



# City of Appleton

100 North Appleton Street  
Appleton, WI 54911-4799  
[www.appleton.org](http://www.appleton.org)

## Meeting Agenda - Final Community & Economic Development Committee

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Wednesday, September 23, 2020

4:30 PM

Council Chambers, 6th Floor

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1. Call meeting to order

2. Roll call of membership

3. Approval of minutes from previous meeting

[20-1209](#) CEDC Minutes from 9-9-20

**Attachments:** [CEDC Minutes 9-9-20.pdf](#)

#### 4. Public Hearings/Apearances

[20-1210](#) Presentation by Jayme Sellen and Becky Bartoszek of the Fox Cities Regional Partnership reporting accomplishments from last year and priorities for the upcoming year

**Attachments:** [Memo to CEDC on FCRP Collaboration and Historical Funding 9-23-20.pdf](#)

[Letter to CEDC from FCRP.pdf](#)

[FCRP Strategic Plan 2020-2023.pdf](#)

[FCRP Strategic Plan Timeline 2020-2023.pdf](#)

[FCRP Expansion Attraction Retention Outcomes 2013-2020.pdf](#)

[FCRP PowerPoint Presentation.pdf](#)

#### 5. Action Items

[20-1211](#) Request to approve revisions to the City of Appleton Subordination Policy for the Homeowner Rehabilitation Loan Program as set forth in the attached document

**Attachments:** [Revised Subordination Policy Memo 9-23-20.pdf](#)

[Subordination Policy 2020.pdf](#)

[20-1212](#) Request by Sara Nack to appeal her subordination request denial

**Attachments:** [Subordination Appeal Nack Memo 9-23-20.pdf](#)

[Subordination Appeal Request from Sara Nack.pdf](#)

#### 6. Information Items

7. Adjournment

*Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.*

*Any questions about items on this meeting are to be directed to Karen Harkness, Director, Community and Economic Development Department at 920-832-6468.*

*Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.*



# City of Appleton

100 North Appleton Street  
Appleton, WI 54911-4799  
[www.appleton.org](http://www.appleton.org)

## Meeting Minutes - Final Community & Economic Development Committee

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Wednesday, September 9, 2020

4:30 PM

Council Chambers, 6th Floor

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1. Call meeting to order

Meeting called to order at 4:30 p.m.

2. Roll call of membership

**Present:** 5 - Coenen, Reed, Firkus, Otis and Thao

3. Approval of minutes from previous meeting

[20-1148](#)

CEDC Minutes from 8-26-20

**Attachments:** [CEDC Minutes 8-26-20.pdf](#)

Reed moved, seconded by Firkus, that the Minutes be approved. Roll Call.  
Motion carried by the following vote:

**Aye:** 5 - Coenen, Reed, Firkus, Otis and Thao

4. Public Hearings/Appealances

[20-1149](#)

Community Development Block Grant (CDBG) Notice of Funding Available and Community Needs for the 2021 Program Year (4/1/21 - 3/31/22) (Associated with Action Item #20-1150)

**Attachments:** [Funding Available Community Needs - Public Hearing Notice 2020.pdf](#)

This public hearing was held, and no one spoke on the item.

5. Action Items

[20-1150](#)

City Program Funding Approval and City Proposals for 2021 Community Development Block Grant (CDBG) Funding

**Attachments:** [City Proposals Memo to CEDC 09-09-20.pdf](#)  
[2020-2021 Summer of Service Dept Proposal Application.pdf](#)

Reed moved, seconded by Coenen, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

**Aye:** 5 - Coenen, Reed, Firkus, Otis and Thao

[20-1155](#)

Request to approve the repurchase of Lot 11 of Plat 1 in Southpoint Commerce Park, Tax Id #31-9-5712-11, consisting of approximately 3.25 acres, from Messenger Property Management, LLC under the terms outlined in Section 13 of the Declaration of Covenants and Restrictions and at an estimated cost of approximately \$126,391 subject to tax pro-rations, outstanding liens, and an assumed closing date of November 15, 2020

**Attachments:**     [Messenger Property Management Repurchase Memo 9-9-20.pdf](#)  
[SP Deed Restrictions and Covenants.pdf](#)  
[Lot 11 Plat 1 SPCP Repurchase Calculation.pdf](#)  
[Subject Parcel Map Messenger Property.pdf](#)

