

To: Common Council and Community Development Authority
From: John Weidl, City Manager
Date: 1/30/2025
Re: Initial Rail Spur Summary Analysis – Lot 10B

Council Members and CDA,

As part of our ongoing commitment to economic development and responsible land use planning, the City commissioned an independent analysis to evaluate three potential sites for rail-served development. This study was undertaken in response to concerns raised at a previous Council meeting regarding Lot 10B, where last-minute arguments led to the rejection of a development proposal in favor of further study on the feasibility of a rail spur at that location.

The results of the consultant's evaluation confirm what staff had already determined internally: Lot 10B is the least attractive option for rail service. The study was conducted by an experienced rail consultant recommended by Strand, the city's engineering firm. The consultant identified two superior alternatives—the JC-Kow Farms and the Hoffmann site—as having significantly greater potential for rail service and economic development.

Summary of Findings

1. Lot 10B – “Marginal rail-served value”

Consultant Conclusion: “This site does have rail service potential but is limited to a 100K SF building... Therefore, this site has marginal rail-served value.”

✓ Pros:

- Vertical rail alignment is favorable.
- Tangent rail alignment allows for a switch connection.
- Existing roadway access to the site.
- Adjacent to an existing industry.
- Can support up to 100,000 SF of industrial development.

✗ Cons:

- “Horizontal rail alignment may encumber the building layout.”
- “Non-uniform parcel boundary.”
- “Private road crossing is required.”
- At 10 acres, the site is on the low end for a typical rail-served industrial property.

2. JC-Kow Farms – “Adequate for rail service”

Consultant Conclusion: “This site has good rail service potential, given its 40-acre size and parcel configuration... I would consider this site to be adequate for rail service.”

✓ Pros:

- 40-acre development site with uniform boundaries.
- Favorable vertical and horizontal rail alignment.
- Can accommodate a 400,000 – 500,000 SF industrial footprint.
- “Rail corridor tangent track for switch connection on the west half of the parcel.”

✗ Cons:

- “Cumbersome roadway access to the site.”
- Adjacent to a residential area.
- “New roadway easement will be required at a separate location.”

3. Hoffmann Site – “Most attractive for rail-served development”

Consultant Conclusion: “This site has excellent rail service potential... The westerly Hoffmann parcel is the most attractive parcel for rail-served development.”

✓ Pros:

100-acre site with a rectangular configuration (ideal for development).

- “Vertical and horizontal rail alignment is excellent.”
- “Existing industrial park roadway access.”
- “Excellent access to US Hwy 12.”
- Potential for a 1,000,000 SF industrial facility.

✗ Cons:

- Some portions of the property contain wetlands, though they do not impact the primary development area.

Key Takeaways

1. We Have Done Our Due Diligence – This analysis reinforces that the City is making informed, data-driven decisions regarding rail-served development opportunities. The further due diligence in exploring this issue demonstrates a commitment to responsible planning.

2. The Concerns Raised About Lot 10B Were Misguided – The push to reconsider Lot 10B as a rail spur location—raised late in the process—was based on poor information. That decision

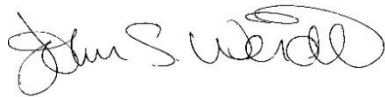
ultimately required us to spend additional taxpayer resources to confirm something we already knew: There are better locations for rail.

3. Next Steps Are Already Underway – With this third-party verification in hand, I have authorized further analysis on the two most promising sites: the JC-Kow Farms property and the Hoffmann site. These efforts will refine the conceptual design and cost estimates to ensure Whitewater is prepared for rail-based economic development opportunities.

Moving forward, I recommend that we revisit Lot 10B's development potential in light of this study's findings. The consultant's conclusions reinforce that the best opportunities for rail are elsewhere, and we should not let misinformation derail smart economic growth.

Thank you for your patience and diligence in addressing this matter. I look forward to continuing our work together in positioning Whitewater for sustainable development.

