

**Community Development Authority of the City of Neenah  
January 7, 2019 - 4:00 PM**

**Present:** Board Members: Ald. Cari Lendrum, Pete LeCompte, Tom Martin, Grant Birtch, and Ald. Lee Hillstrom.  
Also Present: Executive Director Chris Haese, Mayor Dean Kaufert and Office Manager Samantha Jefferson.

**Approval of November 12, 2018 meeting minutes:**

**MSC Hillstrom/Birtch, the CDA to approve the meeting minutes of November 12, 2018. All aye.**

**Public Appearances:**

None.

**Consideration and recommendation for staff to apply for the Wisconsin Assessment Monies (WAM) grant regarding 2405 Schultz Drive:**

The Community Development Authority of the City of Neenah recently acquired 2405 Schultz Drive (previously Loren's Auto Salvage). Realizing the need for a Phase II assessment to be done on this property, staff proposes to apply for the Wisconsin Assessment Monies (WAM) Grant that is awarded by the DNR. This grant program provides funding to address specific brownfields sites where closed or closing industrial areas are acting as impediments to economic redevelopments.

This award requires no match or grant administration and up to \$35,000 in free services are available. It is estimated that a Phase II assessment could cost upwards of \$20,000 – if awarded the grant, Phase II costs may be alleviated in total.

**MSC Birtch/Hillstrom, the CDA approves Resolution No. CDA 2019-1 and recommends the Common Council approve a similar Resolution to allow staff to apply for the Wisconsin Assessment Monies (WAM) grant for completion of a Phase II assessment at 2405 Schultz Drive. All voting aye.**

**Consideration and recommendation of an easement request made by Ascension Health (101 Main Street) to establish a fiber optic line over Site 6:**

Ascension Medical Group, via AT&T is requesting permission to install a redundant fiber cable line to their facility at 101 Main Street. The route of the new line would traverse a portion of Site and the Ascension site as depicted on the attached drawing. The redundant line is necessary to ensure uninterrupted service to the facility should there be an issue with the main service.

Staff has reviewed the request with AT&T representatives and is in support of providing the access. However, staff has requested the location of the line across Site 6 be adjusted to the west and north. This will require the line to cross an existing gas line at two different points. However, the adjusted location will minimize conflicts with the redevelopment of the Site 6 site.

Director Haese did make Ascension aware of the environmental issues on Site 6. CDA members did discuss the gas and storm lines that run along the northern part of Site 6 and wondered if the fiber cable line would interfere. Director Haese mentioned that should development happen on Site 6, the location of those would need to be discussed.

**MSC Hillstrom/Lendrum, the CDA authorizes staff to execute a systems permission from with AT&T to allow the installation of a fiber cable across a portion of Site 6 and other property currently owned by the CDA and to located the line in a location that will minimize conflicts with redevelopment efforts. All voting aye.**

**Update on Council consideration of the acquisition agreement to acquire 150 acres of property in Waupaca County for the purposes of developing a City of Neenah wetland mitigation bank:**

Director Haese provided as an update the status of Council consideration of the acquisition agreement to acquire 150 acres of property in Waupaca County for the purposes of developing a City of Neenah wetland mitigation bank. Should the Committee and Council approve the recommendation to proceed with the acquisition and development of a wetland bank and proposed, the CDA would be responsible for the acquisition, development and administration of the bank.

Uncertainty with this purchase arose due to a verbal indication from the U.S. Corp of Engineers that a wetland bank in the location proposed would not be eligible to extend wetland credits to a project within Neenah or Oshkosh if another bank were to be created within Neenah's sub water shed. Neenah resides completely within the Fox River watershed as does the property being considered for acquisition. However, Neenah resides in a different sub watershed than the property in question. This interpretation by Corp field staff seems contrary to the written goals, objectives and policies of the wetland bank program and there is a chance the Corp may move off of this interpretation if presented with a written request to do so. The best opportunity to receive a written confirmation is in response to the submittal of a wetland bank prospectus. Under the current Offer to Purchase proposal, the submittal of a wetland bank prospectus would be a first step toward the acquisition of the property. However, acquisition would not occur if there is not a favorable response from the submittal.

