

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

2018 Mid-Year Report

All figures through June 30, 2018

Significant 2018 Events:

1. The Fox Cities Exhibition Center celebrated its grand opening on January 11, 2018. We continue our collaboration with Inner Circle, the Red Lion Paper Valley Hotel and the Fox Cities Convention & Visitors Bureau. The final bond closing for the FCEC took place on May 1, 2018.
2. Responses to the Mixed-Use Library Project Request for Proposals were due on January 12, 2018. Five developers responded with eight proposals. These proposals were reviewed and scored, and three teams were interviewed and presented their proposals. The Common Council approved further discussion with the highest scoring developer, the Commercial Horizons' team. The department continues to work with the developer on due diligence of their proposal.
3. Staff worked with Grand Chute and the Fox Cities Convention & Visitors Bureau to fund the Champion Center Sports Facility.
4. Industrial development saw a continued increase in 2018 with the delivery of two new buildings in Southpoint Commerce Park. Custom Offsets opened their new 17,000 sq. ft. facility in February, and Security Luebke Roofing opened their new, approximately 20,000 sq. ft., facility in July. The Common Council approved an offer to purchase 14.6 acres in Southpoint Commerce Park from Becknell Industrial on June 20, 2018. The City repurchased 4.32 acres in the Northeast Business Park from Farrell Investments, once again giving the City inventory in that area. The reason for the repurchase is Farrell Investments bought an existing building in Southpoint Commerce Park. Here they plan to make improvements and occupy in Spring 2019.
5. The grand opening of Eagle Point's new 99 unit senior living facility is on August 17, 2018. The Appleton Redevelopment Authority sold this redevelopment site, comprised of approximately 8.1 acres, in 2017 to Alexander Company and Tukka, the developers of Eagle Point. The development is expected to add \$21 million in value for Phase I. Phase II will be townhomes, and Phase III is in the planning stages with Alexander Company and Tukka Properties. RiverHeath broke ground on the Willow, an 110 unit apartment building with commercial retail space. The Woolen Mills Loft, a \$10 million, 60 unit apartment complex constructed in the Flats, opened in April 2018. This project used WHEDA tax credits and historic tax credits.
6. The Appleton Redevelopment Authority purchased 222 N. Oneida Street in late 2017 with currently unknown plans for future development. Demolition activities started on

the building on May 22, 2018. The demolition and site restoration is now completed. Additional environmental testing is required based on soil conditions discovered during the demolition and excavation process.

7. Staff continued collaboration with US Venture to construct their headquarters on Bluff Site 1. Staff also continued to work with Milwaukee View on their redevelopment of the historic Zuelke Building at 103 W. College Avenue. *Note: Both Development Agreements were approved by Council on December 19, 2017. Staff had to quickly convert a term sheet for USV to a Development Agreement, and it was 13 days from original discussion on the Zuelke development to Development Agreement.
8. Staff worked intently with the developer, Appleton Storage I, LLC, and other internal departments, to bring development to the former Kmart site at 2400 W. College Avenue, which has been vacant for over a decade. The Special Use Development Agreement was approved by Council on June 20, 2018.
9. Continued leasing of the residential property at 110 W. Edgewood Drive, as well as leased farmland at both 110 and 210 W. Edgewood Drive. The home and outbuildings at 210 W. Edgewood were demolished due to their significantly deteriorated condition. Occupancy of the residential property and farming the land will help offset maintenance costs. These properties were acquired in 2016 to help support the City's anticipated business/industrial growth.
10. Staff teamed up with Appleton Downtown Inc. to present the State of the Downtown Summit on May 15, 2018 that offered a Downtown Development Opportunity Tour, updates on current Downtown development, and informative panel presentations.
11. Business Enhancement Grants from TIFs #11 and #12 were fully utilized in 2018 with \$21,000 in TIF funding for each District. These funds leveraged another \$79,946 in private investment. Due to high demand, there was also a waiting list of businesses that had applied for the programs but the funding ran out.
12. The department continues to work and communicate with the business community in Appleton and throughout the region with efforts including social media, regular business retention visits, and partnerships with community organizations that help build relationships that benefit the City.
13. The City of Appleton has invested in a variety of advertising venues and sponsorships to raise awareness of the City overall, our commitment to being a welcoming and inclusive community, and encouraging investment in commercial, industrial and residential development. The City has invested \$15,000 with Appleton Downtown Inc. (ADI) for numerous programs and events over the course of 2018, from the Downtown Trolley sponsorship and State of Downtown event to Small Business Saturday, and Downtown Summer events and Holiday sponsor. The City also invested \$25,000 in the Fox Cities Regional Partnership/Fox Cities Chamber to go solely towards the very valuable Talent Upload program.

