

**CITY OF NEENAH
FINANCE AND PERSONNEL COMMITTEE MEETING
Monday, October 9, 2023 at 6:00 p.m.
Hauser Room, Neenah City Administration Building
211 Walnut Street, Neenah, Wisconsin**

MINUTES

The meeting was called to order at 6:00 pm.

Present: Chairman Erickson; Aldermen Boyette, and Borchardt; Mayor Lang, Director of Finance Rasmussen, Director of Human Resources and Safety Fairchild, Deputy Director of Community Development Schmidt, City Attorney Rashid, and Clerk Nagel. Aldermen Steiner and Skryms were excused.

Public Appearances: None.

Minutes: Motion/Second/Carried Borchardt/Boyette to approve the minutes from the September 25, 2023 Regular meeting. All voting aye.

Development Agreement-Second Addition to The Homes at Freedom Meadows Subdivision (Attachments) (Schmidt)

Staff negotiated a Development Agreement with Van Sistine Homes, LLC for the Second Addition to the Homes at Freedom Meadows Subdivision. The proposed plat includes 34 single-family residential lots located west of Woodenshoe Road. The land is zoned R-1, Single-Family Residence District. This subdivision is the third phase of seven of the Homes at Freedom Meadows subdivision located directly east and southeast of the proposed development. At this time, the developer is ahead of schedule as determined by a prior agreement.

The subdivision and the developer's agreement are both standard for the city, there is nothing unique about them. The lots are slightly larger than normal. It is expected the subdivision will develop rather quickly.

The Developer is responsible for installing public utilities (water, sanitary sewer, and storm water). Water main is proposed to be oversized to accommodate future development north and west of the development. The costs associated with oversizing the water main will be reimbursed to the developer by the Water Utility. The city will inspect the installation of those utilities prior to accepting them as public. Additional costs are held in an escrow account such as the temporary two-inch mat along Freedom Meadows Drive and Liberty Avenue and future sidewalks along Valor Place, Patriot Way, and Liberty Avenue. There was discussion on separating streets and sidewalks into different escrow accounts. The escrow must be used for the purpose in which the escrow was collected. There is one lot in this subdivision that will be dedicated to the city in which the developer is collecting a street and escrow for that lot. The city will reimburse the developer for costs associated with this lot. Property owners will be assessed for sidewalks and streets.

There was discussion on the possibility of offering commercial lots in the area to accommodate the growth to the west. There has been some planning done with in that regard. It looks like the commercial might be located further west near the 76 corridor.

In addition, the developer is dedicating 4.2 acres of land to the city for a future park. Funding is identified in the 5-year Capital Improvement Plan for the construction of the park.

REPORT

Motion/Second/Carried Borchardt/Boyette to recommend Common Council approve the Second Addition to The Homes at Freedom Meadows Subdivision Development Agreement All voting aye.

Information Update – Freedom Acres/Homes at Freedom Meadows Development Agreement (2020) (Attachments) (Schmidt)

In 2020, the city entered into an agreement with Van Sistine Homes, LLC, to develop land on the northwest corner of Woodenshoe Road and County Road G in the Town of Vinland. The development became the Freedom Acres and Homes at Freedom Meadows subdivisions. This unique partnership provided an opportunity for the city to secure an important westward growth corridor which would have likely developed in the Town of Vinland had the partnership not formed. The city agreed to purchase 130 acres of undeveloped farmland from the developer, in return for an aggressive re-purchase and development schedule. The purpose of this information update is to provide an update regarding the development which has occurred since 2020.

The initial development concept included six development phases planned over a 10-year period. In addition, approximately 155 new single-family homes sites and a 2.9-acre neighborhood park were planned. At the time of the initial agreement and during the preliminary phases of development, there was uncertainty in the economy due to the COVID-19 pandemic and challenges related to rising borrowing, construction material and labor costs. If the City were not a partner, it's likely the development may have been slowed or significantly scaled down.

The developer is ahead of the approved development and re-payment schedule. Since 2020, three phases are either completed or under construction. A total 61 single-family lots were created on 38 acres of land and over \$6,000,000 of new tax base created. The city has also been repaid \$336,290 of its original \$887,000 investment. This amount exceeds the initial development agreement timeline by six acres. By the end of 2023, two more phases of development will begin, creating an additional 82 single-family lots on 48 acres of land. By July 2024, the initial development schedule required the development of 53 acres and re-payment of \$474,473. The developer will have re-purchased 86 acres of land and paid the city \$743,463 before the July deadline.

INFO. ONLY

While unique and somewhat unprecedented, this type of partnership between the City and a developer has been successful. The challenges developers face will continue to impact the location and scale of development. City staff continue to work with developers and be creative to ensure development occurs in the city.

Informational item only, no action taken.

Fiscal Year 2024 Health Insurance Renewal Request (Attachments) (Fairchild)

The City of Neenah currently utilizes Robin as our health insurance provider. Due to high utilization of the plan the City worked with our broker, M3, to secure a contract with Robin which proposed a three-year rate cap of no more than 12%. This is the final year for that rate cap provision.

Despite the plan designs, the city continues to see significant utilization which directly impacts the renewal rates. Given the rate cap, the city has worked with the broker to create a plan design which would create minimal plan disruption within the 12% rate cap.

Of the three alternatives, proposal 3, provides the best renewal rate with minimal plan changes. This aligns with the current utilization of the plans and will assist the city in mitigating increased costs going forward. The 9.68% increase is the least detrimental option to the employees. Employees will also be signing up with an insurance representative to assure they are taking the best benefits for the options offered depending on their circumstances to help drive down overall costs of the healthcare plan.

REPORT

Motion/Second/Carried Borchardt/Boyette to recommend Council approve proposal 3 as the health plan for FY24 plan year resulting in an expected increase for 9.68% over prior year. All voting aye.

The Committee may convene into closed session pursuant to Wis. Stat. Sec. 19.82(2) to confer with City Attorney who will render strategy concerning the Minks & Novak v City suit.

Motion/Second/Carried Borchardt/Boyette for the committee to convene into closed session pursuant to Wis. Stat. Sec. 19.82(2) to confer with City Attorney who will render strategy concerning the Minks & Novak v City suit. All voting aye.

At 6:30PM the Committee convened into closed session.

The Committee adjourned in closed session.

Motion/Second/Carried Boyette/Borchardt to adjourn the meeting 6:36 pm. All voting aye.

Respectfully submitted,



Charlotte Nagel
City Clerk