**Firkus moved, seconded by Reed, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Firkus, Otis and Thao

[20-1156](#)

The Community and Economic Development Committee may go into closed session pursuant to State Statute §19.85(1)(e) for the purpose of discussing real estate negotiations regarding the potential repurchase of Lot 11 of Plat 1 in Southpoint Commerce Park and then reconvene into open session

**The Committee did not go into closed session.**

## 6. Information Items

[20-1157](#)

Introduce Ryne Lodi, Coordinated Entry Specialist

*Ryne was introduced earlier in the meeting at the start of the first action item. The chat that was entered in Teams at that time from Monica Stage was read into the meeting record by Karen Harkness: "Monica wrote, Ryne's introduction is included on the last item on the agenda as an information item, wasn't sure if we needed to officially move this item up as opposed to an action item."*

**Ryne Lodi was introduced to the Committee.**

## 7. Adjournment

**Reed moved, seconded by Firkus, that the meeting be adjourned at 4:44 p.m. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Firkus, Otis and Thao





# MEMORANDUM

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TO: CEDC

FROM: Karen Harkness, Director of Community & Economic Development

DATE: September 23, 2020

RE: Fox Cities Regional Partnership

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The Fox Cities Regional Partnership (FCRP) is completing their 8th year of providing economic support to the Fox Valley.

This past year, the City of Appleton (COA) and the FCRP have collaborated on various forms of economic support.

Examples Include:

- Communication regarding Covid-19 including weekly, bi-weekly and as needed stakeholder conference calls
- Covid-19 resource page (hosted and maintained by FCRP) and shared by COA with the business community
- Jobs EQ request for economic data
- Strategic planning
- Reviewing funding models for future implementation
- Business retention & expansion calls
- Economic Development Association (EDA) grant participation and support

## HISTORIC FOX CITIES REGIONAL PARTNERSHIP SUPPORT

Year	Amount	Programs Specified
2020	\$30,000	None specified
2019	\$25,000	Reallocated to other programs due to cancellation of 2018 Talent Upload
2018	\$25,000	Talent Upload - <b>CANCELLED</b>
2017	\$36,000	Site Selector Familiarization Tours, YP Week, Talent Upload, The Artery, and The Night Market
2016	\$36,000	Artery Sponsorship \$7,000, Talent Upload \$15,500, Site Selectors Familiarization Tour \$11,000, YP Week \$2,500
2015	\$10,000	Talent Upload ( <b>FCRP support not in 2015 budget</b> )
2014	\$72,000	MOU
2013	\$72,000	MOU

Attached is a memo and supporting documents from the FCRP and the Fox Cities Chamber of Commerce.

As always, I am happy to answer any questions you may have.



September 15, 2020

Honorable Members of the Community and Economic Development Committee:

Thank you for the opportunity to submit information on the Fox Cities Regional Partnership for your September meeting. Included in the packet of information we are providing are the following documents:

**2020 – 2023 Strategic Plan**

The Fox Cities Regional Partnership's Economic Development Council set the direction of our efforts for 2020 to 2023. The initiatives and tactics were developed under the direction and feedback from both public and private investors.

**2020 – 2023 Economic Development Strategic Plan Timeline**

This document takes the initiatives and tactics outlined in the 2020 – 2023 Strategic Plan and puts it into a timeline for reporting and accountability purposes. This document also assist in setting clear expectations between FCRP investors and staff.

**Expansion, Attraction & Retention Project Outcomes – 2013 - 2020**

This document provides additional details on the projects FCRP has provided assistance on since 2013. Some of these projects are still in progress and we continue to assist when needed.

**Fox Cities Regional Partnership PowerPoint**

This document provides information on our work during the COVID-19 pandemic and the direction we are moving in the future.

Again, I appreciate the opportunity to provide you information on the work of the Fox Cities Regional Partnership. I look forward to having a conversation with you during your September meeting.

Sincerely,

A handwritten signature in black ink that reads 'Jayme Sellen'.

Jayme Sellen  
VP, Economic Development & Government Affairs



## INITIATIVE #3:

### Talent

We know that talent continues to be one of the largest challenges facing employers. The Fox Cities Regional Partnership will remain focused on collaborating with others to help attract, develop and retain talent to support the needs of businesses in our region.