14. Implementation of the Comprehensive Plan continued in 2018, with highlights that include an amendment to Central Business District zoning to allow ground floor residential and creation of an Art in Public Places Policy/Committee.
15. Planning staff collaborated with the City Attorney's Office and Inspections Division staff to repeal and create a new Sign Ordinance, which is another implementation strategy from the Comprehensive Plan. The Sign Ordinance amendments were in response to Supreme Court Ruling Reed v. Town of Gilbert Arizona, 135 S. Ct. 2218 (2015), the adoption and implementation of the Appleton Comprehensive Plan 2010-2030, and the array of sign types and technology available today. The Common Council adopted the new Sign Ordinance on April 4, 2018, and it went into effect on April 10, 2018.
16. The Art in Public Places Policy was unanimously approved by Council on July 18, 2018. We are working to identify members and constitute the Appleton Public Art Committee.
17. The City's Economic Development Strategic Plan (EDSP) was completed in 2015 and identified primary goals and key strategies that will contribute to the City's future economic health, enhance the business climate, ensure the vibrancy and viability of the City and support community growth consistent with the City's character and culture. Many of these goals and key strategies have been rolled in the Comprehensive Plan. Staff continues to implement, refine and work key metrics. Highlights of accomplishments include:
 - Accelerate business park lot sales, growth and expansion of the tax base
 - Outreach to Site Selectors, Commercial and Industrial Real Estate Brokers
 - Business attraction and marketing
 - Support retail and tourism marketing
 - Improve customer service to businesses
 - Reviewing permit process, streamline where appropriate, issue in predictable, professional manner, customers receive clear communication
 - Continue to conduct BRE meetings
 - Conduct cost benefit analysis of proposed projects
 - Support workforce initiatives
18. To promote historic preservation efforts, the City of Appleton Historic Preservation Commission created bookmarks of four existing historic buildings along College Avenue. They wrote a historic narrative for each building explaining its historic significance, and photographs were taken of each building. The department contracted with a professional printer to produce the bookmarks for distribution to the public.
19. Assessor's staff completed a citywide revaluation of all 1,700 commercial properties. Values were increased by an average +5.5%, led by apartments at +15%. This project required many property inspections to update records, good public relations, detailed sales & income analysis, and accurate appraisal methodology. The changes reflected market value increases over the last five years & re-established tax equity among various commercial sectors.

