenue, which I’m
569 empathetic of raising eight kids. I know what it takes to try to get enough revenue to make it.
570 Maybe what you should do is get together with the churches, have a conversation with them and
571 ask them for ideas on how they may be able to help you in these areas where you might need
572 more revenue and what that might look like and maybe try to get this relationship more
573 symbiotic and working together. It’s just a thought I’m having instead of having this adversarial
574 thing. The way this is looking, you’re really bumping up against a lot of citizens here, and I’m
575 just not sure if that’s really a wise thing for you to do. That’s just a thought I had. Thank you.”

576

577 **Kevin Holcomb**

578 **306 Rose Street**

579 **La Crosse**

580

581 “As I was thinking about this whole thing, I work hard for my money and I get taxed. I see that
582 little slip that comes in my paycheck, and the amount of tax they take out versus what I get to
583 take home is small. I take that and I bring that to church to help pay for things and tithe and all
584 that, and now that would be taxed. I don’t think that’s right. Also, as a La Crosse resident there
585 are many churches and there are many things in La Crosse I could go to, but I choose to go to
586 Onalaska. It’s a beautiful town. It’s a nice area. Rivers Harvest, where I go, we have plenty of
587 people who come from all over – Minnesota, all over Wisconsin – and not just right here in

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15

588 Onalaska. So I think in a way that's bringing some revenue to Onalaska because not only do we
589 come to church, we also eat and we also shop. I like to eat. When I come to Onalaska, I'm not
590 just coming to church. I'm bringing revenue, and I'm not just saying me. I'm saying everybody.
591 Some of us who go to church also bring family and friends, maybe from other states or from
592 other areas. It's obvious Onalaska is a great place to be. It's a nice area. People like to be here
593 to visit. Like I said, to spend the money here in Onalaska I think would give you some revenue,
594 but also not just financially. I think spiritually there are many things that happen here in
595 Onalaska through our church. We do jail ministry and things like that. Where would that go if
596 our church closes down because we can't afford to stay open? I could go back to La Crosse and
597 find another church, but that doesn't help you. You don't have that revenue."

598

599 Mayor Chilsen asked the individuals in the audience who are opposed to the proposed PILOT
600 ordinance to either stand up or raise their hands. Mayor Chilsen asked if anyone had anything
601 new to add and closed the public input portion of the meeting.

602

603

Consideration and possible action on the following items:

604

605 **Item 4 – Review and Consideration of a Certified Survey Map (CSM) submitted by Charlie**
606 **Handy on behalf of La Crosse County, 400 4th Street North, La Crosse, WI 54601 (property**
607 **owner) to combine 5 parcels into two (2) lots, one lot (23 acres) and one outlot (3.36 acres)**
608 **to be dedicated to the public located in the City of La Crosse and the City of Onalaska**
609 **including 6500-6502-6506-6510 State Road 16, La Crosse, WI 54601, State Road 16, La**
610 **Crosse, WI 54601 and Berlin Drive, Onalaska, WI 54650 (Tax Parcels #18-4458-0, 17-**
611 **10560-60, 17-10560-50, 17-10575-30, and 17-10560-10)**

612

613 1. CSM Fee of \$75.00 + \$10.00 per lot x 2 lots = \$95.00 (PAID).

614

615 2. Recorded copy of Final CSM to be submitted to City Engineering Department.

616

617 3. New lot pins required. Intermediate lot stakes required for all lots over 150' in depth.

618

619 4. CSM shall note all easements.

620

621 5. Public utilities and street installed in Outlot 1 to be adequately sized to serve City of
622 Onalaska development to east.

623

624 6. City of Onalaska to be allowed to connect future City street to street dedicated as part of
625 Outlot 1.

626

627 7. Any future improvements to these parcels will be subject to additional City permits (i.e.,
628 building permits, zoning approvals).

629

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16

- 630 8. All conditions run with the land and are binding upon the original developer and all heirs,
631 successors and assigns. The sale or transfer of any or all portion of the property does not
632 relieve the original developer from payment of any fees imposed or from meeting any
633 other conditions.