Warmest Regards,



John S. Weidl, City Manager

Railroad Guy, LLC

WHITEWATER SITE EVALUATION (Various)

January 29, 2025

The City of Whitewater (CITY) has identified three parcels as potential rail-served development sites. All three parcels have property boundaries with frontage along a similar railroad corridor Right-of-Way. The operating railroad in this ROW is the Wisconsin & Southern Railroad (WSOR), a subsidiary of WATCO. Having railroad frontage on the WSOR does not necessarily correspond to viable rail access or provide assurances that WSOR will provide rail service. Other factors for an approved rail site will be considered beyond the physical ability to connect to the WSOR mainline corridor. When a potential rail shipper has been identified, WSOR will undoubtedly review a conceptual rail design for compliance with engineering standards, but more importantly, WSOR will want to know the commodity being shipped, estimated rail car volumes, origins and destinations, and the shippers' operating plan.

However, this evaluation aims to conduct each site's high-level engineering and development analysis to identify rail access opportunities and encumbrances more clearly. Having been in the rail industry for over 40 years, I've referenced my site development experience to assist the CITY in determining which sites may be better suited for rail service and possibly included in economic development marketing efforts. A pros and cons approach has been utilized, reviewing rail and roadway access, building and rail capacity, and probable site challenges and encumbrances. Finally, I have included a lump sum cost for each site to further the analysis and prepare a conceptual design and opinion of probable construction cost. This level of work is in line with a rail-served site marketing initiative.

LOT 10B

Pros:

- Vertical rail alignment is favorable
- Rail corridor has tangent rail alignment for switch connection
- Existing roadway access to the site
- Adjacent to an existing industry
- Potential 100K SF industrial footprint

Cons:

- Horizontal rail alignment may encumber the building layout
- Non-uniform parcel boundary
- Private road crossing is required

In my opinion, this site does have rail service potential but is limited to a 100K SF building. The railroad connection and the transition through the parcel will be critical in determining the best fit for an industrial facility. In addition, ten acres are on the low end of a typical rail-served industrial property. Therefore, this site has marginal rail-served value.

CITY PROPERTY

Pros:

- Both vertical and horizontal rail alignment are favorable
- Uniform parcel boundary
- 40-acre development site
- Potential for mid-size industrial footprint

Cons:

- Cumbersome roadway access to the site
- Adjacent to residential development
- Rail corridor tangent track for switch connection on west half of parcel

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This site has good rail service potential, given its 40-acre size and parcel configuration. Development sites of this size can typically accommodate a 400 – 500K SF industrial building footprint. This site has good access to the WSOR mainline; however, due to the curved mainline along the east half, the switch connection is limited to the west half of the parcel. The significant encumbrance is the existing roadway access through the residential area on what appears to be a shared driveway. Otherwise, a new roadway easement will be required at a separate location. I would consider this site to be adequate for rail service.

HOFFMANN

Pros:

- Vertical and horizontal rail alignment is excellent
- Ideal rectangular parcel boundary configuration
- Unencumbered 100-acre development site
- Potential for large-size industrial footprint
- Existing industrial park roadway access
- Excellent access to US Hwy 12

Cons:

- Wetlands encumber the remaining two parcels

This site has excellent rail service potential due to the westerly 100-acre parcel and rectangular configuration. Development sites of this size can typically accommodate a 1MM SF industrial building, warehouse, or distribution facility. The parcel has good access to the WSOR mainline and existing roadway, with excellent access to US Hwy 12. The only encumbrance that comes into play is with the easterly two parcels, which are extensively impacted by wetlands and small. The westerly Hoffmann parcel is the most attractive parcel for rail-served development.

