

### WISCONSIN LEGISLATURE

P.O. Box 7882 • Madison, WI 53707-7882

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WISCONSIN DOT OFFICE OF GENERAL COUNSEL

January 5, 2000

Charles H. Thompson, Secretary Wisconsin Department of Transportation Room 120B Hill Farms State Office Building 4802 Sheboygan Avenue Madison, WI 53705

Dear Secretary Thompson,

We write to share our concerns with WisDOT's position regarding the Viking Village Center in the City of Reedsburg. Several constituents involved with the project, and City of Reedsburg leaders share our frustration over DOT's handling of this issue. Further development of this project is invaluable to the economic well being of the community and its residents. As such, we ask you to reevaluate the DOT's position and grant final plat approval.

Based on our conversations with the parties involved and several site visits, we consider DOT's intention to revoke the Center's driveway permit and object to the final plat is misguided and unnecessary. Access by Kwik Trip to the Viking Village Center's driveway is a business issue between two private companies and not a matter for the DOT. We ask you to reconsider DOT's position after reviewing the following information as presented to us.

The preliminary plat for this project was submitted to DOT last summer and, after some discussion and negotiation was altered to address the DOT's concerns and was resubmitted. The statutory time for disapproval passed without comment, a driveway permit was issued and work continued on the project. The project is now up and running and the businesses that are established on that site have begun to attract customers and rely on the existing driveways and access points. A revocation of the existing permit would cause tremendous damage to these important businesses and interfere with the continued economic vitality of the eastern edge of Reedsburg.

We understand that Kwik Trip had the opportunity to purchase the land where the driveway is now located and chose not to invest in continued access to the highway at that point. It is unfair now to try to force the parties that have invested millions in this development to remedy what may have been a bad business decision by Kwik Trip.

Before this project, Kwik Trip had three driveways onto its property and there was not a controlled intersection at the southeast corner of its property. Now, thanks to the investment and planning of the developers, Kwik Trip has four driveways onto its property and the benefit of an intersection controlled by a traffic light at the corner of its property. Kwik Trip has already gained immeasurably from this project and now seeks to further gain at the project's expense. In addition, the DOT informed the City of Reedsburg and the developers that it would not allow the very driveway access that is now being forced on the project.

It is our understanding that the driveway permit issued to the project was not an interim or temporary permit and was not issued with conditions that would allow the DOT to use revocation as a lever to force a change to the final plat. The permit is a property right and cannot be taken away without due process and just compensation. The DOT made its determination when it reviewed the preliminary plat, issued the driveway permit and informed the City that it would not allow Kwik Trip access to this driveway. The project has gone forward in reliance on those decisions and it is wrong to change course now.

Again, we request that the DOT review its position in light of the information provided above. If we can provide additional information or be of assistance in resolving this matter, please do not hesitate to contact either of us. We look forward to hearing from

With kindest regards,

Dale W. Schultz

State Senator

**YOU** 

CC

17th Senate District

Sheryl K. Albers

State Representative

50th Assembly District

James S. Thiel, Chief Legal Counsel, DOT
George Lightbourn, Secretary, Department of Administration

### WHYTE HIRSCHBOECK DUDEK S.C.



FREDERICK T. RIKKERS DIRECT DIAL (608) 258-7387

February 2, 2000

Senator Dale W. Schultz Wisconsin Legislature - 17<sup>th</sup> District P.O. Box 7882 Madison, WI 53707-7882

Representative Sheryl K. Albers 50<sup>th</sup> Assembly District P.O. Box 8952 Madison, WI 53708

Re: Reedsburg, Viking Village, Kwik-Trip, Inc.

Dear Senator Schultz and Representative Albers:

As you may recall, I have the pleasure of representing Kwik-Trip, Inc. ("Kwik-Trip") and its principals in the matter which you referenced in your letter to Secretary Charles H. Thompson dated January 5, 2000. However, after reviewing your letter, I believe it is necessary to review a number of the facts that you have stated in your letter and to focus on some issues which play a large part in this overall problem.

Kwik-Trip has been operating in Reedsburg for over 20 years at the location on Highway 33. Approximately two years ago, at the request of the City of Reedsburg, Kwik-Trip agreed to be annexed to the City so as to promote the development which is now identified as the Viking Village Center, which is contiguous to the Kwik-Trip property. This annexation brought with it an expense that did not exist within the township. It required an addition to the building at a cost of over \$100,000 for a liquor room. However, Kwik-Trip, was pleased to make that expenditure to its facilities and to be annexed without question into the community.

As you both know, Kwik-Trip is very active in the western part of Wisconsin. Actually, Senator Schultz, we believe that your district may have the largest number of Kwik-Trip facilities in the state with an employment group in excess of 200 people who reside within your district. In each of these Kwik-Trip facilities in your district and throughout the state, Kwik-Trip works with its neighbors and agencies of the State of Wisconsin to forward its economic interest.

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Senator Dale W. Schultz Representative Sheryl K. Albers February 2, 2000 Page 2

Over the many years of operation in Reedsburg, Kwik-Trip has had, as you noted in your letter of January 5, three driveways to its facility off of Highway 33; one on the east, one in the middle and one on the west of its property. It is the maintenance of the westerly ingress/egress point that is Kwik-Trip's concern for several reasons: (1) The Kwik-Trip building and gas delivery facilities are located on the western edge of its property; (2) the western access point is its most important because it is impossible to exit the property from its pumps heading west without access to that ingress/egress point; and (3) the westerly ingress/egress point was, throughout the history of the relationship, a jointly held driveway with Skinner Family Partnership, the owner Skinner Transfer Corp. After Mr. Skinner died some years ago, Mrs. Skinner allowed the relationship to continue. Unfortunately, the joint driveway relationship was never documented. It was a permissive driveway and both parties agreed to share the costs of maintaining that driveway.

