



Photo by Dolores Howse
(a top 12 winner of the "Images of Hope" Houdini Plaza Welcome Tower photo contest)



CITY OF APPLETON
**Community & Economic
Development Department**
March 10, 2021

GROWTH REPORT

2020

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Christopher Behrens, City Attorney
Kami Lynch, City Clerk

2020 COMMON COUNCIL

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District 2: Vered Meltzer	District 10: Michael Smith
District 3: Brad Firkus	District 11: Patti Coenen
District 4: Joe Martin	District 12: Nate Wolff
District 5: Katie Van Zeeland	District 13: Kyle Lobner
District 6: Denise Fenton	District 14: Joe Prohaska, Jr.
District 7: Maiyoua Thao	District 15: Corey Otis
District 8: Matthew Reed	

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Ryne Lodl, Coordinated Entry Specialist
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Jessica Schneider, GIS Specialist
Heath Anderson, GIS Specialist
DeAnn Brosman, City Assessor
Tim Smith, Property Assessor
Dan Steenbock, Property Assessor
Matt Tooke, Property Assessor
Lona Thelen, Personal Property Clerk
Karen Pietila, Real Estate Assessment Clerk
Brenda Broeske, Administrative Assistant

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INTRODUCTION

Each year, the Community and Economic Development Department prepares an Annual Growth Report (Report). The purpose of the Report is to analyze growth figures over a period of ten years to determine if Appleton is capturing its historically proportionate share of growth. The Report looks at Appleton's building permit activity, equalized valuation, and net new construction and compares them with the Fox Cities region. Equalized value is the estimated value of all taxable real and personal property in each taxation district by class of property. This Report will compare the City of Appleton to other comparable cities in the State of Wisconsin and throughout the United States that we compete with for jobs and economic development. Other areas addressed include: success in target growth areas, prospects for growth, barriers that need to be overcome to continue growth, and a synopsis of the marketing efforts taken to promote growth.

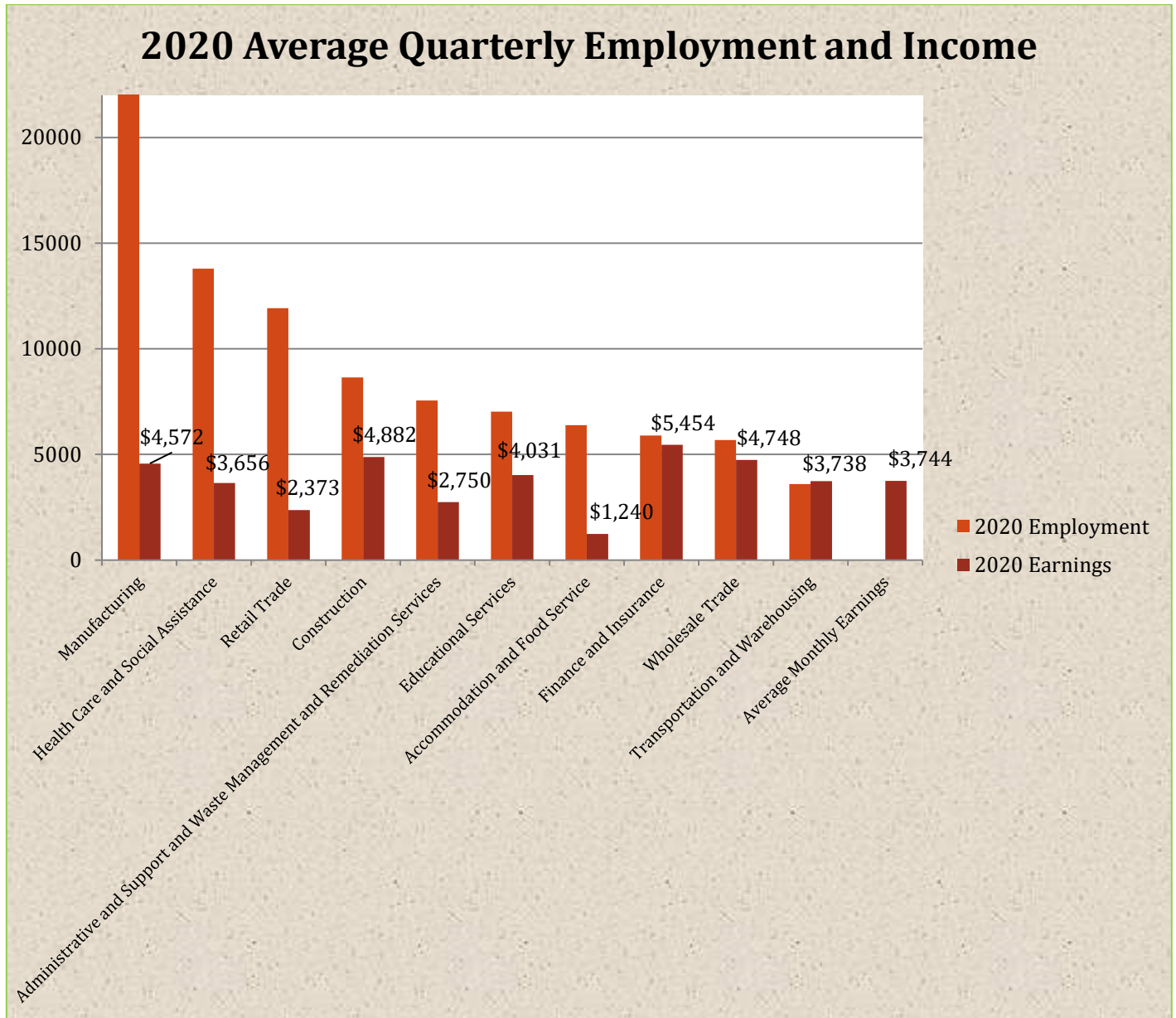
Over the past few years, we have been placing an increased focus on net new construction and a reduced focus on construction permit data. Construction permit data tends to be the most volatile, and reporting can be inconsistent or duplicated. Net new construction, on the other hand, is defined and standardized by the State of Wisconsin and has a direct bearing on the City's tax levy and ability to collect income.

INCOME

According to ESRI [supplier of geographic information system (GIS) applications] data, the median household income for the City of Appleton in 2020 was \$58,771, which is slightly below the median household income of \$60,185 for the State of Wisconsin and the U.S. average of \$62,203.

LABOR STATISTICS

The City of Appleton and the Appleton Metropolitan Statistical Area (MSA), defined by the Office of Management and Budget (OMB) as Outagamie and Calumet Counties, has a well-established labor force and is known internationally for its industry clusters of food processing, paper industry and manufacturing. The following chart shows the average quarterly employment by industry for the top 10 classifications and average monthly income within the Appleton MSA for 2020 (monthly earnings included in chart).



Source: US Census Bureau – Local Employment Dynamics

Manufacturing shows the highest quarterly employment, followed by Health Care and Social Assistance, then Retail Trade.

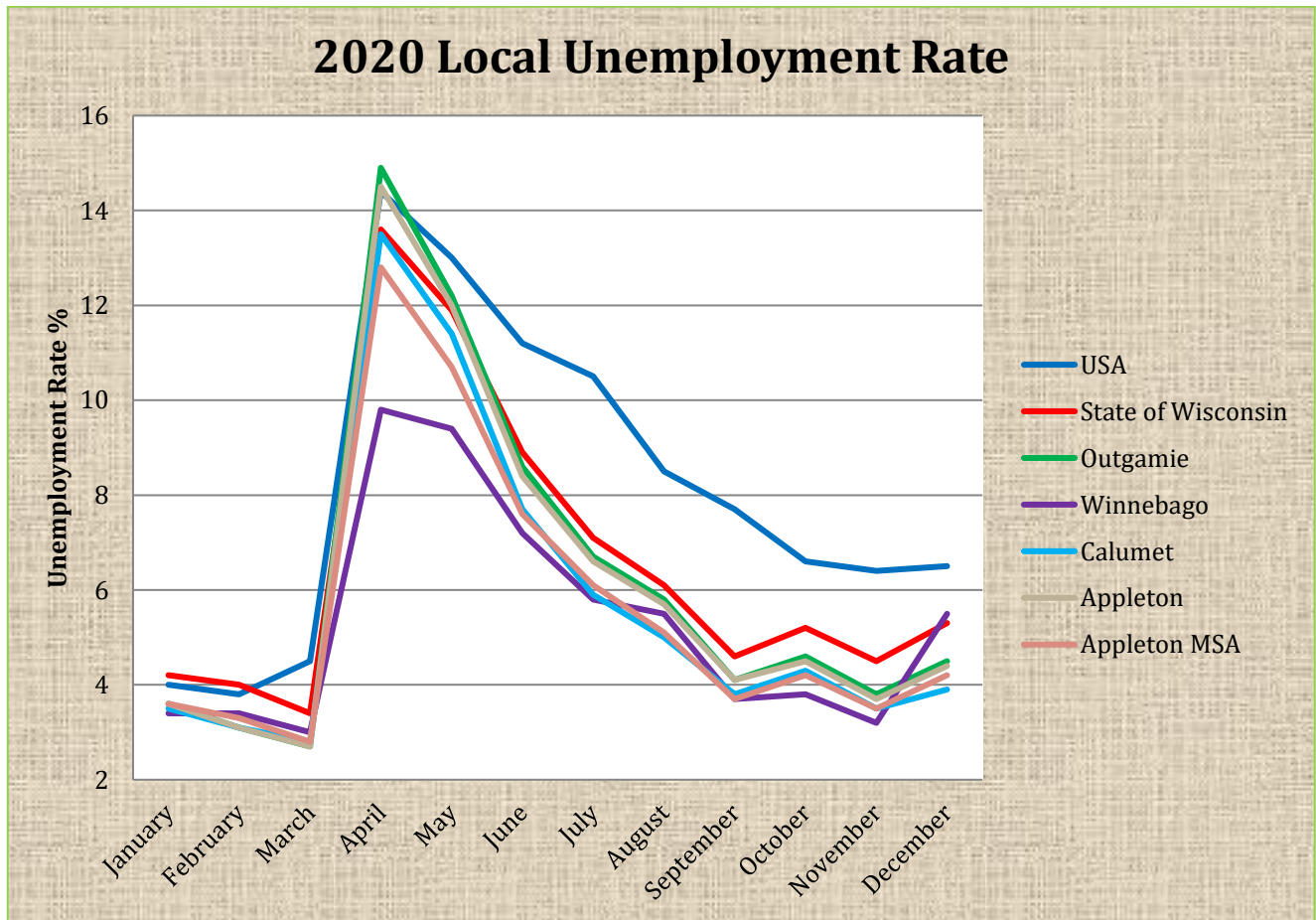
Average monthly earnings ranged from \$1,240 to \$5,454 per position for the top ten employment sectors represented. As a reference point, the U.S. Department of Housing and Urban Development (HUD) considers a monthly gross household income of \$5,758.33 or less to be low income for a family of four in the Appleton MSA; a household comprised of 1 individual is considered low income if under \$4,033.33 per month per HUD <https://www.huduser.gov/portal/datasets/il/il2020/select Geography.odn>. It is worthy of

note that 5 of the top 10 employment sectors by number of jobs provide earnings less than the \$3,744 average across all 10 employment categories.

It is important that we continue to invest in the necessary infrastructure, economic support, and educational systems to continue the growth of high wage industries to keep the income levels up in our community.