634
635 Katie said the site is located near the La Crosse County Landfill, and it would become the
636 International Business Park II. Properties located within 250 feet of the properties in question
637 include a variety of commercial/industrial businesses in the La Crosse Industrial Park, La Crosse
638 County Landfill, and agricultural land. The Comprehensive Plan identifies this area as
639 Commercial. The purpose of the CSM is to facilitate the project labeled as the International
640 Business Park II. The park will include one large 23-acre lot adjacent to the existing
641 International Business Park and the La Crosse County Landfill, and a small portion in the City of
642 Onalaska. There also is a single outlot mapped for a public dedication for road and utility
643 purposes. Katie said the applicant intends to install the road and utilities in Outlot 1 in late 2016-
644 early 2017 in order to invite a business to locate in the La Crosse/Onalaska area for job creation
645 and tax-base generation. Katie said staff recommends approval of the CSM with the eight listed
646 conditions of approval.

647
648 Motion by Craig, second by Andrea, to approve with the eight listed conditions a Certified
649 Survey Map (CSM) submitted by Charlie Handy on behalf of La Crosse County, 400 4th Street
650 North, La Crosse, WI 54601 (property owner) to combine 5 parcels into two (2) lots, one lot (23
651 acres) and one outlot (3.36 acres) to be dedicated to the public located in the City of La Crosse
652 and the City of Onalaska including 6500-6502-6506-6510 State Road 16, La Crosse, WI 54601,
653 State Road 16, La Crosse, WI 54601 and Berlin Drive, Onalaska, WI 54650.

654
655 Craig asked Charlie Handy, the applicant, if there is anything that troubles him.

656
657 **Charlie Handy, La Crosse County**
658 **400 4th Street North**
659 **La Crosse**

660
661 “We’ve identified a need for large parcels with significant sanitary sewer service. The La Crosse
662 Sanitary Sewer District has about 10 million gallons of capacity. There’s really nothing else like
663 that around, so the International Business Park gives us that opportunity. Twenty-three acres is
664 larger than anything that’s available from an industrial standpoint with that sanitary sewer, so
665 that’s what we’re trying to do. It’s actually not alarming at all. In fact, it’s very heartening as a
666 long-term public servant to see the number of municipalities here that are working together to get
667 this done. I think it’s a great project, and I appreciate your consideration.”

668
669 Jarrod said there is a copy of the CSM in commission members’ packets and pointed out Outlot
670 1, which will be the new dedicated right-of-way within the City of La Crosse and will serve Lot
671 1 of the CSM. Jarrod pointed out the cul-de-sac on the dedicated outlot and said the present plan

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672 for the development is to extend the water and sewer utilities the street up to the cul-de-sac bulb.
673 The outlot would remain undeveloped up to what is the city limit line of the City of Onalaska.
674 Jarrod said the Plan Commission must determine whether it will require the utilities and/or street
675 to be extended to the city limit line. Jarrod asked Charlie to comment on the plan for the street
676 development.

677
678 Charlie said the plan is to develop the road to the cul-de-sac and not further. Charlie said the
679 public utilities would be placed outside of the paved area of the cul-de-sac so the hookup would
680 be simple. Charlie said the stretch between the City of Onalaska and the cul-de-sac unimproved.
681 Charlie said the plan documents are at approximately a 20-percent level, adding that he expects
682 to be at a 60-percent level by October 1, and at a 90-percent level by December 1. Charlie said
683 there is ample time to make alterations, if necessary, adding, "There's no benefit to this
684 development to extend them further, but we understand that thought process."

685
686 Craig asked Charlie if he will share this information with staff as the project progresses.

687
688 Charlie said yes.

689
690 Jarrod said the plans have not been developed to a point where a significant amount of insight
691 can be shared. Jarrod noted there is a significant amount of drainage that comes down from the
692 valley on the north side of State Trunk Highway 16 and said there will have to be coordination
693 regarding the drainage. Jarrod said there will be a cost associated with extension of the future
694 street if there eventually is a connection.

695
696 Charlie said he believes the cost for stormwater extension would be minimal, stating the concept
697 plan for stormwater movement from the Nicolai site, which is located in the City of Onalaska,
698 into the other site is by surface drainage. Charlie said the concept is a 20-foot bottom, stating
699 that the concept is to have it in a ditch from the east property line on the south side of the road.
700 The ditch would remain when the road is improved, so there would not be any additional
701 improvement in terms of stormwater necessary for the Nicolai development.

702
703 Paul asked who will be responsible for completing the road, and when it will be completed, if it
704 is not completed now.

705
706 Jarrod said, "At the time of future development, if the city would choose to have the road
707 connected there's nothing written down right now that it would be at the cost of the City of La
708 Crosse to put it in."