You are accurate in saying that there was a meeting with representatives of the City, Viking Village and Kwik-Trip in Reedsburg during the summer of 1999 when representatives of Viking Village acquired the Skinner property and other property along Highway 33 to develop the Viking Village Center. The purpose of this meeting was to discuss what to do with the joint driveway. You are also accurate in saying that representatives of Viking Village, which then had control of the Skinner property, agreed to sell to Kwik-Trip the property on the eastern part of the Skinner property. However, Viking Village did not agree as part of the sale to grant access onto the newly developed ingress point to its shopping center by Kwik-Trip. Therefore, the acquisition of this property would be, in effect, the acquisition of a no man's land without access onto Highway 33 or the newly created ingress/egress road to the shopping center off of Highway 33. The Department of Transportation has taken the position that the two driveways, being the existing driveway for Kwik-Trip and the new driveway to Viking Village, cannot co-exist because of their proximity and safety concerns. That, Senator Schultz and Representative Albers, is when the communication began to break down.

As you may recall in the meeting we held in Reedsburg, Mr. Pierce, owner of Viking Village, and his daughter made it tearfully clear that they would never grant access to Kwik-Trip to the roadway which was being developed by them off of Highway 33 into their shopping center. You may also recall that they took that position because of an event that apparently occurred some 11 years earlier whereby an unauthorized representative of Kwik-Trip allegedly made disparaging remarks toward Mr. Pierce's operation. You may also recall that in that same meeting in the fall of 1999, when first hearing of those alleged disparaging remarks, Mr. Paul Hansen, one of the owners of Kwik-Trip, immediately stepped forward to Mr. Pierce and publicly apologized for that event if, in fact, it occurred. However, that harboring of ill will by Mr. Pierce and his

daughter over the years is obviously the dominant factor in the relationship today. You will also recall that Mr. Pierce made it clear that he would not cooperate with this issue because of his goal to land lock Kwik-Trip so as to do Kwik-Trip economic damage and thus enhance his own Amoco station one-quarter mile west at the intersection of Highways 33 and 14 (see Exhibit A).

You failed to point out in your letter of January 5, 2000 to Secretary Thompson, that in April 1999 Mr. Pierce's representative executed a Development Agreement with the City of Reedsburg which included language acknowledging that there will be, within the Viking Village Center, intervehicular transportation and transfers so as to limit the number of access points to Highway 33 and the other publicly used roads for traffic flow and safety reasons. The position Mr. Pierce has taken by not allowing Kwik-Trip access to the newly developed road is in opposition to that previously agreed position.

Your letter to Secretary Thompson also fails to point out several items which we have all been working on for the last several months trying to find a compromise. They include the following:

- 1. Kwik-Trip has offered to close two of its access points on Highway 33 to acquire the land that was discussed during the summer of 1999 from representatives of Viking Village and to pay for a significant portion of the new private roadway (Pierce Drive) that is being developed as an access point to Viking Village just to gain access to that roadway to allow ingress and egress to Highway 33 from Kwik-Trip's westerly portion of its property (see Exhibit B)
- 2. Kwik-Trip has offered to buy the entire Outlot 1 on which the private road in question exists and then block the back of Outlot 1 to deny Kwik-Trip's customers direct access to the shopping center because we understand that Mr. Pierce is concerned that if customers from Kwik-Trip can exit into the shopping center, it might be adverse to his Amoco station located to the west.
- 3. Kwik-Trip has agreed to develop signage within its facility to ensure that truck traffic exiting the Kwik-Trip facility does not use Pierce Drive. As you know, we can do this because the truck diesel islands are located to the east on the Kwik-Trip property and we can divert them out of the one remaining access point of Highway 33.
- 4. You also failed to mention in your letter to Secretary Thompson that the access point which we are discussing to the Viking Village Center is only one of eight total access points to the shopping center from a public thoroughfare around Reedsburg. In fact, there

- are two other access points off of Highway 33 to the shopping center besides the one in question (Pierce Drive).
- I think a last point, Senator Schultz and Representative Albers, that you failed to mention in your letter of January 5 and which you may not be aware of, is when representatives of Viking Village proceeded to the State of Wisconsin to secure the permit for the driveway in question, they requested an "improvement to existing driveway" permit which permit they were granted. However, what representatives of Viking Village did is not improve the existing driveway, but they moved the driveway approximately 40 feet to the west and developed a new driveway and blocked access to that driveway by Kwik-Trip. They, therefore, misrepresented to the State the improvement of the existing joint driveway and relocated it contrary to the representations they made in their application for the permit.

Senator Schultz, I understand that you asked for a meeting with your committee and others in the Reedsburg area. We would be more than pleased to participate in any type of meeting or conversations or other type of review of this matter that you think would be appropriate. You suggest that this is not an issue that the Department of Transportation should be involved in because it is an issue of individuals and individual property rights. I would suggest to you that this is precisely the role that the Department of Transportation should play, that is, to assist in matters of individuals and individual property rights in dealing with ingress and egress onto state highways. I think that we should all be thankful that we have people like Secretary Thompson, Attorney Thiel, District Director Carlsen and others who are willing to try to assist the various landowners and businesses throughout Wisconsin to come up with appropriate solutions. The Department's chief responsibility and goal is to maintain our highway system in an operative and safe fashion.

