

#### NEENAH PLAN COMMISSION

### Tuesday, April 8, 2025 4:00 P.M. Hauser Room, City Administration Building

Virtual Meeting Option: This meeting is available virtually. To access the virtual meeting (Requires Microsoft Teams), please click on the link below:

Join the meeting now Meeting ID: 266 371 186 95 Passcode: arbQVn

1. Approval of Minutes: March 11, 2025

- 2. Public Appearances (Ten minutes divided among those wishing to speak on topics pertinent to the Plan Commission)
- 3. Public Hearings: None
- 4. Action Items: None
- 5. Discussion Items:
  - a. Neenah Housing Study and Needs Assessment Strategy Implementation
- 6. Announcements and future agenda items:
  - a. Next Meeting: April 29, 2025

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#### MINUTES OF THE NEENAH PLAN COMMISSION Tuesday, March 11, 2025 4:00 p.m.

#### Present:

Mayor Jane Lang,	PRESENT	Sarah Moore-Nokes,	PRESENT	Gerry Kaiser, Director	PRESENT
Chairperson		Vice Chairperson		of Public Works	
Kate Hancock-Cooke	PRESENT	Karen Genett	PRESENT	Betsy Ellenberger	PRESENT
Gerry Andrews	PRESENT	Alderman Dan Steiner	PRESENT		

#### Also Present:

Brad Schmidt, Interim Director of	Kayla Kubat, Administrative Assistant	Duke Behnke- 1176 Apple
Community Development	of Community Development	Blossom Dr
Alderman Cari Lendrum	Alderman Lee Hillstrom	Alderman William Pollnow
Florence Bruno- 1002 E Forest Ave	Frank Cuthbert- 1533 Fallow Dr	Lisa Strandberg- 325 12th St
Scott Roh- 821 Kensington Dr	Deb Langacker- 631 Winnebago Hts	Scott Becher- 1061 Green
		Acres Ln

<u>Minutes:</u> MSC Ellenberger/Moore-Nokes, the Plan Commission, to approve the January 7, 2025 meeting minutes. All voting aye. Motion passed. Hancock-Cooke abstained.

<u>Public Appearances:</u> Chairperson Mayor Lang opened public appearances to topics not related to the agenda.

Lisa Strandberg 325 12<sup>th</sup> St- she is the Executive Director of Pillars. She is glad the city took on conducting a housing study. She also encourages the Council to embrace the housing study and that there are community partners willing to help once strategies are implemented.

Deb Langacker 631 Winnebago Hts- she is the Treasurer of Fox Cities Housing Coalition. She thought the housing study was honest and thorough in outlining the needs for all income levels.

Scott Becher 1061 Green Acres Ln- he is concerned with the amount of poverty in the city and believes the city needs to build more single-family homes.

No one else in attendance spoke. Chairperson Mayor Lang closed public appearances.

#### **Public Hearings: None**

#### **Action Items:**

#### a. Neenah Housing Study and Needs Assessment

Interim Director Schmidt thanked the plan commission for their review of the housing study as well as the community members that took the survey and housing stakeholders who participated in interviews. He then introduced the consultant from Stantec, Spencer, and his presentation on the results of the housing study.

Spencer gave a presentation of the final housing study. He went over some of the conclusions of what they understand the housing needs of the city to be and then went over what housing

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strategies can be developed from a regulatory, financial, and zoning perspective to meets those housing needs both now and in the future.

Interim Director Schmidt asked the commission if anyone had any questions after the presentation.

Member Steiner asked if there is an ideal order to the strategies and are there certain strategies that have been proven to be more effective. Spencer stated the regulatory changes is a good place to start. Looking at the zoning and changing zoning requirements, it helps create ground rules. This helps stabilize expectations of what can be done.

Member Ellenberger asked what type of development is needed for the empty-nest demographic. Spencer stated most of the new development in the city is rental, very few ownership opportunities that are available in the post single-family market.

Member Hancock-Cooke stated there are ways for government entities to play a role in development that current developers and individuals are unable to carry out.

Member Moore-Nokes asked are there particular zoning updates that have proven in other communities to be more beneficial than others. Spencer stated his is more the economics and not zoning. He will have Stantec's zoning and planning expert look at the list provided in the housing study and give some prioritized items.

MSC Kaiser/Genett, the Plan Commission, to recommend to Common Council to accept and place on file the Neenah Housing Study and Needs Assessment and place on file.