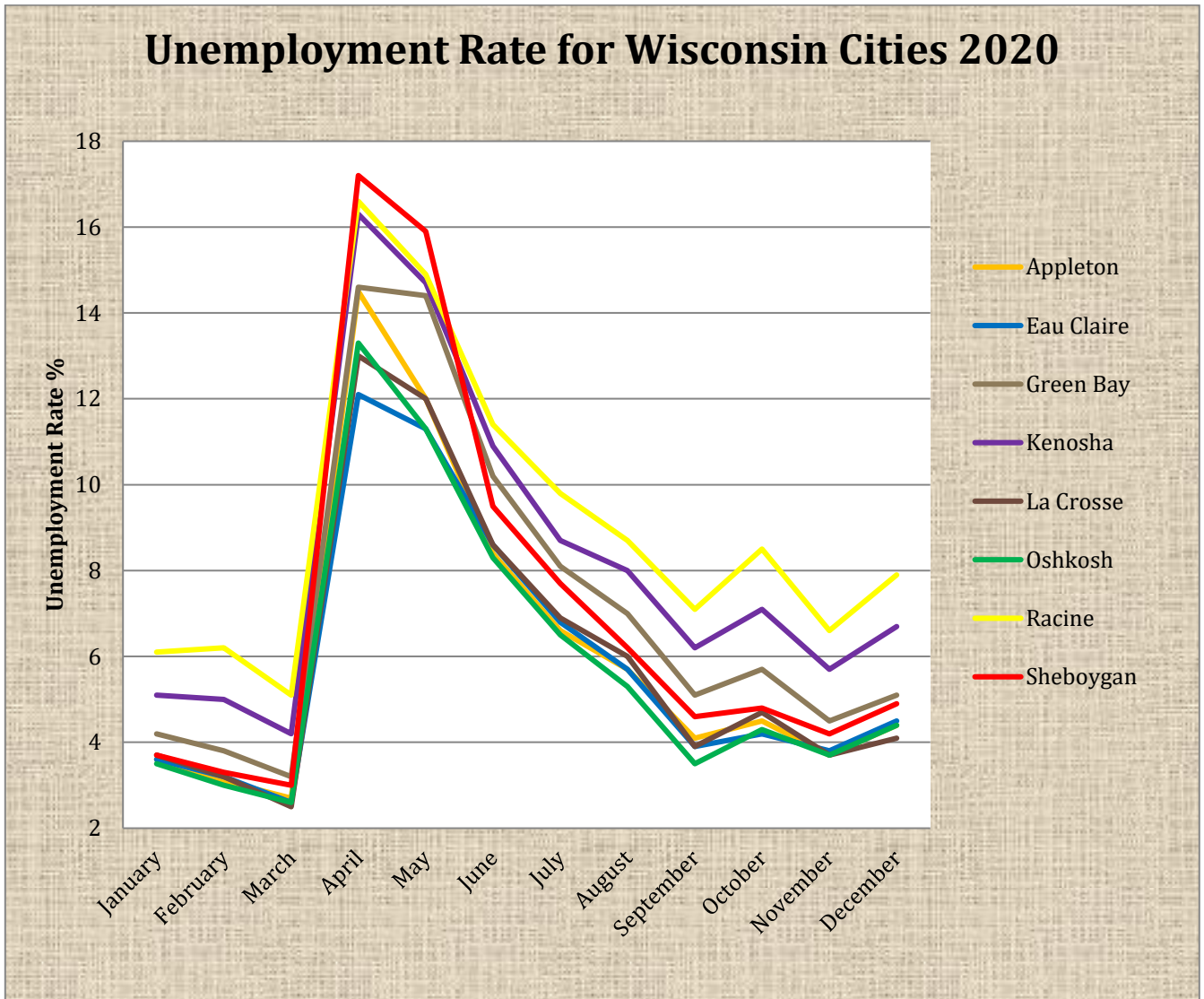
UNEMPLOYMENT

Like most markets, the City of Appleton unemployment rate saw significant fluctuation due to COVID-19 (coronavirus disease) last year. The City started January 2020 at 3.6% unemployment, with a high of 14.5% in April, and concluded the year at 4.4%. The average 2020 unemployment rate for Appleton was 6.1%. Included in the chart are the comparable unemployment rates for the United States, the State of Wisconsin, Appleton MSA, and the counties of Winnebago, Outagamie, and Calumet. The unemployment rate for the City of Appleton consists of persons who file an unemployment claim and live within the corporate City limits of Appleton.



Source: State of Wisconsin Department of Workforce Development

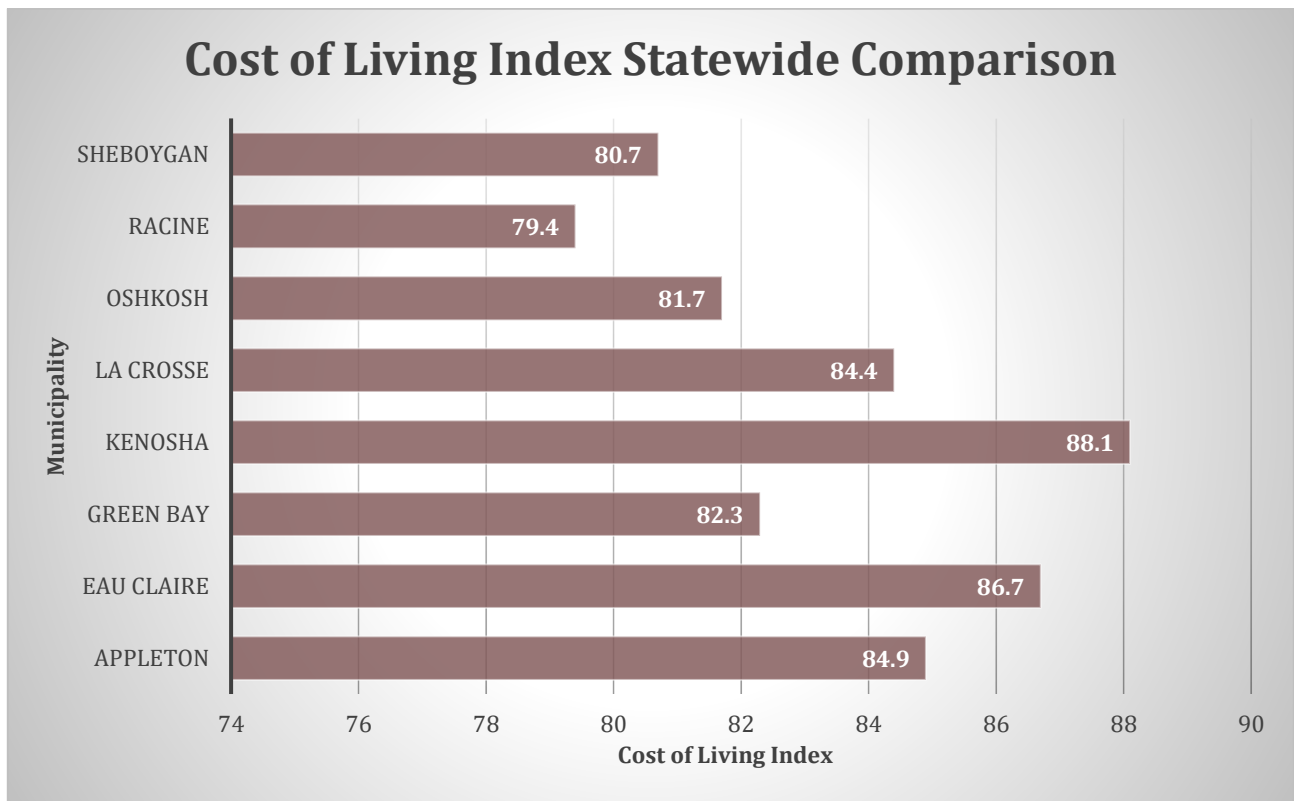
The following chart shows the average unemployment rate of the medium size cities in the State of Wisconsin. The City of Oshkosh saw the lowest average unemployment rate of 5.8% in 2020, while the City of Racine had the highest unemployment rate of 9.1%. The City of Appleton trended similarly to other communities in the state each month and was toward the middle of the pack with an average for the year of 6.1%. Leading economists indicate an unemployment rate of around 5% is considered “full employment”. The ongoing effects of COVID-19 on the labor market are unknown at this time.



Source: State of Wisconsin Department of Workforce Development

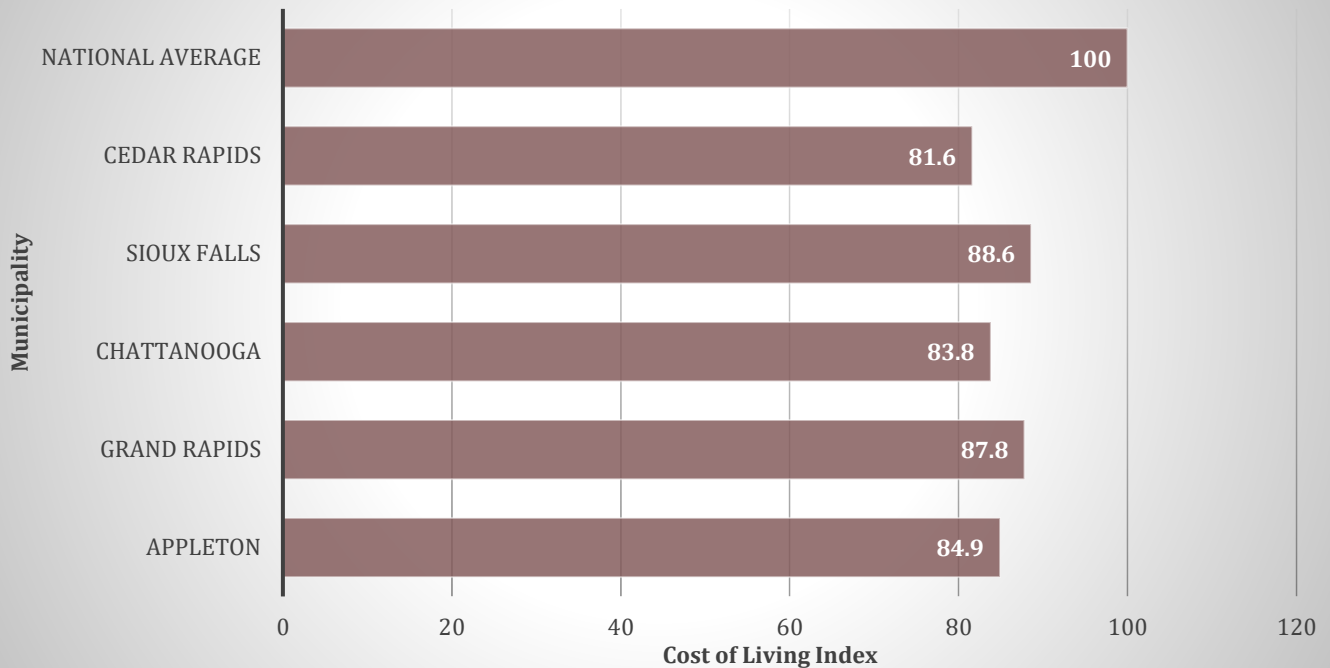
COST OF LIVING

The cost of living index is a number used as the total of all living expense categories. The categories used to determine the index include housing, food and groceries, transportation, utilities, health care, and miscellaneous expenses such as clothing, services, and entertainment. The definition of these variables evaluated for each index is included below. The City of Appleton has a cost of living index of 84.9, which compares favorably to the national average of 100. Appleton's rating of 84.9 is near the middle when compared to other communities across the State and Midwest. Compared to the nearby communities of Green Bay and Oshkosh, Appleton's cost of housing and utilities was the highest, resulting in the higher cost of living overall among the three. The first chart below compares the City of Appleton to the other midsize cities in Wisconsin; the second chart, on the following page, compares Appleton to competitor cities throughout the United States.



Source: www.bestplaces.net

Cost of Living Index National Comparison



Source: www.bestplaces.net

Categories used to calculate the cost of living index are listed below along with the City of Appleton's ranking out of 100 in parentheses():

Food (94.): The average cost of food and groceries, not including restaurants.

Housing (67.4): The average cost of an area's housing which includes mortgage payments, apartment rents, and property taxes.

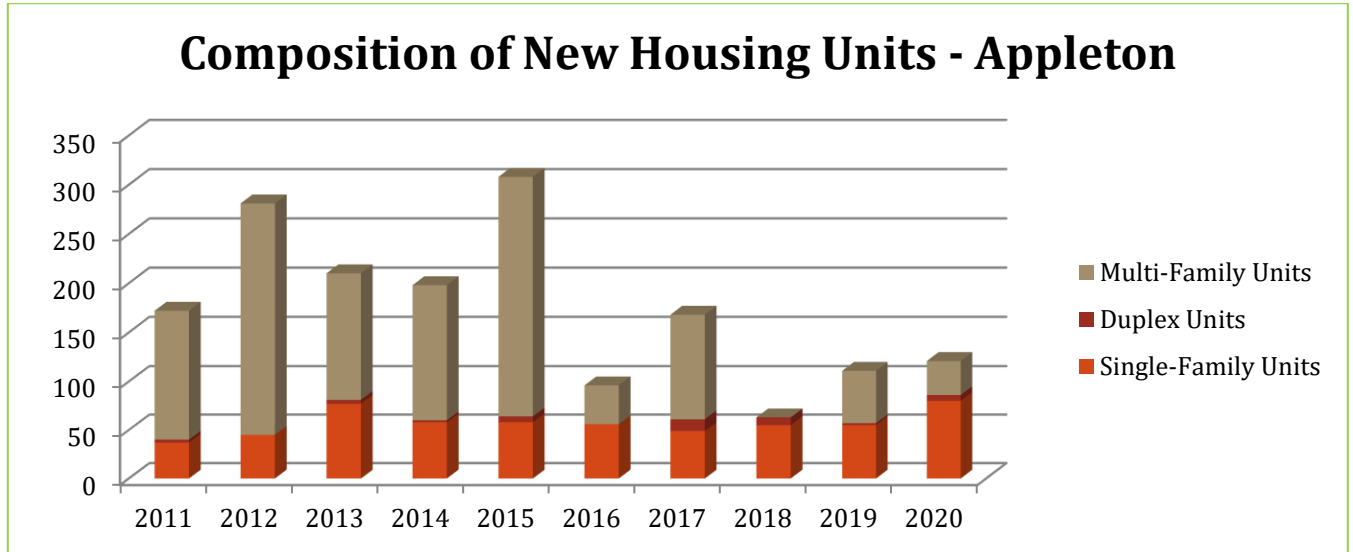
Utilities (97.9): The average cost of heating and cooling a typical residence for the area, including electricity and natural gas.