You may not be aware that a meeting was held with Mr. Pierce's counsel and his agent, representatives of the Department of Transportation as well as their engineering staff and me in December 1999. The goal of the meeting was to find a compromise to the situation. At that meeting, Kwik-Trip offered to acquire the entire Outlot 1 at a premium cost and restriction of Kwik-Trip's customer's access to the shopping center. That suggestion and others of the Department of Transportation's staff and officials were quickly trounced by Mr. Pierce's continued position that he would make no compromise and provide no access. His embitterment continues and until that can be softened, an amicable resolution may not be available.

Again, I have authority to offer to you and Representative Albers, as I have done so to the Department of Transportation, that Kwik-Trip stands ready to make whatever compromises are reasonable and appropriate and to expend whatever dollars are reasonable and necessary to

accomplish safe, available access to all parties. The only criteria of our position is to maintain the status quo, which is to allow access to the westerly point of the Kwik-Trip property and to ensure that this access point, as projected on the original plans of the State of Wisconsin, line up with an access median cut on the soon to be developed Highway 33 road.

Yours very truly,

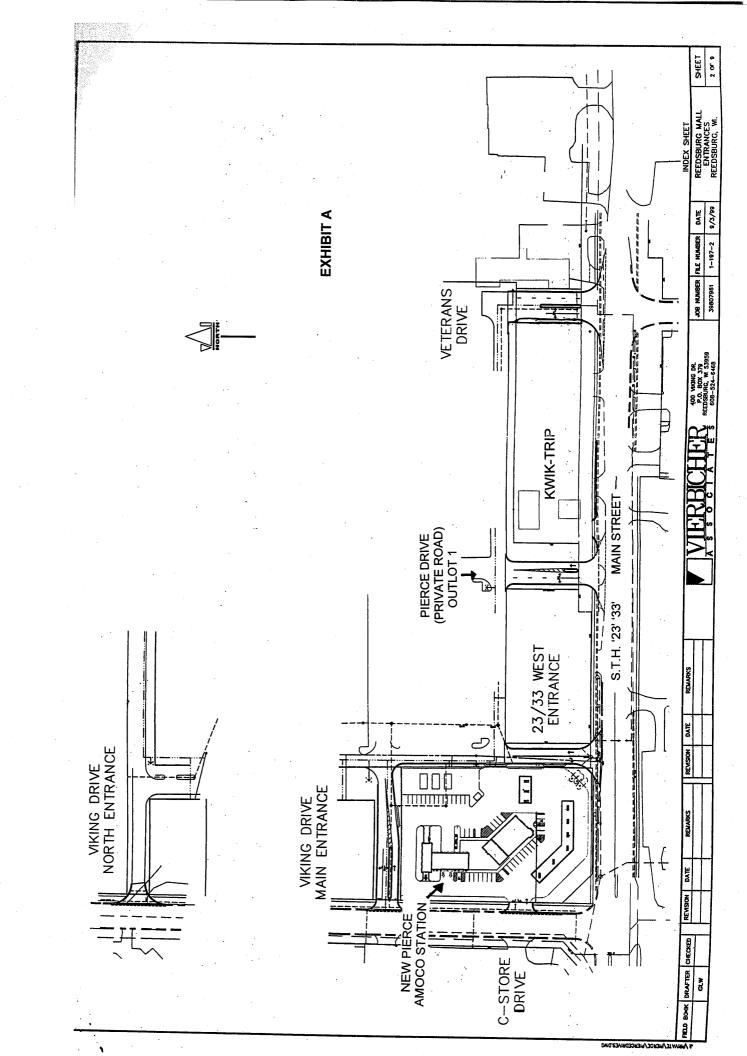
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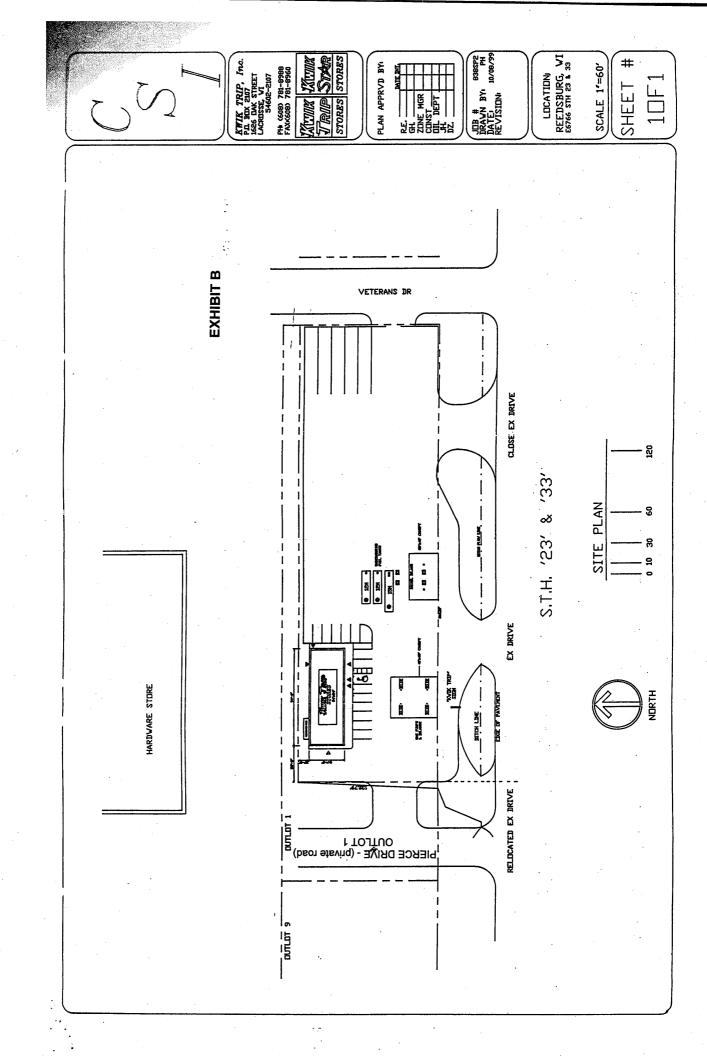
FTR:lal Enclosures

cc: Senator Robert Welch (w/enclosures)

