

STATE OF THE CITY

Presented by La Crosse Mayor Mitch Reynolds on January 9, 2025 to Common Council

It is an honor to come before you for the final time in my tenure as mayor to present information on the State of the City in 2025. This annual report is a time to reflect on our progress, share our challenges, and outline our collective vision for the future of our community.

As we enter this year, La Crosse stands at a pivotal moment. The challenges we face are considerable, from housing and childcare to infrastructure and sustainability. But our resolve to meet those challenges remains steadfast, guided by collaboration, innovation, and the enduring spirit of our residents.

The structural gap between the cost of services and the funding available to provide them is an enormous issue. Rising costs in labor, energy, and materials—unavoidable realities for any organization—strain our city’s budget under a still-outdated state funding formula. To address this, I am joining those advocating with the governor’s office and state representatives to allow municipalities like ours to adopt a local sales tax. As a diversified revenue source, this is a financial necessity and a tool for our city to maintain and enhance essential services for residents.

While we fight for new and improved funding capabilities, we must continue to prioritize services. There are hard choices ahead. While no one welcomes these decisions, they are necessary to close the gap between costs and available revenues. We will continue to deliberate transparently and thoughtfully. This is a tough road. But, as President Jimmy Carter said, “You can do what you have to do, and sometimes you can do it even better than you think you can.”

Even with the funding dilemmas, public safety remains a cornerstone of our city’s mission. This is 40% percent of our operational budget. And we have plenty to show for that investment. Around 100 police officers and 100 firefighters provide extraordinary response to emergencies throughout our community every minute of every day. Among the more innovative ways is through our relatively new Community Resource Unit in the police department. The success of this city and county co-responder unit is nothing less than remarkable. Ask any field officer. CRU is critical for addressing significant mental health needs in the community. La Crosse is providing the template for improving outcomes for law enforcement and

people dealing with mental health issues everywhere. Community Resource Unit officers Joel Miller and Sonja Weber are showing us the way forward.

Our fire stations are full of unbelievably skilled and dedicated professionals who respond to thousands of calls for emergency services in our city every year. Our department is also the regional responder in a number of different specialty areas, like Hazardous Materials, Urban Search and Rescue, and others. I want to mention one of USAR officers, Lieutenant Brad Alexander. Not only an exceptional firefighter for the city of La Crosse. He was also among those who responded when Hurricane Helene swept through the southeastern US late last year, causing massive destruction. I am grateful to have the privilege to serve this community alongside people like Lt Alexander.

You might say housing remains an emergent need in La Crosse. According to the recently completed housing study, our city needs to add upwards of 200 new homes annually to meet demand and ensure economic vitality. Projects like the still expanding 5th Ward Residences, the soon to be completed Collective on 4th, and the ongoing development at River Point District exemplify our commitment to addressing this need. If you've driven by River Point recently, you have seen lights on at the first development there. People have moved in. Imagine how far we have come in just a few years at that generational development site. There's a lot more on the way.

In ways that will further support adding housing, we have approved the first Comprehensive Plan update in over 20 years, we have begun the process of updating zoning codes and ordinances. We overhauled our development agreement process and rethought the very basis for the role of city government in encouraging the development of housing. We also adopted the Accessory Dwelling Unit ordinance and removed off-street residential parking requirements, Changes to encourage density and innovation, enabling us to meet the challenges of limited land availability while fostering vibrant, sustainable neighborhoods. Our goal is not just to build housing but to create communities where people can thrive.

We can thrive when we also lower the barriers to housing. Floodplain-related restrictions cost homeowners exorbitant amounts of money for floodplain

insurance and prevent them from making improvements to their homes. Just a couple of years ago, we were able to bring 142 buildings out of the floodplain on the southside through a remapping project. That is something Caleb Wodarz—Woody—in Engineering is working towards on the northside while also planning levee improvements. Critical work. In the meantime, we will continue to fund improvements to help homeowners through the Floodplain Relief Fund program. Over 400 thousand dollars in grants from the city for these properties in just the last year, funded through a TIF district and an American Rescue Plan allocation. We will continue our fight to mitigate the impacts that FEMA floodplain designations have on hundreds of homes and businesses in our city. A tough task for certain, but, as Bob Marley reminded us, “You never know how strong you can be until being strong is the only choice you have left.”