Conceptual Design Effort

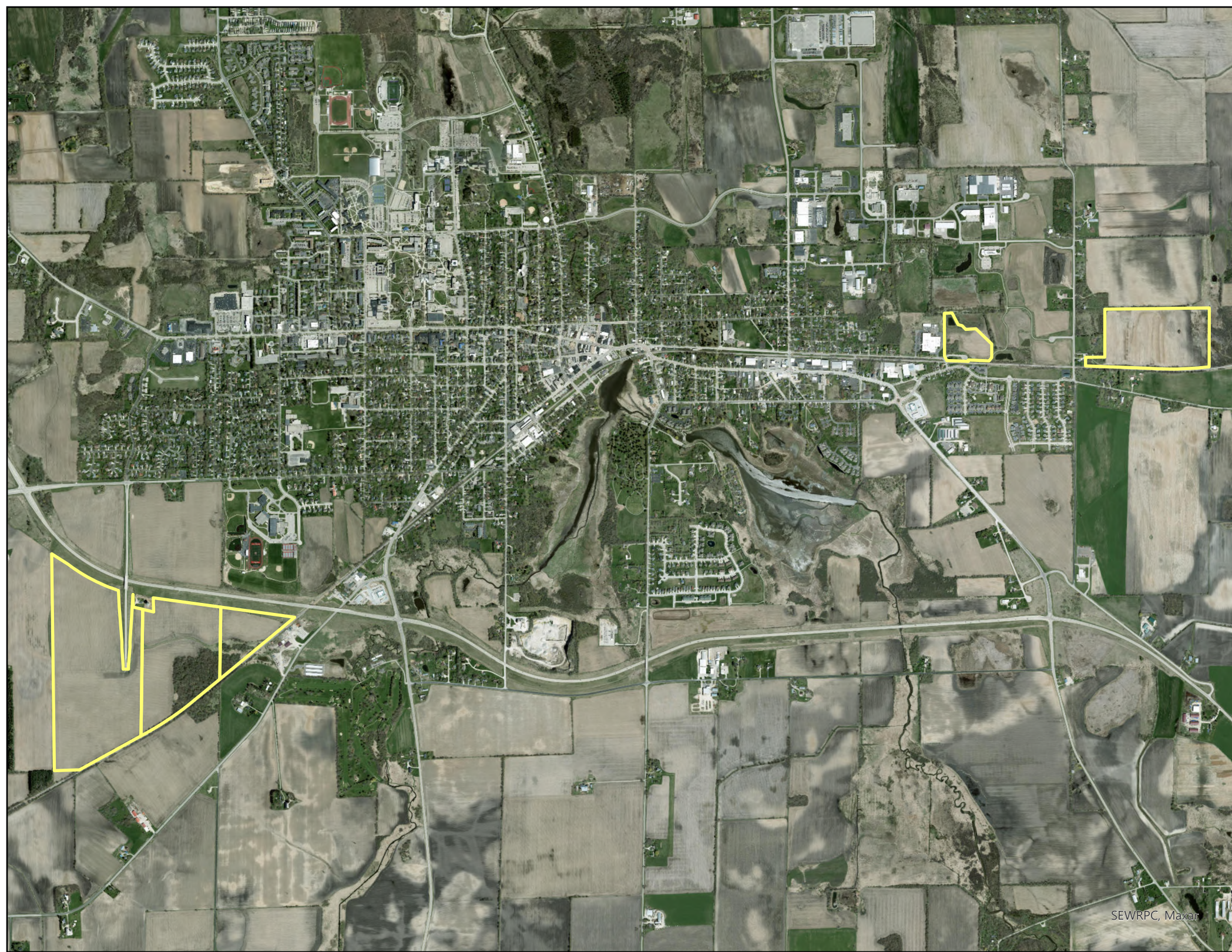
Each site design will have multiple iterations for review and consideration. After the CITY has identified the most acceptable iteration, it will be formatted for WSOR review and feedback. We will incorporate any feedback, make necessary revisions, and then prepare a final exhibit layout and an associated opinion of probable construction costs for each site. Upon WSOR acceptance, these layouts can be utilized for economic development and marketing purposes.