Representative David Brandemuehl (w/enclosures) Charles H. Thompson, Secretary, DOT (w/enclosures) James S. Thiel, Chief Legal Counsel, DOT (w/enclosures) George Lightbourn, Secretary, DOA (w/enclosures)

Mayor Carl Stolte (w/enclosures)





### CITY OF REEDSBURG

134 SOUTH LOCUST STREET, P.O. BOX 490 REEDSBURG, WI 53959 608/524-6404 • FAX 608/524-8458

Testimony of David R. Waffle, City Administrator State Senate Committee on Insurance, Tourism, Transportation and Corrections February 23, 2000

My name is Dave Waffle and I am the City Administrator for the City of Reedsburg. I wish to outline for the committee the timeline of events leading to the creation of the Viking Village Center. I will also review the development plans to show how the area has developed.

I have been the City Administrator in Reedsburg since 1997 and have managed five communities in Wisconsin and Oregon. I am a new member of the WisDOT Local Roads and Streets Council. I am past president of the Wisconsin City/County Management Association.

I have a bachelor's degree from Michigan State University (1972) and a Masters of Arts in Public Affairs from the University of Oregon (1977).

Dane Woffle

### Viking Village Center Timeline

1989	NE corner of Viking Drive @ Main Street (STH 23/33) designated
	for commercial development in Comprehensive Plan
1991	Meister Lumber relocated to Reedsburg Industrial Park –
	development agreement requires commercial development of
	property
1998	KWIK-TRIP annexes eastside store into city limits, obtains
	municipal services (water and sewer)
March 1998	Pre-development agreement with Pierce sets stage for
	annexations, land purchases and development agreement
April 1998	Tax Incremental District #4 adopted – includes commercial
	redevelopment area and highway improvements along with plans
	for Reedsburg Business Park
April 1999	Development Agreement completed with BP Distributing, Accella
	Ltd., Skinner Transfer, City along with Planned Development Group
	Agreement (PDGA) for shopping center layout and new building for
	Reedsburg Industrial Coaters
July 23 <sup>rd</sup>	Preliminary Plat submitted (revision submitted 9/7/99)
Sept. 14 <sup>th</sup>	District #1 Planning Engineer clarifies driveway locations and use of
	local setback requirements
Oct. 1999	Sale of Skinner Transfer property and Douglas Amoco property to
	City
Oct. 15 <sup>th</sup>	Skinner property sold to BP Distributing
Nov. 13 <sup>th</sup>	Grand Opening of Reedsburg True Value store
Dec. 16 <sup>th</sup>	Final Plat submitted
Dec. 23 <sup>rd</sup>	Amoco property sold to BP Distributing

### Viking Village Center Development

### Economic

- \$993,915 in TIF investment for private investment of \$4,470,000 (assessed valuation) with a 20 year payback
- > Expanded retail opportunities

### Aesthetics

- > Removal of two older, blighted buildings
- Reconstruction of Main Street (STH 23/33) to urban standards

### Environmental

- > Removal of old gas tanks and contaminated soil
- Redevelopment of former sawmill

### Tax Base

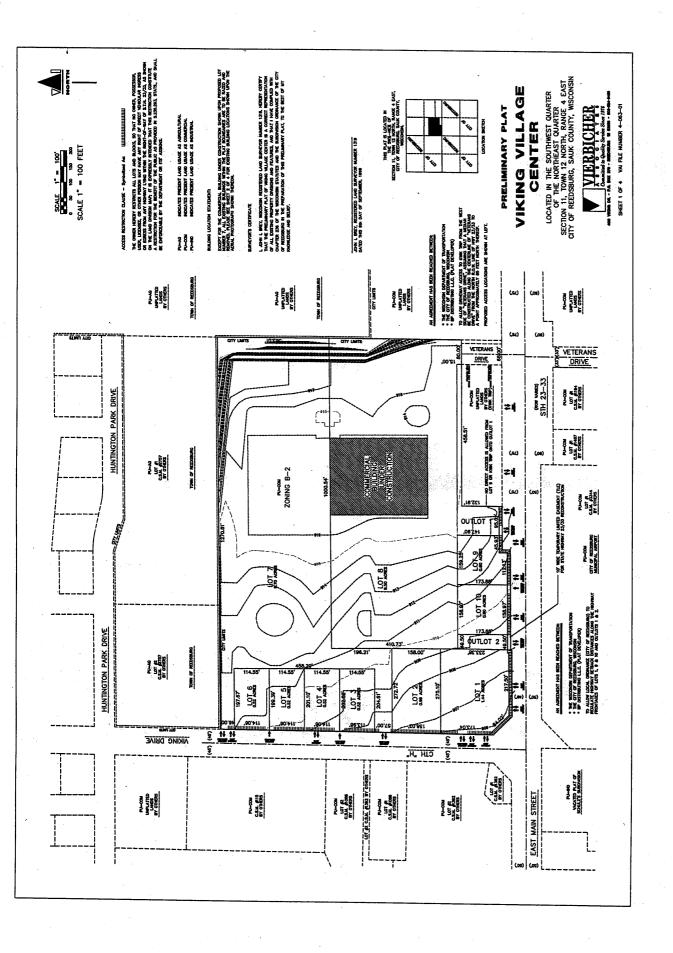
- > TIF designed to generate more economic activity on adjacent parcels outside of boundaries
- > Retail expansion vital to continued industrial and residential growth