Transportation (74.1): The average cost of gasoline, car insurance, and maintenance expenses and mass transit expenses for the area. (Cost of the vehicle and vehicle registration and licensing taxes not included.)

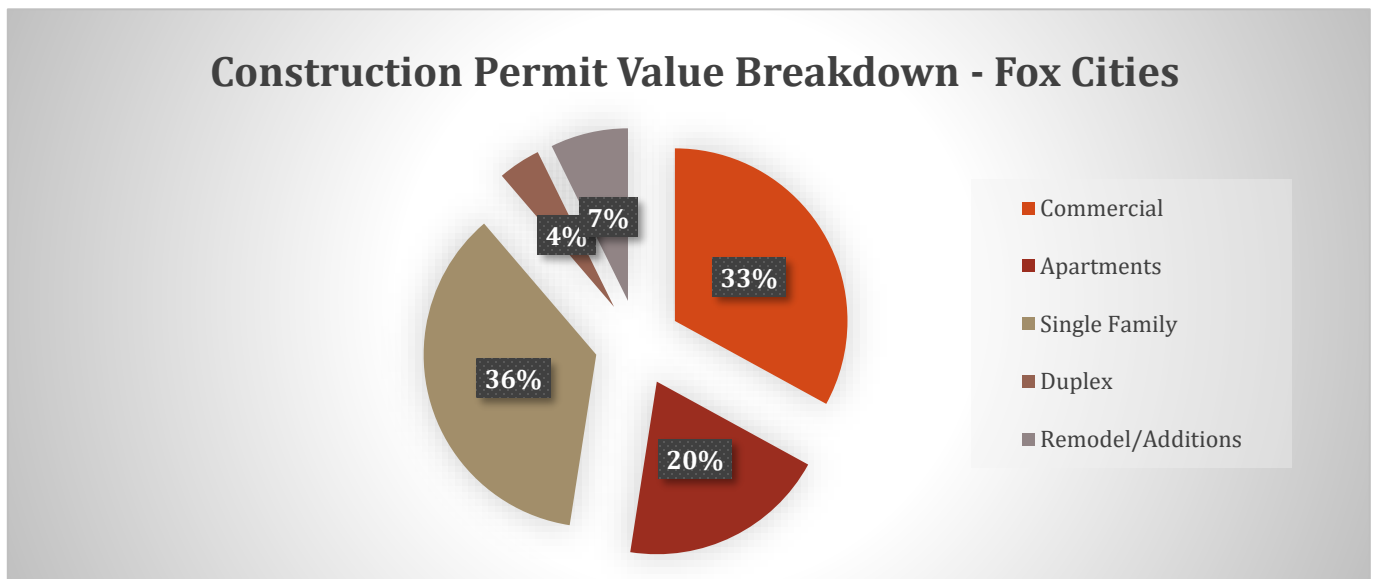
Health (103): The average cost of health care calculated using the standard daily rate for a hospital room and the costs of a doctor's office visit and a dental checkup.

BUILDING PERMIT ACTIVITY

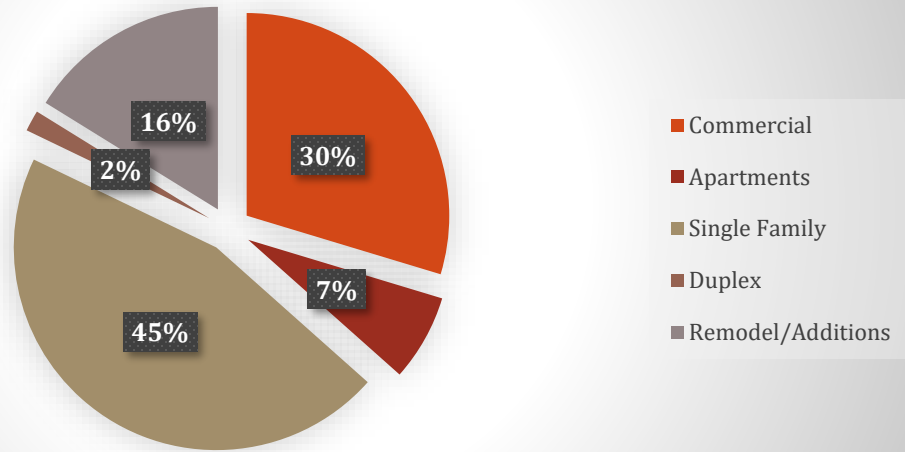
The number of single-family homes in the City of Appleton constructed in 2020 was 80, which is a significant increase to the 55 single-family residential permits in 2019. Total housing unit construction in Appleton increased in 2020 to 121 units from 111 units in 2019, with 35 multi-family and 6 duplex units making up the rest.



Construction by type for the City of Appleton exceeded construction by type for the overall Fox Cities by percentage in the single-family residential and remodeling categories. Commercial permits were a larger percentage in the Fox Cities overall in 2020 by a nominal amount (Appleton 30%, Fox Cities 33%).

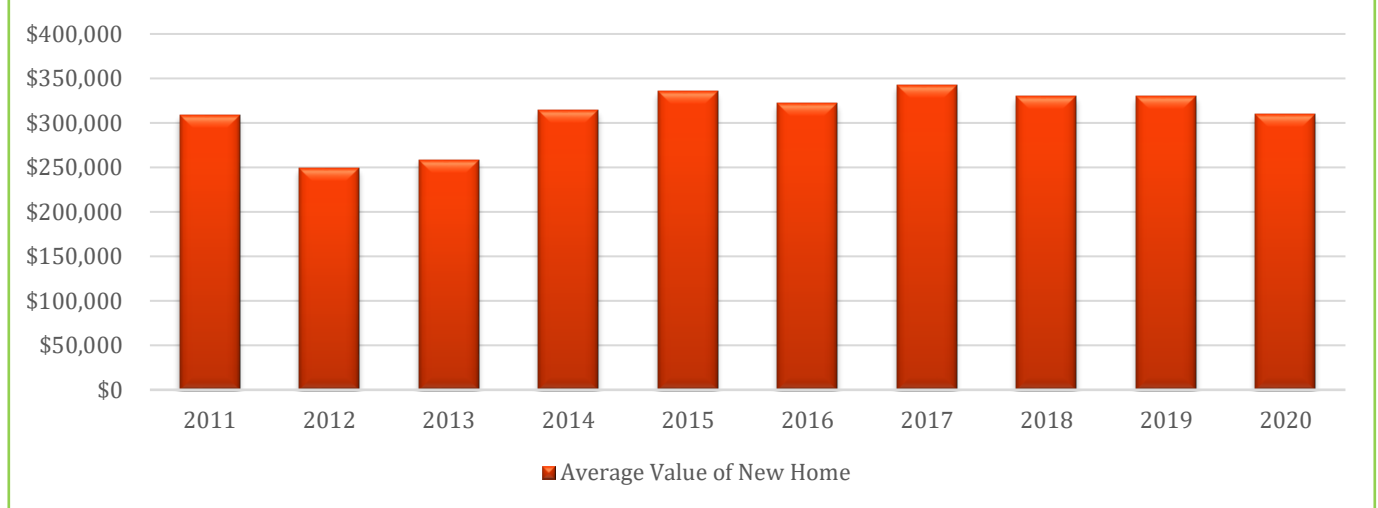


Construction Permit Value Breakdown - Appleton



The total dollar value of single-family permits increased in 2020 to \$24,726,800 from \$18,152,000 in 2019 in the City of Appleton, with an average permit value of new home construction at \$309,085 in 2020 compared to \$330,036 in 2019.

Average Value of New Homes 2020 - Appleton



To follow is a list of projects started in 2020 over \$1 million in estimated value based on permits. Projects over \$1 million provided for \$60,277,723 in construction value in 2020, with \$3,710,716 of that exempt from taxes.

2020 PERMITS IN APPLETON OVER \$1,000,000

Owner	Address	Estimated Cost (\$)	Reason	Description	Tax Exempt
320 EAST COLLEGE LLC	320 E COLLEGE AVE	10,531,000	NEW BUILDING	MULTI FAMILY/RETAIL	N
CRESCENT LOFTS-APPLETON LLC	306 W WASHINGTON ST	10,013,280	NEW BUILDING/REMODEL	MULTI FAMILY	N
F STREET APPLETON 1 LLC	3351 S EISENHOWER DR	8,633,800	NEW BUILDING	WAREHOUSE	N
BLOCK 800 LLC	823 W COLLEGE AVE	6,422,000	NEW BUILDING	COMMERCIAL	N
FOREMOST FARMS USA COOP	1815 W SPENCER ST	3,949,906	NEW BUILDING	BUSINESS	N
RICHMOND QUARTERBACK LLC	2702 N RICHMOND ST	2,505,500	NEW BUILDING	ALDI GROCERY STORE	N
RIVERHEATH LLC	121 S RIVERHEATH WAY	2,307,225	NEW BUILDING	EVENT SPACE	N
THRIVENT FINANCIAL	4321 N BALLARD RD	1,809,615	REMODELING	COMMERCIAL	N
ST. PETER LUTHERAN CHURCH	820 W COLLEGE AVE	1,738,000	REMODEL INT	CHURCH	Y
WALMART #01-2958 REAL ESTATE	3701 E CALUMET ST	1,699,315	REMODEL INT	SHOPPING CENTER	N
ST. THERESE CONGREGATION	213 E WISCONSIN AVE	1,387,000	ADDITION	CHURCH	Y
BRIARCLIFF PROPERTIES LLC	601 N BRIARCLIFF DR	1,364,274	REMODEL INT	MULTI FAMILY	N
CITY OF APPLETON	2006 E NEWBERRY ST	1,277,120	LAT RPLCMT	WASTEWATER TREATMENT PLANT	Y
ENTERPRISE 2007 LLC	2501 E ENTERPRISE AVE	1,196,103	REMODEL INT	GRANT THORNTON	N
THEDACARE INC	2500 E CAPITOL DR	1,190,720	NEW BUILDING	THEDACARE OSP	N
ALBERTFEST HOLDINGS LLC	1200 W NORTHLAND AVE	1,107,800	ADDITION	FESTIVAL FOODS GROCERY STORE	N
THEDACARE INC	1818 N MEADE ST	1,066,044	REMODEL INT	REGIONAL MED CNTR APPLETON	N
LAWRENCE UNIVERSITY	611 E COLLEGE AVE	1,046,596	REMODELING	PRIVATE UNIVERSITY	Y
AJC REVOC TRUST	7476 N PURDY PW	1,032,425	NEW BUILDING		N

EQUALIZED VALUE AND NET NEW CONSTRUCTION

EQUALIZED VALUE:

The equalized value is the estimated value of all taxable real and personal property in each taxation district, by class of property, as of January 1 and certified by DOR on August 15 of each year (Definition: Wisconsin Dept. of Revenue). Being the largest number of the two measurements (\$6.2B in 2020 vs. \$5.86B in 2019), it is also the least volatile. Equalized values capture the following changes:

- DOR's market field studies
- Demolition or destruction of buildings or other improvements
- Changes in property's exempt status
- Changes in classification of property
- Annexation gains or losses
- Other miscellaneous changes
- Adjustments (corrections) made under State law (Sec. 70.57, Wis. Stats.)