Announcements and Future Agenda Items: Next meeting is scheduled for April 8, 2025.

<u>Adjournment:</u> The Commission adjourned its meeting at 5:10 p.m. MSC Ellenberger/Steiner. All voting Aye. Motion passed.

Respectfully Submitted,

Kayla Kubat

Kayla Kubat

Administrative Assistant, Department of Community Development



# **MEMORANDUM**

**DATE:** April 8, 2025

TO: Mayor Lang and Members of Plan Commission

FROM: Brad Schmidt, AICP, Deputy Director

RE: Neenah Housing Study & Needs Assessment – Strategy Implementation

The Neenah Housing Study and Needs Assessment outlines a series of strategies aimed at facilitating new housing construction, reducing construction costs, and diversifying the types of housing available in Neenah. While cities do not directly build housing, city policies, regulations, and housing programs significantly influence housing location, types, and construction costs. The strategies identified in the study, although not exhaustive, provide a starting point for how the city can meet its future housing needs.

The study presents several strategies, each with varying levels of impact and implementation complexity. At the suggestion of the housing study consultant, Stantec, revising the zoning code is a logical first step. The City's Zoning Code dictates the regulations governing housing development, and proposed changes to the code will lay the foundation for the other recommendations in the study.

The zoning code recommendations include a dozen specific items that should be reviewed. I suggest we discuss each item individually and prioritize them based on their ease of implementation and potential to facilitate new housing development. Some items, such as permitting accessory dwelling units (ADUs), may require additional research and discussion. I will present on each of the zoning code changes at the Plan Commission meeting.

After addressing the zoning code changes, I recommend that the Plan Commission begin reviewing the remaining strategies, specifically by developing an implementation plan that prioritizes the strategies based on their importance and impact. As with the zoning code changes, many of these strategies will require further research and, in some cases, collaboration with outside partners for successful implementation.

The strategies chapter of the housing study is attached for your reference. If you have any questions or would like more information on a specific strategy, please feel free to contact me before Tuesday's Plan Commission meeting.



Identified Need	Reason	Strategies
Affordable Rental Housing	Renting is increasingly common and many Neenah renter households are cost budended. Increasing supply of rent-restricted housing can add high-quality, new build construction that ensures available housing for households working in key workforce jobs.	LIHTC Housing Middle Density Housing City Owned Land Review Housing Trust Fund
Housing Diversity	Neenah needs more housing diversity. Recent development has been mostly larger multi-family or single-family detached homes. Middle density housing formats can help provide	Zoning Revisions ADUs New Developer Incubator Parking Requirements Financial Tools Infill Redevelopment Grants
Entry Level Ownership	The Fox Cities regional economy is generating growth.	Developer and Impact Fees First-Time/Low-Income Home Owners Middle Density Housing Home Improvement Loans

### **Review of Existing Programs**

The city of Neenah's office of Community Development contains three main housing programs.

Houses into Homes Program: The housing into homes program is an initiative aimed at helping residents improve single and two-family properties and is available as grants or loans. The overall program contains two components and is available for properties with assessed values at \$211,00 or below (single unit), and \$270,000 or below (two-units). The first is the Curb Appeal Program that provides eligible projects with a grant to reimburse up to 50% of project costs for owner-occupied properties, and up to 25% of costs for investment properties. Curb Appeal Program is oriented towards outdoor improvement. The maximum grant size is \$5,000, with a minimum grant match of \$500. The second is the Refresh and Renew Program provides eligible projects with 0% interest, deferred mortgage loans for up to 50% of project costs, and 25% of project costs to investment properties. It focuses on both internal and external rehabilitation and home improvement projects. In 2024 – the first year of the program – 16 Curb Appeal projects and 4 Refresh and Renew projects were completed. The first year of this program was intended as a demonstration year and was only available to properties on Doty Island. In 2025, the program will be open to any qualifying property city-wide.

Neenah Housing Rehabilitation Program: The Neenah Housing Rehabilitation Program allows for basic structural and mechanical repairs for owner occupied housing for low-income households. Deferred mortgage loans are available for all households, whereas grants are available for those aged 62+ or disabled. \$3,600 is the maximum size of the grant.