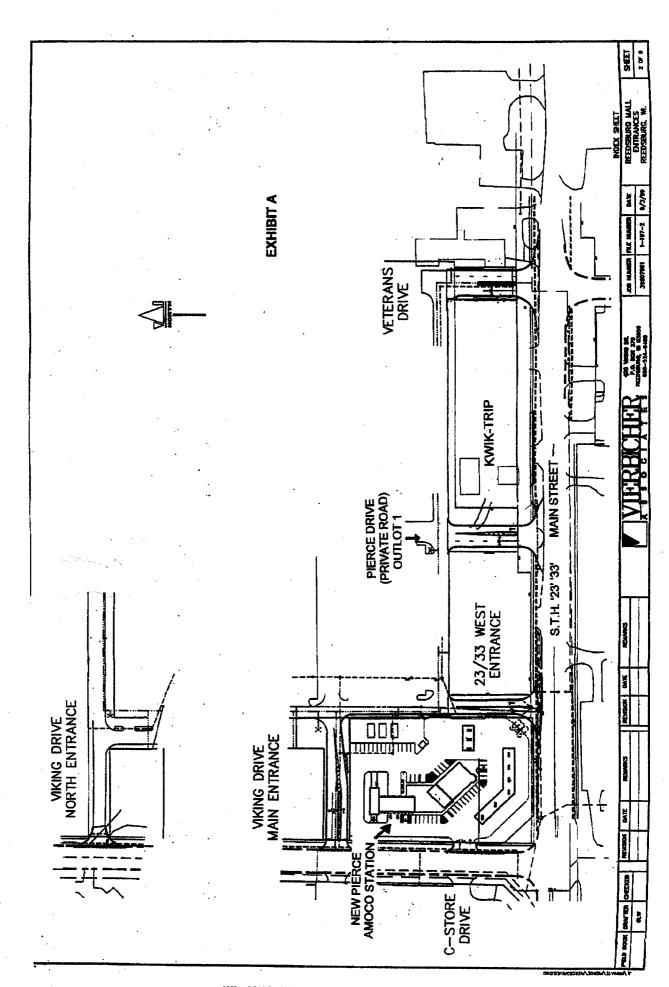
### Community Development

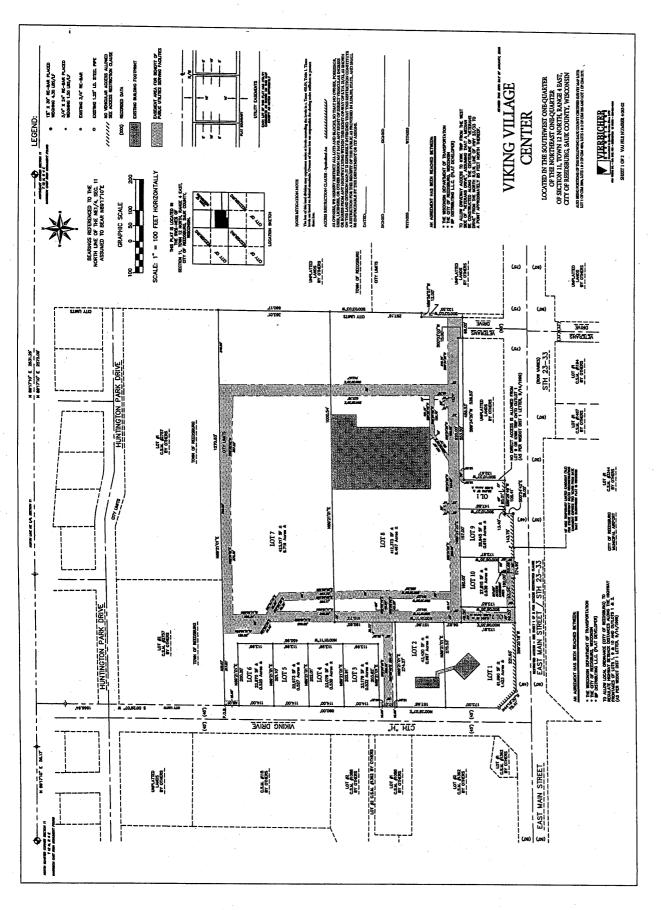
- > Demand for retail documented in three community surveys
  - Industrial Business Retention Survey Industrial Development Comm.
  - Retail Survey Chamber of Commerce
  - Consumer Survey Chamber of Commerce
- > Prominent issue in 1998 Mayoral election campaign

### Traffic Safety & Circulation

- > Reduction of highway access points
- Traffic signal on Main Street at Veterans Drive
- > Sidewalks, bike lanes and turning lanes after reconstruction of Main Street
- ➤ ADT: 14,400 (1996) 15,800 (1999) 22,100 (projected for 2022)







w. pred

OF Property Pin







### WHYTE HIRSCHBOECK DUDEK S.C.



FREDERICK T. RIKKERS DIRECT DIAL (608) 258-7387

February 22, 2000

### Via Hand Delivery

Senator Roger Breske 9th Senate District Room 306 South State Capitol Madison, WI 53702