20. The City's equalized value increased greatly by 6% in 2017 from \$4,938,725,300 to \$5,222,923,900 exceeding the statewide gain of 4%.
21. During the first half of 2018, the site plan review team has approved approximately 110 multi-family dwelling units, 37,200 square feet of office space, 34,500 square feet of commercial space, and 40,200 square feet of institutional space.
22. Staff facilitated and approved the Viaene, North Edgewood Estates, and Leona Pond annexations, resulting in roughly 84.4 acres of land being annexed to the City. In addition, the annexation policy was re-worked and reduced the process by 4 weeks.
23. Per the annual growth report, the City had approximately 186 single family residential lots platted and available for sale starting in 2018. Final plat approval resulted in the creation of an additional 52 residential lots, including Emerald Valley IV and V and Trail View Estates. The City still has several acres of planned, unplatted land available for single family development.
24. Appleton's GIS team will perform a major system upgrade during the second half of 2018. All of the GIS servers will migrate to a new SAN environment set up by IT. Along with the server migration, the GIS software was upgraded to the latest version. This new version had significant architecture changes compared to the previous system; all servers and software installs were upgraded.
25. The GIS team continues to expand and implement the use of GIS tools for field use. Three additional departments now have applications allowing them to collect data in the field, and the GIS team continues to develop more applications for current users.
26. Staff organized and delivered one neighborhood session in the spring of 2018, and another is planned for the fall. These sessions provide informal, "roundtable" discussions for neighborhood leaders to share information about the neighborhood program, grants, and to provide a forum for peer sharing.
27. The Lawrence-City Park Neighborhood was granted funding through TNGP to support the Edison Family Fun Run, which took place in May 2018. An application to assist in conducting a neighborhood survey is also pending for the Historic Central Neighborhood.
28. The City of Appleton Homeowner Rehabilitation Loan Program rehabilitated 9 owner-occupied homes and spent \$130,119 on home improvement loans. In addition, 10 new applications were submitted. Of those, 5 were eligible for the program. Additional applications will be accepted in the fall.
29. The City was notified by HUD in May that the 2018 CDBG allocation for the City of Appleton is \$593,953. Common Council approved the following funding amounts:

City of Appleton Rehabilitation Loan Program - \$115,000.00
 CDBG Program Administration - \$49,432.05
 Fair Housing Services - \$65,471.24
 Appleton Housing Authority - \$75,000.00
 Appleton Police Department - \$51,847.71
 City of Appleton Neighborhood Grant Program - \$40,000.00
 The Mooring Programs, Inc. - \$85,800.00
 Housing Partnership of the Fox Cities - \$25,000.00
 Rebuilding Together Fox Valley - \$19,156.76
 St. Bernadette Parish/Thompson Center - \$30,000.00
 Harbor House - \$19,421.47
 LEAVEN - \$17,823.77

2018 Mid-Year Budget/Actual Comparison:

Community Development Budget/Actual Comparison

for the period ending June 30, 2018

	Current YTD Actual	Current Year Amended Budget	% of Budget Expended
Administration & Geographic Information Systems	\$245,520	\$554,582	44.3%
Marketing & Business Services	\$90,545	\$163,664	55.3%
New & Redevelopment Projects & Business Parks	\$89,265	\$208,114	42.9%
Assessor	\$277,960	\$558,402	49.8%
Planning	\$133,402	\$280,414	47.6%
Total:	\$836,692	\$1,765,176	47.4%

Performance Data Community Development:

The following Table lists Community Development program areas and the performance measures for each, including both the target and end measure.

**2018
Community Development - Administration & GIS**

B.U. 10550

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
Employee retention - % Staff turnover	0%	6%	0%	0%			0%	0%	
Accurate and useful information - # of layers edited (GIS)	700	1,080	232	283			515	700	
Improve business and work flow - # of users supported on GIS software	130	231	130	130			130	130	
Quality training to support staff performance - % of training courses completed	100%	100%	0%	61%			61%	100%	
- % of depts. using GIS	50%	50%	50%	50%			50%	50%	
Annual performance evaluations completed - % complete	100%	100%	N/A	N/A				100%	
Increase efficiency & effectiveness of City by using GIS - # of GIS projects	250	471	133	128			261	250	

2018
Community Development - Marketing & Business Services

B.U. 10551

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
Connection to source of issue resolution or resource									
- # Existing businesses assisted	40	63	14	21			35	40	
- # Start-up businesses assisted	35	12	6	1			7	35	
Information specific to development in Appleton									
- # of prospects information deliveries*	70	37	10	9			19	70	
Appleton's economy grows and tax base enhanced									
- % increase in total equalized value	2.6%	5.8%	N/A	N/A	N/A			2.6%	
Retention visit clients served									
- # Business retention visits/follow-ups	40	47	6	9			15	40	

*Note: Prospects include businesses from outside of Appleton, contacts by real estate agents, developers, State of Wisconsin, Fox Cities Chamber of Commerce.

