



2015

Growth Report



Community & Economic
Development Department
City of Appleton
April 21, 2016

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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 and equalized valuation 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 year's Report will compare the City of Appleton to other competitor 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.

The City of Appleton saw an increase in the number and dollar value of construction permits in 2015. Much of this is due to Thedacare's new cancer center and the Cancer Center of Wisconsin's new facility. These two projects alone comprised \$55 million of the permit activity in 2015. The employment base in Appleton and the Fox Cities remains competitive and stable. As a whole, the City of Appleton's Tax Incremental Districts (TID) decreased in value by 1.31% due in large part to the change in assessment ratio of 101.5 to 100 from 2014 to 2015. The City of Appleton's unemployment rate continues to decline from an annual average 2014 rate of 6.4% to 4.0% in 2015.

Commercial and multi-family permits over \$100,000 last year totaled \$104,735,508 of which \$10,743,559 is exempt from real estate tax. The following is a list of all commercial and multi-family permits taken out in 2015 over \$100,000.

2015 COMMERCIAL & MULTI-FAMILY PERMITS IN APPLETON OVER \$100,000

OWNER	ADDRESS				ESTIMATED COST	REASON	DESCRIPTION	TAXABLE STATUS
WRP 1100 E WISCONSIN	1132	E	WISCONSIN	AV	\$265,000	NEW BUILDING	TWO STORAGE BLDGS	Y
WRP 1100 E WISCONSIN	1132	E	WISCONSIN	AV	\$142,000	NEW BUILDING	NEW STORAGE BLDG	Y
TFT WAREHOUSE LLC	3005	N	MARSHALL	RD	\$396,500	REMODEL INT	ALTERATIONS	Y
ROBERTS	2900	N	ZUEHLKE	DR	\$675,000	ADDITION	ADDN	Y
GRAND CENTRAL APPLETON	3401	N	BALLARD	RD	\$135,000	REMODEL INT	ALTERATION	Y
TRAIL'S EDGE	4312	N	LIGHTNING	DR	\$724,730	NEW BUILDING	12 UNIT APT BLDG	Y
CENTURY OAKS ON	0	E	GLENHURST	LA	\$5,000,000	NEW BUILDING	CBRF	Y
CANCER SPECIALISTS OF	3925	N	GATEWAY	DR	\$22,000,000	NEW BUILDING	NEW CONSTRUCTION	Y