**Community Development Block Grant:** The city is a recipient of federal Community Development Block Grant dollars, and contains the smallest entitlement in the state of Wisconsin. The city received \$200,000 in 2025, with \$30,000 available for projects outside currently utilized programs. CDBG funds are used for a range of services, including homeless shelters, staff, and assistance to low-income homeowners and renters.

### PRODUCTION STRATEGIES | RENT RESTRICTED MULTI-FAMILY HOUSING

# **Affordable Multi-Family Housing**

Demand remains high for affordable multi-family housing. Strategies should be pursued to help ensure its development.

### **Purpose**

The need for affordable multi-family housing remains robust. Trends towards increased renting among workforce housing households persists. Demand will remain high, but supply is limited, especially of high-quality new construction. Neenah undersupplies Low Income Housing Tax Credit (LIHTC) units relative to neighboring municipalities.

### **Strategies**

LIHTC

Low Income Housing Tax Credits remains the most dependable path to creating affordable multifamily rental housing. The program contains two types of credits, 9% credits that bring more resources into a project and his highly competitive, with building sizes ranging from 40-60 units, to 4% tax credits that bring a lower level of support, and often are built in mixed income communities with

total units ranging from 100-200 total units.

Community Engagement

The development of a mixed-income mixed housing type neighborhood at the former Shattuck Middle School site that included LIHTC units was rejected due to neighborhood resistance. Community engagement can be crucial to build neighborhood support for multi-family affordable housing. Identifying the beneficiaries of such a program and its importance in supporting economic development remains crucial.

While affordable housing restricted to seniors often receives more public support, there is demonstrated need for affordable housing units across all households. Ideally, new projects should be open to all family households.

Additional Strategies for Deeper Affordability

Deeper levels of affordability can be achieved through various mechanisms, including bridging funding gaps, using city owned land, or lowering or limiting development fees. The city could proactively support LIHTC development by identifying potential parcels suitable for development and building relationships with LIHTC developers. Some proactive work from both city staff and city council is probably necessary to derisk future projects, given previous issues with affordable housing in the past.



## STRATEGIES | HOUSING TRUST FUND

## **Local Housing Trust Funds**

LHTFs are a housing swiss army knife – a flexible tool for channeling housing funds into diverse projects.

### **Purpose**

Develop flexible finance tools that can be used to help drive development of needed housing types and affordability levels in Neenah.

### Strategy

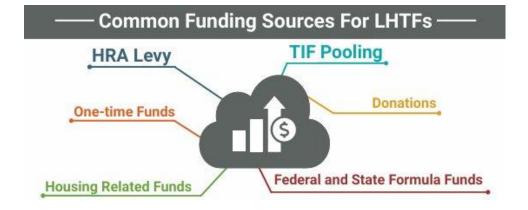
Local Housing Trust Fund (LHTFs) are funds established by a local government used to fund housing projects. Funding sources are diverse, ranging from one-time matching funds from state policy, to recurring contributions from incomegenerating properties, allocations from TIF pools, CDBG money, or housing specific levies. They are a flexible resource for housing within a local jurisdiction that can be applied to a range of uses (see right).

Several cities in Wisconsin have adopted

LHTF tools, including the city of <u>La Crosse</u>. La Crosse uses its LHTF, currently capitalized at \$1.225 million to gap finance or renovate affordable housing through low interest loans.

In Minnesota, LHTF's are strongly support by state-level policy, with flexible guidelines for how they can be applied. Uses range from homebuyer assistance, to naturally occurring affordable housing preservation, to rent support for low-income households. In Neenah, they could be used to support land acquisition for affordable housing development, gap financing for new housing types, support for first-time homebuyers, among others.