#### TACTICS:

- Collaborate with post-secondary educational institutions to promote opportunities for retraining of the unemployed and underemployed
- Ensure our community is diverse and inclusive
- Inspire creative ways to assist individuals with applying for jobs
- Attract talent through targeted innovative solutions
- Create a pipeline of future workers with K-16 partners
- Integrate educational leaders and students with businesses
- Promote the region and it's quality of life on college campuses
- Promote the Employee Friendly Workplace Initiative and Certification to ensure our employers are competitive in their talent recruitment/retention efforts



2020-2023

# STRATEGIC PLAN





The Fox Cities Regional Partnership, a division of the Fox Cities Chamber of Commerce, is a public/private partnership working to enhance the local economy, expand economic opportunity and improve the quality of place for local residents by supporting the retention and expansion of the primary employer job base. The Fox Cities Regional Partnership serves as a catalyst and collaborator to help recruit, develop and retain talent in the Fox Cities; retain and support growth of existing businesses; and recruit businesses to Calumet County, Outagamie County and northern Winnebago County.

## INITIATIVE #1:

### Business Retention & Expansion Visits (BRE)

When it's time for a business to grow, the Fox Cities Regional Partnership is here to help. We work with primary employers to support their efforts and make sure their needs are met.



#### TACTICS:

- Establish a list of employers for retention visits in conjunction with partners
- Notify municipal partner of opportunity to attend BRE visit
- Conduct 80 to 100 retention visits annually
- Target visits with Foreign Direct Investment/reshoring businesses
- Facilitate business assistance for retention and expansion purposes
- Partner with other organizations to visit targeted or commercial districts



## INITIATIVE #2:

### Business Attraction

Every day businesses are making decisions on where to locate companies. The Fox Cities needs to be top of mind for decision makers so our area is part of their selection process. Promotion and marketing of the Fox Cities is and will continue to be a way for us to market our industries, talent and quality of life.



#### TACTICS:

- Analyze local community factors to confirm target industries
- Inventory regional assets including potential partnerships that can be leveraged
- Inventory the factors that influence business location decisions
- Identify supply chain connections/opportunities
- Engage and network with site selectors through various means, i.e. Fam Tours, Conferences
- Target by resources, niches and experiences
- Promote the region through digital and print marketing and communication materials
- Partner with WEDC, New North and others to fill in gaps



2020 - 2023 Economic Development Strategic Plan Timeline

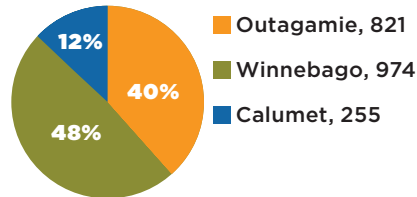
	Q1 Jan, Feb, Mar	Q2 Apr, May, Jun	Q3 Jul, Aug, Sep	Q4 Oct, Nov, Dec
Year 0	<ul style="list-style-type: none"> <li>• Draft Strat Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Establish list for targeted BRE visits</li> </ul>	<ul style="list-style-type: none"> <li>• Finalize Strat Plan</li> </ul>	<ul style="list-style-type: none"> <li>• Present plan to investors</li> </ul>
Year 1	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Economic Outlook Survey</li> <li>• Fact finding on businesses' training needs</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Form focus group for Business/Talent Attraction</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Conduct Employer Benefit Survey</li> <li>• Inventory/Update regional assets</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Inventory/Update regional assets</li> </ul>
Year 2	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Economic Outlook Survey</li> <li>• Research supply chain gaps</li> <li>• Fact finding on business training needs</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Research supply chain gaps</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Conduct Employer Benefit Survey</li> <li>• Finalize business attraction materials</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• IEDC/Site Selector Conference</li> <li>• Report out on supply chain gaps research</li> </ul>
Year 3	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Economic Outlook Survey</li> <li>• Fact finding business training needs</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• Conduct Employer Benefit Survey</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct 20 – 25 visits</li> <li>• IEDC/Site Selector Conference</li> </ul>