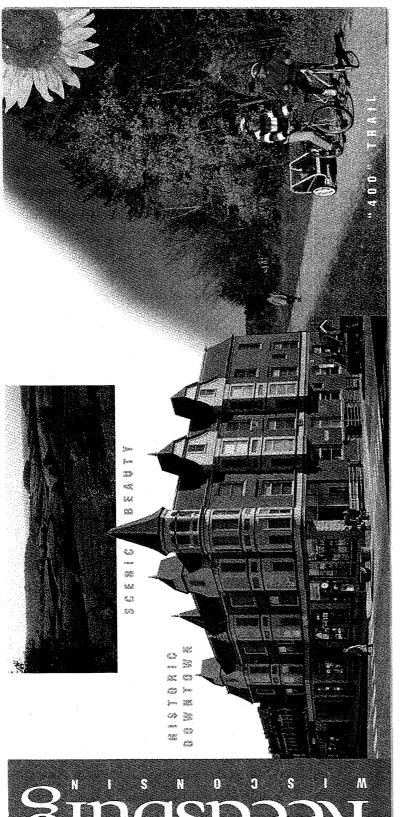
Dear Senator Breske:

I understand that you may be involved in discussions pertaining to an on-going problem in Reedsburg with the Department of Transportation, Mr. William Pierce and his development entity, and our client Kwik-Trip, Inc. I thought that the enclosed information might be helpful to you.

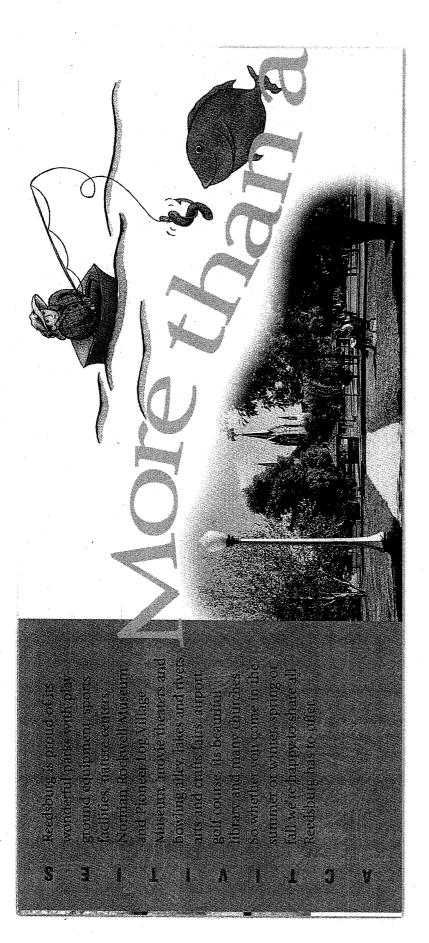
Yours very truly.

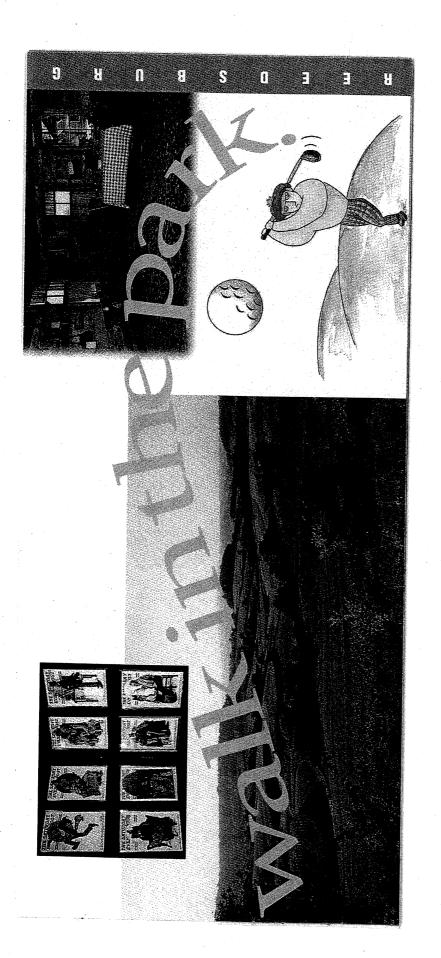
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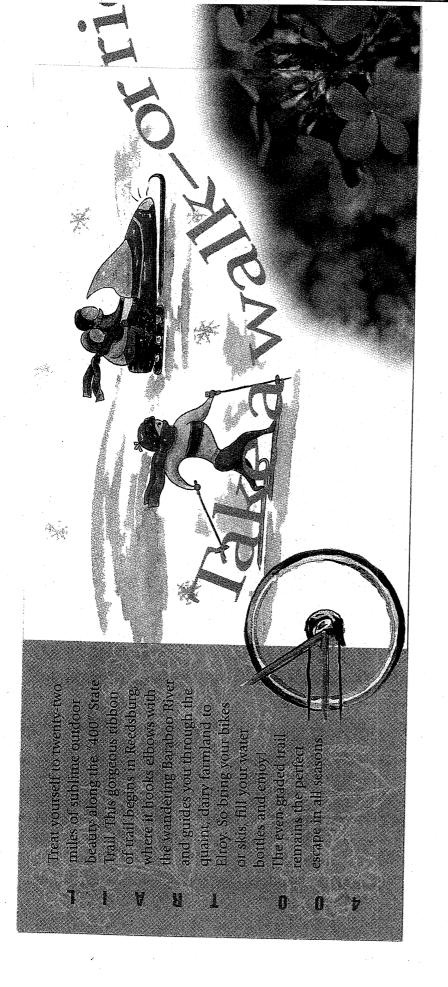
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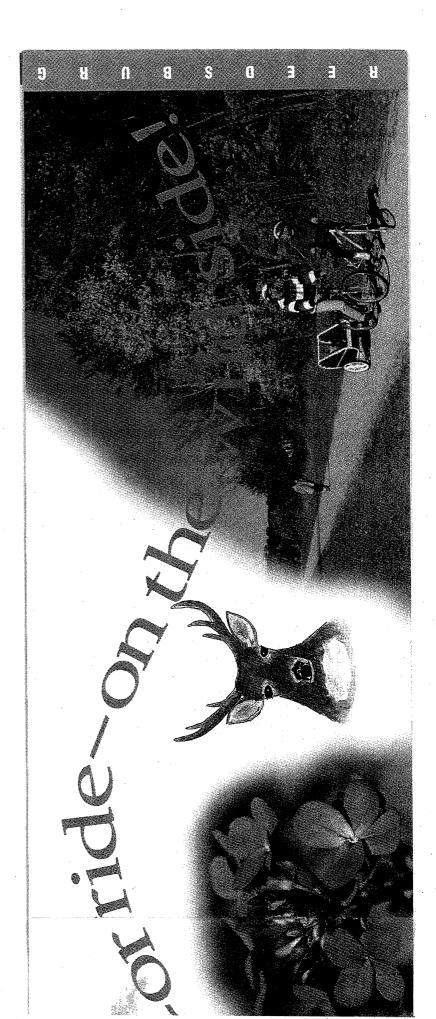