OWNER	ADDRESS				ESTIMATED COST	REASON	DESCRIPTION	TAXABLE STATUS
FVOSA REAL ESTATE	2105	E	ENTERPERISE	AV	\$1,310,000	ADDITION	ADDN & INT RMDL	Y
FVOSA REAL ESTATE	2105	E	ENTERPRISE	AV	\$305,913	ADDITION	CONN TO HEMATOLOGY	Y
VERBAEL FAMILY TRUST	2107	E	MILESTONE	DR	\$455,000	NEW BUILDING	4 UNIT CONDO	Y
AZIDUS INC	2201	E	SIENNA	WA	\$561,400	NEW BUILDING	4 UNIT CONDO	Y
THEDACARE INC	2500	E	CAPITOL	DR	\$27,000,000	NEW BUILDING	CANCER CENTER	Y
THEDACARE INC	2500	E	CAPITOL	DR	\$6,000,000	NEW BUILDING	CANCER CENTER	Y
OSCAR J BOLDT	2525	N	ROEMER	RD	\$750,000	REMODEL INT	INT RMDL/RENOVATION	Y
NAKASHIMA	342	W	COLLEGE	AV	\$655,000	REMODEL INT	INT RMDL	Y
CURWOOD INC	2621	W	EVERETT	ST	\$225,582	REMODEL INT	INT RMDL	Y
PERKINS LLC	1200	S	PERKINS	ST	\$331,566	REMODEL INT	RENOVATION	Y
PERKINS LLC	1200	S	PERKINS	ST	\$267,500	REMODEL INT	RENOVATION-OFFICE	Y
FOX RIVER PAPER CO LLC	400	E	NORTH ISLAND	ST	\$5,100,000	NEW BUILDING	NEW BLDG	Y
FOX RIVER PAPER CO LLC	400	E	NORTH ISLAND	ST	\$3,400,000	ADDITION	COMMERCIAL	Y
LITTLE EAGLE FLATS LLC	800	S	LAW	ST	\$161,000	REMODEL INT	INT RMDL	Y
JNJT HOLDINGS LLC	1025	E	SOUTH RIVER	ST	\$362,000	REMODEL INT	INT RMDL	Y
RH C1 LLC	201	S	RIVERHEATH	WA	\$164,000	REMODEL INT	TENANT BUILDOUT	Y
RH C1 LLC	201	S	RIVERHEATH	WA	\$500,000	FOOT & FOUNDATION	FT & FD ONLY	Y
VERSATILE INVESTMENTS	3355	E	LAKE PARK	CR	\$500,000	NEW BUILDING	8 UNIT APT BLDG	Y
VERSATILE INVESTMENTS	3377	E	LAKE PARK	CR	\$500,000	NEW BUILDING	8 UNIT BLDG	Y
VERSATILE INVESTMENTS	3316	E	POLLYWOG	WA	\$375,000	NEW BUILDING	6 UNIT APT BLDG	Y
VERSATILE INVESTMENTS	3368	S	LILY PAD	LA	\$500,000	NEW BUILDING	8 UNIT APT BLDG	Y
VERSATILE INVESTMENTS	3200	E	POLLYWOG	WA	\$375,000	NEW BUILDING	MULTI-FMLY APT BLDG	Y
VERSATILE INVESTMENTS	3222	E	POLLYWOG	WA	\$375,000	NEW BUILDING	MULTIFMLY/ATT GAR	Y
VERSATILE INVESTMENTS	3244	E	POLLYWOG	WA	\$375,000	NEW BUILDING	MULTIFMLY/GARAGE	Y
TOMASZEWSKI	2906	E	NEWBERRY	ST	\$120,000	REMODEL INT	RESTORATION/ALTERAT	Y
KWIK TRIP INC	306	N	RICHMOND	ST	\$500,000	REMODEL INT	ADDN & INT RMDL	Y