2018
Community Development - New & Redevelopment Projects

B.U. 10553

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
Guidance rec'd to success in dev. in Appleton - # projects consulted	18	31	16	7			23	20	
Assist in land assembly, development incentives or project management - # developments generated via direct mgt. - # of improved business park acres	5 100	3 100	1 100	0 100			1	5 100	
Tax base enhanced									
* - \$ Increase industrial/commercial	\$8m	\$55,297,580	\$8,725,788	\$2,085,000			\$10,810,788	\$14m	
** - \$ Increase in target districts	\$4m	\$24,717,932	\$689,000	\$400,000			\$1,089,000	\$4m	
- \$ business park permits	\$2m	\$7,943,431	\$0	\$400,000			\$400,000	\$2m	
- # of development agreements completed	1	2	0	1			1	3	
- # of acres sold in business park	3	6.64	0	0			0	4	

* All commercial/industrial permits at or above \$100,000 less tax exempt or non-profit permits.

** TIF Districts and target districts (ARP's, Business Parks)

2018
Community Development - Planning

B.U. 15020

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
Timely, accurate processing of applications									
- % of admin apps processed within the time	100%	100%	100%	100%				100%	
- % of comm apps processed within the time	100%	100%	100%	100%				100%	
- % of cust inquiries served within the timefra	100%	100%	100%	100%				100%	
- % of complaints recvd on admin apps proce	2%	0	0	0				0%	
- % of complaints recvd on comm apps proce	2%	0	0	0				0%	
- # of development projects guided thru the review process, resulting in approval	20	17	5	14			19	20	
- # of comp plan goals&objectives implmnt	10	50	18	25			43	10	
Work process outputs									
- # of admin apps approved	425	455	24	251			275	425	
- # of commission apps approved	25	47	9	14			23	25	
- # of customer inquiries served	900	1,312	381	346			727	900	
- # of comp plan & ordinance amend adpt	2	3	0	3			3	2	
- # of historic sites,bldgs&dist.recognized	2	0	0	4			4	2	

Community Development - Block Grant

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
<u>Client Benefits/Impacts</u>									
Annual Entitlement Amount	\$528,000	\$550,037	\$0	\$593,953			\$593,953	\$535,000	
Carryover from previous years	\$0	\$0	\$0	\$0			\$0	\$0	
Reprogrammed CDBG Funds	\$0	\$0	\$0	\$0			\$0	\$0	
% of award spent on projects	90.5%	87%	0%	85%			85%	83.00%	
Average award (not incld program income)	\$40,000	\$43,528	\$0	\$45,823			\$45,823	\$44,000	
<u>Strategic Outcome</u>									
# of single audit findings	0	0	0	0			0	0	
# of HUD exceptions to annual act.plan	0	0	0	0			0	0	
# of HUD CAPER findings	0	0	0	0			0	0	
Official HUD Timeliness ratio (max 1.5:1)	1.5:1	1.28:1	1.22:1	N/A				1.5:1	
<u>Work Process Outputs</u>									
# of Block Grant awards made	10	8	0	11			11	10	

2018

B.U. 2140

Community Development - Emergency Solutions Grant (ESG)/Transitional Housing Program (THP)

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
<u>Client Benefits/Impacts</u>									
\$ Grant Award ESG	\$259,563	\$481,995	\$0	\$0			\$0	\$216,670	
\$ Grant Award THP	\$25,310	\$54,060	\$0	\$0			\$0	\$28,750	
<u>Strategic Outcomes</u>									
Expand the # of homeless persons served									
- # assisted in emergency shelter	1,000	1,005	181	251			432	950	
- # assisted in rapid rehousing	60	55	6	6			12	75	
- # assisted with prevention services	350	467	93	0			93	500	
<u>Work Process Outputs</u>									
# grant applications prepared	2	2	2	0			2	2	
# of contract period extensions requested	0	0	0	1			1	0	

2018

B.U. 2150

Community Development - Continuum of Care Supportive Housing Program (COC/SHP)