# **Common Uses For LHTFs** Preservation Gap Financing Assistance Affordability Stability

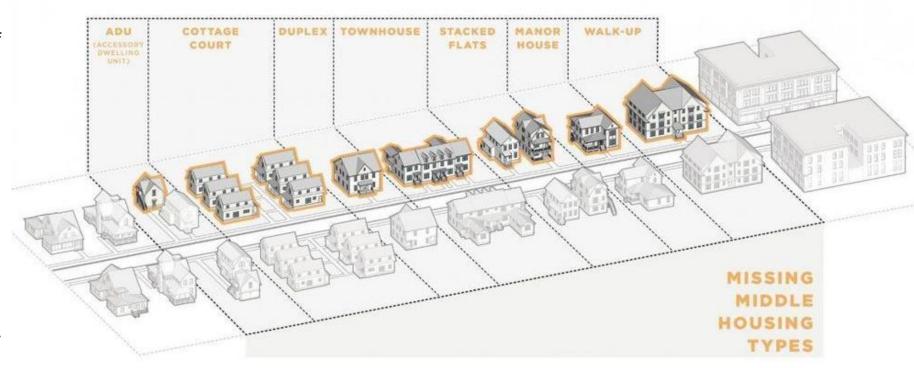


### Missing Middle

Middle density housing contains a wide mix of housing types, including Accessory Dwelling Units (ADUs), cottage courts, duplexes, townhouses, and small multi-family formats of 3-10 units including stacked flats, manor houses, or walk-ups.

These housing types were common in neighborhoods prior to 1950's zoning laws that standard use types and neighborhood typologies. With their disappearance, so to has gone a range of housing types that people desire, including a range of smaller formats appropriate for smaller household sizes increasingly typical. In Neenah, middle density housing can create more affordable entry-level homes, affordable ownership homes for seniors looking to downsize from single family homes but not yet ready for assisted living, or mixed tenure homes that allow for additional income streams.

Despite desire for more diverse housing, cities have to 'relearn' how to build this housing type, and to support it through zoning reform and/or other policy choices.



## PRODUCTION STRATEGIES | MISSING MIDDLE HOUSING

# Middle density housing remains elusive. Policy can help.

Building middle density housing can help meet key housing needs for the city. Support is likely in the short-term.

### **Purpose**

Create conditions to support middle density housing in Neenah, creating a range of housing types attractive to first-time homebuyers, smaller households, and seniors looking for smaller footprints.

### **Strategies**

Zoning

Zoning remains a key first-step in inducing middle density housing, especially infill redevelopment. Removal of single-family zoning in key redevelopment districts to allow the permitting of more dense housing types is recommended. This includes adjusting rules for set-backs, off-street parking. A model zoning ordinance for missing middle housing is the User Guide for Middle Housing Model Ordinances developed by Washington State Department of Commerce. A similar guide for zoning reform to induce middle

density housing is the League of Wisconsin Municipalities' Enabling Better Places: A user's guide to Neighborhood Affordability. The city of Neenah should encourage the use of Traditional **Neighborhood Development (TND)** patterns in its historic neighborhoods that replicate pre-1950s zoning codes. TND will reinforce downtown's vibrancy while helping induce infill development.

### **Parking**

Parking requirements can increase land requirements for new development, limiting the density, and ultimately the affordability, of units. Many cities have reduced, or fully removed, parking minimums, including La Crosse, Gilman, and West Allis.

### Financial Tools

Developers of workforce and missing middle housing in Spokane, WA have identified shifts in housing finance, including shifts from Loan-to-Value to Loan-to-Cost funding, that have substantially increased developer equity requirements. This makes it difficult for small developers – or developers who build less than 8 units a year and who historically built more than 60% of US housing prior to 2008 – to build more housing. To remedy this, a 'gap fund' was developed to bridge the finance gap for missing middle housing, with bridge gap recipients bound by affordability requirements. New cottage and townhome units are brought to market for less than \$250,000, a key price point for entry level homes.

### CAPACITY BUILDING STRATEGIES | **NEW DEVELOPERS PROGRAM**

# **New Housing Developer Incubator**

Home builders were wiped out during the Housing Crisis of 2008. Few developers have expertise at middle density infill redevelopment. Active cultivation can help.

### **Purpose**

Small homebuilders historically are the backbone for new housing development in small to mid-size cities. Neenah does not have the size to attract the national homebuilders who specialize in subdivisions. The Fox Cities region has gained developer specialists in large multi-family housing, single-family subdivisions, and low-density split homes, but it lacks an entire development tier that specializes in middle density housing and lower density multifamily.

### Strategy

This lack of specialization into diverse housing types is not unique to Neenah. To address this issue, cities, non-profits, and housing agencies have recognized the need to incubate and support emerging developers. Minnesota has some leading programs, with the Greater Minnesota Housing Fund, the city of St Paul, the County of Ramsey County, among others, developing Emerging Developer programs that support new developers with technical assistance, flexible project financing options, grant funding opportunities, and training resources. In some places, this extends to low-cost city or county-owned land. Some projects have requirements for affordability or housing type.