709
710 Paul said it seems certain that a connection will be desired.

711
712 Jarrod said he agrees.

713

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18

714 Andrea asked if it would be more cost-efficient to do everything at once while all the equipment
715 is present.

716

717 Jarrod said it could be done at a later date with future development at that time, adding, “I think
718 the cost, if it was rolled into that, would be relatively the same cost. To put the street in
719 currently, if it’s not going to get used, it depends what the access point to Lot 1 is as far as where
720 their driveways are going to end up. Cost wouldn’t be an overarching issue as far as now or
721 later. It’s a matter of who’s going to pay the cost once it gets to that point.”

722

723 Charlie said he would like to see the future developer of the Nicolai property bear the cost.

724

725 Jarrod said he believes the Plan Commission must determine if the approval of the CSM should
726 require that the utilities be run to the property line. Jarrod noted that the City of Onalaska owns
727 and maintains the water main located in an easement in the International Business Park.

728

729 Paul said in his experience is it atypical for a development to be approved and the developer not
730 be required to complete the improvements on his property and expect the burden to be placed on
731 the next developer. Paul said he believes standard procedure would be to approve the road to the
732 property line.

733

734 Jarrod said he agrees with Paul. Jarrod then referred to Condition No. 5 and suggested that it
735 read: “*Public utilities and street installed in Outlot 1 to be adequately sized to serve City of*
736 *Onalaska development to east and extend it easterly to the city limit line.*” Jarrod said doing so
737 would require that the utilities be extended in.

738

739 Paul said it was his understanding that the road would be improved, stating, “To me, [Condition]
740 No. 5 already says that it’s to be developed to the property line. Outlot 1 is to be developed with
741 street and utilities. Outlot 1 extends all the way to the south line. My assumption coming in was
742 that it was going to be improved to the south line.”

743

744 Sean said he believes including the words “and placed,” “and located” or “and installed” after the
745 word “sized” in Condition No. 5 would be sufficient.

746

747 Motion by Paul, second by Skip, to amend the previous motion and state Condition No. 5 as
748 follows: “Public utilities and street installed in Outlot 1 to be adequately sized and installed to
749 serve City of Onalaska development to east.”

750

751 Charlie noted that there is a monitoring well in the location where the road eventually will be
752 located. This monitoring well must act without significant impairment of the surface water that
753 drains past the well for another three years. Charlie noted that a paved road would alter the
754 surface water and asked that the installation of that portion be delayed until the Nicolai property
755 is developed. La Crosse County would address that portion when the Nicolai property is

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19

756 developed. This would give the monitoring well, which Charlie described as “an integral part of
757 the operation of the landfill facility,” the opportunity to expend three to five years of additional
758 data.

759

760 Jarrod said he finds this acceptable, and also that he is deferring to Sean to include the proper
761 wording in the conditions of approval.

762

763 Motion and second to the amendment withdrawn.

764

765 Motion by Andrea to amend the previous motion and add a condition stating that La Crosse
766 County and the City of Onalaska establish a timeline for the completion of the projects to meet
767 the needs of the development and La Crosse County’s monitoring well.

768

769 Sean suggested utilizing the installation or placement wording. Sean suggested as an alternative
770 that Condition No. 5 be amended by adding an additional sentence that states: “*La Crosse*
771 *County and the City of Onalaska shall install the public utilities and street in Outlot 1 prior to*
772 *the development of the Nicolai property.*”

773

774 Andrea asked who would be financially responsible.

775

776 Sean said the developer of the current CSM – specifically, the City of La Crosse – would be
777 financially responsible.

778

779 Motion by Andrea, second by Craig, to amend the previous motion and add the following
780 sentence to Condition No. 5: “*La Crosse County and the City of Onalaska shall install the public*
781 *utilities and street in Outlot 1 prior to the development of the Nicolai property.*”

782

783 Vote on the amendment:

784

785 On voice vote, motion carried.

786

787 Jarrod said a reason why the industrial site is very favorable is because it is served by the La
788 Crosse Sanitary Sewer Treatment Plant, to which all of the City of Onalaska’s sewerage flows.
789 Jarrod noted that on June 9 the City of La Crosse enacted a policy for application of sewer
790 connection charges. The City of La Crosse will be charging an equivalent residential connection
791 fee for any user outside the City of La Crosse. Jarrod said the cost per residential connection
792 would be slightly more than \$700, and this means there would be several fees. Jarrod said a
793 development on Lot 1 of the CSM, which is located in the City of La Crosse, would not have to
794 pay connection charges. However, a development on the Nicolai property in the City of
795 Onalaska would incur the charges. Jarrod said staff does not believe that the City of La Crosse’s
796 policy is fair to the City of Onalaska.