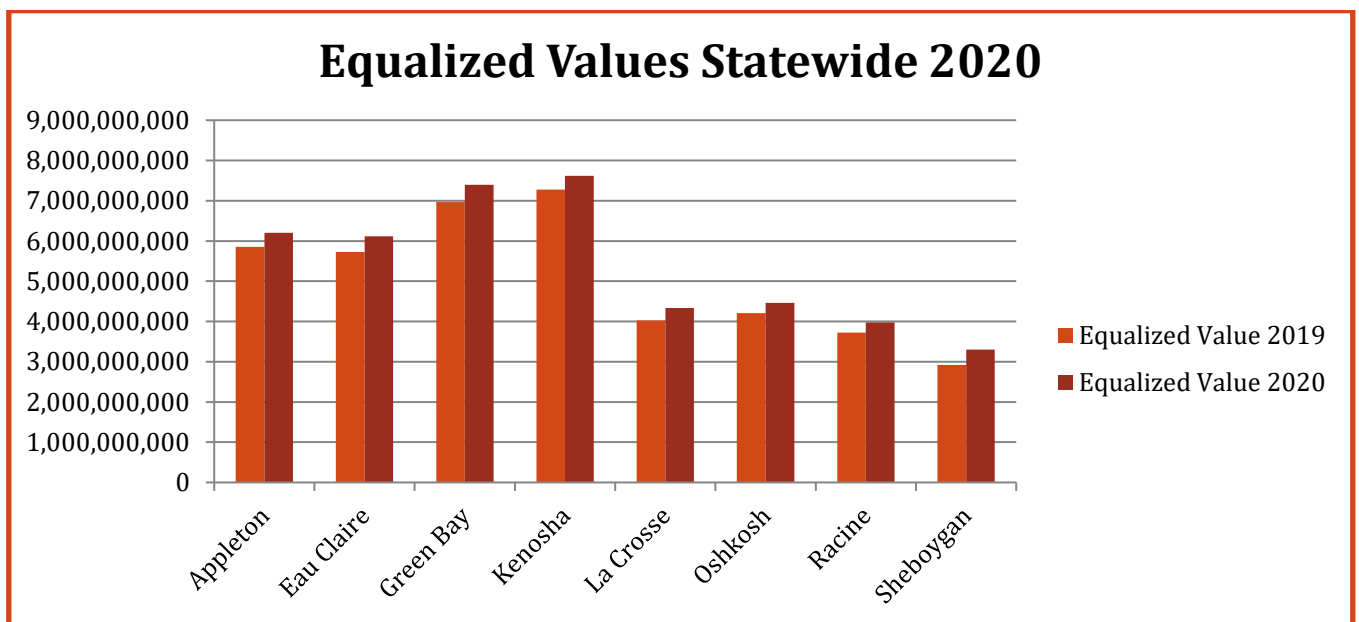
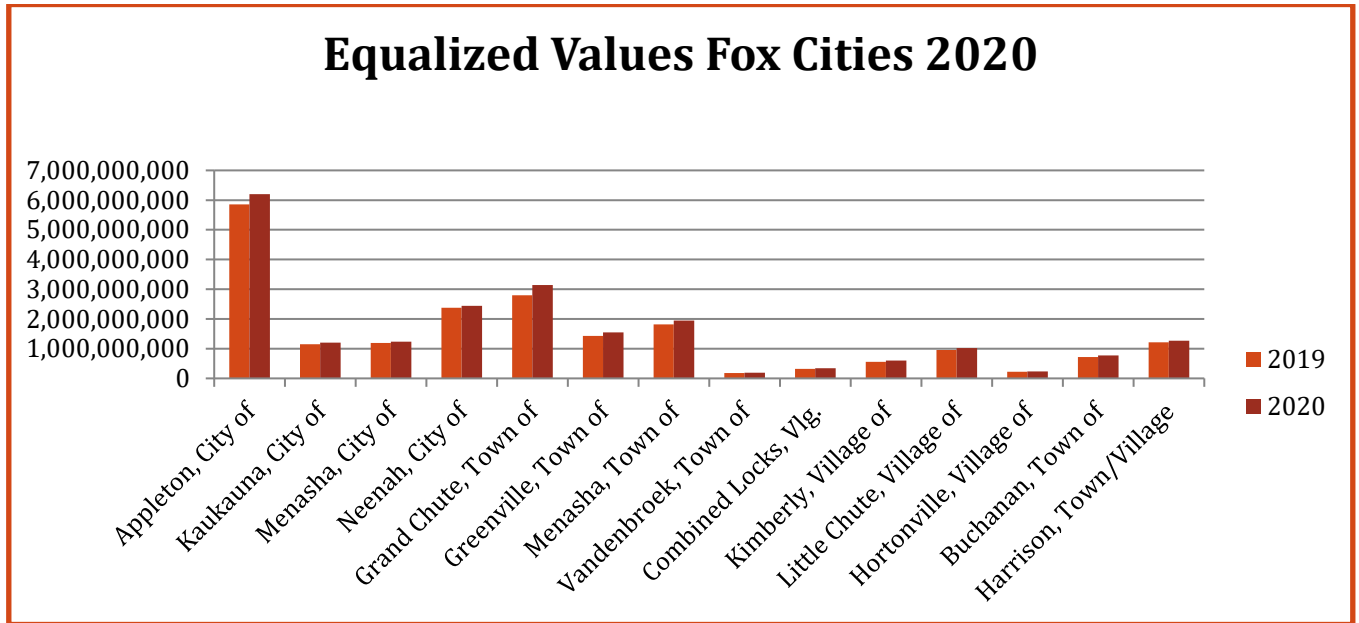
NET NEW CONSTRUCTION:

Net new construction captures the following:

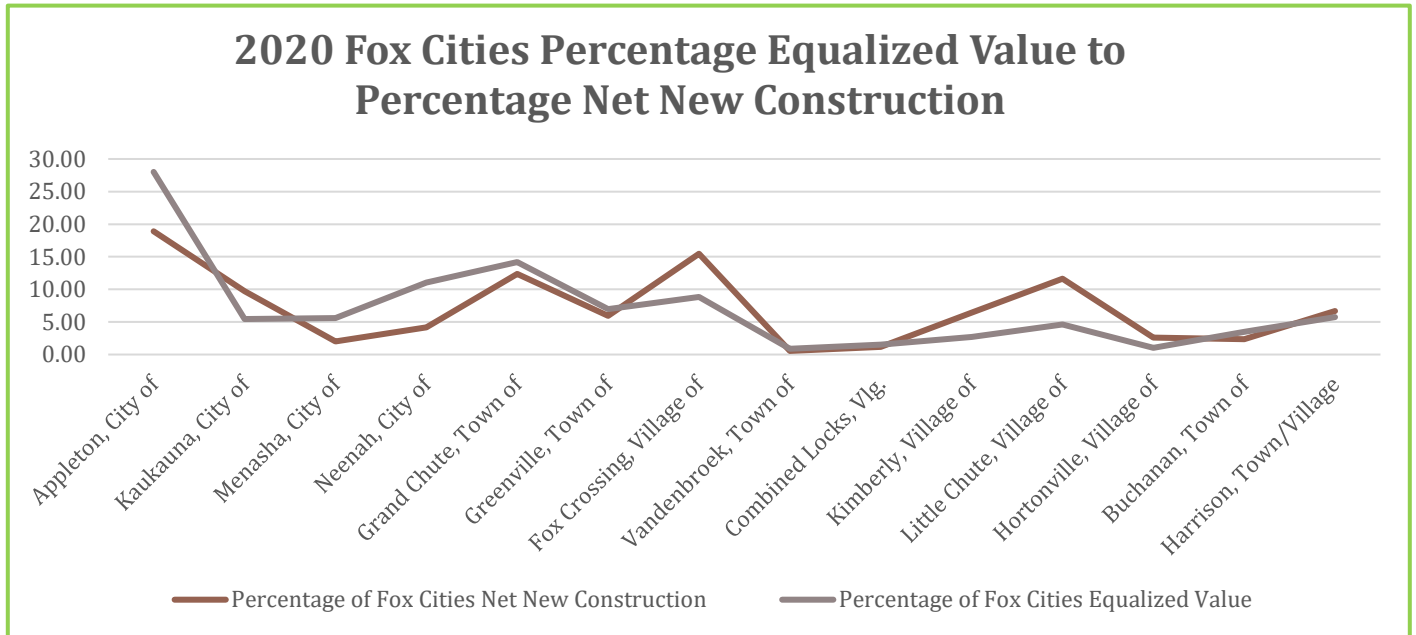
- Land value changes are due to higher land utility
- Improvement value changes are due to construction of new buildings

This is a significant number to pay attention to because it ties directly to the City's available tax levy. A municipality is allowed to increase its levy over the amount it levied in the prior year by the percentage increase in equalized value from net new construction. If no new construction occurred in your community, then your allowable levy increase is zero percent.

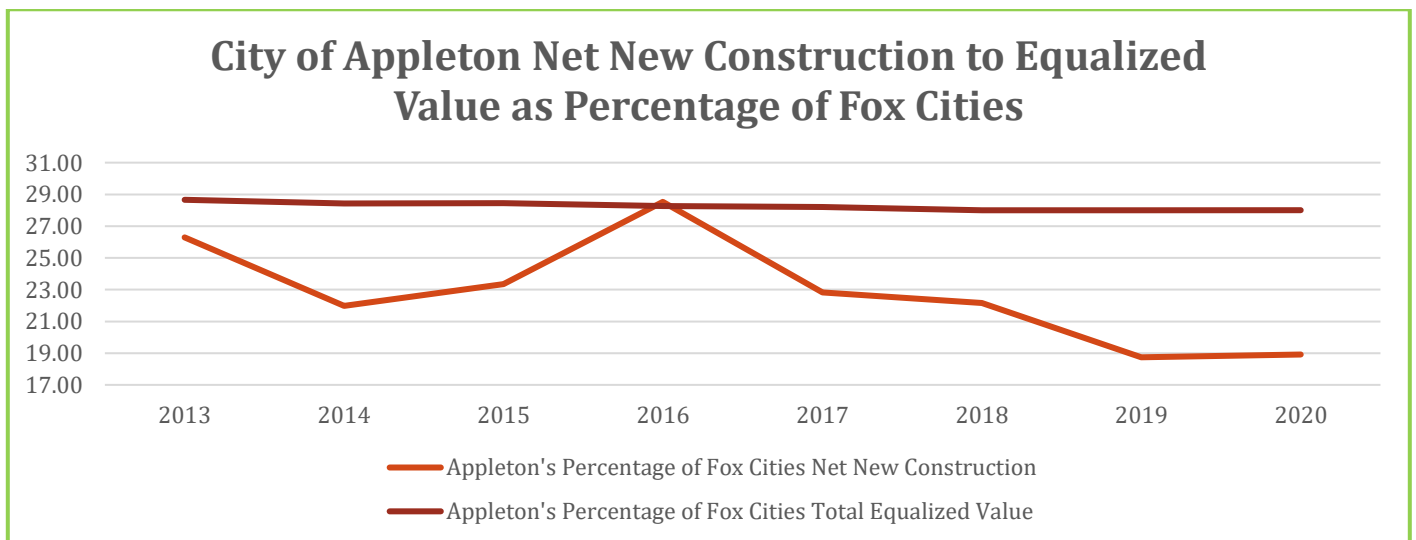
Appleton experienced an increase in equalized values for the City overall of 6.00%, compared to a statewide increase in Wisconsin of 5.55%. The following charts compare Appleton's equalized value to the Fox Cities and other midsize cities in the State of Wisconsin.



The following chart shows the percentage of net new construction captured by each municipality (as a percentage of the Fox Cities) and their equalized value (as a percentage of the Fox Cities). The City of Appleton garnered a lower percentage of net new construction in the Fox Cities relative to the percentage of equalized value in the Fox Cities. Kaukauna, Fox Crossing, Kimberly, Little Chute, Hortonville, and Harrison outperformed their percentage of the Fox Cities with net new construction in 2020. Municipalities use the percentage increase of net new construction as a valuation factor in determining the allowable tax levy for the municipality.



The 8-year trend shown in the following chart which compares the City of Appleton’s percentage of Fox Cities net new construction and the percentage of total equalized value in the City of Appleton is concerning. 2016 was the only year in which the City’s net new construction percentage exceeded the City’s percentage of equalized value. With an average net new construction percentage 5.41% below the equalized value percentage over the 8-year period, the City of Appleton’s percentage of total Fox Cities’ equalized value has been decreasing.