Staff has discussed many different options to partner with Mr. Heimbruch on a wetland bank project and has extended an Offer to Purchase the property with the following conditions:

- Upon acceptance of the Offer to Purchase by both parties, the City and Mr. Heimbruch would submit a Wetland Bank Prospectus to the Wisconsin DNR for review and consideration. The Corp of Engineers will also review the prospectus.
- Upon approval of the wetland prospectus, and especially as it relates to the City's ability to utilize credits for projects within Neenah, the City would determine its interest in pursuing a wetland bank on the property.
- Upon a favorable approve of a wetland prospectus, the City would prepare and submit for review and approval a Wetland Bank Instrument, which would detail the site mitigation efforts. Upon approval of the Bank Instrument, and if the City decides to move forward with the bank, Mr. Heimbruch would be paid a total purchase price of \$787,500.
- Additionally, Mr. Heimbruch would also receive two wetland credits (or the equivalent value) from the project.
- Should the wetland prospectus be approved, but the City chooses not to move forward with the project, the City would be provided two wetland credits should the property be developed as a wetland bank within a reasonable time period.
- While the Bank Instrument is under review, the City would lease the acreage to Mr. Heimbruch for agricultural purposes at a rate of \$50 per tillable acre (estimated at 60 acres) per year.
- Upon completion of the project and sale of all available credits, the City would return ownership of the property to Mr. Heimbruch for the nominal charge of \$30,000 (\$200 per acre).

The overall acquisition and development of a wetland bank project on the subject property will likely take five to ten years to complete at an overall cost of approximately \$2.4 million. The project is anticipated to generate 70-75 wetland credits over the life of the project. Wetland credits are currently selling for approximately \$70,000 per credit. Assuming this value remains constant through the life of the project, the overall income from the sale of credits is estimated to generate revenues of \$4.9 million. A detailed estimate of the project costs (not including land acquisition of \$787,500) is attached. Lastly, the City of Oshkosh continues to express interest in partnering in the creation of the wetland bank but had declined a formal partnership until the ability to utilize wetland credits from the proposed bank within their jurisdiction can be clarified.

This proposal will be presented to the Finance and Personnel Committee on January 8, 2019. After the prospectus is submitted, the CDA would receive answers within 30-60 days.

Chairman Martin questioned the need for a partnership with Oshkosh. Director Haese explained that while the rewards would be shared, so would the cost. This would be funded through the stormwater utility funds simply due to the availability to receive treatment credits.

**The Community Development Authority may convene into Closed Session pursuant to Wis. Stats. Sec. 19.85(1)(e) for the approval of potential land acquisition and development within the Gateway Redevelopment Area:**

MSC Birtch/LeCompte, the CDA to convene into Closed Session. All voting aye.

MSC Hillstrom/Birtch, the CDA to convene into Open Session. All voting aye.

**The Committee may reconvene to consider potential land acquisition and development within the Gateway Redevelopment Area:**

Hillstrom/Lendrum, the CDA approve the Letter of Intent with T.Wall Enterprises to further evaluate Site 6 in the Glatfelter Redevelopment for a future multifamily development. All voting aye.

**Announcements and Future Agenda items:**

- a. **716 Harrison Street (Neenah Foundry) Acquisition:** Staff is waiting on the final Phase II report. It was found that a dairy was on the site for some time. That may result in an increase in cost to move the soil to an appropriate location. However, the City has been awarded a grant for stormwater pond work and the site was acquired for \$1 so cost for moving the soil will not impede the project.
- b. **2405 Schultz Drive (Loren's Salvage Yard) Acquisition:** Phase I work is done on this site and Phase II work will begin after the WAM grant has been applied for and determined. Modification of TIF District 9 and annexation will need to be completed before the end of February as stated in the Offer to Purchase and closing will occur by the end of March. The current owner will then have twelve months to move cars and gravel off of the lot.

The demolition of 214 Brien Street will be complete by the end of the week if the weather cooperates.

**Adjournment:** The meeting was adjourned at 5:05 p.m. MSC Hillstrom/Birtch. All voting aye.

Respectfully Submitted,



Samantha Jefferson  
Office Manager, Community Development