#### CITY OF LA CROSSE, WISCONSIN CITY PLAN COMMISSION REPORT June 4, 2018

#### AGENDA ITEM – 18-0362 (Andrea Schnick)

Application of Kwik Trip, Inc. for a Conditional Use Permit allowing demolition of structure for green space at 1003 Losey Blvd. S.

## > **<u>ROUTING:</u>** J&A

## **BACKGROUND INFORMATION:**

1003 Losey Blvd. S. is owned by Kwik Trip. They had been renting the house to a nonprofit but it has been vacant for the past year. They would like to demolish the house to create green space for the neighboring convenience store. According to the applicant, it could be costly to make the necessary fixes to be able to sell the home. Kwik Trip originally asked to not pay a Payment in Lieu of Taxes (PILOT) due to their investment in their La Crosse headquarters campus. However, they have now withdrawn that request via voicemail from Dave Ring to staff on 5/30/18.

The land is assessed at \$20,000 and the building improvement is assessed at \$120,700 for a total assessment of \$140,700. The house to the south is assessed at \$146,200. Current year property taxes are \$4,019.79.

According to the Fire Prevention & Building Safety Department, there are no open orders to correct. The home was re-roofed in 2015, a rescue platform was added in 2016, and upgraded electrical services in 2013.

Staff reached out to Kwik Trip to understand their long-term plan for the site and to discuss alternative options besides tearing down the home. During two separate phone conversations and an in-person meeting it was learned there are no future development plans for the site other than to provide an amenity to the customers. The house has not been evaluated by a real estate professional to see if selling it as-is is an option.

Since the April Plan Commission meeting, at least two local non-profits have reached out to Kwik Trip to discuss a partnership to rehabilitate this home. Kwik Trip informed staff and the non-profits that they are not interested in doing anything with the house and intend to let it remain vacant, thus creating a blighted home. According to the Fire Prevention & Building Safety Department they will have to register the building as vacant. When the repairs required would reach a cost of over 50% of the assessed improvement value of the building, a raze and remove order would be issued. They would then have to demo the building and would not need a conditional use permit to do so. At this point, the taxed paid on the property would be for the land only since there would no longer be an improvement on the property according to the Assessor's office. We would not be able to enforce a PILOT at that point.

## **GENERAL LOCATION:**

1003 Losey Blvd. S., Bluffside Neighborhood Association

#### **RECOMMENDATION OF OTHER BOARDS AND COMMISSIONS:**

Referred by Plan Commission 4/2/18, Denied by the Plan Commission 4/30/18, Referred by Common Council 5/15/18. Kwik Trip met with the Bluffside Neighborhood Association on Monday, May 28. According to Jim Bagniewski, they neighborhood association did not object to the demolition as long as a PILOT is paid. One objection letter was received from the property to the north of Kwik Trip.