797

798 Motion by Jarrod, second by Craig, to amend the previous motion and include a ninth condition
799 that reads as follows: *“The City of La Crosse shall not institute its policy for Application of*
800 *Sewer Connection charges approved by the La Crosse Common Council on June 9, 2016 unless*
801 *administered to all users of the La Crosse Sanitary Sewer Treatment Facility.”*

802
803 Jarrod said this development is the perfect example of how the charges are unfair due to which
804 side of the corporate limit line something is located in this area.

805
806 Charlie said the small acreage located in the City of Onalaska does not make it financially
807 feasible for La Crosse County to develop. Charlie said he is withdrawing his application for a
808 CSM within the City of Onalaska, adding that the CSM will be re-drawn and “keep it within the
809 City of La Crosse.”

810
811 **Item 5 – Review and Consideration of a Certified Survey Map (CSM) submitted by Duane**
812 **Schulze, 2009 Charles Avenue, Onalaska, WI 54650 regarding 2009 Charles Avenue,**
813 **Onalaska, containing 0.68 acres and two (2) lots (Tax Parcel #18-4197-0)**

- 814
- 815 1. CSM Fee of \$75.00 + \$10.00 per lot x 2 lots = \$95.00 due before final approval of CSM
816 by the City (NOT PAID).
 - 817
 - 818 2. Property owner to remove detached accessory structure prior to recording CSM with the
819 La Crosse County Register of Deeds.
 - 820
 - 821 3. Park Fee of \$922.21 per residential unit. Park Fee to be paid prior to issuance of a
822 building permit.
 - 823
 - 824 4. Recorded copy of Final CSM to be submitted to City Engineering Department.
 - 825
 - 826 5. New lot pins required. Intermediate lot stakes required for all lots over 150’ in depth.
 - 827
 - 828 6. CSM shall note all easements (i.e. power line easement).
 - 829
 - 830 7. Future lateral to be installed for Lot 2 at the cost of the property owner.
 - 831
 - 832 8. Any future improvements to these parcels will be subject to additional City permits (i.e.,
833 site plan approvals, building permits, zoning approvals) and additional City fees (i.e.,
834 parks fees, green fee).
 - 835
 - 836 9. All conditions run with the land and are binding upon the original developer and all heirs,
837 successors and assigns. The sale or transfer of any or all portion of the property does not
838 relieve the original developer from payment of any fees imposed or from meeting any
839 other conditions.

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840
841 10. Any omissions of any conditions not listed shall not release the property owner/developer
842 from abiding by the City's Unified Development Code requirements.

843
844 Katie said the property in question is zoned Single Family Residential (R-1) District. Land
845 within 250 feet of the proposed site includes single family residential, single and/or duplex
846 residential, and Public & Semi-Public. The Comprehensive Plan's Future Land Use Plan
847 designates this area as Mixed Density Residential, which is intended for residential units. The
848 applicant is requesting approval to divide a large parcel into two lots and construct a single
849 family residence on the current vacant portion of the parcel. An existing garage spans both Lot 1
850 and Lot 2. This garage will be removed by the applicant prior to finalization of the CSM. Katie
851 said both the new lot and the existing lot will meet all zoning regulations, and also that staff
852 recommends approval of the CSM with the 10 listed conditions.

853
854 Motion by Paul, second by Skip, to approve with the 10 listed conditions a Certified Survey Map
855 (CSM) submitted by Duane Schulze, 2009 Charles Avenue, Onalaska, WI 54650 regarding 2009
856 Charles Avenue, Onalaska, containing 0.68 acres and two (2) lots.

857
858 On voice vote, motion carried.

859
860 **Item 6 – Discussion and consideration regarding the Public Forum on June 16, 2016 and**
861 **the draft Payment in Lieu of Taxes (PILOT) ordinance**

862
863 Mayor Chilsen cited the example of St. Patrick's Church said it is his understanding that "it
864 doesn't matter" if the church expands its school because it does not have a PILOT.

865
866 Sean told Mayor Chilsen he is correct.