It may be challenging for a smaller municipality, but may be possible as a regional program across the Fox Cities area. Cities and counties in the region have all identified housing diversity as a key need, but the market is not creating this housing type

due to a lack of experienced developers who know how to build the product.



## PRODUCTION STRATEGIES | ADU'S

# **Accessory Dwelling Units (ADUs)**

Accessory Dwelling Units meet diverse family needs. It can also add some affordable rental supply.

#### **Purpose**

Accessory dwelling units (ADUs) can meet community needs by increasing the supply and variety of housing. They create an important additional income stream for some, and for others they may meet family needs related to caring for family members.

They are smaller housing units that are on the same lot as an existing home and owned by that homeowner. They may be built as an attachment to the primary home or as a separate structure.

They are an efficient use of public infrastructure because they introduce a new housing unit where there are existing utilities. The property manager, being the resident of the primary home, is close at hand, which usually ensures good management and responsive attention to issues that arise.

### Strategy

Current zoning districts do not allow for more than one dwelling on a lot, precluding detached ADUs. Likewise, large front and back setback requirements prevent home additions and construction of detached ADUs. Minimum dwelling width in R1 and R2 neighborhoods also are too large for most ADU types.

Zoning should allow for ADUs in R-1 as a permitted use, and other zoning changes made on setbacks to make ADUs a viable option in residential neighborhoods.

Other options include allowing ADUs as an attachment to or within an existing primary home, or requiring an application to apply for and obtain approval for a conditional use permit.

### **Examples**

ADUs are allowed as an accessory use in all residential zoning districts, and in Oshkosh, they are allowed as an accessory use in all single- and two-family zoning districts.



## PRODUCTION STRATEGIES | CITY OWNED LAND & VACANT PARCELS

# **City-Owned Land Inventory and Development**

The city owns diverse parcels across the city. Cities nationwide have taken more proactive steps to turn city-owned parcels or land into needed housing.

#### **Purpose**

City owned land can be leveraged to induce new supply of needed housing that the market is not providing. It can also be used to add supply of affordable housing.

### **Strategies**

During the Covid pandemic, the city of Neenah executed a plan to use access to low-interest capital to secure land for new subdivision development. holding and reselling the land to the chosen land developer, helping to lower developer cost burden and ensuring the project got completed.

### Land inventory

The city of Neenah has acquired land from a range of remnant projects, some with well-defined parcels, and others without. The city of Neenah should conduct an inventory of city-owned land to determine redevelopment potential, as well as existing vacant

lots within the community.

#### Land Banks

Land banks are employed by Cities or non-profits to acquire and prepare land for redevelopment. A property acquisition fund can be utilized by the land bank to acquire land to either be held by the land bank until appropriate or to prepare it for development.

### Partnering with New Developers

Cities looking to increase housing supply needs home builders. The region has a growing number of local single-family builders, but not many with a focus or expertise in middle density housing types. City-owned land can be an opportunity to partner with new or emerging developers to pioneer new housing types, including plexes or cottage-style homes. The city can sell or grant the land, lowering the cost for homebuilders. Existing programs for this include the Ramsey County Emerging Developers program that

sells County-owned land to members or graduates of its new and emerging developers program, with the condition that homes are affordable for those earning 80% AMI, or are developing mixed-tenure small multifamily.

### Affordability or Housing Type Requirements

As noted above, cities of various size grant or sell at below-market rates land for new development that also helps address needs for incubating a new class of small housing developers, targeting pioneering housing types that may be missing in the community or lack experienced builders/developers, or affordability requirements (or a combination of the three). Reliant on regional and local housing developers, Neenah should target using city-owned land for affordable mixed-tenure or cottage style homes that are currently missing in the market, helping to fine-tune the product and proving the market.

## STRATEGIES | INFILL REDEVELOPMENT

# **Vacant or Dilapidated Lots: Infill Redevelopment**

Many first-time homebuyers in workforce jobs feel squeezed out of the housing market. This can help them acquire a home.

#### **Purpose**

As neighborhoods age, replacing dilapidated or vacant lots with new housing can help stabilize home values and attract new investment. No new infrastructure is required, saving the city money.

### Strategy

Municipalities can adopt strategies to increase infill redevelopment, including changing zoning codes to attract a mix of housing that matches historic character, or adding financial incentives to redevelop identified substandard housing or vacant lots.

