

18-0079



April 2, 2018

Memo

To: Board of Public Works

From: Jason Gilman, Planning and Development Director

RE: Trueline and Parcel at 604 2nd Street South-Fairway Billboard

The Board of Public Works asked Planning to do some research on options to address Trueline's desire to purchase the parcel AT 604 2ND Street South and the Fairway outdoor advertising (off premises) sign at the same location. The parcel in question is currently being leased by Fairway from the City. Trueline has committed to a project worth \$3M in new investment with 15 to 25 new jobs.

In discussing the Fairway sign with Buildings and Safety, it appears the code prohibits the replacement of the current sign on the site, including mounting it on a new building.

The following are alternatives for the Board's review and consideration:

1. Sell the parcel to Trueline and commit to ending the Fairway lease under the terms of the City-Fairway lease agreement. This option allows a local manufacturer to expand in the City and create tax base on an otherwise tax exempt parcel in addition to job creation, downtown business benefits and retention of a downtown employer.
2. Sell the parcel to Trueline and commit to ending the Fairway lease under the terms of the City-Fairway lease agreement, but also discuss outdoor advertising reform to allow for Fairway to install some digital displays in exchange for removal of signs in the way of business expansion or redevelopment (Rousch, Wendling, Riverside North, Johns Auto, etc.)
3. Ask Trueline to adjust their building design to retain the Fairway Sign and carve out a City-owned outlet for the Fairway sign.
4. Don't sell the parcel and allow things to remain as they are.

JASON GILMAN, AICP, PLANNING & DEVELOPMENT DIRECTOR
 TIM ACKLIN, AICP, SENIOR PLANNER - HERITAGE PRESERVATION
 LEWIS KUHLMAN, AICP, ENVIRONMENTAL PLANNER
 ANDREA SCHNICK, ECONOMIC DEVELOPMENT PLANNER
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CAROLINE GREGERSON, COMMUNITY DEVELOPMENT ADMINISTRATOR
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 TARA FITZGERALD, FEDERAL PROGRAMS ACCOUNTING TECHNICIAN
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March 22, 2018

Ms. Teri Lehrke
400 La Crosse Street, 2nd Floor
La Crosse, WI 54601

Ms. Andrea Schnick
400 La Crosse Street, 3rd Floor
La Crosse, WI 54601

**Re: Public Works Meeting March 26, 2018 –
Trueblood Properties, LLC Purchase of City Property**

Dear Ms. Lehrke and Ms. Schnick:

I have attached a site map for the property that Trueblood Properties, LLC requested to purchase from the City of La Crosse and for which the City of La Crosse Board of Public Works agreed to sell to Trueblood Properties, LLC on certain conditions. The map shows a building to be built. Currently, Trueline, Inc., the operating entity, needs additional space and would commence building Phase 1 within the next calendar year if the property was unencumbered. Phase 1 lines up with the current property along Second Street including a large bay door which would allow a consistent floor height and work flow. Building Phase 1 would enhance the value of the property while creating additional, efficient workspace for Trueline, Inc. Then, once Phase 1 reached near capacity Trueblood Properties, LLC would build Phase 2 on the western half of the property.

Trueblood Properties, LLC has requested to come to the Board of Public Works to discuss the conditions put on the purchase because of the encumbrances on the property which interfere with development. On one hand the Board of Public Works looked for a timely build out on the property, and we believe the two phase buildout plan meets the expectations of the Board of Public Works. Unfortunately, Trueblood Properties, LLC cannot move ahead with building Phase 1 because there is a billboard on the property blocking where Phase 1 would be built. To construct Phase 1 along the west of the billboard is currently not possible because the billboard receives an electrical service from the light pole shown on the western half of the property. The height of the electrical service would prevent even a one story addition from being built. Further, even if a separate electrical service is provided to the billboard, the loss of buildable space would affect the value of Phase 1 to Trueblood Properties, LLC and would cause the addition to not match up with the current brick building at the property.


Trueblood Properties, LLC is informed that there are at least eight years left on the lease for the billboard and that the City renewed the lease for the billboard within the past two years. Trueblood Properties, LLC is requesting the Board of Public Works to consider modifying its original conditions for sale of the property to Trueblood Properties, LLC in one of the following manners:

Trueblood Properties, LLC is requesting the Board of Public Works to consider modifying its original conditions for sale of the property to Trueblood Properties, LLC in one of the following manners:

- A. The City arranging for removal of the billboard.
- B. The City agreeing to reduce the purchase price, but not requiring Trueline, Inc. to build on the property until the billboard lease has been terminated. In that case, Trueline, Inc. would find an alternative location to expand its manufacturing operation and would expect to use the extension onto the subject property for future growth.

Additionally, please note there is a light pole on the western half of the property. Trueline, Inc. respectfully requests that the City remove the light pole prior to any sale.

Trueblood Properties, LLC greatly appreciates the Board of Public Works taking the time to entertain this issue.

Sincerely, 
Terry Trueblood

cc: Mr. Gary Padesky
Attorney Sean O'Flaherty