



## Memorandum

To: Economic Development Commission

From: Planning and Development Staff

Date: June 28, 2018

RE: 18-0915

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At the request of the Economic Development Commission, this memorandum provides a brief summary of each of the projects approved by the EDC that have formalized agreements for the Upper Floor Renovation Loan Program.

### **State & West - Tausche Hardware Building, 203-207 S. 4<sup>th</sup> St, Tax Parcel #17-20033-60 October 2015**

Project Plan: Renovate the upper floors into four luxury apartments. The second and third floors will be gutted and subdivided into two apartments on each floor. The first floor will remain commercial and a roof top patio will be added. Improvements will be made to the alley to service the needs of all three buildings that are adjacent to it. The property is currently 100% occupied. The cash flow on this project was slightly negative when it was last checked but this will level out in a couple of years. The benefit of the HTC outweighs this negative cash flow. This property was on the City tour with the Wisconsin Historical Society bus trip.

Total Projected Project Cost: \$612,711.50  
Original vs. Projected Assessed Value: \$141,000 vs. \$347,310  
Current Assessed Value: \$359,700  
Tax Creation (Original vs. Current): \$4,302.52 vs. \$11,136.02

Developer Request: \$103,155  
Approved by EDC: \$103,155  
Terms: 10 year loan at 2% interest rate

JASON GILMAN, AICP, PLANNING & DEVELOPMENT DIRECTOR  
TIM ACKLIN, AICP, SENIOR PLANNER - HERITAGE PRESERVATION  
LEWIS KUHLMAN, AICP, ENVIRONMENTAL PLANNER  
ANDREA SCHNICK, ECONOMIC DEVELOPMENT PLANNER  
SARA OLSON, CLERK STENO

CAROLINE GREGERSON, COMMUNITY DEVELOPMENT ADMINISTRATOR  
DAWN REINHART, NEIGHBORHOOD HOUSING DEVELOPMENT ASSOCIATE  
TARA FITZGERALD, FEDERAL PROGRAMS ACCOUNTING TECHNICIAN  
KEVIN CLEMENTS, HOUSING SPECIALIST  
KEVIN CONROY, HOUSING REHABILITATION SPECIALIST

**RRJ Holdings, LLC – William E. Potter Building, 107 3<sup>rd</sup> St S, Tax Parcel #17-20017-20**  
*May 2016*

Project Plan: Preserve a historic building in downtown La Crosse and renovate the upper floors into two luxury apartments. The second floors will be gutted and subdivided into two apartments on each floor. The first floor will remain commercial. The project was completed with residential occupancy in September 2016 and the original tenants are still in place. Commercial space was filled approximately a year later in 2017. The building is currently fully occupied.

Total Projected Project Cost: \$242,310  
Original vs. Projected Assessed Value: \$393,500 vs. \$ 543,500  
Current Assessed Value: \$423,700  
Tax Creation (Original vs. Current): \$12,078.36 vs. \$13,032.74

Developer Request: \$120,000  
Approved by EDC: \$120,000  
Terms: 10 year loan at 2% interest rate, amortized at 15 years

**Batavian Building, LLC – Batavian Bank, 319-329 Main Street, Tax Parcel #17-20020-30**  
*April 2017*

Project Plan: The project will be phased over two years; Phase/years 1&2: The manually operated elevator will be updated. The 3<sup>rd</sup> floor will be gutted and opened up (floor to ceiling), and then “white-boxed” to allow for new commercial space. The conference room on the 2<sup>nd</sup> floor will be updated (electrical and paint), and automated light sensors, and updated electrical on all stairwells. The 2<sup>nd</sup> floor back office will be gutted, bathrooms fixed/updated, new lighting and flooring for additional office space; same with the 4<sup>th</sup> floor back office.

Total Projected Project Cost: \$401,000  
Original vs. Projected Assessed Value: \$383,000 vs. \$633,000  
Current Assessed Value: \$412,900  
Tax Creation (Original vs. Current): \$11,963.17 vs. \$11,858.33

Developer Request: \$200,000  
Approved by EDC: \$200,000  
Terms: 10 year loan at 0% interest rate first 2 years, 1.5% interest rate year 3, and 3.5% interest rate years 4 - 10

**Jeaneri, Inc. – Odd Fellows Temple, Mendralski Building, and Reuter Mader Building, 121-127  
4<sup>th</sup> Street South, Tax Parcels #17-20033-20, #17-20023-30, and #17-20023-40  
October 2017**

Project Plan: Preservation of 3 historic buildings in downtown La Crosse to renovate the buildings to original 1911 design. Renovations will include update to exterior of buildings adding a new tenant's entrances and elevator available for access by all three buildings. Two of the buildings will include 3 luxury apartments and office space on the second floor, and retail space on the first floor of each building.

Total Projected Project Cost: \$2,240,000  
Original vs. Projected Assessed Value: \$380,400 (combined) vs. \$1,415,200 (combined)  
Current Assessed Value: \$380,400  
Tax Creation (Original vs. Current): \$11,508.23 vs. \$11,535.44

Developer Request: \$600,000 (\$200,000 per property)  
Approved by EDC: \$600,000 (\$200,000 per property)  
Terms: 10 year loan at 2% interest rate, interest only for year 1, amortized over 15 years

**RMD Development, LLC – Magill Brothers Bank and Masonic Temple, 800-802 Rose Street, Tax  
Parcel #  
March 2018**

Project Plan: Redevelop and preserve a historic building on the north side of La Crosse and renovate the first floor into commercial space and upper floor into residential space. The project will be phased over two years and will include exterior and interior improvements

Total Projected Project Cost: \$400,000  
Original vs. Projected Assessed Value: \$0 vs. \$250,000  
Current Assessed Value: \$95,800  
Tax Creation (Original vs. Current): \$0 vs. \$0

Developer Request: \$200,000  
Approved by EDC: \$200,000  
Terms: 10 year loan at 2% interest rate

**OLDER PROJECTS:**

**Main Street Renaissance – 100 S. 3<sup>rd</sup> Street**

*October 2005*

Previous Assessed Value (2006): \$436,400

Current Assessed Value: \$956,800

(\$27,468.04 in unpaid property taxes from 2015 and 2017)

**2<sup>nd</sup> & Main LLC – 331-335 Main Street and 105-109 4<sup>th</sup> Street N**

*April 2009*

Previous Assessed Value (2009):219,700

Current Assessed Value: \$489,400