BRE

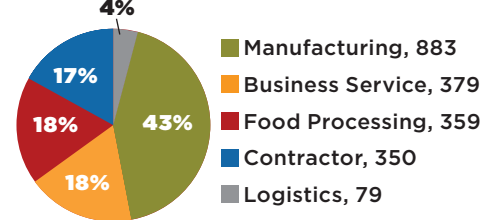
Business Attraction

Talent

#### JOBS BY COUNTY



#### JOBS BY SECTOR



## EXPANSION, ATTRACTION & RETENTION PROJECT OUTCOMES | 2013-2020

**18 COMPANIES**

**2,050 NEW/RETAINED JOBS**

**\$150,336,243 ANNUAL PAYROLL**

PROJECT NAME	NEW/ RETAINED JOBS ANNOUNCED	PROJECT DESCRIPTION	REGIONAL PARTNERSHIP ROLE	ECONOMIC IMPACT (EST ANNUAL PAYROLL)
<b>KIMBERLY-CLARK</b>	<b>388</b>	<b>Retention:</b> Paper manufacturer agreed to retain employment levels at Cold Springs facility in Fox Crossing. The company committed to increased investing in the facility and state-wide supply chain.	Assisted the company with legislative and state incentive process.	\$30,000,000
<b>US VENTURE*</b>	<b>360</b>	<b>Expansion:</b> Sixth-largest privately-owned company in Wisconsin, building new corporate headquarters in downtown Appleton.	Provided economic data to clarify financial impact of expansion.	\$44,388,314
<b>FAITH TECHNOLOGIES</b>	<b>350</b>	<b>Expansion:</b> Menasha-based company engaged in major expansion of its engineering sector.	Responded to company request for potential real estate options. Responded to City of Menasha request for economic impact numbers associated with expansion.	\$17,678,000
<b>NESTLE</b>	<b>150</b>	<b>Attraction:</b> Global food and beverage company driving the construction of a cold storage facility for an existing product line. Company considered Fox Cities locations as well as out of state options.	Provided assistance in identifying available real estate options, responded to Village of Little Chute's request for economic impact numbers associated with expansion.	\$11,530,000
<b>SARGENTO FOODS INC.</b>	<b>140</b>	<b>Expansion:</b> Cheese producer expanded Hilbert plant capacity and increased production jobs.	Working with Plymouth, WI headquarters, FCRP provided extensive labor and demographic research in response to company concerns about being able to access sufficient numbers of employment candidates.	\$5,511,000
<b>SIMPLY INCREDIBLE</b>	<b>120</b>	<b>Attraction:</b> Central Wisconsin frozen cranberry snack food processor purchased City of Menasha steam generation plant to site expanded production activities.	Generated economic impact report to assist City with project assessment and feasibility.	\$4,497,000
<b>PIPING SYSTEMS</b>	<b>119</b>	<b>Expansion:</b> Hortonville manufacturer engaged in \$5.5 million, 65,000 sq. ft. expansion associated with having landed a contract to supply pipe to a liquefied natural gas export facility in Maryland.	Assisted the company with financial assessment, application and packaging of State incentives and site considerations.	\$5,181,000
<b>AMEREQUIP</b>	<b>103</b>	<b>Expansion:</b> Contract manufacturer producing equipment for OEM's, including Ariens, Toro, John Deere and others. Company has established fast growth plans, and considered expansion in Kiel and in North Carolina.	Participated in problem solving process involving City, County, DNR. Assisted with coordination of state economic incentives.	\$4,835,000

\* Projects still in progress.