Reedsburg.





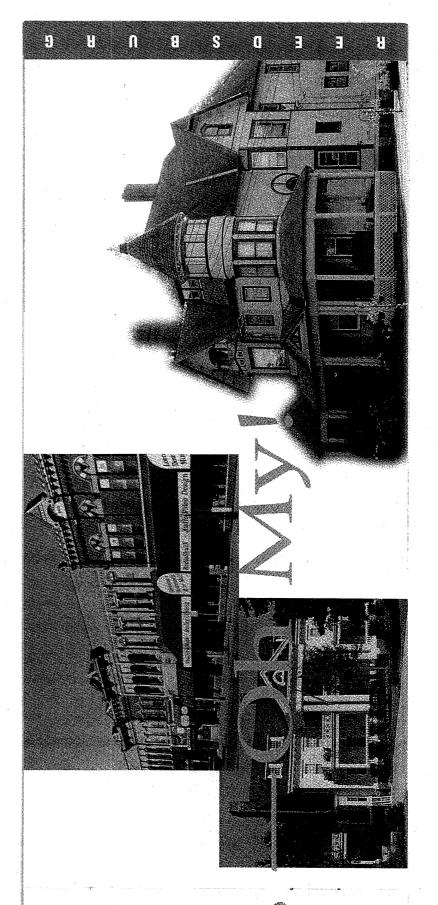






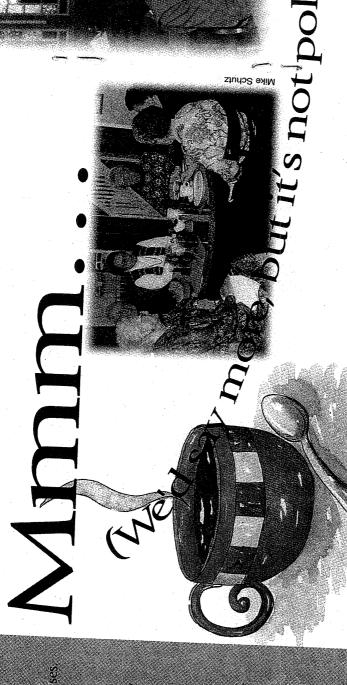
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will stim your sense with their beauty and eliaribing variety of proud lacarles but elegant history beckens from the walls of its varietable, structures You'll also home were suite how wide Main Street is funding for a town this size!! The first building in Reckburg were built claving the middle of Main Street. Because of their inhabitants unwillingness to relocate the town vinible.



OBUAS-

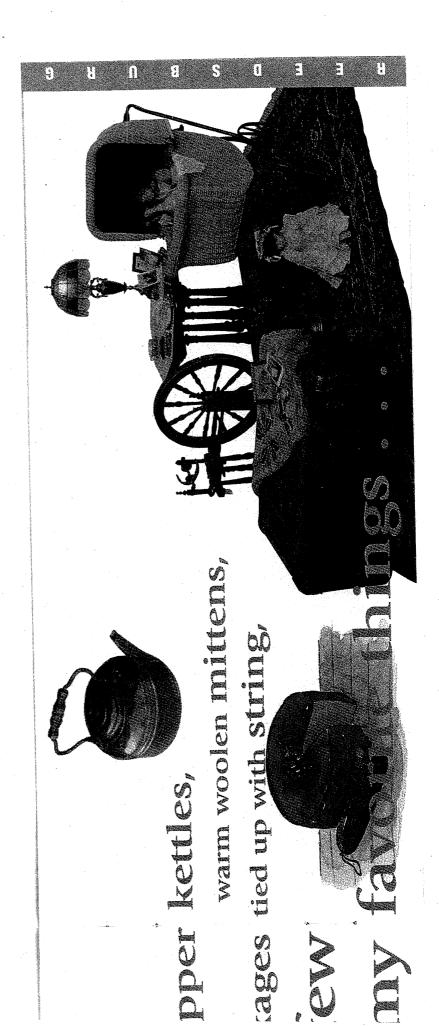
Delicacies in a town this size are not expected, but Reedsburg will delight you with many wonderful surprises Whether you prefer an evening of elegant cuisine, a quick, appetizing meal, a savory snack or a tasty treat, Reedsburg will serve it up with a side-order of small, town friendliness. So eniow yourself at one of our local grills, diners, cafes or fine restaurants. And don't forget to order dessert!



