



CITY MANAGER UPDATE TO THE CITY COUNCIL

In This Update:

- **From the City Manager:** Budget Exercise, Paid Downtown Parking, Summary of Development Agreements on Multi-Family Housing, League Conference, City of Eau Claire Files Lawsuit Against PFAS Manufacturers, Staying the Course
- **Council Calendar**
- **Special Employee Spotlight:** Joseph Bronner
- **A Few More Pictures**

From the Manager

Budget Exercise: Please take a minute to review the budget exercise that we discussed in this week's work session. If you have thoughts on prioritization, let me know. If there appears to be a consensus in the feedback that we get at this point, we can modify the budget prior to releasing the proposed version. You no doubt have questions about all aspects of the budget, and getting those questions answered first will enable you to make decisions about how to prioritize. Thus, we recognize that the plan will need to continue to evolve through several iterations. Finance Director Winters and I will be working on determining how we can present any proposed initiatives or changes for 2024 to get your and the public's questions answered, and we can answer questions one-on-one as well.

Paid Downtown Parking: As has been sent to you this week, we reached out to local businesses to share the message below that Deputy City Manager Solberg passed along to you. Note that we are still working off of the recommendations in the 2019 Parking Study, and it is linked here: [Parking Study Update | City of Eau Claire, Wisconsin \(eauclairewi.gov\)](#). We have been wishing for the capacity to carry out a more comprehensive study of the greater downtown area that includes in its scope a look at mobility, open space, development, and parking. However, we don't currently have a funding source to carry out such a study.

Update from Dave:

"Following months of outreach to, and input from, local businesses downtown regarding the potential of paid on-street parking, the City plans to not include the proposal in the 2024 operating budget. City staff plans ongoing discussions with businesses regarding paid on-street parking. The implementation date of the program is anticipated to be no sooner than January 2025.

It is important to note that the City's general fund subsidizes downtown parking by \$185,000. (Funding to repair the ramps is in addition to this cost.) The City Manager has a strong focus on reducing general fund subsidies to programs that have a funding source. With the focus on improving customer service, improving the enforcement effort, and eliminating the general fund subsidy, paid

on-street parking is a very important program to consider to help the overall parking program be self-sufficient and be seen as an asset to the community. Because of this, staff will continue progressing the development of the program, working hand in hand with businesses and the City Council.”

Summary of Development Agreements on Multi-Family Housing:

One of the News TV stations reached out to ask about how many units recent City-involved projects have created and at what rent price points.

Here’s a quick summary that our City Attorney’s Office put together in answer to this question:

Four current projects will bring 542 new units onto the market. Of these units, 173 (or almost a third) are affordable to renters earning 80 percent or less of CMI. (Here is a document that outlines the WHEDA salary levels for different household sizes:

[*LIHC Income & Rents Limits \(wheda.com\)](http://www.wheda.com))

FAMILY SIZE:	ONE	TWO	THREE	FOUR	FIVE	SIX	SEVEN	EIGHT	NINE
COUNTY:									
Brown	50,550	57,750	64,950	72,150	77,950	83,700	89,500	95,250	101,000
Calumet	53,600	61,250	68,900	76,550	82,700	88,800	94,950	101,050	107,150
Chippewa	50,150	57,300	64,450	71,600	77,350	83,100	88,800	94,550	100,250
Columbia	51,800	59,200	66,600	74,000	79,950	85,850	91,800	97,700	103,600
Dane	62,600	71,550	80,500	89,400	96,600	103,750	110,900	118,050	125,150
Dodge	45,650	52,200	58,700	65,200	70,450	75,650	80,850	86,100	91,300
Door	46,100	52,700	59,300	65,850	71,150	76,400	81,700	86,950	92,200
Douglas	47,800	54,600	61,450	68,250	73,750	79,200	84,650	90,100	95,550
Dunn	46,000	52,600	59,150	65,700	71,000	76,250	81,500	86,750	92,000
Eau Claire	50,150	57,300	64,450	71,600	77,350	83,100	88,800	94,550	100,250
Fond du Lac	47,150	53,900	60,650	67,350	72,750	78,150	83,550	88,950	94,300
Grant	45,000	51,400	57,850	64,250	69,400	74,550	79,700	84,850	89,950

The projects are as follows:

