



MEMORANDUM

“...meeting community needs...enhancing quality of life.”

TO: Community and Economic Development Committee
FROM: Matt Rehbein, Economic Development Specialist
DATE: May 12, 2014
RE: 2013 Growth Report Summary

OVERALL GROWTH

- Appleton’s total dollar value of construction in 2013 was \$88 million. This was up significantly from \$49 million in 2012. A significant portion of this increase was from the expansion of St. Elizabeth’s Hospital (\$30.3M).
- Appleton’s overall equalized value decreased by \$29 Million to \$4.62 Billion which is a 0.63% decrease. Appleton still comprises 29% of the equalized value of the Fox Cities. This rate of decline in values is favorable compared to a decrease of 3.04% in 2012 and is less than the statewide average of .86%.

PERMITS

- In 2013, Appleton issued 537 permits, a 5% increase compared to 2012. The ten-year average number of permits is 633
- The City of Appleton issued 91 residential permits and 157 commercial and industrial permits in 2013.

RESIDENTIAL GROWTH

- The Town of Greenville led the way in single-family housing construction for the eighth year in a row with 83 units in 2013. The City of Appleton was second with 77 permits and the Town of Grand Chute was third with 71 permits.
- A Multiple Listing Service search of single family lot sales indicated average prices ranging from \$23,243 to \$60,196 within the Fox Cities. The City of Appleton having the highest average sale price(s) of \$60,196 per lot.

COMMERCIAL INDUSTRIAL GROWTH

- Appleton’s share of commercial and industrial development in the Fox Cities was \$49 million of a total of \$187 million in Fox Cities construction in 2013. This compares favorably to last years’ \$17 million, and is in line with the 10 year average of \$49 million in the City.

EMPLOYMENT & UNEMPLOYMENT

- The Appleton Metropolitan Statistical Area (MSA) defined by the Office of Management and Budget (OMB) as Outagamie and Calumet Counties had an annual unemployment rate in 2013 of 6.1% a decrease of .1% from the annual unemployment rate of 6.2% for 2012.
- The City of Appleton employment sectors of food services and administrative services continue to lead the Appleton MSA as the top two employment sectors. While these two sectors employ the highest number of workers, the monthly pay for these sectors are the two lowest in our MSA with food services at \$1,000 and administrative services near \$2,400.
- Looking at the stable and emerging industry clusters (food manufacturing, hospitals) the average monthly income is higher, ranging from \$3,600-\$6,500 dollars. These two sectors provided just under 10,000 jobs in the Appleton MSA in 2013.

SUMMARY

Appleton's saw net new construction of \$36 million in 2013 accounting for 22% of the total net new construction in the Fox Cities. This is significant because municipalities use the percentage increase of net new construction as a valuation factor in determining the allowable tax levy for the city.

Appleton's overall equalized value decreased by \$29 Million to \$4.65 Billion which still represents 28.7% of the equalized value of the Fox Cities.

With more than 100 acres of fully improved industrial sites in the Southpoint Commerce Park, and as redevelopment continues downtown and on the riverfront with Riverheath, Eagle Flats and the Former Foremost Farms property, Appleton is well positioned to continue to grow and remain a leader in the Fox Cities.

Worth monitoring is the City's inventory of single family subdivision lots. Current inventory on the northside is 271 lots, of which 128 are located in the Apple Hill Farms Subdivision. The average ask price in Apple Hill Farms is \$98K per lot which isn't affordable to many buyers. If those lots are removed from the inventory, the remaining 143 lots would provide less than two years inventory based on last years single family permits (77). There are single family lots platted on the south side of Appleton, however, the developer has not listed any for sale in the past several years.

Community Development is focusing on developing a strategic economic development plan that will shape the existing and future landscape of Appleton by being more proactive in business retention, expansion and attraction.