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
<u>Client Benefits/Impacts</u>									
\$ Annual Award (SHP 1 - THP)	\$181,152	\$362,304	\$0	\$0			\$0	\$181,152	
\$ Annual Award (SHP 2 - PSH)	\$54,337	\$55,532	\$0	\$56,216			\$56,216	\$55,532	
<u>Strategic Outcomes</u>									
Help clients improve self-sufficiency									
- % moved from transitional to permanent	70%	71%	0%	92%				70%	
- % in permanent maintain/increase income	77%	17%	9%	41%			50%	77%	
<u>Work Process Outputs</u>									
# grant applications prepared	2-Renewal	2	0	0			0	2-Renewal	
# of contract period extensions requested	0	0	0	0			0	0	

2018
Community Development - Homeowner Rehab

B.U. 2160/2170/2190

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total	2018 TARGET	Comments
Housing Rehabilitation Programs (city-wide)									
Funding for LMI homeowner rehab projects									
- CDBG funds award amount	\$81,222	\$81,222	\$0	\$115,000			\$115,000	\$115,000	
- Program income received (all grants)	\$365,000	\$313,246	\$30,171	\$147,377			\$177,548	\$333,330	
Unspent grant funds									
- Committed	\$75,000	\$277,883	\$237,859	\$66,581			\$66,581	\$75,000	
- Uncommitted	\$160,000	\$214,924	\$215,274	\$291,916			\$291,916	\$160,000	
Improved LMI single-family homes & owner-occupied duplexes									
- # of loans made	24	23	5	4			9	24	
- # units rehabilitated	24	23	5	4			9	24	
- # residents benefited	60	69	18	11			29	60	
- Average loan amount	\$15,000	\$19,783	\$16,833	\$11,489			\$14,458	\$15,000	
- Amount committed to rehab activity	\$360,000	\$455,006	\$84,163	\$45,956			\$130,119	\$360,000	
- # applications processed	33	59	11	10			21	33	
- # applications approved	27	33	4	4			8	27	

Community Development - Neighborhoods Program (NP)

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
<u>Client Benefits/Impacts</u>									
# of new partnerships generated	1	0	0	0			0	1	
# of registered neighborhoods	16	16	17	17				17	
# of neighborhood program participants	0	26	N/A	16			16	15	
<u>Strategic Outcomes</u>									
# of projects awarded grant funding	2	1	1	0			1	2	
<u>Work Process Outputs</u>									
Grant Funds (CDBG)									
Committed	\$88,653	\$60,000	\$0	\$0				\$68,653	
Uncommitted	\$0	\$28,653	\$68,653	\$68,653				\$0	
Spent	\$88,653	\$60,000	\$0	\$0				\$68,653	
General Funds									
Committed	\$7,769	\$0	\$1,700	\$222				\$7,330	
Uncommitted	\$0	\$7,630	\$8,930	\$8,918				\$0	
Spent	\$7,769	\$14	\$0	\$1,491				\$7,330	

Community Development - Assessing

	2017 Target	2017 Actual	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	TOTAL	2018 TARGET	Comments
Client Benefits/Impacts									
<u>Equitable asmts & distribution of tax levy:</u>									
Res districts within 10% of market value	98%	96%	52%	52%				94%	
Coefficient of dispersion of asmt/sale ratios	9%	11%	13%	13%				12%	
# of asmt errors result inaccurate tax bills	0	2	1	2			3	0	
Strategic Outcomes									
<u>Asmts to accurately reflect market values</u>									
Residential class level of assessment	100%	94%	90%	90%				100%	
Commercial class level of assessment	100%	96%	95%	95%				100%	
Overall level of assessment	100%	95%	90%	90%				100%	
Work Process Outputs									
<u>% of bldgs inspected to update records</u>									
Commercial new construction	100%	100%	100%	100%				100%	
Residential new construction	95%	95%	87%	87%				95%	
Recent sales	50%	43%	25%	25%				40%	
Total # of interior inspections	800	952	330	20			350	800	
<u>Property Record Maintenance</u>									
Deeds processed (ownership changes)	2,300	2,489	492	601			1,093	2,600	
Lot splits, CSM's & new platted parcels	175	160	25	126			151	100	
Annexed parcels	2	0	3	1			4	2	
Assessments updated	800	1,019	0	1,613			1,613	1,600	