### **Example**

To incentivize infill development of lots with substandard housing, the City of Richfield

applies the Richfield Rediscovered Credit Program that offers a \$50,000 credit for any private sector developer that acquires a thirdparty identified substandard parcel or building, demolishes the property, and rebuilds an owner-occupied home. Embedded in existing single-family neighborhoods, the Richfield program adopts some stringent criteria on size, design, and owner-occupation.

Richfield Rediscovered also has a lot sale program that sells lots owned by the Richfield HRA at below-market rates that is prepared for new construction. Some design guidelines exist, as do incentives for building to 'green' certifications.



## STRATEGIES | HOME OWNERSHIP

## **First-Time Homebuyers Program**

Many first-time homebuyers in workforce jobs feel squeezed out of the housing market. This can help them acquire a home.

### **Purpose**

Increase opportunities for home ownership within Neenah by offering support to firsttime or low-income homebuyers. Homebuyer programs help individuals or families achieve homeownership, which can increase community stability.

### Strategy

First-time or low-income home ownership support programs offer grants, low interest loans, or second mortgages to first-time homeowners to help cover closing costs, or to assist with down payments.

Oshkosh, WI runs a 'Sold on Oshkosh' program demonstrating unique ways homebuyer programs can be incorporated to meet community housing needs. The Sold on

Oshkosh program provides up to a \$7,500 forgivable loan for single-family or duplex purchases in designated neighborhoods for households earning 150% of AMI or less who intend to occupy the house. An additional \$5,000 incentive is available for households who convert duplexes into single-occupancy homes.

#### A Note

These programs are historically abundant nationwide as they help subsidize demand for housing without impacting local supply. They are popular in communities averse to new development - an orientation to housing that has limited supply and increased home prices. Forward-looking municipalities at all scales are switching to supply-side policies to address community housing needs.



## STRATEGIES | HOME OWNERSHIP

## **Home Improvement Loans**

Entry level homes will not be new-build homes, and many are likely to require substantial reinvestment.

### **Purpose**

As the cost of new build housing increasingly pushes single family detached homes outside of affordability levels for many workforce households, many will likely buy Neenah's older housing stock that can be found at more entry-level prices. Home improvement programs can ensure that the inside and outside of these houses are brought up to modern standards, helping increase neighborhood vitality

### Strategy

Neenah has a full suite of existing policies to support home improvement. These include grants for internal and external improvements.

Reviewing these programs to ensure that

their size and intended audience are being met may be a worthwhile exercise, particularly clauses that support home improvements for middle income residents or units that will not be owner-occupied, as there is an opportunity cost of not using those funds for other programs.

The current Houses into Homes program is funded through the TIF Affordable Housing extension which allows a TIF to remain open for an additional year and the tax increment collected in that additional year to be used for affordable housing. As TIF districts close in the future, the city should continue to initiate the Affordable Housing extension to fund the Houses into Homes program or new affordable housing programs.



### STRATEGIES | COST OF DEVELOPMENT REVIEW

## **Development Cost Study**

How does Neenah compare to regional cities in terms of cost of development? How do other cities structure development fees?

#### **Purpose**

Development costs refer to the expenses incurred in the process of developing new real estate projects. Municipalities can impose a range of fees to help support the provision of infrastructure, including roads, parks, land preparation, wastewater, water, fire protection, and law enforcement. While holding a favorable view of Neenah's development environment, land developers also noted that more transparency and consistency in development costs and impact fees helps de-risk projects.

These fees can be a substantial portion of land development costs and are often not transparent, creating risk for developers, while also potentially not generating sufficient revenue for new project development, imposing those costs disproportionately on existing tax payers or overburdening municipal finance. Finding the right balance is important.

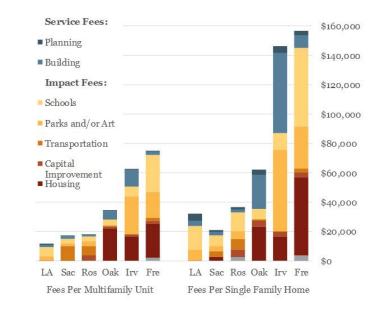
Conducting an assessment of development fees of regional comparison cities can help Neenah develop a more informed strategy to help balance the costs of new development with the need to minimize risk for developers in the development process and not cause housing prices to increase due to excess fees.