PROJECT NAME	NEW/ RETAINED JOBS ANNOUNCED	PROJECT DESCRIPTION	REGIONAL PARTNERSHIP ROLE	ECONOMIC IMPACT (EST ANNUAL PAYROLL)
WERNER ELECTRIC	79	<b>Expansion:</b> Neenah-based electrical warehouse and distribution company looking to double in size, seeking appropriate location for 200,000 sq. ft. building. Company considering Fox Cities location as well as out of state options.	Provided assistance in identifying real estate options, coordination with WEDC for economic incentives, consultation on preparation of presentation for public sector, coordination of meeting with prospect community.	\$4,509,000
AGROPUR*	40	<b>Expansion:</b> Dairy processor preparing to increase production capacity with 160,000 sq. ft. facility expansion in the Village of Little Chute.	Provided economic data to clarify financial impact of expansion. In addition, submitted testimony in support of TIF legislation for incentives.	\$3,082,929
POLYFLEX	40	<b>Attraction:</b> Plastics blow molding company headquartered in Walworth, WI. Company growth demanded more production space. Decision made to build 59,000 sq. ft. new facility in Kaukauna.	Assisted the City of Kaukauna with marketing of the area to the company, and worked with the Industrial and Commercial Development Commission, the Community Development Department and the Common Council to facilitate negotiations and approval processes.	\$1,658,000
PARA TECH COATING INC.	37	<b>Attraction:</b> California-based Parylene coating service provider looking to open a location in the Fox Cities – home to some of the company's largest customers.	Provided assistance in identifying available real estate options, coordination with WEDC for economic incentives and workforce training programs and subsidies.	\$2,130,000
WINONA FOODS	29	<b>Attraction:</b> Cheese processing company headquartered in Green Bay acquired smaller cheese shredding company in Kaukauna. Acquisition will trigger move of Wisconsin-based production operations into Kaukauna, along with operations currently located in four states.	Assisted the company with state incentive process.	\$1,119,000
COATING SYSTEMS	26	<b>Expansion:</b> Hortonville trucking company that has expanded into pipe coating, heat-treating and painting as a contractor to Piping Systems.	Provided assistance to company owner and business consultant with application process associated with Outagamie County Prosperity Fund.	\$1,114,000
ENCAPSYS	20	<b>Expansion:</b> Existing technology company looking for an existing facility or available land to accommodate a 50,000 sq. ft. expansion and consolidation, and establish global corporate headquarters.	Provided assistance in identifying available real estate options in the region.	\$10,624,000
HEARTLAND TECHNOLOGY GROUP	19	<b>Expansion:</b> Little Chute-based IT services and label manufacturing company looking to expand their existing facility by 33,000 sq ft to increase production capacity and storage.	Connected company with Wisconsin Economic Development Corporation to discuss expansion plans and available tax incentives.	\$1,419,000
BERNATELLOS FOODS	18	<b>Expansion:</b> Kaukauna-based frozen pizza manufacturer engaged in 25,000 sq. ft. expansion of its bakery department.	Provided economic and industry-specific wage data to the company and packaged available local and State incentives.	\$615,000
THIEL CHEESE	12	<b>Expansion:</b> Cheese producer acquired new equipment that significantly expanded processing capacity.	Assisted with governmental land use compliance and economic incentive process.	\$448,000

\* Projects still in progress.





**Jayne Sellen**

**[jsellen@foxcitieschamber.com](mailto:jsellen@foxcitieschamber.com)**

**920.254.0406**



# About FCRP

- **Public/Private partnership working to enhance the local economy, expand economic opportunity and improve the quality of life for local residents by supporting the expansion of the local primary job base**
- **Division of the Fox Cities Chamber of Commerce**

# Dedicated FCRP Staff



**Jayme Sellen**



**Jennifer Brown**



**Amy Andersen**

# Outcomes

- **2019 – 2020 BRE Visits**
  - **201 visits in 17 different municipalities**
- **2013 – 2020 Expansion/Retention Projects**
  - **18 Companies**
  - **2,050 New/Retained Jobs**
  - **\$150,336,243 Annual Payroll**

# Work during COVID-19

- Stronger Together Coalition
- Surveyed 142 local businesses on impact
- Followed up with 50 businesses for financial assistance (not RLF)
- Held weekly meetings for ED leaders