Fox Cities by Percentage Increase in Net New Construction

Municipality	2019 Equalized Value	Net New Construction	2019-2020 Percentage Increase	Percentage of Fox Cities Net New Construction
Little Chute, Village of	952,165,700	41,561,100	4.36%	11.61%
Hortonville, Village of	218,681,900	9,243,700	4.23%	2.58%
Kimberly, Village of	561,813,100	23,045,000	4.10%	6.44%
Fox Crossing, Village of	1,820,357,800	55,290,300	3.04%	15.45%
Kaukauna, City of	1,153,793,700	34,849,600	3.02%	9.74%
Harrison, Town/Village	1,213,180,500	23,883,700	1.97%	6.67%
Outagamie County*	16,570,536,900	297,020,100	1.79%	N/A
Grand Chute, Town of	2,800,738,600	44,335,500	1.58%	12.39%
Greenville, Town of	1,434,434,600	21,233,600	1.48%	5.93%
Winnebago County*	14,203,069,600	206,597,000	1.45%	N/A
Calumet County*	4,490,140,000	64,315,900	1.43%	N/A
Combined Locks, Vlg.	321,121,600	4,194,700	1.31%	1.17%
Buchanan, Town of	723,121,600	8,472,300	1.17%	2.37%
Appleton, City of	5,855,356,700	67,675,500	1.16%	18.91%
Vandenbroek, Town of	182,974,900	1,980,100	1.08%	0.55%
Neenah, City of	2,374,159,900	14,958,100	0.63%	4.18%
Menasha, City of	1,196,723,000	7,241,300	0.61%	2.02%
Fox Cities Total	\$20,808,623,600	\$357,964,500	1.72%	100%

*County numbers included for net new construction comparison only, not included in totals

The City of Appleton represents 28.01% of the Fox Cities by total equalized value and captured 18.91% of net new construction equalized value in 2020. The City’s net new construction percentage increase is 1.16%, compared to the Fox Cities average of 1.72%, which warrants monitoring to ensure the City of Appleton captures its “fair share” of net new construction. Details of net new construction throughout the State can be found on the State of Wisconsin Department of Revenue Website:

<https://www.revenue.wi.gov/SLFReportsassessor/nnc-2020f.pdf>

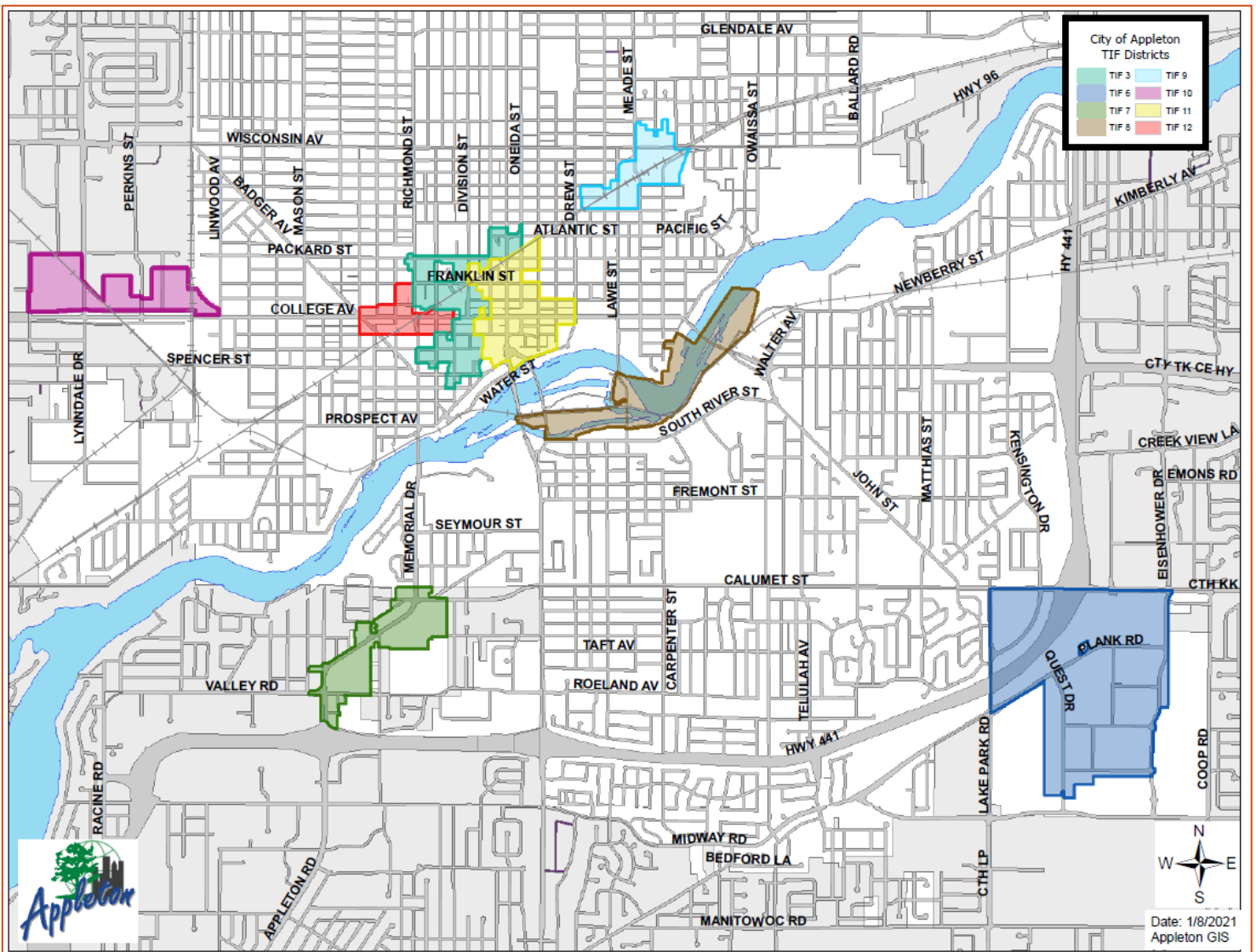
TAX INCREMENTAL DISTRICT

The following table shows the value increase/decrease of Tax Incremental Districts since creation, change during the past year, and an average annualized percentage change. All Tax Incremental Districts in the City saw an increase in increment in 2020. Citywide, the cumulative increase across all Tax Increment Districts in 2020 was 20.67%. The following pages summarize performance by each district. All districts saw a 6.5% increase in value in 2020 due to adjustments to the assessment ratio by the Wisconsin Department of Revenue.

<i>Tax Incremental District Valuations</i>									
TID #	Start	Base Value	2019 Value	2020 Value	Total Increment	2019-2020 Increment	% Change in 2019-2020 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 3	1993	18,940,800	70,899,500	77,660,500	58,719,700	6,761,000	9.54%	12.4%	310.02%
TID 6	2000	12,141,600	129,019,600	165,211,300	153,069,700	36,191,700	28.05%	70.04%	1260.7%
TID 7	2007	25,657,000	39,089,800	42,924,700	17,267,700	3,834,900	9.81%	6.12%	67.3%
TID 8	2009	6,135,100	56,920,500	78,139,900	72,004,800	21,219,400	37.28%	130.41%	1173.65%
TID 9	2013	21,512,900	20,537,900	21,978,700	465,800	1,440,800	7.02%	0.43%	2.17%
TID 10	2013	24,543,900	18,183,800	21,162,300	(3,381,600)	2,978,500	16.38%	-2.76%	-13.78%
TID 11	2017	83,099,200	84,702,900	101,405,100	18,305,900	16,702,200	19.72%	22.03%	22.03%
TID 12	2017	22,974,900	24,144,800	26,685,600	3,710,700	2,540,800	10.52%	16.15%	16.15%
Total		\$215,005,400	\$443,498,800	\$535,168,100	\$320,162,700	\$91,669,300	20.67%		148.91%

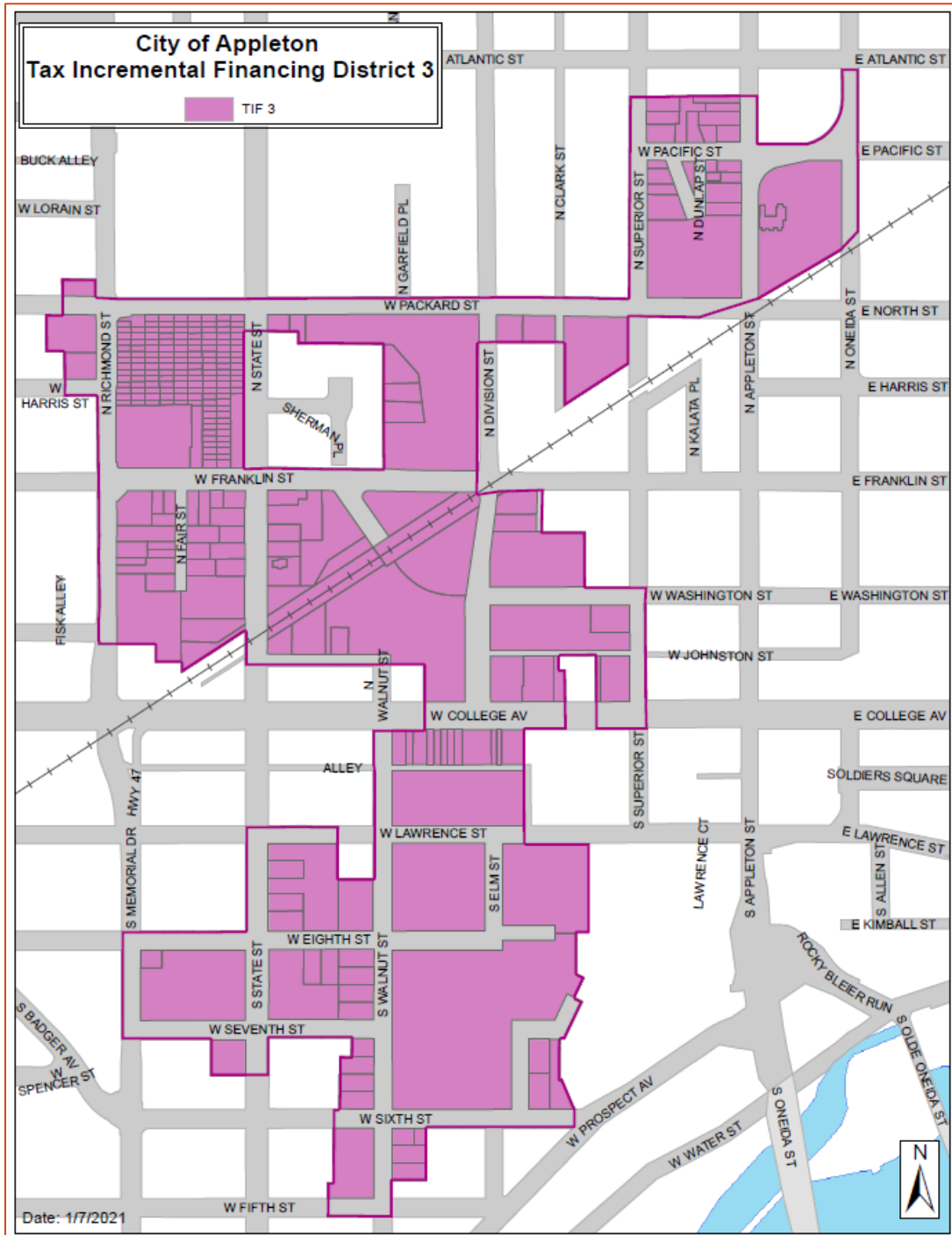
*Note: TID #6 & TID #8 Base Value adjusted to include amended area that was added to the district.

The following is a City Map indicating locations of the TIDs and then a map of, and performance notes for each, along with the scheduled closing date of each TID:

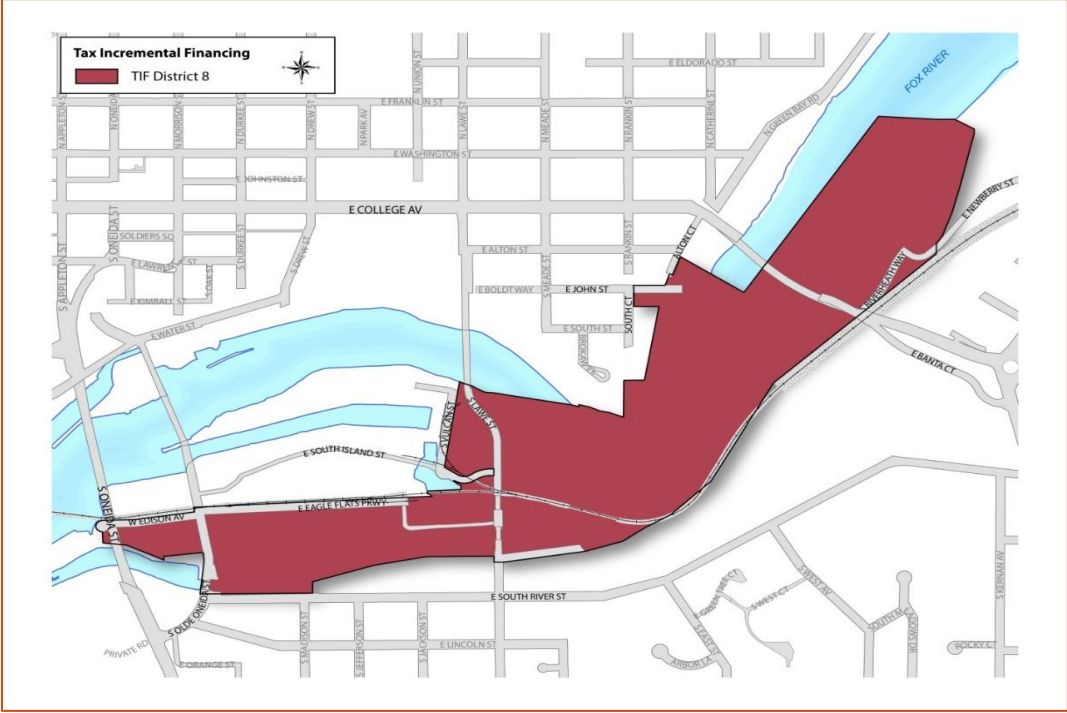


TAX INCREMENTAL DISTRICT PERFORMANCE

TID #3 Equalized valuations in TID #3 increased by \$6,761,000 or 9.54%. Most of this is due to the OuterEdge Stage returning to the tax rolls, ratio change, and DOR adjustment to last year's values. This TID was declared distressed in 2011 and is scheduled to close by 2029. The boundaries reflected on this map incorporate an amendment made to the District in 2020; however, the valuations chart reflects values as reported by WI DOR prior to the amendment.