867
868 Mayor Chilsen said, "If they expand their church they have no PILOT."

869
870 Sean told Mayor Chilsen he is correct.

871
872 Mayor Chilsen said, "That would be the same for any house of worship except, [for example], St.
873 Pat's opens a Starbucks connected to them."

874
875 Sean told Mayor Chilsen he is correct, stating that in that instance there would be a review of
876 whether or not a PILOT would be requested or demanded at that time.

877
878 Mayor Chilsen said, "I understand the value of churches. ... I'm certainly not in favor of moving
879 this PILOT any different than what it's at right now in form of churches, and I don't think that
880 was the intent, was it?"

881
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882 Andrea said, “Everybody wants to blame somebody for these discussions, and that somebody
883 might actually be me. And the reason I’m going to jump under the bus so you have somebody to
884 look at is that I want you to have a face for all the angry comments that we’re getting, and all of
885 the nice comments we’re getting. We sit on this committee as volunteers – most of us. I think
886 maybe all of us. The Mayor at this point is certainly volunteering. We get requests to do things.
887 We get CUPs. Our staff is the face, but we make decisions. I was not on the Council when there
888 was a contentious PILOT that came up earlier this year. I’d like to read you the minutes. I’m
889 going to leave the name off of them. I went back to research it and tried to figure out where this
890 came from, and this is what I read. This is from the February 2016 Common Council minutes:
891 *‘I’ve represented Rivers Harvest Church on their experience through this program, and I have to*
892 *tell you it’s been unpleasant, to put the best construction on it. They were surprised about it*
893 *after they applied for a Conditional Use Permit; that was the first thing. They didn’t know it up*
894 *front up when they applied that, ‘Oh, you’re going to have this.’ It was added in later. There*
895 *were a few other things that kind of bothered them. Then I was invited to negotiate with the city*
896 *about what would be the proper rate. What would happen if our City Attorney didn’t like me?*
897 *Maybe he doesn’t; I didn’t get a very good deal for my client. What if he did like me and we got*
898 *an extraordinary deal? What if I was a Black attorney or opening up a Baha’i temple and*
899 *wanted to have a daycare? We don’t have a good policy to really explain how this PILOT*
900 *program is working. And when you leave it up to negotiation you open yourselves up for*
901 *corruption. You open yourselves up for discrimination. You need to find a policy that really*
902 *defines exactly what you’re going to tax, in a sense, and not tax.’*

903
904 So I read this and I said, ‘Here comes this PILOT [ordinance]. It shows up on the desk. It’s
905 apparently been through a couple of other channels, and they want us to make a decision. But
906 we don’t have a policy on that.’ So it can’t be up to whoever happens to sit in whatever chair at
907 whatever time. We need a policy. So what I said was, ‘We have to talk about this.’ A couple
908 members up here didn’t want to talk about it, but a couple other members did. So what we said
909 was, ‘Let’s start by inviting the nonprofits – not the churches, [but] the nonprofits. This is not
910 church-targeted. This is nonprofits. Let’s invite the nonprofits and have some discussion, so we
911 had an open house and we got lots of feedback. Unfortunately, we couldn’t speak at that open
912 house. The intention had been a follow-up meeting where we could continue dialogue. This was
913 a learning thing. It was not intended to be a ‘let’s sit up in front of you and get beat up by the
914 public.’ It was intended to be a ‘let’s discuss this’ and figure out how can we make this work.
915 How can we make the city budget balance, provide services to the community – including the
916 nonprofits. How can we do this? Instead, we got attacked. There was a procedural glitch later
917 on, and unfortunately we couldn’t answer questions, although our intent had been to follow up
918 immediately. Here we are now, and there is a lot of misinformation out there about what this
919 was intended to be. This was intended to be a discussion, and it really probably is my fault
920 because we need to talk about it. We need to figure out if we’re going to do it. If we’re going to
921 do it we have to do it to all nonprofits – not one, not another. We need to figure out when it
922 applies, when it doesn’t. Maybe it never does. But that’s what the point of this was, so I’m
923 going to jump under the bus because Katie is not the one who said, ‘Let’s do this.’ The Mayor

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924 didn't say, 'Let's do this.' I said, 'I don't know what to base my decision on – not my personal
925 opinions, because I love nonprofits. Most of you probably don't know me, but my life has been
926 nonprofits since I was [very young]. The point is, let's talk about this constructively and figure
927 out what works.