### Strategy

Conduct a study of best practices and an inventory of regional development fees to determine a strategy for the city of Neenah that balances economic competitiveness and sufficient revenue to provide high quality infrastructure that improves the resilience, vitality and quality of life of the community. Creating clear and transparent rules is an important part of derisking. A recent study was

conducted by APA-WI on the do's and do nots of impact fees, and the village of Jackson, WI and Franklin, WI have each conducted similar studies.

Example of Impact Fee Study conducted in the Bay Area by The Terner Center



## PRODUCTION STRATEGIES | LAND SUITABLE FOR NEW HOUSING DEVELOPMENT

# **Land Suitability Study**

A proactive approach to land development can accelerate new housing construction.

### **Purpose**

Land development is a key component of new housing construction. The review of development plans can be lengthy and risky for a developer, thereby increasing project costs and ultimately housing costs. Cities can take a more active approach to land development, helping to develop neighborhood plans and reduce review time. This can be advantageous for the City by securing some assurances on the City's infrastructure needs and the planning required to provide it.

Land development tasks include identifying land suitable for development, determining appropriate land use, updating zoning maps or comprehensive plans, developing neighborhood plans for larger tracts, environment reviews, and site preparation.

The City can absorb a greater role of site preparation to derisk development. Undertaking a greater role in identifying and preparing a site and preparing the land for development can help a partner developer reduce their risk in the development, ultimately accelerating new development.

Forward-thinking planning and pre-development preparation can include identifying if land is inside or outside of city limits, conducing phase 1 or phase 2 environmental reviews to identify potential land remediation issues, envision neighborhood land use types and zone them preemptively. This can save a developer significant time, while also helping ensure that the development will not be rejected by city council, community members, or code enforcement.



### **Strategy**

## CAPACITY BUILDING STRATEGIES | COMMUNITY RESILIENCE

# **Covid-19 Stressed Housing Markets**

Neenah should continue to identify strategies and built a network of community partners to ensure that those most impacted and vulnerable remain housed.

#### **Purpose**

Covid-19 deeply strained housing resources, with impacts unevenly felt. Housing stability and safety were prioritized by Federal agencies, but required strong coordination with regional and local governments, non-profit housing providers, and homeless shelters.

### **Strategies**

Strategies by the Federal Government included general cash stimulus to households, unemployment insurance for households that lost work, forbearance on mortgage payments for homeowners, an eviction moratorium for renters who could not meet rent obligations, and emergency rental assistance. Renters were disproportionately impacted due to significantly fewer assets, high levels of cost burden, and deeper exposure to

unemployment.

### Renter Safety Net

Retrospective studies identified that emergency rental assistance and eviction moratoriums policies helped keep renters in their home during the crisis. Recommendations include the need for a deeper and more permanent safety net for renters given high levels of rent burden and significantly lower assets.

### Increasing Housing Supply

Strategies to increase housing supply are also crucial. Inadequate supply continues to strain the housing market. Inadequate deeply affordable housing continues to keep many renters precarious. As a result, increases in housing demand with lacking supply pushes those on the bottom of the market into homelessness. Developing pro-supply

policies can help ensure that adequate housing is available.

### **Invest in Non-Profit Partnerships**

Cities can partner with housing non-profits through numerous strategies, including collaborative planning exercises that develop crisis preparedness plans; resource sharing to better solve existing and identified problems; increase monitoring and knowledge of the rental housing market, including those experiencing homelessness or those that are hard to house; or training and capacity building to help non-profits better respond to emergencies. Identifying non-congregate housing for those experiencing homelessness such as motels can advance a housing first solution.

## CAPACITY BUILDING STRATEGIES | COMMUNITY RESILIENCE

# **Public-Private-Nonprofit Partnerships**

As housing has become more expensive and the need for a more robust housing safety net grows, partnerships with private sector and nonprofit agencies can help meet community housing needs.

### **Purpose**

Nonprofit housing development organizations continue to increase single-family capacity to help solve regional housing issues. Nonprofits can also help combined public and private resources to fund affordable housing development.

### **Strategies and Examples**

### NeighborWorks Green Bay

NeighborWorks Green Bay is a Community Housing Development Organization that provides a range of solutions to housing problems. They provide home ownership counseling, actively develop affordable housing, implement home ownership programs, and catalyze innovative affordability solutions such as community land trusts. NeighborWorks Green Bay is expanding into the Fox Valley region when it acquired the nonprofit Neighborhood Partners in 2021. Actively cultivating a relationship with organizations like NeighborWorks can help pool together public resources like land with private resources such as charitable capital to expand community outcomes.