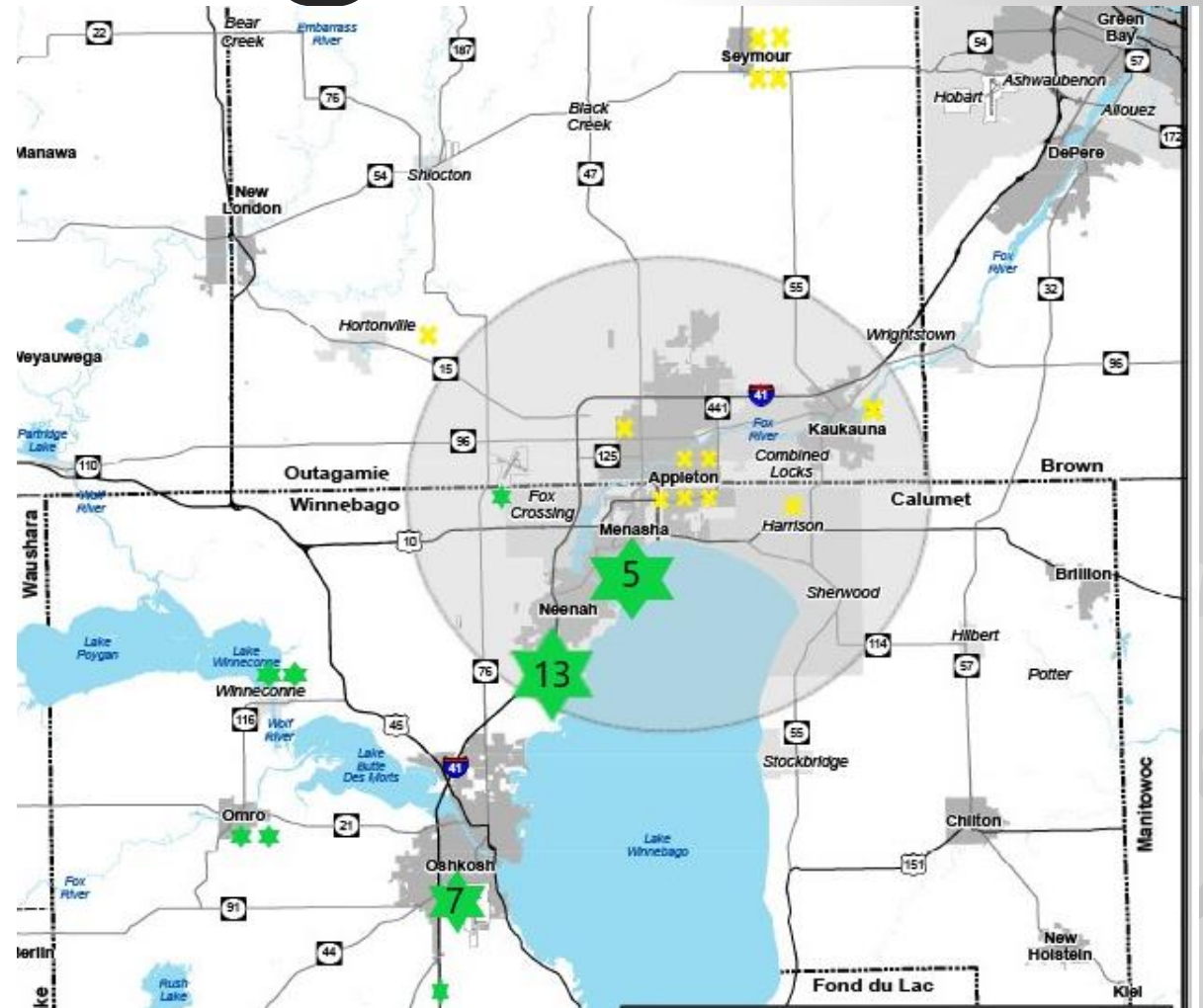
# Work during COVID-19

- Consulted with 47 businesses on FFCRA, CARES Act, SAH
- Drafted over 220 letters for WEDC's We're All In grant
- FCRP Strategic Plan
- Purchased and installed Synchronist
- Formed workgroup on FCRP funding and governance



# County RLF Programs

- Assisted 47 small businesses
- Injected over \$444,000 into community during COVID-19 Pandemic
- Directly retained over 400 jobs
- Types of businesses:
  - Restaurants
  - Metal Fabricators
  - Early Childhood Learning Centers
  - Retail Shops



# Work with City of Appleton

- EDA Grant
- Research through JobsEq
- BRE collaborations

# Looking Forward

- **Business Retention & Expansion Visits**
  - 80 to 100 visits each year
  - Target primary employers, bring municipal staff on visits
  - Collaborated to establish a list of 350 area businesses with municipalities
  - Synchronist to track BRE data & provide reports



# Looking Forward

- **Business Attraction**
  - Promote region with digital marketing, communications
  - Research/analyze local community factors for target industries
  - Inventory factors influencing business location decisions
  - Identify supply chain connections/opportunities

# Looking Forward

- **Talent**
  - **Collaborate with post-secondary on retraining unemployed or underemployed**
  - **Find creative ways to assist individuals in career search**
  - **Target talent marketing campaigns**
  - **Assist in building community readiness for diversity**

# Questions?



*"...meeting community needs...enhancing quality of life."*

## MEMORANDUM

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TO: Community and Economic Development Committee

FROM: Laura Bonnet, Housing Coordinator

DATE: September 23, 2020

RE: Revised Subordination Policy

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The Community and Economic Development Department is proposing a revision to the current Subordination Policy for the Homeowner Rehabilitation Loan Program. This revision includes two primary changes:

- 1) Increasing the income limits for subordination requests to 120% of the current program income limits
- 2) Allowing subordinations for a line of credit up to \$25,000

These changes will allow low- to moderate-income homeowners to improve their properties and their financial situations, while continuing to protect the City's investment in the home.