- *P&R Cannery District:* This project is about to break ground and offers 260 new units on previously blighted industrial land, with at least 54 units affordable for those at 80 percent CMI and at least 10 units of those affordable at 60 percent CMI.
- *Phoenix Parkside:* Now under construction on Wisconsin Street by local developers Geoff Moeding and partners, this project will add 111 to 115 new units, and 20 percent of those, or about 23 new units, will be affordable to rent for families earning 80 percent CMI.
- *Prairie Heights Residences:* Under construction currently at the Birch and Galloway intersection by Paul Gerrard is the beneficiary of a City development agreement, sale of excess land, a City affordable housing grant, and state LIHTC award. This project that combines different sources of subsidy will offer at least 60 new housing units, all at rents affordable for those at 80 percent of CMI or under, with 24 of those units at 50 percent CMI and 12 at just 30 percent CMI. These are public subsidized housing built by a private developer to permit these new units to be offered at well-below market rents. We need this type of housing options, but we compete with many other projects around the state for too few federal and state dollars.
- *Tyler Warner:* This project involves two phases of residential housing on former blighted properties in the Cannery redevelopment district. The first building resulted in 71 new units of market rate housing at workforce housing rental rates, generally between 80 and 120 percent CMI. The second phase, called the “Eddy”, is subsidized LIHTC housing, like the Gerrard

project above. It constructed another 36 new units at affordable rents at or under 80 percent CMI, with some units reserved for households at 50 and 30 percent CMI.


Additional Notes:

- This summary includes only projects that the City has been directly involved with through a development agreement, which is a small percentage of the total new housing units. Many projects come forward as private projects without any City incentives, and those are also adding new housing units at different price points.
- The summary also doesn't consider new single or twin home starts, which we've had a lot of on the south and northwestern portions of our community.
- This of course doesn't include existing housing inventory, which is at lower price points on average. Eau Claire has had success in building a mix of housing types for decades, which leads to diverse housing options, in terms of age of units and price points. This is helpful for our affordability picture.
- Another point of pride is that existing homes or apartments have not been removed to make way for new projects. Instead, infill and downtown growth has almost exclusively occurred on former parking lots or commercial or industrial sites repurposed to meet our housing demand and needs, therefore not eliminating more affordable existing housing options even while building new units.

League Conference: President Berge and I attended the League of Wisconsin Municipalities Chief Executives conference this week in southern Wisconsin, and it was very energizing to talk to other executives from cities and villages throughout Wisconsin. Here are some Q&As from two of the most engaging workshops we heard....

Act 12: What comes next: Toni Herkert (Government Affairs Director for the LWM) and Valeah Foy (Department of Revenue) provided guidance on the implementation of Act 12, which is the much talked-about Shared Revenue action the legislature took this summer. ([PowerPoint can be found here](#))

Today's Discussion	
<input checked="" type="checkbox"/>	Quick Background
<input checked="" type="checkbox"/>	Major Provisions of Act 12 <ul style="list-style-type: none">• Supplemental Payments and Existing/New Growth• PPT Repeal• Expenditure Restraint• Innovation Fund• Maintenance of Effort• Future TID Modifications
<input checked="" type="checkbox"/>	FAQs for each section
<input checked="" type="checkbox"/>	Implementation Notes on Major Provisions
<input checked="" type="checkbox"/>	Administrative Rule Process: Nuts and Bolts



It was clear from the discussion that an enormous amount of work remains to determine, in particular, how the \$300 million in innovation funding can get distributed. My observation was that this is mainly because the Administration needs to try to answer two very difficult questions: What constitutes a new partnership? What constitutes a 10 percent savings? Here are a few questions and answers that I took down related to the new program.

- *Question:* Could we apply for projects that have already been formed or discussed?
- *Answer:* You can discuss collaborative projects, but don't formalize any partnership, as then it may no longer qualify as a new partnership.

- *Question:* Could we start a crisis stabilization center for unhoused people and then claim savings from reduced time spent by Fire, Police, Library, etc?
- *Answer:* Probably, we hope so.
- *Question:* Will volunteer time (such as the time worked by volunteer firefighters) be counted as if it were paid salary with regard to savings?
- *Answer:* Yes. Also, we hope to include “avoided costs” as part of the savings.
- *Question:* Could we invest in some energy efficiency system that saves us money?
- *Answer:* Maybe, but the savings would have to show up within three years.

Leading through turbulent times and staying well in your role: President Berge led this discussion with Mitch Reynolds (La Crosse Mayor) and Ann McCullough McKaig (Village President of Shorewood). The audience was at the edge of their seats, and the session could have lasted all morning!

Here’s a sample of the discussion.

