Craig, Sondra

From: City of La Crosse Notices - No Reply
Sent: Tuesday, July 28, 2026 2:05 PM
To: Craig, Sondra; Elsen, Nikki; Janssen, Barb; Kahlow, Chris; Sleznikow, Larry; Trost, Jennifer; Mindel, Mackenzie; Dickinson, Tamra; Goggin, Erin; Steele, Annette; Washington-Spivey, Shaundel; Weston, Lisa; Newberry, Aron; Bedford, Crystal; Padesky, Gary; Stine, Olivia; Northwood, Rosanne
Subject: City Council Contact Form: In Support of a City Administrator

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Is this related to a legislative agenda item: Yes
Agenda item number: 26-0741

Subject: In Support of a City Administrator

Dear Council President and Members of the Common Council,
The purpose of this letter is to urge your support for the creation of a City Administrator position for the City of La Crosse. I work with City staff and elected officials regularly on development, permitting, and public-private partnership matters, and I want to be direct about why I think this is the most consequential vote you will take this year. La Crosse does not have a revenue problem it can legislate its way out of. It has a management problem it can hire its way out of. Those are different problems with different solutions.

As I am sure you are aware, we are the developer of the Copper Rocks redevelopment, which I reference below. I raise that project not to advocate for it, but because it is the clearest illustration I have of the point I want to make, and because I would rather state my interest upfront.

As we all know, La Crosse is a regional economic hub carrying real responsibility for infrastructure, economic development, housing, and public safety, and what happens here has direct consequences for our municipal neighbors. The City operates on an annual budget exceeding $74 million and is steward of a tax base of roughly $5.97 billion in equalized value. Responsibilities of that magnitude require professional management expertise. Successful businesses of comparable scale do not hand day-to-day operations to full-time but term-limited leadership, and there is no good reason a city of this size should. A City Administrator would provide full-time, professional management of the organization, which would in turn allow you to focus on policy and community priorities and oversight rather than operational details.
Consider what the absence of professional management has already cost us. A credentialed administrator does multi-year financial planning and enforces budget targets across departments year-round; that is not an aspiration, it is the baseline job description of the position. A competent professional manager also would not have allowed one-time federal ARPA dollars to support recurring operating costs without a documented glide path off of them. The City received roughly $21.8 million in ARPA funds, elected to take the maximum $10 million under the revenue-loss provision, which is the most flexible and least restricted category available, and applied portions of it to ongoing personnel and operations. The expiration date on that money was known from the day it arrived.

What followed was entirely predictable. By June of 2025, the City's Finance Director was reporting roughly $3.2 million in increased expenses in the draft 2026 budget and warning that preserving the State's Expenditure Restraint Program payment for 2027 would require $1.0 to $1.2 million in reductions. The City also carried approximately $830,000 in department overruns in 2025 with no apparent guidance mechanism to correct them. This is the distinction I would ask you to hold onto: the City walked into a dated, mathematically certain, fully foreseeable cliff. That is a management failure, not a revenue surprise. Revenue surprises are what happens to organizations that are being managed. Cliffs like this one are what happens to organizations that are not.

The same gap shows up in daily operations, and it shows up in ways residents feel. When no one manages across departments, the consequence is not merely that projects move slowly. Functions get duplicated. Overtime and benefits growth go unmanaged. Each department solves the same problem in its own way, in its own system, on its own timeline. Nobody owns the seams between departments, so nobody ever fixes them. That is why the cuts now being made, the North Side pool and the North Side library branch, are cuts to highly visible services residents can see and use rather than to the costs they cannot see. Has anyone at City Hall ever been assigned to systematically attack that second category and can anyone at City Hall say with confidence what the City's duplicated internal administrative functions cost annually? If the answer is no, then the Council has been closing pools without first knowing whether the money was already sitting inside its own operations, lost to organizational inefficiency and duplicated effort.

That inconsistency carries a cost outside City Hall as well. La Crosse's current structure produces confusion and unpredictability in policy and administration, which makes it harder for residents and businesses alike to plan, invest, and build here. A professional administrator provides continuity that does not swing on a four-year election cycle and would streamline coordination between departments so that all projects get reviewed, approved, and completed on a timely schedule.

Which brings me to revenue, because the Council's options there are far narrower than cutting expenses. The levy cannot be raised meaningfully; Wisconsin's levy limits prevent that. Shared revenue barely moves. ARPA is gone and is likely not coming back. When you eliminate what the State has shut off, exactly one lever remains: expanding the tax base through new development.

The scale of that lever deserves to be stated precisely. According to the Wisconsin Department of Revenue's 2025 Statement of Changes in Equalized Values, the City of La Crosse recorded approximately $43.9 million in total new construction in 2025. That figure is everything: every new home, every addition, every commercial building, every industrial expansion, across the entire city, for the full year. As one example of what that means, Copper Rocks represents roughly $45 million in new construction value on its own. One project, on one site, exceeds what the rest of the City of La Crosse built in all of 2025 combined.

That is the math of a city whose growth engine consists of a small number of large projects, and it is the reason the City's ability to execute on those projects is not a peripheral concern but a central fiscal one. I want to be careful about what that does and does not mean. Because the site sits within a tax incremental district, that value does not add to the general levy while the district remains open; the increment services the TIF obligation first. The permanent addition to the City's levy capacity, on the order of approximately $350,000 per year, set against the roughly $368,000 in total levy growth the City generated last year from all sources, arrives when the district closes. I am not going to tell you this project solves the 2027 budget, because it does not.

What it does is test whether La Crosse can execute at all on the only revenue tool it has left. Copper Rocks has been moving through City processes for roughly eighteen months. That is not a complaint about any individual department; by all appearances each one is doing its own job competently. It is a description of a structural gap where a professional manager should be. No one at City Hall is currently accountable for aligning Legal, Engineering, and Planning to carry a project of that magnitude to closing. I am not asking the Council to prioritize any particular project, including mine. I am asking you to weigh what it costs a city with one revenue lever remaining to have no one whose job it is to pull it.

None of this would be an experiment. Most municipalities of comparable size and complexity to La Crosse, and a substantial majority of Wisconsin cities generally, more than 200 of them, now operate under some form of professional management. They did not adopt it because their governments failed. They adopted it because local government operations became too complex to run without it. La Crosse is at a critical point. Growth is essential right now, and the region needs structural change to stay competitive with peer communities that made this move years ago.

I would also ask you to weigh the cost of the position against the cost of continuing without it. The recommended salary range is roughly $186,600 to $194,400, which is approximately one quarter of one percent of the operating budget the position would be responsible for managing. Set against $830,000 in uncorrected departmental overruns in a single year, it does not need to find efficiencies for long before it has paid for itself several times over. I would submit that the more expensive choice is the one the Council has already been making by default.

This proposal failed by a single vote in February. I recognize that several members had substantive objections, and that the revised ordinance now before you attempts to answer them. I would ask those members to weigh those objections against the budget the Council will have to draft this fall, and to ask whether the current structure has earned another year of confidence.

Thank you for your time and for your service to the City of La Crosse. I would welcome the opportunity to discuss any of this in more detail, and I am glad to make myself available to any member who would find that useful.

Respectfully,

Jeremy Novak