LOT 10B – LSF \$3,500.00




CITY PROPERTY – LSF \$3,500.00

HOFFMANN – LSF \$4,800.00

Prepared by: Ben Guido

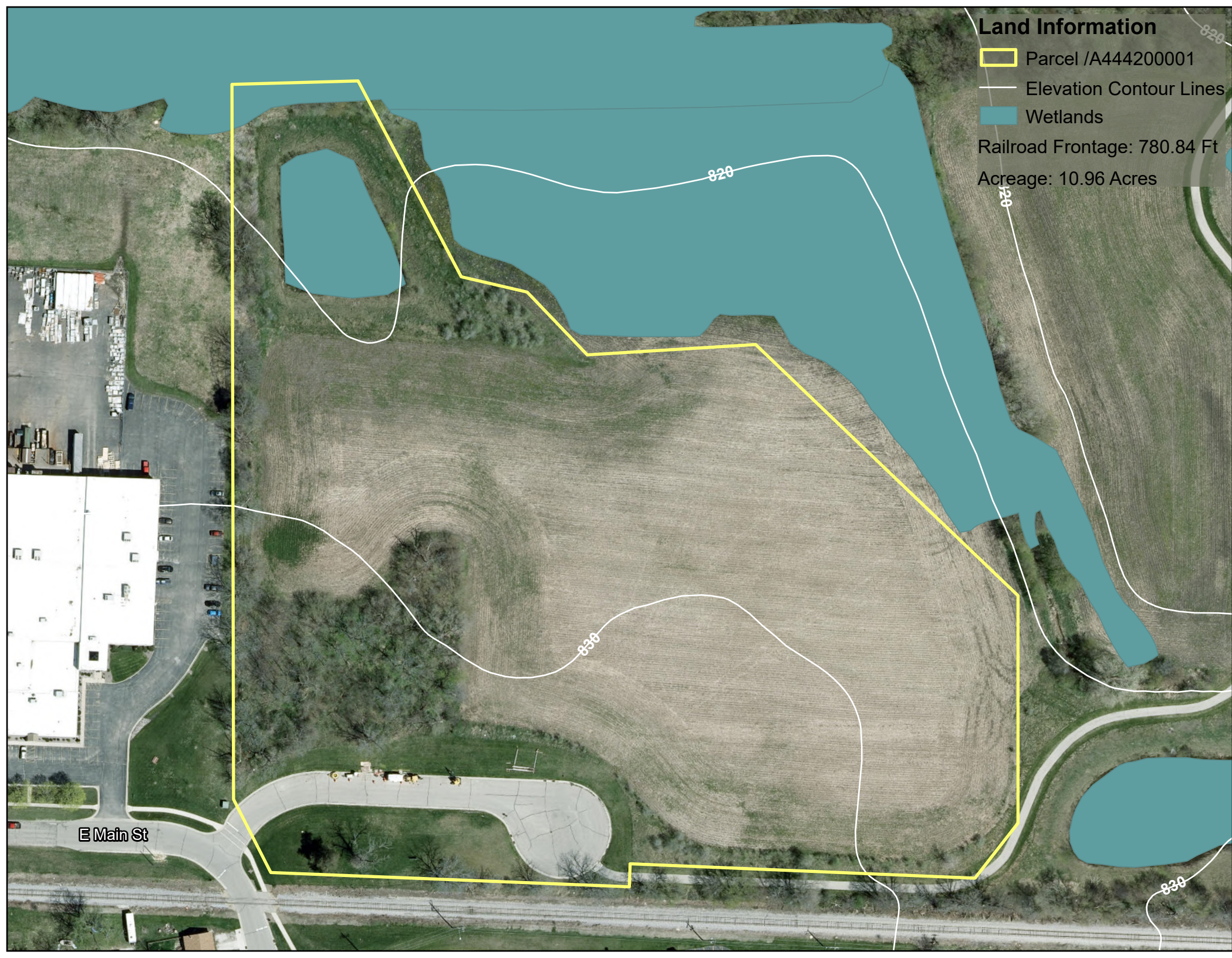


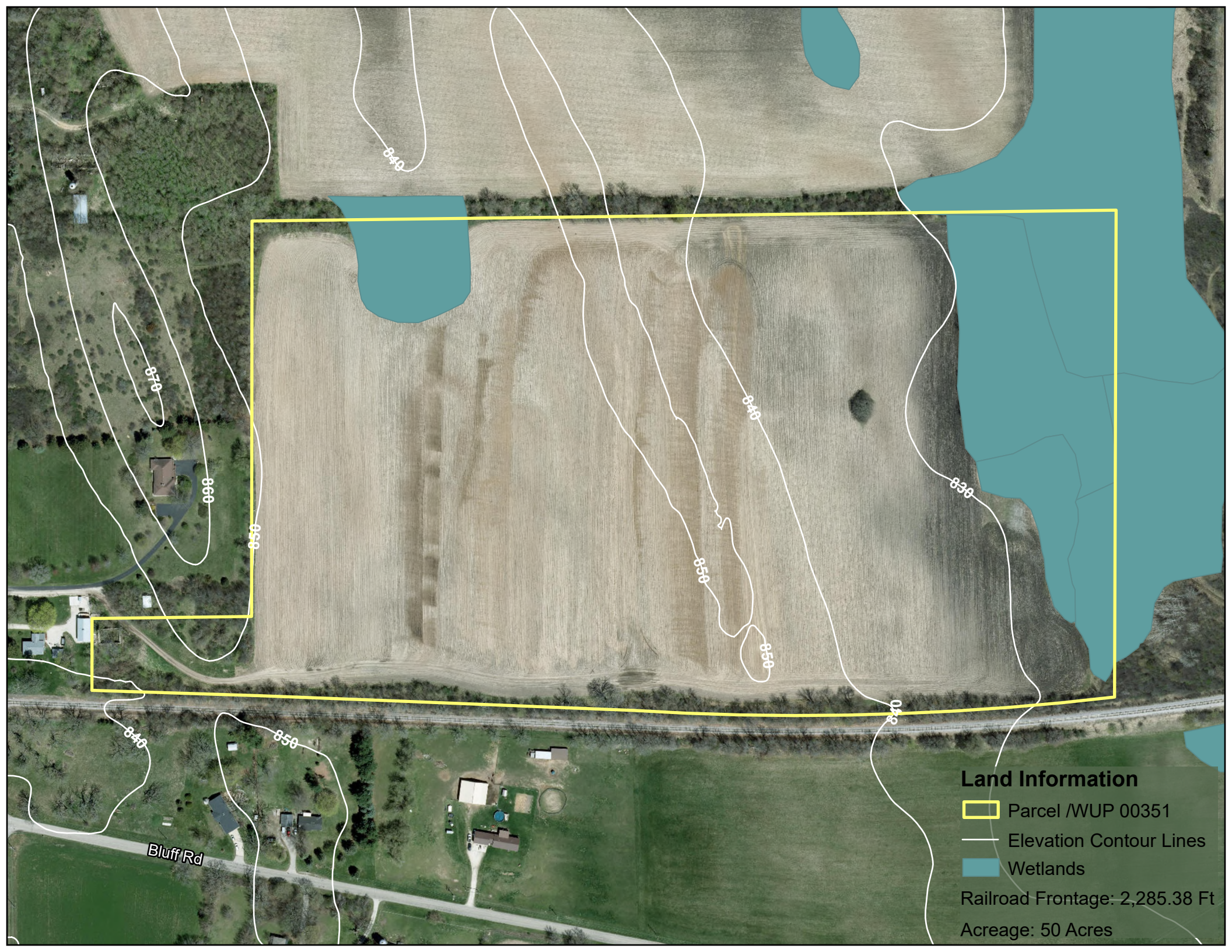
Land Information

-  Parcel /A444200001
-  Elevation Contour Lines