928
929 Here's the other reality. [Monday] I sat through a 2½-hour budget meeting with the Department
930 of Parks and Recreation because I am the Chair of that and that's how I get the seat on this
931 committee. We had, again, for I don't even know how many years – maybe the Mayor does –
932 we've had a zero-percent increase budget for years and years and years. Now that doesn't mean
933 that everything stays the same. That means we have the same amount of money that we had last
934 year to put toward our expenses for the coming year. But what you don't see in that is you don't
935 see the fact that water rates are going up by 12 percent. You don't see the impacts from the
936 raises that we have to give to employees because of the new minimum wage standards. So in
937 reality it's a zero-percent budget on the top, but it means we have to cut all kinds of things out of
938 our budget. And every department at City Hall has to do that. Police has to do that. Fire has to
939 do that. City Hall staff have to do that because we have a zero-percent increase. But we still
940 have to cover all of the expenses, so we cut down police patrols. We cut out Humane Society
941 service. Now our police folks are out there tracking down loose dogs when the hours don't meet
942 what we have for Coulee Region Humane Society. That's why we're here tonight. We're trying
943 to figure out how to make this work. What I'm hearing is that nobody wants a PILOT, and what
944 I'm hearing – and heard at the public input session – was that some of you would be happy to
945 pay more personal taxes to cover those services. That's something that I think is important for
946 Council people to hear. If that's truly what you feel, we need to tell our Council people that
947 because every time I tell my Council people that I'd be happy to pay more for my services, they
948 laugh because nobody ever tells them that. So if that's the case and you're happy to pay more so
949 that we can maintain the quality of life that we have in this city, tell your Council people so that
950 they know what you want to do. You've certainly told us you don't want to pay taxes on your
951 nonprofits. But you have to tell us where we're going to get the money to keep the city the way
952 we want it to be, and that's the reason we're all here. So point your fingers at me. I'm fine with
953 that. I'm good with that. Don't point them at our city staff because they don't have any say-so
954 in this. It's folks like us who are up here volunteering and trying to figure out how to make
955 things work. That's my piece, and I thank you very much for all of your input and your time.
956 I'm very apologetic that you've had to come to so many meetings. That was not the intent of the
957 procedure when it was originally established.”

958
959 Craig said, “A lot of what you [Andrea] said is shared by myself, also. I also was one of the
960 people who wanted to bring this out into the public and have this discussion because we can't
961 continue to implement a policy that we don't have a procedure for. That makes no sense
962 whatsoever. This is something that's been in existence for 15, 18 years, and yet we always
963 muddle our way through this. That's not the right way to proceed with anything. That's not an
964 organized, planned way to run a municipality. Now, during the course of this it was
965 discouraging for me – and actually pretty frustrating – to hear under-the-breath comments and

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966 some insinuations that somehow we're out to increase our personal pay. There are only two
967 people up here who are elected. The rest of us serve in a capacity that we're interested in helping
968 the city move forward. We have no compensation whatsoever. I realize that churches and
969 nonprofits contribute a great amount to our municipality. There is no question about that. I also
970 look at these people up here and Skip, I know I've spent more than two decades in public service
971 without a single penny in compensation. So I know what giving to the community is all about.
972 And for you to look at us like somehow we don't understand what that's about I think is a real
973 disrespectful thing to do. Maybe that comment makes it worse. Now, my only concern here
974 when I look at this has nothing to do with churches or any specific entity. It has to do with, what
975 are permissible uses for nonprofit properties or tax-exempt properties, and what are not? I don't
976 care how you want to define it, but when you're charging for-fee services or selling for-fee
977 products on a tax-exempt property, in my mind that changes the nature of that property. Now,
978 I'm not in favor of full-blown property taxes; that's not what this is about. But I think it does
979 justify at least having the discussion where we answer the question, does this warrant additional
980 valuation? I think it does."

981
982 Mayor Chilsen said, "I'm requesting the Land Use and Development Director, Katie Aspenson,
983 to put together a blue ribbon panel representing both nonprofit organizations as well as profit
984 entities from Onalaska to bring back recommendations on this issue. That way everybody gets a
985 seat at the table that has a dog in the fight, if you will. We can work out something according to
986 the best information we have available so that everybody understands that churches aren't
987 included in this. When they expand their church, when they expand their school, that doesn't
988 count. They are protected. I would like Katie to put that group together and meet to bring back
989 recommendations to the Plan Commission."