TID #8 In 2020, the equalized value of TID #8 increased by \$21,219,400 or 37.28%. The Willows at RiverHeath added significantly to the locally assessed value with 110 residential units and approximately 23,000 square feet of commercial/retail space. The ratio change and DOR adjustments contributed also. This TID is scheduled to close in 2036.



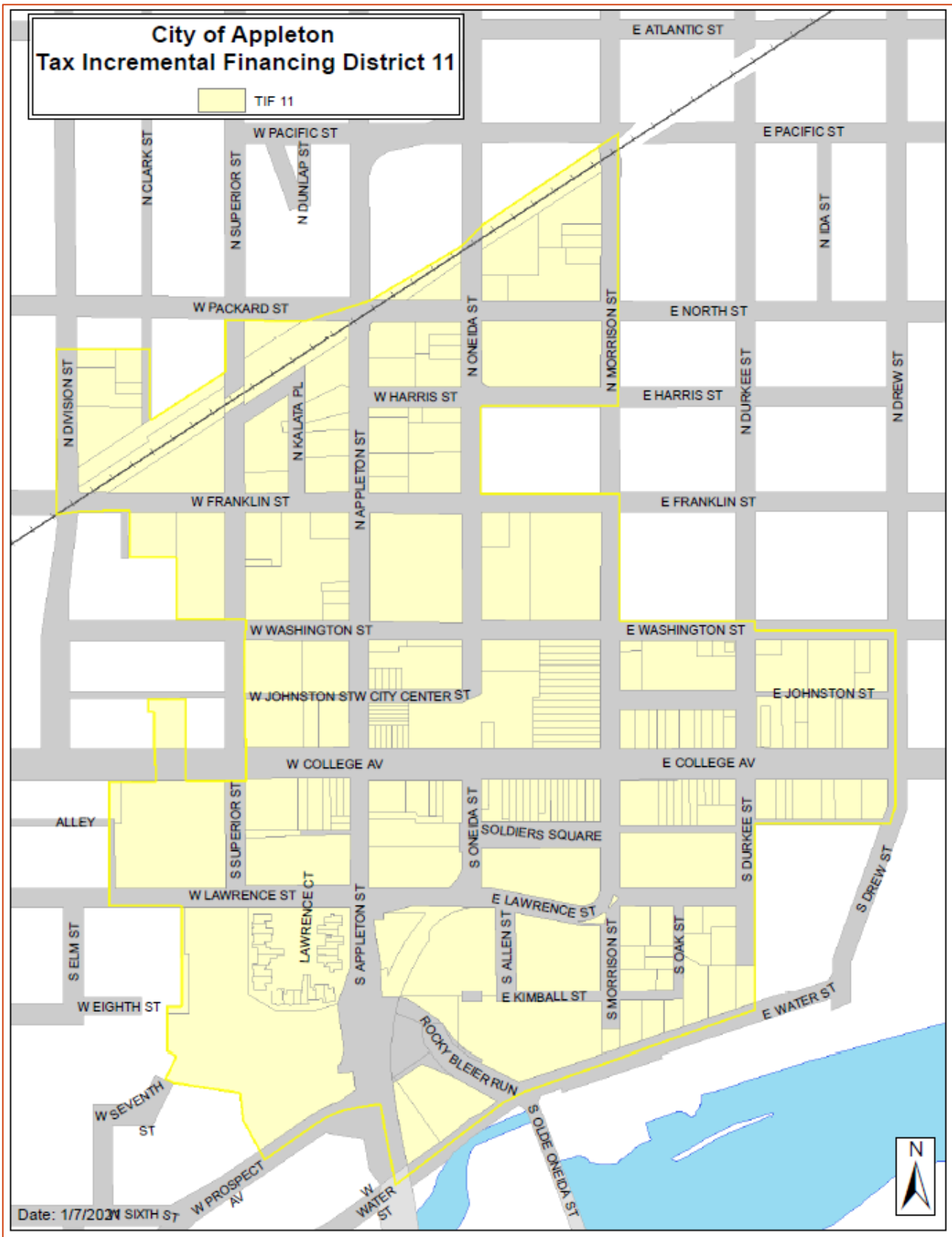
TID #9 TID #9 was created in 2013 and saw an increase in value of \$1,440,800 or 7.02%. Most of this is due to the ratio change and DOR adjustment to last year’s values. This TID is scheduled to close in 2040.



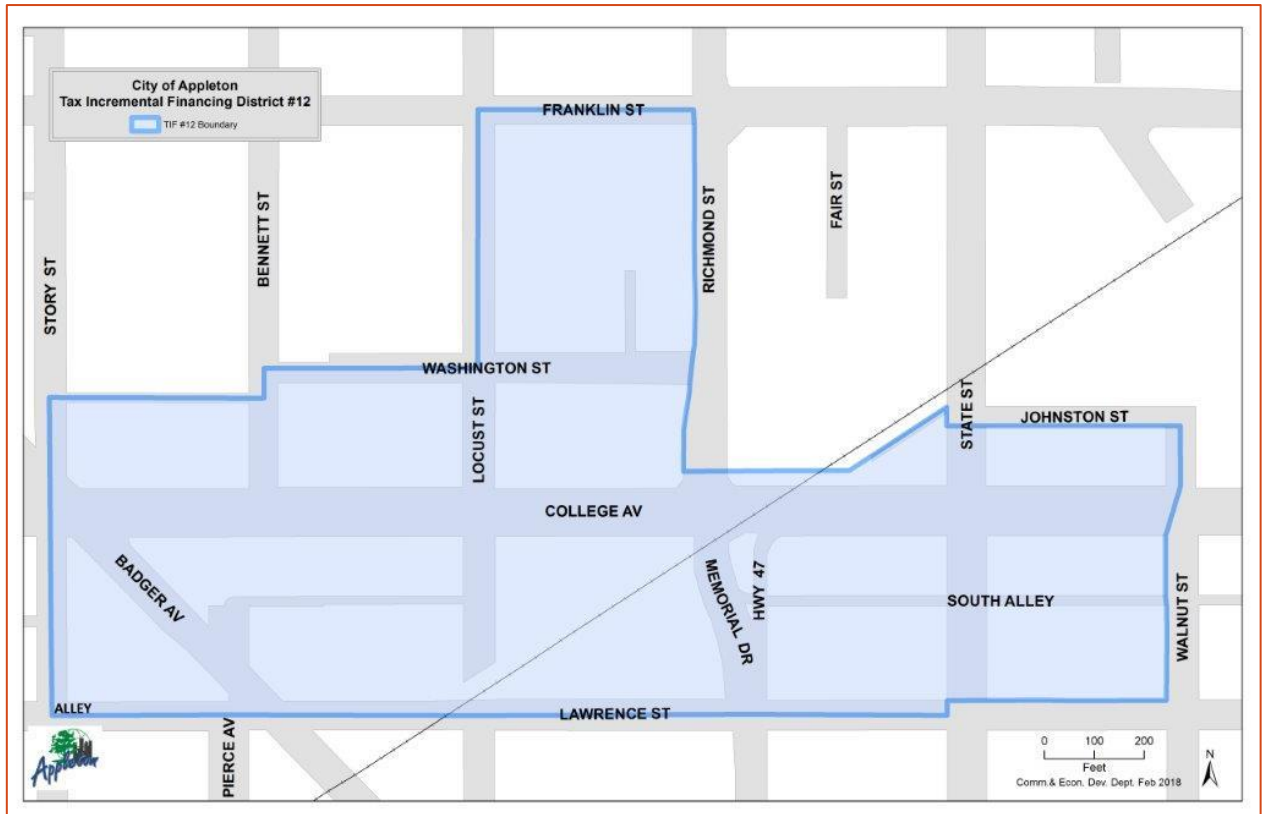
TID #10 TID #10, also created in 2013, saw an increase in value of \$2,978,500 or 16.38%. Most of this is due to the ratio change and DOR adjustment to last year's values. This TID is scheduled to close in 2040.



TID #11 Created in 2017, TID #11 saw an increase in value of \$16,702,200 or 19.72%. Over half of this is due to the ratio adjustment to equalized values and DOR adjustment to previous year values. Locally assessed increases are mostly attributable to the Gabriel Lofts, Avant Apartments, and Chase Bank remodel. This TID is scheduled to close in 2044. The boundaries reflected on this map incorporate an amendment made to the District in 2020; however, the valuations chart reflects values as reported by WI DOR prior to the amendment.



TID #12 TID #12, also created in 2017, saw an increase in value of \$2,540,800 or 10.52%. Most of this is due to the ratio change and DOR adjustment to last year's values. This TID is scheduled to close in 2044.



BUSINESS DEVELOPMENT

The City once again experienced a net gain in new businesses. During 2020, 91 businesses opened or relocated in the City, while 77 closed or relocated, for a net gain of 14. The following pages highlight the businesses that opened in Appleton and the businesses that closed or moved or moved out of the City in 2020.

Businesses That Opened or Relocated in the City of Appleton:

THERAPEUTIC PULSE C/O SHARON A BLAKE	JWM MODERN EQUIPMENT COMPANY LLC	AMERICAN ENVIRONMENTAL GROUP LTD
ANNEX WEALTH MANAGEMENT LLC	CECKA'S BARBER/SALON LLC	COMPASS SALES & MARKETING INC
COTTINGHAM & BUTLER INS SERVICES INC	EVER DRY WATERPROOFING OF THE FOX CITIES	FIRST IMPRESSIONS SC
FOX VALLEY CLEAN AIR C/O DANIEL BECK	HANDS-ON HEALING MASSAGE LLC	JIMMY JOHNS : J-BALLARD INC
LEGACY INVESTMENTS SERVICES INC	MOON WATER CAFE LLC	NICOLET STAFFING : STAFFWORKS GROUP-WI
PAUL DAVIS RESTORATION OF SE WI INC	POWER ENGINEERS INC	PREVEA HEALTH : ST VINCENT HOSPITAL
STERLING LAW OFFICES SC	TRICIA GONZALEZ COUNSELING SERVICES LLC	WONDERS ICE CREAM C/O GAOLAI LEE & HONG KONG VANG
AIA CORPORATION	CARDINAL REALTY LLC	CASTING ON LLC
COMPASS TWO LLC	FITZGERALD LAW FIRM LLC	IVORY ROSE BRIDAL BOUTIQUE LLC
THRIVENT FINANCIAL FOR LUTHERANS	ABC STAFFING LLC	BEHNKE PROPERTIES LLC
FRESS RESTAURANT & BAR : DVV ENTERPRISES LLC	HEALTHY FIRST THERAPEUTIC MASSAGE	JERK JOINT LLC
NINE.TWO.ZERO SALON LLC	FOX RIVER LAW LLC	MONEY STORE THE : MLD MTG INC - THE CAMBRIDGE TEAM C/O CHRIS HALBACH
EAR NOSE & THROAT SPECIALISTS OF WI SC	EMILY MEGAN PHOTOGRAPHY	FLY CIRCUS & AERIAL ARTS C/O JAIME SCHMITT
FORK FARMS LLC	GIORDANA BEAUTY LLC	THE HOME TEAM - CENTURY 21 ACE REALTY C/O A LAUER & C VOSTERS
J B HUNT TRANSPORT SERVICES INC	LIFE COUNSELING & CONSULTING LLC	M C KINNEY PHOTOGRAPHY : TRACY L VAN ZEELAND PHOTOGRAPHY INC
THE MANOR @ 1815 : WE LIVE MINDFULLY LLC	STEAM SALON AND SPA : STEAM LLC	TOPVU MEDIA LLC
UPLIFT NUTRITION LLC	VALERIE HAMILTON PSYCHOTHERAPIST LLC	BRAIDS UNLIMITED SALON/BARBER SHOP C/O JOHNNITTA SCOTT
CORE'S LOUNGE LLC	FOX CITIES CLINIC OF CHIROPRACTIC LLC	IQ RESOURCE GROUP INC
KIGER STEFFES CHIROPRACTIC SC	PHYSICS OF FITNESS LLC	A+ CUTS LLC
RITCHIE AUTO LLC	SEAN & SONS LLC	STUDIO K STAINED GLASS LLC