-  Wetlands




Railroad Frontage: 780.84 Ft

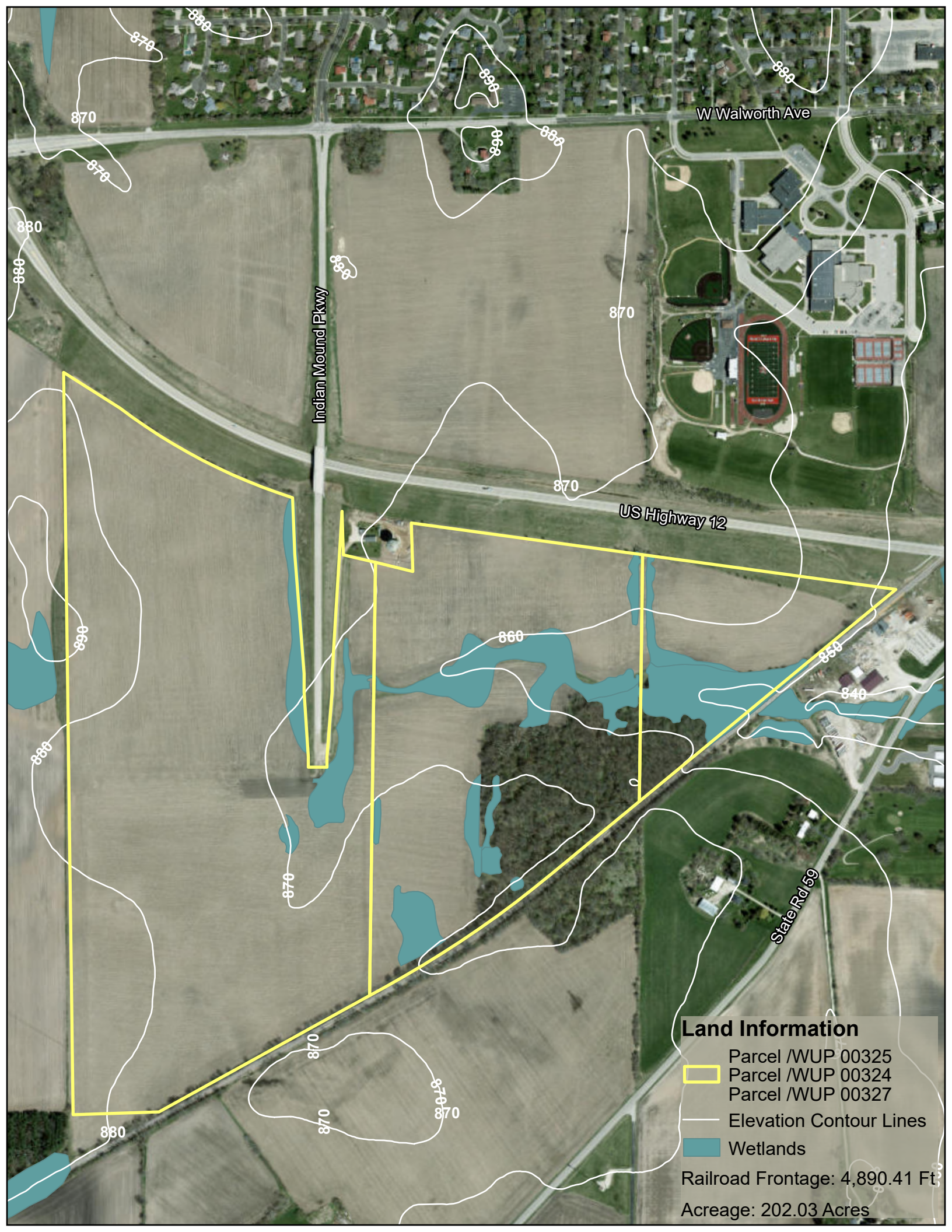
Acreage: 10.96 Acres





Land Information

-  Parcel /WUP 00351
-  Elevation Contour Lines
-  Wetlands
- Railroad Frontage: 2,285.38 Ft
- Acreage: 50 Acres



Land Information

- Parcel /WUP 00325
- Parcel /WUP 00324
- Parcel /WUP 00327

— Elevation Contour Lines

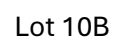
■ Wetlands

Railroad Frontage: 4,890.41 Ft

Acreage: 202.03 Acres



Lot within City



Lot 10B



Hoffman Lot