990
991 Skip said, "I would like to challenge something that you said. Unless I misunderstand things,
992 PILOTs are charged to churches for things that are related to their religious activities." Skip then
993 asked Pastor Jason Stanton to come forward and asked him if First Lutheran pays a PILOT.

994
995 Jason said yes.

996
997 Skip asked, "What do you pay it on?"

998
999 Jason said, "The house across the street from First Lutheran behind us to the south."

1000
1001 Skip asked, "What is that used for?"

1002
1003 Jason said it is utilized as a teen clothes closet.

1004
1005 Skip asked, "Is that a religious activity?"

1006
1007 Jason said yes.

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1008
1009 Skip thanked Jason and said, “That’s my point. They are paying a PILOT on a religious activity.
1010 And that is not the only one that is going on in this city. That’s just one of them, and this is why
1011 I’m completely against the PILOT, because I think it is abused. I think that the quality of life of
1012 this city, if you could put a dollar on it, would be much more decreased by this program than the
1013 tax money that would be received by the city. I think this is completely the wrong way to go.”

1014
1015 Mayor Chilsen said, “If we bring groups together we can hammer out anything. If we continue
1016 to talk, things will happen. The right things will happen. If the recommendation comes back to
1017 scrap the whole thing, so be it. But let’s sit down and get all the information that is absolutely
1018 correct and move forward based on that information.”

1019
1020 Andrea said, “I just want to clarify for everybody, PILOTs are here. We are using them. They
1021 have been used. They have been used, not exactly randomly, but they have been used differently
1022 through time. They have been applied to different organizations. Again, it’s not a matter of
1023 whether we’re creating a PILOT program. We are creating a policy about when or when not to
1024 set up a PILOT agreement. And if we’re going to do it, how do we do it fairly? That’s what the
1025 policy is about. It’s not about creating a PILOT. It’s about how do we fairly apply or not apply
1026 a PILOT program. That’s what this discussion is about. PILOT is real. It is here. It is not fairly
1027 administered.”

1028
1029 Cari asked Mayor Chilsen if further direction is needed regarding the size of the panel and when
1030 he expects her [Katie] to bring back recommendations.

1031
1032 Andrea said she believes a longer timeframe is needed as the city is into the 2017 budget process.
1033 Andrea added, “I would like to see that this is representative of nonprofits in general and not
1034 specifically churches because this is not a church tax. This is a nonprofit issue.”

1035
1036 Katie said she does not have a specific timeline to give to the Plan Commission, and that she is
1037 seeking direction regarding the number of residents participating on the panel. Katie asked if
1038 multiple meetings are expected, or if one meeting will be sufficient.

1039
1040 Mayor Chilsen said he believes there should be no fewer than six and no more than eight.

1041
1042 Sean asked if updates should be given to the Plan Commission every other month.

1043
1044 Mayor Chilsen said yes, stating there will be an update every other month.

1045
1046 Craig said that he believes the process should move forward, but not be rushed. Craig said,
1047 “Half the people, from what I heard tonight, thought we were here to pass some resolution or to
1048 pass some ordinance. That’s simply not the case.”

1049
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1050 Jan said, "We're all here for the same purpose: to try and provide the best services we can for
1051 the community. If you're a nonprofit those would be counseling, addiction, religious services –
1052 whatever. The city is providing lighting, street services, snow removal – whatever. We're all
1053 looking at the same thing, so somehow we have to work together and do this. I think that should
1054 be an overriding thought."

1055
1056 Mayor Chilsen welcomed recommendations and invited those in the audience to email him.

1057
1058 Cari asked Sean if the meetings will be public meetings with agendas.

1059
1060 Sean said no, stating that this is a blue ribbon panel that will meet and report to the Plan
1061 Commission every 60 days. Sean said he assumes that the report will be placed on
1062 cityofonalaska.com and available either before or after the Plan Commission meets.

1063
1064 Cari said she assumes that until that point everything would be a working document and could
1065 not be released until Katie had a finished document that can be posted on cityofonalaska.com.

1066
1067 Andrea said updates will be included in the Plan Commission meeting minutes.

1068
1069 **Adjournment**

1070
1071 Motion by Andrea, second by Paul, to adjourn at 8:43 p.m.

1072
1073 On voice vote, motion carried.

1074
1075
1076 Recorded by:

1077
1078 Kirk Bey