- *Question:* What’s the first step that we should take to stay well in our roles?
- *Answer:* The first step is recognizing when you really need to slow down and get into balance (and other steps are knowing what to do, and then taking those actions.) We should try to watch for signs that we are getting too overloaded, like monitoring a human version of a “check engine” light. It could be asking ourselves questions



like: Am I on social media too much? Am I waking up at 3AM and replaying a meeting? Am I too discouraged to leave the house today? Am I drinking too much after meetings?

Chief executives shared all kinds of ideas and advice, and it was great to hear.

President Berge is not just our Council president, but she is the incoming LWM President, and that’s a big deal. Seeing Emily in action made me proud of the leadership role she is playing and grateful for how her role helps Eau Claire stay in the loop.

City of Eau Claire Files Lawsuit Against PFAS Manufacturers: As was shared, the City of Eau Claire filed a lawsuit this past week in Eau Claire County Circuit Court against PFAS manufacturers. PFAS chemicals have been detected on the City Well Fields property, and the groundwater the community depends upon for our drinking water supply. The City Water Utility has taken proactive steps to test for and mitigate the effects of these chemicals so that our drinking water remains within Wisconsin's safe drinking water standards. However, these steps have required the City to shut down the use of nearly half its wells, test its wells (both those in active use and those idled due to higher PFAS levels), construct temporary mitigation methods to reduce PFAS levels entering the public drinking water supply, and plan to construct permanent treatment facilities. Costs for the City's PFAS response are already over \$1 million and expected to rise to over \$20 million with the construction and long-term maintenance of new treatment facilities. The PFAS manufacturers, not the public, should be responsible for these costs. These companies knew long ago that PFAS chemicals were harmful yet failed to warn the public or remove the product from the market, all the while profiting greatly from its continued sale. There have been recent announcements of proposed class action settlements with 3M and DuPont. The City is monitoring these efforts and may recover significant funds if the settlements are approved. The lawsuit filed by the City is a further step to protect the City's rights and ensure all those responsible for the PFAS contamination at the City Well Fields are held accountable for the clean-up and the damages they have caused.

Staying the Course: It was hard to miss the recent news, and we had a chance to discuss it internally. My take-away is to redouble efforts to listen to all voices, including ones historically excluded, and to look for those best solutions. We can course correct and find more ways to engage, as our staffing allows. That said, I hope we will continue to commit to taking on the tough challenges. As one Director said eloquently, "In the situation we are in, I think staying the course, doing our best for the City, and doing it as a team is solid. Letting our conscience guide us is going to be the way to go."

You all already know all of this since you accomplished it, but here's just a reminder of just a sample of what we have worked on together in the past year:

We have worked on fiscal challenges. Necessary change means addressing our structural deficit before it significantly impacts our City services and resident quality of life. In the spring of 2022, two years of a pandemic, high inflation, and employee/supply chain shortages piled onto a City already struggling after 30 years of cuts. We have pulled out our long to-do list. We have taken on tasks that had been stalled due to the pandemic and delayed because the steps are politically unpopular.

We queued up proposed changes that had been discussed for many years, including the painful ones:

- We placed on the ballot and voters approved a referendum to hire public safety staff.
- Council passed a vehicle registration fee to prevent accelerated deterioration of our streets.
- We lobbied the State for increased shared revenue, obtaining some increase, though we wish it were much more.
- We are scrutinizing fiscal partnerships to be sure that resident tax dollars are spent on services that benefit residents.

These are hard changes and we are having to weigh making hard changes with the risk that comes with not acting.

We have managed record growth. Necessary change means accommodating the demand for commercial/industrial growth to relieve resident taxpayers and attract good jobs. It means considering new industries and greenlighting residential developments that create a diverse mix of units to address our housing crisis. We have seen record new construction, and we have shepherded through two of the City's largest annexations. At the same time, we are working to redevelop our downtown and add infill housing to our existing neighborhoods. We have also focused on strengthening the parts of the City that support smart growth. We are studying code enforcement, reviewing parking policies, staffing up our Inspections Division, undertaking a regional housing study, and updating our 100-year-old zoning.

Residential and commercial growth can be painful, especially to neighbors. However, we have been listening to concerns and providing answers and adjustments, while being steadfast in our core principles of being a welcoming, inclusive, and fiscally responsible city that puts the best interests of the entire community first.

We have invested in core systems. Necessary change means shoring up our core departments, implementing recommendations from prior studies (including Parking and Transit), and managing new ideas from the Council and community. Our projects have included spearheading an equity initiative, coordinating efforts to address the needs of unhoused residents, launching efforts to attract and retain employees, using data to plan and problem solve, rethinking customer service, and making major investments in information systems, customer service, and performance management. Many of these changes include growing pains, but we are tackling them as best we can.