### **Staff Recommendation:**

The revisions to the attached City of Appleton Subordination Policy for the Homeowner Rehabilitation Loan Program **BE APPROVED**.

<b>CITY OF APPLETON POLICY</b>	<b>TITLE: SUBORDINATION POLICY</b>	
ISSUE DATE: August 4, 2005	LAST UPDATE: October 1, 2009	SECTION:
POLICY SOURCE: Community and Economic Development Department	AUDIENCE: All property owners with Homeowner and Rental Rehabilitation Loans	TOTAL PAGES: 2
Reviewed by Community Development Director, City Attorney Date: September 10, 2020	Community Development Committee Approval Date: September 23, 2020	Council Approval Date: October 7, 2020

#### I. PURPOSE

To outline the practices and procedures which are utilized by the City of Appleton Homeowner Rehabilitation Loan Program to determine whether or not the City will subordinate its loan to another lender.

#### II. POLICY

**A. The City of Appleton reserves the right to deny any request for subordination, but will consider it under the following conditions:**

1. Rate and term refinance – no cash back to the owner
2. Refinance, additional mortgage, home equity loan, or a line of credit of less than \$25,000, when the loan-to-value ratio for all loans, including the City of Appleton's, is less than or equal to 90% of the assessed value (no appraisals accepted).

**B. The City of Appleton will not consider subordinating under the following conditions:**

1. Behind a balloon mortgage or a reverse mortgage.
2. When the property owner has an income greater than 120% of the Homeowner Rehabilitation Loan Program's current income requirements.
3. When the property owner does not have a current homeowner's insurance policy listing the City of Appleton as an additional mortgagee (this needs to be maintained for the life of the city's lien on the property).
4. When the property is not owner-occupied.

#### III. PROCEDURES

**A. The following information must be submitted with a request for subordination:**

1. Title search/letter report on the property
2. Most recent signed copy of the homeowner's federal income tax return.
3. Letter from the bank stating the following:
  - a. Property owner's name and address
  - b. Mortgage commitment from the lender, specifically detailing the terms and conditions of the new loan, total loan amount, interest rate and loan product (submit Truth-in-Lending statement, if available).
  - c. Whether the refinance is a rate and term or whether the homeowner is getting cash back (and if so, the amount).

**B. The City of Appleton will require a minimum of three (3) business days after the above documents have been received to review the documents and make a determination.**

**IV. REVIEW OF DENIAL**

Upon denial of a subordination request, the property owner or interested party thereof may file a written request seeking review of the staff decision to deny the subordination request. Written requests seeking review shall be submitted to the Community Development Director within five (5) business days of the date of the denial. The Community Development Committee shall have jurisdiction to review the denied subordination request and determine whether to uphold the decision of staff. The Community Development committee's decision shall be final and reported to the Common Council as an informational item.

**The City of Appleton retains the right to amend or change this policy at any time without notice.**



*"...meeting community needs...enhancing quality of life."*

## MEMORANDUM

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TO: Community and Economic Development Committee

FROM: Laura Bonnet, Housing Coordinator

DATE: September 23, 2020

RE: Appeal by Sara Nack to Subordination Request Denial

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Sara Nack received a loan in 2015 through the Homeowner Rehabilitation Loan Program in the amount of \$10,742.50. This was for work to improve her home at 2630 S. Telulah Avenue.

Sara has recently tried to refinance her mortgage for a lower interest rate, and her lender requested the City of Appleton subordinate our mortgage to the new loan. This request was denied because she no longer meets the income requirements for the program (which our current subordination policy requires).

The current income limit for the Homeowner Rehabilitation Loan Program for a single person household is \$48,400. Sara's current income is \$52,022. If Sara was able to refinance, she would have a lower mortgage with her lender, a lower interest rate, and a lower monthly payment. This would put her in a better financial position to continue making timely payments on her mortgage, as well as put the City's lien in a better position by lowering her first mortgage and increasing her equity.