Addressing the needs of those without homes remains critical. Homelessness is a complex issue requiring multifaceted solutions. Last year, we launched the Pathways Home plan alongside county government to ensure the community can reach functional zero in homelessness. The plan is to reach that goal in 2025. This year. Doing so requires us to continue working alongside the county. To fulfill the core tenets of the Pathways Home plan and continue building this entirely new system of care. Hat’s off to our homeless service coordinator, Brian Sampson; all he has done is move us forward. This was always going to be difficult work. Difficult doesn’t come even remotely close to describing the efforts of our staff to address this ongoing crisis. Police. Fire. The Library. Transit. Parks. Streets. And people from other departments as well. This is collective action with a focused goal. That goal is now within our reach.

Transportation system health is essential for a thriving community. Transportation in all forms. We can celebrate the addition of a second Amtrak train making daily stops in our city and continue our determined push for additional air service while also holding up our exceptional transit system as well as our commitments to new bike lanes and sidewalk infill projects. The updated Bicycle and Pedestrian Master Plan prioritizes multimodal infrastructure projects, advancing the goals of our Climate Action Plan. We should be proud of the progress towards developing equitable transportation plans. But we need to be good stewards to ensure that the progress continues. We must remain vigilant to ensure the DOT follows through on plans to prioritize bicycle and pedestrian access along the highways that already

bisect our community. We must also stay steadfast in opposing current misguided DOT plans to close rail crossings on the northside, further dividing neighborhoods. In our city, the Mississippi River provides even more transportation opportunities. Ever-increasing numbers of big passenger boats dock in our city even as we look towards expanding shipping capacity of our port. To that end, work is underway to establish a Port Authority right here in La Crosse. We hope to make quick progress on this project. Our port has a bright future.

Transportation is key to maintaining our economic viability. So too are the major institutions that call La Crosse home. In a time when some communities are at risk of losing their hospitals, I am pleased to say that our two major medical systems remain strong and committed to our community. In fact, many of us were able to attend Mayo's opening of their brand new hospital last summer, right in the middle of our city. The three higher education institutions are vibrant and full of students. Our major industries and employers continue to grow and add jobs.

We are fortunate to have a strong local business climate as well. Growing stronger, too. We will continue to find ways to help through financial assistance, job training, facade improvement grants, and other ways as well. These efforts impacted more than a hundred local businesses last year.

Also helping the local business climate? Innovative childcare solutions. This body recognized the need to address childcare availability and affordability and dedicated significant American Rescue Plan Act funds to take action. The resulting partnership with the Parenting Place has seen only results. The program's successes have positioned La Crosse as a leader in childcare innovations. Economic Development Manager Julie Emslie has spearheaded initiatives that have expanded access and availability, setting a new standard for other communities. Hey, Madison: Looking for ideas on how to deal with that budget surplus? How about funding our childcare model across the state?

Childcare might be new as spending priority for city government, but our parks certainly are not. La Crosse's 47 parks represent a legacy of community investment. Renovations like those at Kids Coulee in Myrick Park, completed in the last year and achieved through partnerships with other organizations, highlight the

transformative power of collaboration at these prized spaces. These projects ensure that our parks remain accessible, inclusive spaces for recreation and connection. Private donations funding the new Ho-Chunk section of the Friendship Gardens in Riverside Park or the new clubhouse at the Forest Hills golf course show how our community is also ready to pitch in to enhance our wonderful park spaces.

We expect this year to bring the newly renovated wastewater treatment plant's cogeneration unit online, completing that plant's massive renovation project. The improvements at the plant are already having significant positive impacts for our community through new sustainable and energy-saving practices. Once fully operational, the plant will power itself. This is just one of our significant utility upgrades. All upcoming stormwater projects will include new capacity standards instituted to adapt to the growing severity of weather systems. Our water distribution capacities will be greatly increased because of the \$3.7 million in congressionally directed spending the city received thanks to Senator Tammy Baldwin. Should we see another historical flooding event this spring as we did in 2023, we know that the 3 stormwater lift stations we were able to build or improve with millions in federal Economic Development Administration grants will be able to once again keep floodwaters out of our homes and businesses.