Plans get better through discussion. Discussion of proposals is how our community should explore these difficult changes. We need all residents to struggle with the challenges in front of us. Through discussion, we will come out the other side with better solutions, whether that be with regard to parking, growth, fireworks, or a local vehicle registration fee. The conversations may not all be easy, but our conversations at neighborhood meetings, public meetings, boards, committees, and City Council meetings will make our community stronger.

Anyway, you already know all this because you have been living it! I welcome your continued feedback and ideas on how to improve any of these efforts. And, as always, I appreciate you being on the front lines of grappling with the hard choices, which I have witnessed you take on with great care, strong values, powerful brains, and big hearts.

Council Calendar (With Tentative Work Session Dates)

- Tuesday, September 5th: Joint Plan Commission and City Council Meeting for Zoning Overhaul Discussion
- Monday, September 11th: Council Public Hearing/Discussion Night
- Tuesday, September 12th: Council Meeting

- Monday, September 25th: Council Public Hearing/Discussion Night
- Tuesday, September 26th: Council Meeting
- ❖ *September 29th – City Council receives 2024 Proposed Operating Budget*
- Monday, October 9th: Council Public Hearing/Discussion Night
 - Public Hearing #1 on 2024 Proposed Operating Budget
- Tuesday, October 10th: Council Meeting
 - City Council Operating Budget Work Session #3 (Department Directors)
- Monday, October 23rd: Council Public Hearing/Discussion Night
- Tuesday, October 24th: Council Meeting
 - City Council Operating Budget Work Session #4 – Amendment Discussion
- ❖ *November 3rd – City Council Budget Amendments Due*
- Monday, November 6th: Joint Plan Commission and City Council Meeting for Zoning Overhaul Discussion
- Monday, November 13th: Council Public Hearing/Discussion Night
 - Public Hearing #2 on 2024 Proposed Operating Budget
- Tuesday, November 14th: Council Meeting
 - City Council action on 2024 Proposed Operating Budget and levy
- Monday, December 18th: Joint Plan Commission and City Council Meeting for Zoning Overhaul Discussion

Additional Dates:

- Monday, August 28th: Grand Opening of the Eddy
- Friday and Saturday, September 1st and 2nd: Fire Leadership Conference
- Tuesday, September 12th: Chamber and CVTC Breakfast
- Friday, September 15th: Council Retreat
- Friday, September 29th: Eggs and Issues Legislative Breakfast

Here’s our next employee spotlight!

Today we highlight **Joseph Bronner!** (Submit your highlight suggestion here: <https://forms.gle/f1PUPpFaWStsvH458>)

What coworkers say about Joe:

A co-worker submitted this quote about Joe: “Joe exhibits enthusiasm about arboriculture, the apprenticeship, and working for the City. His work is detailed, thorough, and documented. He has been working in different departments as requested, including Hobbs Ice Center, Streets for Plowing, and the Brush Site. He consistently goes above and beyond the general required work. He tries to be of maximum service and effectiveness to the department and the City. His willingness shines through all of his work. He is a solid team member. He is very motivated to be effective and to contribute to the success of the department. He’s a very good representative of his department. He brings and maintains a great attitude every day.”

More about Joe...

- Job Position: “Currently I am an arborist apprenticeship with the Forestry Department. I started working for the City in April of 2019.”
- What people may not know about me: “Something people may not know about me is that I love listening to baseball on the radio.”
- Favorite activities: “My favorite things to do would be anything outdoors with my family. We spend lots of time riding our bikes, hiking and boating in the summer time.”
- Best part about working for the City: “Let's just say I love it here! The variety of work we get to do is amazing. Being able to be outdoors most of the time and working alongside great co-workers while making an impact on our community is something I truly enjoy.”
- Life Philosophy: ““Try to find something positive everyday, even if some days you have to look a little harder.”- Brian Ford”
- Anything else? “My wife Tasha and I are going on twelve years of marriage. We have our daughter, Amelia, who loves gymnastics, and our son, Emmett, who loves anything that involves sports which keeps us busy and on the go year around.”



A Few More Pictures: First, we got to visit the US Bank on Tuesday after a long, long meeting. Council Member Miller showed his determination and science/engineering brain as he resolved to get the cannister through the pneumatic tube. He was able to send it out, but not retrieve it, despite many attempts.



Next, I usually subject other people to having their pictures in this newsletter, but I thought this one of me was worth sharing. Archie, the City Attorney's Office dog, always know when to come by for a visit when we need a distraction or dog cuddle. He paid me a visit this week! Archie takes his job very seriously, and he is great at it... Look at that that face!