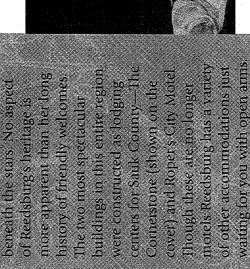
the twentieth century was th Visconsin, Although the Bi the dedication to service an econd largest indoor shop Stores with all the necessities Store is no longer standing Ding facility in the state of value that built it exists in antique shops, specialty sho tronger than ever from h one downtown to the ver edges of town, Reedsburg i Tesh produce and more! proud to offer beautiful Recusburg to this day.

bright copper kettle

Warrey paper packages tied up



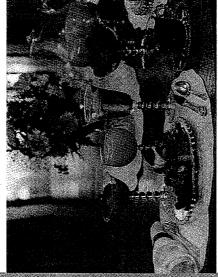
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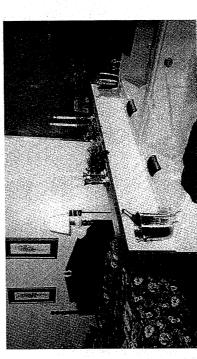
or bed & breakfasts, or camp

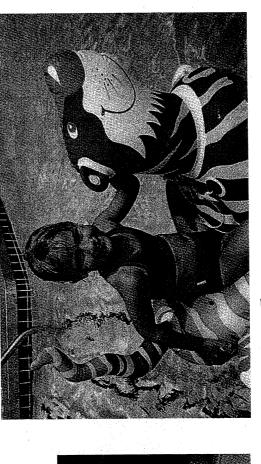
a room at one of her motel

Reedsburg, we suggest you

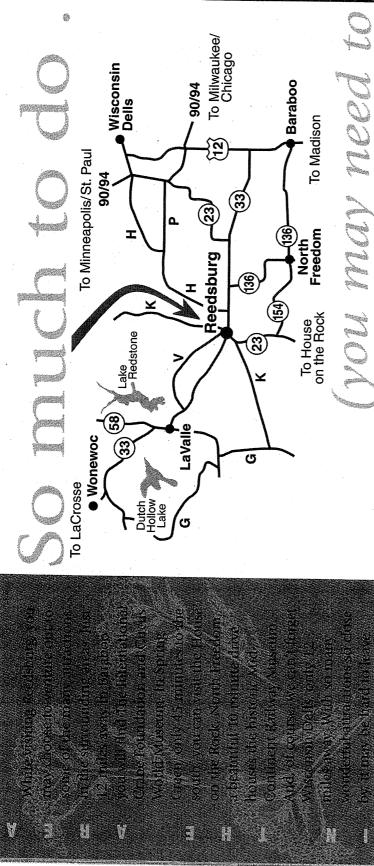
When seeking the heart of

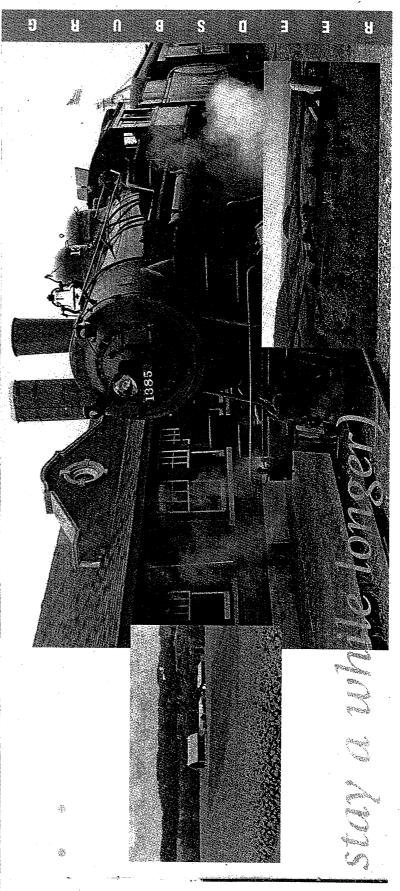
## Lata B&BC





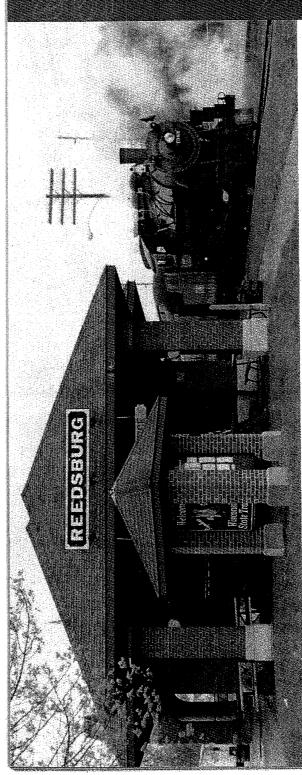
IZZ's at a local motel? or maybe catch some





lukee/ igo

### Reedsburg



For more information about Reedsburg, call the Reedsburg Area Chamber of Commerce at 800-844-3507. 240 Railroad Street • P.O. Box 142 • Reedsburg, WI 53959

We look forward to seeing you!

A special thank you to designers Scott Mercer and Vicki Wildes for donating their time on this brochure, and to all the people who helped in many ways. Illustrations by Vicki Wildes, Wildes Design Studio.