WILTZIUS ASSOCIATES LLC	BENDEL IP LEGAL LLC	COUNSELING AND CONSULTING PROFESSIONALS LLC
EASTMAN, EMILY	HARMONIA REIKI HEALING C/O ANN E WENDEL	HOMES FOR INDEPENDENT LIVING OF WI LLC (FOX VALLEY)
KKY POOL HALL C/O YER XIONG & KEETEEKUNE THAO	LAURA DEMETRICIAN - LICENSED MARRIAGE & FAMILY THERAPIST	MANDY MC LAUGHLIN
MASTER'S TOUCH DENTAL CERAMICS LLC	MEADE STREET BISTRO C/O SONY MEYER	NEIL NOVAK REALTY LLC
NORTHLAND HOMETOWN PHARMACY LLC	PURPLE LOTUS COUNSELING LLC	RESTORATIVE THERAPEUTICS MASSAGE & WELLNESS LLC
YOUR CBD STORE : NATURES NECTAR LLC	ELF'S GIFTS LLC	POPEYES LOUISIANA KITCHEN : SMIT CO EATERIES INC
CULTIVAS BIO INC	THOUGHTFUL THERAPY LLC	CHRISTIANOS PIZZA : WISE RESTAURANT GROUP
EDWARD D JONES & CO LP #93680	FARRELL EQUIPMENT & SUPPLY CO INC	FOX VALLEY VITALITY LLC
MAPLE TREE REST & PANCAKE HOUSE C/O AGRON & SPRESA BEKTESHI	PURE BARRE C/O JORDAN MALKOWSKI & BROOKE MC MILLAN	SCHOLL'S WELLNESS CO LLC
SHOPKO OPTICAL #4028 : SHOPTIKAL LLC	WORLD FINANCE CORP OF WISCONSIN LLC	THREE OTTERS PHOTOGRAPHY % MARY BAIRD
V'S SKIN STUDIO LLC	VALLEY PILATES LLC	

Businesses That Closed, Relocated in the City, or Moved Out of the City of Appleton:

POST CRESCENT : GANNETT SATEL INFO NTRK INC	COEX LLC	AZCO INC
MARKET PLACE LLC THE	CASSIE'S FAMILY CHILD CARE C/O CASSIE PASHOLK	DONALDSON'S ONE HOUR CLEANERS INC
EVENT PRODUCTION SYSTEMS : ONSTAGE AUDIO LLC	FAMILY THERAPY & ANXIETY CTR C/O KURT L MAHNKE	AL'S AUTO REPAIR C/O ALAN J VANEVENHOVEN
RAPID 3D INC	ROOTED YOGA LLC	VISTA FINANCIAL STRATEGIES LLC
WOMEN : ASARE ENTERPRISES LLC	CHARLES THE FLORIST OF APPLETON LLC	MIKE'S POPCORN C/O MICHAEL J COURTNEY
EMPOWER YOGA LLC	FRANK W LADKY ASSOCIATES INC	GREAT LAKES REALTY ADVISORS LLC
HOMEFREE USA LLC	ITEMS OF INTEREST C/O ANGELA & JOEY D'AMICO	RUSSELL SPROUTS LLC
VON BRIESEN & ROPER SC	NORTHWIND IP LAW SC	FRESH EXPRESSIONS LLC

TEKBOLT C/O BRIAN GILL	NATION-WIDE TRAVELERS TRAVEL CLUB INC	NATIONWIDE TRAVELERS TOURS INC
LESSONS BY LAURA C/O LAURA E ROTHE	APPLETON MAP COMPANY C/O TIM GUNTHER	COMMUNITY FIRST CREDIT UNION
COST CUTTERS #62439 : MINNESOTA REGIS CORP	HEART-CENTERED HEALING & HOLISTICS LLC	LITTLE ANGELS PLACE C/O ARLENE DANQUE
SILICON INVESTIGATIONS LTD & CARBON INVESTIGATIONS	SITAWI LIFE COACHING LLC	STONE ARCH AT RIVERVIEW GARDENS LLC
ART SPARK LLC THE	ASSOCIATED APPRAISAL CONSULTANTS INC	MARCO'S PIZZA : HOOGLAND FOODS LLC
ANGEL KEEPERS ACADEMY LLC	CBD & WELLNESS C/O ANDREW & JULIE THORNELL	DESIGNERS WORKPLACE LLC
FARMERS INSURANCE GROUP : GRAFF INSURANCE AGENCY LLC	JAVA WARUNG LLC	KP JEWELERS LLC
STATE FARM INSURANCE AGENCY C/O NICK C LOR	NUTRITIONAL HEALING LLC	APPLETON-NEENAH-MENASHA TAXI CO : PEOPLE MOVERS INC
ROMENESKO, VERNON REALTY C/O VERNON ROMENESKO	SOLANGE'S AFRICAN MARKET C/O AUGUSTIN UWERA	BEYOND WORDS LLC
BOOST MOBILE : LA WIRELESS LLC	CHERRY CREEK MORTGAGE COMPANY	CIRCLE STREET SEWN STATIONERY C/O LINDY JANE ADAMS
COST CUTTERS #62440 : MINNESOTA REGIS CORP	HARMONY PIZZA LLC	INSURANCE BROKERAGE SERVICES : IBS INC
INSPIRE FAMILY CHIROPRACTIC C/O DR ABBIE GOODMAN	KEEP COOL THERMOGRAPHY APPLETON LLC	LEGAL BUSINESS EDGE LLC
MOVICA SALON LLC	NU WAVE COUNSELING LLC	PHO HOUSE LLC
SCHOOLHOUSE HOMEWORKS C/O STEVE G SCHOOL	APPLETON CRANKSHAFT SERVICE INC	OFFICE DEPOT INC #142
PROFESSIONAL POLISH SHOP : REGETH DETAIL CENTER INC	FOX VALLEY CAT CLINIC LLC	HORACE MANN INSURANCE C/O JEMING VANG
BEST BUY STORES LP (APPLETON EAST 001047)	DYNASTY LIMOUSINE SERVICE LLC	FOX VALLEY TINT WRAPS & CERAMIC PRO : FOX VALLEY TINT LLC
OFFICE MAX NORTH AMERICA #6751	QUIZNO'S SUBS : NIENHAUS COMPANIES LLC	R & L AUTO REPAIR C/O RICHARD J THURBER JR
SALON AURA LLC	ATHENA BEAUTY LLC	VSAY DESIGNS C/O VISETH MOUA

HOUSING & NEIGHBORHOOD SERVICES

HOMEOWNER REHABILITATION PROJECTS

The Homeowner Rehabilitation Loan Program provides financial and related technical assistance for low- to moderate-income homeowners in the City of Appleton for the rehabilitation of their property. In order to qualify, the property must be owner occupied as well as meet income, equity and asset requirements.

Financial assistance is provided in the form of a 0% interest, deferred payment loan. The City places a lien on the property for the amount being spent on the rehabilitation, and the owner pays the loan back when the property is sold or vacated. This allows the City to assist property owners with maintaining and/or increasing their property values. When loans are repaid, the City reallocates those funds to future rehabilitation projects.

Priority is given to the following improvements: Lead-based paint hazards, roofing, foundation, electrical, plumbing, heating, windows, doors, insulation, interior walls/ceilings, private sidewalk, driveway, porches, siding, exterior trim, etc. The City does not provide funding for purchasing properties, additions to properties, cosmetic and/or luxury items.

The purpose of the program is two-fold: (1) to ensure decent, safe, and sanitary housing for low- to moderate-income residents of the City of Appleton, and (2) to maintain the housing stock of these homes before they get to the point of being beyond repair. This stabilizes neighborhoods, maintains property values, and, ultimately, increases the tax base in the City.

The Program has five main objectives that directly benefit the City of Appleton:

1. Help low- to moderate-income residents of the City of Appleton maintain decent, safe, and sanitary housing
2. Reduce the risk of lead poisoning from the older housing stock
3. Stabilize neighborhoods
4. Increase the tax base for the City
5. Create jobs in the community by hiring local contractors

The Program is considered to be very successful in achieving these objectives. Since 1979, the Homeowner Rehabilitation Loan Program has rehabbed nearly 1,200 homes in the City of Appleton and generated over \$6.3 million in outstanding loans. The City rehabilitated 16 housing units in 2020 and spent nearly \$400,000 on home improvement loans. Extra precautions taken to keep staff, homeowners, and contractors safe during the COVID-19 pandemic led to a reduction in projects completed. Only exterior repairs and interior repairs that were necessary for the health and safety of the residents were completed. Occupants were relocated while interior work was done on the home. The goal for 2021 is to spend \$360,000 rehabilitating an additional 24 housing units.

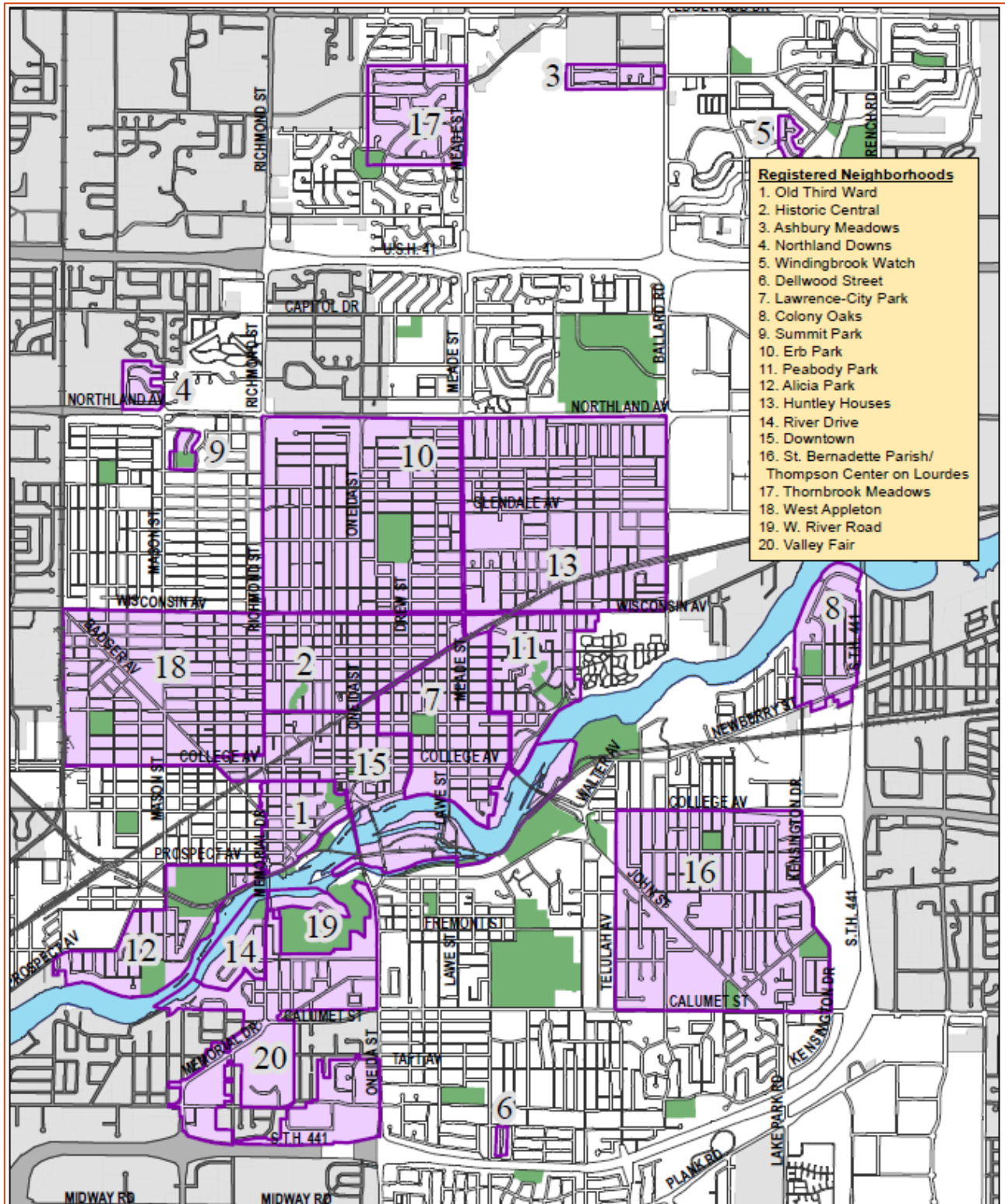
NEIGHBORHOOD PROGRAM

The Neighborhood Program was created in October 2012, with the goal of strengthening Appleton's neighborhoods by building strong bonds, engaging social capital, encouraging investment, and leveraging local resources. Beginning in the summer of 2013, staff developed a program brochure, conducted interviews with the Post-Crescent and local news and television agencies, and created the City's Neighborhood Program webpage which serves as the one-stop shop for all information on the program. These efforts increased awareness of the program and increased participation by Appleton residents.