#### The Forward Fund

The Forward Fund is an innovative program between the Sheboygan County Economic Development Corporation (SCEDC) and four private companies -Kolher Inc, Sargento, Masters Gallery Foods, and Johnsonville – to create 400-500 entry-level singlefamily homes. Home development will be driven through a \$10 million fund seeded by the companies and \$2 million in American Rescue Plan Act funds. helping to ensure entry-level homes exist for their growing workforce. The SCEDC partners with the

fund by playing the role of land developer and project manager, lowering infrastructure costs for the Forward Fund developments. Due to the fund, new homes are brought to market at a price point of about \$250,000, or about 25-33% less than homes without the fund's support. Deeds on the home are restricted to households who plan to be the primary resident and who will live in the home for a minimum of five years.

These partnerships are innovative strategies public, private, and nonprofits agencies have implemented to address regional housing needs. With public funds limited but housing need so acute, publicsector actors nationwide are taking more active roles as land and housing developers, or more aggressively using assets and partnerships to bring affordable housing to market.

## STRATEGIES | **ZONING REVIEW**

### **Purpose**

Stantec conducted a detailed review of Neenah's zoning code and recommend changes that can address housing supply issues in the community identified in the report.

The recommendations in the ensuing slides identify particular issues and provide recommendations for zoning code reform.

Issue	Recommendation
Large minimum lot sizes and widths required in R-1	Create a new residential zoning district primarily for detached (single-family) dwellings on smaller, narrower lots (see below recommendation for R-2). The minimum lot size for this district should be such that would allow for lot splits to create new buildable lots.
	OR
	Reduce minimum lot size and width in R-1 district, including allowing zero lot-line development.
R-2 District allows duplexes, but is otherwise has the same requirements as R-1	Consider repurposing the R-2 district for not only duplexes but also smaller-lot detached homes (new district described above). Reduce minimum lot size and width to allow smaller lots than R-1.
Large minimum dwelling width	Remove minimum dwelling width in R-1 and R-2, allowing for a wider variety of homes to be built.
Large front and year setbacks	Reduce rear setback in R-1 district to 25 feet (similar to Appleton, WI). Consider similar reduction in the R-2 district (to 20 feet) or new residential zoning district described above.
Only one dwelling unit per-lot allowed in R-1	Allow ADUs as a permitted use in the R-1 district; this district has the most potential for constructing detached ADUs due to larger lot sizes. Additional standards, to be reviewed administratively, can also be included without requiring a Special Use Permit/public hearing.

# STRATEGIES | **ZONING REVIEW**

Issue	Recommendation
Side setbacks prevent additions to existing homes	Remove aggregate minimum setback and establish a single minimum setback of 5-6 feet.
Neighborhood resistance to development of attached housing types.	Create design standards for the R-1 and R-2 districts that regulate the bulk of attached dwelling structures. The standards should ensure that the maximum size of such attached buildings (duplex, tri-plex, quad) is similar to the maximum size of a single-family dwelling.
	Include graphics to demonstrate that bulk standards (setbacks, height) will result in structures that are compatible throughout a neighborhood.
	Create minimum off-street parking standards for ADUs in the R-1 district, to allay fears of too much street parking with increased density.
	Review the zoning map and identify locations where duplex, triplex, and quad units would be acceptable. Then edit the text of existing residential districts (as described above) to allow those housing types OR rezone areas to other districts which allow them.
Lack of flexibility from zoning standards	Create a section under Article 2 that allows Administrative Adjustments of 10-20% of zoning standards. This should accompany criteria for staff review of adjustment requests.
	OR  Create provisions for administrative adjustments under certain sections of the ordinance (i.e. parking, setbacks).

Issue	Recommendation
Non-conforming homes in commercial districts	Add single-family detached homes (or other housing types) constructed before the date of the ordinance to the list of permitted uses in commercial districts in question. This captures existing homes and allows them as permitted uses, so they are no longer non-conforming. This also maintains the integrity of the strictly commercial districts by not allowing new residential construction.
Impact fees – none currently required	Consider modernizing impact fees for new residential development to help offset the costs to providing services (parks, water mains, sanitary sewer, etc.).
Streamline Regulations for moving Residential Buildings	Review should look at streamlining the process by reducing the review authority and eliminating architectural review neighborhood notices.