First responders have also benefitted from our infrastructure investments. Over the last few years and into this year, we have built two new fire stations with renovations to the other two and completely transformed the police department facility here in city hall. These improvements ensure quick and effective emergency responses in our community for decades to come.

Other critical facilities in the city still need help. We must update our public works buildings. Staff in Streets, Parks, Forestry, Refuse and Recycling, and Transit all work in structures beyond their functional life. These facilities are also built on a former landfill: Isle la Plume. Costs for new building projects on Isle la Plume will be considerably higher because there is—quite literally—garbage underneath the foundations. If we are serious about looking to the future and fulfilling our duties to serve our community, we must plan for a new site for a Public Works, Parks, and Transit facility. I have challenged staff to identify a potential site for this facility. I

also challenge the next city council to understand and act on this need to help sustain our efficiency and effectiveness in delivering key services.

Efficient governance requires forward-thinking leadership. I appreciate the city council's continued consideration of a proposal for a new city administrator position and I thank council member Larry Sleznikow for chairing the work of the group moving this municipal government-modernizing action forward.

Additions of professional management or not, we still must strive to improve operational efficiencies. We keep making strides. Led by our Assistant Police Chief Jason Melby, we are seeing progress on closing the operating deficit in the parking utility. I have also tasked our staff with expediting our paid parking plan for the downtown to help offset the operational costs of parking and provide downtown improvement funds through a city Parking Benefit District. We must responsibly manage city parking resources so that our taxpaying residents aren't footing the entire bill for visitors to park in the downtown. We are also working on extricating the city from a costly lease program for fleet vehicles started years ago. These changes may not seem like much on their own. A few hundred thousand dollars here and there. But there are no million-dollar home runs for our city's budget. The accumulation of small adjustments can add up to significant savings and revenue increases that will help with ongoing fiscal challenges.

Also helping with those challenges is taking advantage of federal and state grants when they are available. There are big improvements coming thanks to the work of our staff to access recent federal infrastructure funding mechanisms. One of the biggest: The roughly \$3 million Flexible Facilities Program grant coming to the city's Library system. An expansion project at the main Library will improve the space and allow an increase in available programs. Another \$3 million federally-funded program comes courtesy of the Army Corps of Engineers as part of its Navigation and Ecosystem Sustainability Program. Leah Miller and Sami Meyer were instrumental in securing approval of this project that will spur restoration of a big section of the La Crosse River Marsh, helping to improve the health of the river ecosystem. This is complementary to the project we are partnering on with Ducks Unlimited to restore hundreds of acres of La Crosse River wetlands. A privately-funded project to improve habitat and flood resiliency.

Other privately-funded efforts? I have just this week signed an agreement with Bloomberg Philanthropies to fund a second round of Youth Climate Action Fund grants for La Crosse, that's tens of thousands of dollars funding youth-led sustainability projects. La Crosse is one of less than a hundred cities in the world who are recipients of Youth Climate Action Fund grants. That speaks volumes about our community's leadership in sustainable practices and our dedication to our Climate Action Plan. That plan remains the guiding principle for all of our sustainability efforts. That includes the energy saving investments we have made in lighting, solar panels, and other additions. These improvements are exceeding our energy savings goals while fulfilling our carbon neutrality commitment.

We are not shy about talking about our sustainability practices and we are telling those stories much more effectively. Our active engagement with the public has improved dramatically. This effort, led by communications coordinator, Kristen Schadeberg, has resulted in—roughly—a doubling of email subscribers and followers on social media just in the last year or two. That means thousands and thousands more of our citizens connected to what we are doing in city government every day. Always room to improve, of course. And I look forward to sharing new developments in the coming months.

In 2025, La Crosse has so much to celebrate. And we are ready to tackle challenges with determination and creativity. We have made foundational changes together. We can together witness these changes bloom into something extraordinary: A city that reflects our shared values of resilience, inclusivity, and innovation. On this road, we can be grateful for the collective talent, skills, and dedication of the people who work tirelessly to serve our community. The people who provide the highest possible level of equitable services to all who live in La Crosse. It was poet Gwendolyn Brooks who wrote, "We are each other's harvest; we are each other's business; we are each other's magnitude and bond."

Thank you for your continued partnership in shaping the future of our city. Thank you for an opportunity to highlight some of our progress.