The foundation of the program is the neighborhood registry. Residents are asked to register their neighborhoods by meeting with fellow residents to identify the neighborhood's primary and secondary contacts, create a neighborhood name, and define the neighborhood's boundaries. We have a total of 20 registered neighborhoods throughout the City. Registered neighborhoods are completely or partially located in all 15 Aldermanic Districts in the City. The central city neighborhoods north, south, and east of downtown are highly represented by five registered neighborhoods (Old Third Ward, Historic Central Neighborhood, Lawrence-City Park, Peabody Park, and Downtown).

There were no applications for The Neighborhood Grant Program (TNGP) in 2020. Staff believes this does not reflect the need or value of TNGP, but rather the difficulty in neighborhood gatherings, meetings, and hesitance to "doorknock" due to COVID-19.

One primary goal of the Neighborhood Program is to increase communication between Appleton's neighborhoods and City Hall. Two virtual neighborhood program meetings were held in 2020, one in spring and another in fall. Both "roundtable" discussions provided opportunities for residents to share their experiences as neighborhood leaders among peers, strengthen their neighborhoods, and establish a clear line of communication with the City and each other. Program staff assist Appleton's neighborhoods through communication in a variety of ways. First, we receive direct contact from neighborhood leaders regarding issues in their neighborhoods. Staff also contacts neighborhoods on various topics such as when a developer or the City is proposing a project that may directly or indirectly impact a registered neighborhood. A map of all Registered Neighborhoods is on the following page:



Registered Neighborhoods - Sept 2019



RECENT CITY INVESTMENTS/ACTIVITIES PROMOTING GROWTH

- A. The Appleton Redevelopment Authority (ARA) approved creation of the ARA Business Enhancement Grant program. Modeled after the Business Enhancement Grant Programs available in TIFs 11 and 12, this provides matching grants of up to \$7,000 for businesses throughout the City.
- B. Tax Incremental Financing (TIF) Districts #3 and #11 boundaries were amended in 2020 to include more properties eligible for TIF support in areas north of College Avenue.
- C. A commitment by the City to proceed with a new library at its current location provides a catalyst for the area north of College Avenue and allows the YMCA to make decisions for the future of the Soldier Square Ramp site.
- D. A full north/south two-way Appleton Street bridge was completed in 2019.
- E. The extension of Spartan Drive started in 2019 and will be complete in 2025 from Meade Street to Highway 47.
- F. Evergreen Drive (east of Richmond Street) reconstructed underground infrastructure work was completed in 2018. Paving was completed in 2019. This area is expected to see additional growth with the recently opened Meijer across the street in the Town of Grand Chute. Land at the southeast corner of Highway 47 and Evergreen was annexed into the City in 2019 for the Evergreen Heights project. Construction was paused due to COVID-19 but is expected to start in 2021.
- G. The City of Appleton purchased (in 2016), and annexed into the City (in 2019), two properties totaling approximately 23 acres on Edgewood Drive long identified as future commercial/industrial use on the Future Land Use Map. While not yet served by City utilities, the City continues to manage these properties to provide for additional growth in the future.
- H. A lift station was added in 2017 to accommodate approximately 950 acres of growth on the north side; it is located southeast of the intersection of Broadway Drive and Richmond Street, adjacent to future Spartan Drive.
- I. Staff collaborated with the City Attorney's Office and Inspection Division to update Zoning Ordinance standards to be consistent with the changes to Wisconsin's Local Land Use Enabling Laws (Zoning Board of Appeals and Variances, City Plan Commission and

Common Council decisions on special use permits, nonconforming manufactured home regulations, revised and create new definition terms as needed), add new regulations for wineries, brewpubs, distilleries consistent with industry standards and Wisconsin State Statutes, create new zero lot line duplex development standards, administrative parking variances, site plan updates, self-storage removed from the C-2 zoning district, C-1 zoning district amended to create a new and flexible mixed use zoning district and a number of other minor revisions to eliminate inconsistent, vague or confusing language to enhance "user friendliness" and "consistent administration/enforcement" of the Zoning Ordinance. The Common Council approved these Zoning Ordinance text amendments, and they went into effect on March 24, 2020.

- J. Staff facilitated and approved the Plamann Park, Broadway Hills Estates, Cain, Sequoia Drive, and Trail View Estates South annexations, resulting in roughly 313 acres of land being annexed.
- K. The Future Land Use Map was amended from the Multi-Family Residential designation to the One and Two-Family Residential designation for the Trail View Estates South subdivision. The subject area includes approximately 32 acres.

CHALLENGES TO GROWTH

- A. COVID-19 has had far-reaching impacts on workforce, workplace, safety protocols and more. While rollout of vaccines is encouraging, there is still great uncertainty regarding returning to work, the potential ongoing "convenience economy" and more. These changes will have significant impacts on the real estate market going forward as well. Staff continues to monitor real estate forecasts to ensure the City is poised to continue to accommodate and proactively respond to the needs, challenges and desires of the post pandemic workforce/workplace.
- B. Net new construction for the City was lower than most of our neighboring communities, which will limit the City's ability to raise the tax levy. This may have negative impacts on services provided, maintenance, safety, public health, infrastructure, etc. Appleton's downward trend of net new construction as a percentage of the Fox Cities equalized value will have to change if the City wants financial resources to support current demands and future growth of the City without increasing debt, limiting or decreasing staff, or changing operations given the current State legislation.

- C. Over the past few years, a series of incorporations by surrounding municipalities on the City's south side has resulted in a limitation to the City's growth corridor to the south.
- D. Significant road improvements are needed to Apple Creek Road and Broadway Drive that require widening, including the acquisition of new right-of-way. French Road, north of Edgewood Drive, is a rural two-lane road. Future development could necessitate the widening and urbanizing of French Road.
- E. Regulatory floodplains are known to exist on the northside which will restrict the suitability of those areas for future growth.
- F. As growth continues to fill in subdivisions and commercial space, the area may need additional police, fire, school and recreational areas to meet growing demands.
- G. Limitations of the existing utility infrastructure and coordinating their expansion with timing of development and resources will have to be closely coordinated.
- H. Open green space and recreational amenities have been identified as a need on the south side. There is limited land available on the City's south side with sufficient size to accommodate a community park. Staff outlined several potential sites for a community park in 2017; however, Council did not recommend pursuit of any of the options.

PROJECTS ON THE HORIZON

- A. U.S. VENTURE: U.S. Venture announced it plans to construct a new headquarters building on the "Bluff" site in downtown Appleton. This will bring approximately 1,000 employees and will add a minimum of \$54.5 million in assessed value to our downtown. Details of the Development Agreement continue to be discussed and finalized.
- B. BLOCK 800: The Block 800 project started construction in 2020 and will be complete in 2021. This will include 20 residential units and 10,000 square feet of commercial space downtown on the west end of College Avenue.
- C. RIVERHEATH DEVELOPMENT: Tanesay Development broke ground on the RiverHeath Event Space (RES) in 2020 with anticipated completion in Summer 2021.

- D. CRESCENT LOFTS: The Crescent Lofts began construction in Spring 2020 and will be complete in 2021. When complete, a total of 69 residential units will be added to the downtown, 58 of which will be affordable housing.
- E. 320 EAST COLLEGE: This six story project started construction in 2020 and will add 39 residential units and commercial space along College Avenue when complete in Fall 2021.
- F. BLUE RAMP/FORMER CONWAY HOTEL SITE: Merge Urban Development negotiated an option to purchase through May 31, 2021 for these two sites and is working on due diligence for a mixed use development.
- G. F STREET DEVELOPMENT: F Street Development purchased approximately 14 acres, with an additional 36 acres under contract, in the Southpoint Commerce Park. Construction of the first in a series of speculative warehouse/distribution buildings began in 2020. The initial 218,000 square foot building will be complete in Spring 2021.

OPPORTUNITIES

- A. The City currently has 100+ acres of fully improved land available for development in the Southpoint Commerce Park and an additional 100+ acres with planned improvements. 2020 saw the sale of 14 acres to F Street Development with an additional 36 acres under contract.
- B. Opportunities will become more apparent on the “Bluff” site and surrounding area as plans are finalized for U.S. Venture and their relocation to downtown Appleton.
- C. Recently completed amendments to TIF Districts #3 and #11 will allow TIF support for parcels north of College Avenue.
- D. Privately owned land is still available for office developments north of I-41 along Enterprise Avenue and Evergreen Drive. Additional privately owned parcels are available in the Northeast Business Park area.
- E. The City of Appleton has approximately 204 single-family lots available for sale in established subdivisions, the majority of which are located on the north side. Plats for over 143 new single-family lots were approved in 2020, some already available (not all have been recorded yet). There are additional planned single-family lots within the City that are unplatted as well.

F. The City of Appleton has supported the efforts of the Fox Cities Regional Partnership, both financially and operationally, since 2012 with a total investment of \$271,500 since the Partnership's creation. Many of these investments are to help support attracting and retaining a trained, innovative, and creative workforce to the City. In light of COVID-19, the Chamber participated in the Stronger Together Coalition, surveyed the needs 142 businesses, followed up with 50 businesses for financial assistance, drafted over 220 letters for Wisconsin Economic Development Corporation (WEDC)'s "We're all in" Grants, purchased and installed Synchronist to track business retention data and provide reports. They also formed a workgroup on funding and governance which the City of Appleton has participated in. Additionally, the Chamber proceeded with prioritizing their legislative lobbying efforts, including TIF legislation, workforce development and transportation and infrastructure.

STRATEGY/MARKETING

A. Comprehensive Plan Update 2010-2030

A Comprehensive Plan is intended to guide the growth and development of a community. It is a long range plan, addressing current issues while also looking beyond to future issues and opportunities with the City. It includes analysis, recommendations and implementation strategies which will impact a community's population, economy, housing, transportation, community facilities, recreation-open space, and land use. A Comprehensive Plan establishes a vision for future land use, physical development, and quality of life in the City, as well as provides a comprehensive set of goals, policies and initiatives to achieve that vision. The Economic Development Strategic Plan, completed in 2015, was incorporated into the Comprehensive Plan which was adopted by the Common Council on March 15, 2017.

Implementation of the Updated Comprehensive Plan continued in 2020, with highlights that include redevelopment on the west and north ends of downtown, numerous amendments to the Zoning Ordinance, increased commercial development along the Richmond Street corridor, annexations and right-of-way dedications to facilitate new growth and continued riverfront redevelopment.

B. The Fox Cities Economic Development Professionals (FCEDP)

FCEDP exists to build professional relationships among economic development professionals and to share best practices to advance our region's economy. This is done through; professional development and networking, facilitating communication, learning about best practices and establishing collaborative efforts among economic development organizations within the region.

The FCEDP group continued to meet virtually in 2020 with a model alternating between having a speaker in to discuss best practices and a roundtable discussion on a topic of importance to the group. The City of Appleton continues to remain committed to and actively engaged in FCEDP.

C. Marketing

Staff partnered with Locate in Wisconsin, Catylist and CoStar to reach the commercial real estate and development community and market City-owned sites. All of the above-mentioned services are online resources for commercial real estate brokers, site selectors, and companies to research available sites within our community from anywhere in the world.

The City of Appleton was a sponsor of the Manufacturing First Virtual conference in 2020. The event drew over 700 attendees. The annual InDevelopment Conference was cancelled this year due to COVID-19; however, the City participated in supporting a special issue of Insight magazine dedicated to real estate development.

Sponsoring of small business initiatives was also a key focus in 2020 with the sponsorship of Small Business Saturday, Appleton Northside Business Association's Annual Government Meeting, and Appleton Downtown Incorporated programming, among others.

COVID-19 has created a number of challenges for businesses and individuals located in the City of Appleton. Over 2020, the Community & Economic Development Department has put a great deal of effort into contacting businesses to ensure they are receiving the support they need, being connected with resources for Paycheck Protection Program (PPP) loans, WEDC programs, safety protocols, educational opportunities and more during this time.