## **CONSISTENCY WITH ADOPTED COMPREHENSIVE PLAN:**

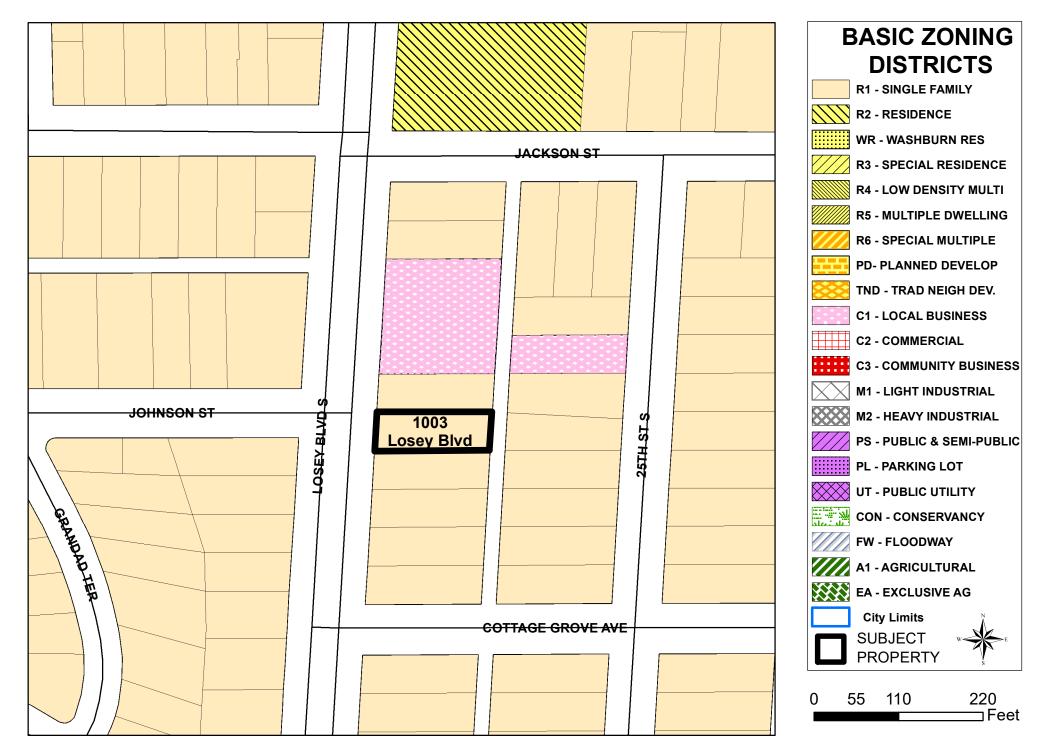
The future land use map of this parcel is depicted as R-1 Single Family Residential. Green space is a permitted use in R-1. In this situation the green space would be an amenity to a commercial use, especially with the fence separating the properties.

## > <u>PLANNING RECOMMENDATION:</u>

Planning staff recommends denial of this application on the basis of the Comprehensive Plan recommendations and the conversion of this property from residential to a quasi-commercial use and the City's demand for affordable urban family housing.

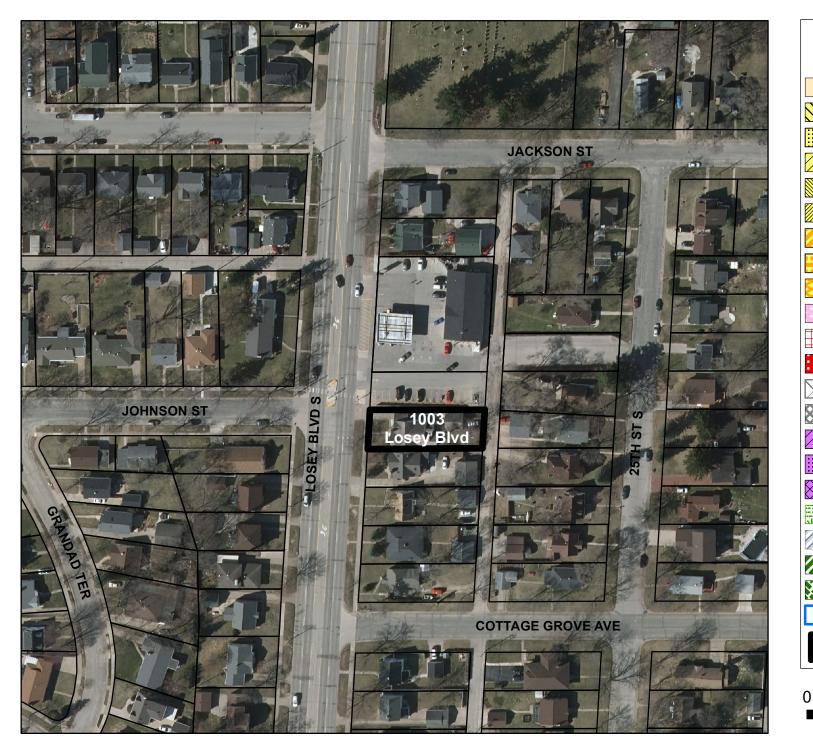
Through various roundtables and conversations in the community, it is understood there is a shortage of single-family homes in the City and especially for a demand in this price range. According to a local real estate professional, homes in this price range under \$200,000 are selling in less than 30 days.

If the Plan Commission approves the CUP, planning staff recommends a PILOT be signed prior to the June 14, 2018 Common Council meeting, to be consistent with the requirement for other conditional use permits.



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