### **Staff Recommendation:**

The subordination request of Sara Nack allowing her to refinance for a lower interest rate **BE APPROVED**.

## Laura Bonnet

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**From:** Sara Nack <Sara.Nack@thedacare.org>  
**Sent:** Thursday, September 3, 2020 11:07 AM  
**To:** Laura Bonnet  
**Subject:** RE: [ExternalEmail] RE: Subordination Appeal - Nack

Hi Laura,

I would like to appeal the city's decision to deny my subordination request as I have been presented with an opportunity to take advantage of a lower interest rate. Currently, my interest rate for my mortgage loan is at 4.875% and with refinancing I could lower my rate by at least 2%. As the sole individual in the household making the mortgage payments, I'd like the opportunity to save money on a monthly basis and continue to make improvements on my home as well as save funds to pay off the loan with the City of Appleton. A win-win for all parties!

I understand that my income has increased since my original agreement with the City of Appleton in 2015 taking me out of the income requirements. However, this should not hinder my goal to continue to improve the value of my home and the city's goal of improving the overall well-being of my neighborhood in which I plan to live for many years to come.

Thank you for your consideration regarding this matter.

Sara Nack

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## LEGAL SERVICES DEPARTMENT

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### Office of the City Attorney

100 North Appleton Street

Appleton, WI 54911

Phone: 920/832-6423

Fax: 920/832-5962

August 31, 2020

Mr. Aaron Creamer  
Inlanta Mortgage  
3315 North Ballard Road Suite A  
Appleton, WI 54911

### VIA E-MAIL & U.S. Mail

Re: Subordination Request  
Client: Sara A. Nack  
Address: 2630 South Telulah Avenue  
Our File No.: A20-0004

Dear Mr. Creamer:

Please be advised that the City of Appleton is denying the subordination request for Sara A. Nack. The reason for this denial is that she no longer meets the low- to moderate-income requirements for the Home Rehabilitation Loan Program (income limit for a single person is \$46,950).

If you have any questions or concerns, please do not hesitate to contact me.

Sincerely,

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Jamie L. Griesbach, Legal Assistant

## Subordination Worksheet

Name: Sara A. Nale  
 Address: 2430 S. Telulah Ave  
Appleton WI 54915

and

Phone: \_\_\_\_\_  
 Rehab File No.: \_\_\_\_\_  
 Tax Key No.: 319 188000

Amount of Rehab Loan/s #1: \_\_\_\_\_  
 #2: \_\_\_\_\_

#3: \_\_\_\_\_  
 #4: \_\_\_\_\_

**Contact Information for Institution Requesting Subordination (including email if available):**

Name/Contact: Adam Creamer  
 Address: Inlanta Mortgage  
3315 N. Ballard Road  
Suite A  
Appleton WI 54911

Phone: 7506896 Cell: 277-31052  
 Email: adamcreamerc@inlanta.com

Amount of Request: \$65,500.-

Reason: Rate/Term refi -  
no cash back

**BREAKDOWN OF CURRENT:**

Assessed Value	\$ 111,100.00
90% of Assessed Value	99,990.00
1 <sup>st</sup> Mortgage	-( 7403.00 )
Total	25,960.00
Rehab #1 or 2 <sup>nd</sup> mortgage	-( 10,742.50 )
Total	\$ 15,217.50
Rehab #1 or #2	-( )
Total	
Miscellaneous #1	-( )
Total	
Miscellaneous #2	-( )
Total	
TOTAL	\$ 15,217.50

**BREAKDOWN IF SUBORDINATE (NEW)**

Assessed Value	\$ 111,100.00
90% of Assessed Value	99,990.00
1 <sup>st</sup> Mortgage (new amount)	-( 65,500.00 )
Total	34,490.00
Rehab #1 or 2 <sup>nd</sup> Mortgage	-( 10,742.50 )
Total	23,747.50
Rehab #1 or #2	-( )
Total	
Miscellaneous #1	-( )
Total	
Miscellaneous #2	-( )
Total	
TOTAL	\$ 23,747.50

Will we subordinate? ☒ YES ☐ NO Done by: Harrisbach Date: 8/27/2020

Do they meet income requirements (circle one)? YES ☐ NO ☒ Initials LB - see attached email

FINAL ACCEPT (circle one): YES ☐ NO ☒ If No, Reason income requirements

Notification: CAS