OWNER	ADDRESS				ESTIMATED COST	REASON	DESCRIPTION	TAXABLE STATUS
KWIK TRIP INC	730	E	WISCONSIN	AV	\$500,000	ADDITION	ADDN & INT RMDL	Y
TEMMER PROPERTIES LLC	0	W	CAPITOL	DR	\$200,000	NEW BUILDING	COMMERCIAL	Y
TRAIL'S EDGE	4314	N	LIGHTNING	DR	\$724,730	NEW BUILDING	12 UNIT APT BLDG	Y
TRAIL'S EDGE	4316	N	LIGHTNING	DR	\$724,730	NEW BUILDING	12 UNIT APT BLDG	Y
TRAIL'S EDGE	4318	N	LIGHTNING	DR	\$724,730	NEW BUILDING	12 UNIT APT BLDG	Y
TRAIL'S EDGE	4320	N	LIGHTNING	DR	\$724,730	NEW BUILDING	12 UNIT APT BLDG	Y
TRAIL'S EDGE	4322	N	LIGHTNING	DR	\$724,730	NEW BUILDING	12 UNIT APT BLDG	Y
TRAIL'S EDGE	4324	N	LIGHTNING	DR	\$724,730	NEW BUILDING	12 UNIT APT BLDG	Y
TRAIL'S EDGE	4326	N	LIGHTNING	DR	\$724,730	NEW BUILDING	12 UNIT APT BLDG	Y
VALLEY FAIR	445	W	CALUMET	ST	\$550,198	REMODEL INT	TENANT BUILDOUT	Y
CALUMET VILLAGE	1919	E	CALUMET	ST	\$310,000	REMODEL INT	2 TENANTS BUILDOUTS	Y
PLANK ROAD APARTMENTS	2032	E	PLANK	RD	\$470,000	NEW BUILDING	12 UNIT APT BLDG	Y
PLANK ROAD APARTMENTS	2032	E	PLANK	RD	\$470,000	NEW BUILDING	12 UNIT APT BLDG	Y
PLANK ROAD APARTMENTS	2032	E	PLANK	RD	\$470,000	NEW BUILDING	12 UNIT APT BLDG	Y
PLANK ROAD APARTMENTS	2032	E	PLANK	RD	\$470,000	NEW BUILDING	12 UNIT APT BLDG	Y
PLANK ROAD APARTMENTS	2032	E	PLANK	RD	\$470,000	NEW BUILDING	12 UNIT APT BLDG	Y
PLANK ROAD APARTMENTS	2032	E	PLANK	RD	\$470,000	NEW BUILDING	12 UNIT APT BLDG	Y
PLANK ROAD APARTMENTS	2032	E	PLANK	RD	\$470,000	NEW BUILDING	12 UNIT APT BLDG	Y
ROMENESKO DEVELOPMENTS	2361	E	PLANK	CI	\$300,000	NEW BUILDING	4 UNIT CONDO	Y
ROMENESKO DEVELOPMENTS	2362	E	PLANK	CI	\$300,000	NEW BUILDING	4 UNIT CONDO	Y
KKMD PROPERTIES LLC	3300	S	ONEIDA	ST	\$180,000	REMODEL INT	REMODELING	Y
MCGLONE PROPERTIES LLC	2500	S	KENSINGTON	DR	\$2,500,000	NEW BUILDING	NEW BLDG	Y
CALUMET CENTER LLC	3525	E	CALUMET	ST	\$168,000	REMODEL INT	INT RMDL	Y
THRIVENT FINANCIAL	4321	N	BALLARD	RD	\$113,450	REMODEL INT	RESTROOM REMODELING	EXEMPT
THRIVENT FINANCIAL	4321	N	BALLARD	RD	\$105,000	REMODEL INT	COMMERCIAL	EXEMPT
YMCA OF APPLETON	218	E	LAWRENCE	ST	\$1,400,000	REMODEL INT	INT RMDL/EXT ADDN	EXEMPT

OWNER	ADDRESS				ESTIMATED COST	REASON	DESCRIPTION	TAXABLE STATUS
ST FRANCIS XAVIER	1600	W	PROSPECT	AV	\$585,000	ADDITION	ADDN/RMDL	EXEMPT
ST ELIZABETH HOSPITAL	1506	S	ONEIDA	ST	\$1,601,000	REMODEL INT	INT RMDL	EXEMPT
LAWRENCE UNIV OF WISC	212	S	DURKEE	ST	\$3,700,000	REMODEL INT	RESIDENCE HALL	EXEMPT
LAWRENCE UNIV OF WISC	1201	E	BANTA	CT	\$1,100,000	REMODEL INT	RESTROOM & LOCKERRM	EXEMPT
RIVERVIEW GARDENS INC	1101	S	ONEIDA	ST	\$113,919	ADDITION	GREENHOUSE	EXEMPT
ST PAUL EVANGELICAL	225	E	HARRIS	ST	\$1,404,640	ADDITION	ADDN & INT RMDL	EXEMPT
E VANSTROM ENTERPRISES	1610	W	WISCONSIN	AV	\$150,000	NEW BUILDING	SUPPORT STRUCTURE	EXEMPT
APPLETON MEDICAL	900	E	GRANT	ST	\$334,000	REMODEL INT	INT RMDL	EXEMPT
APPLETON MEDICAL	900	E	GRANT	ST	\$250,000	REMODEL INT	COMMERCIAL	EXEMPT

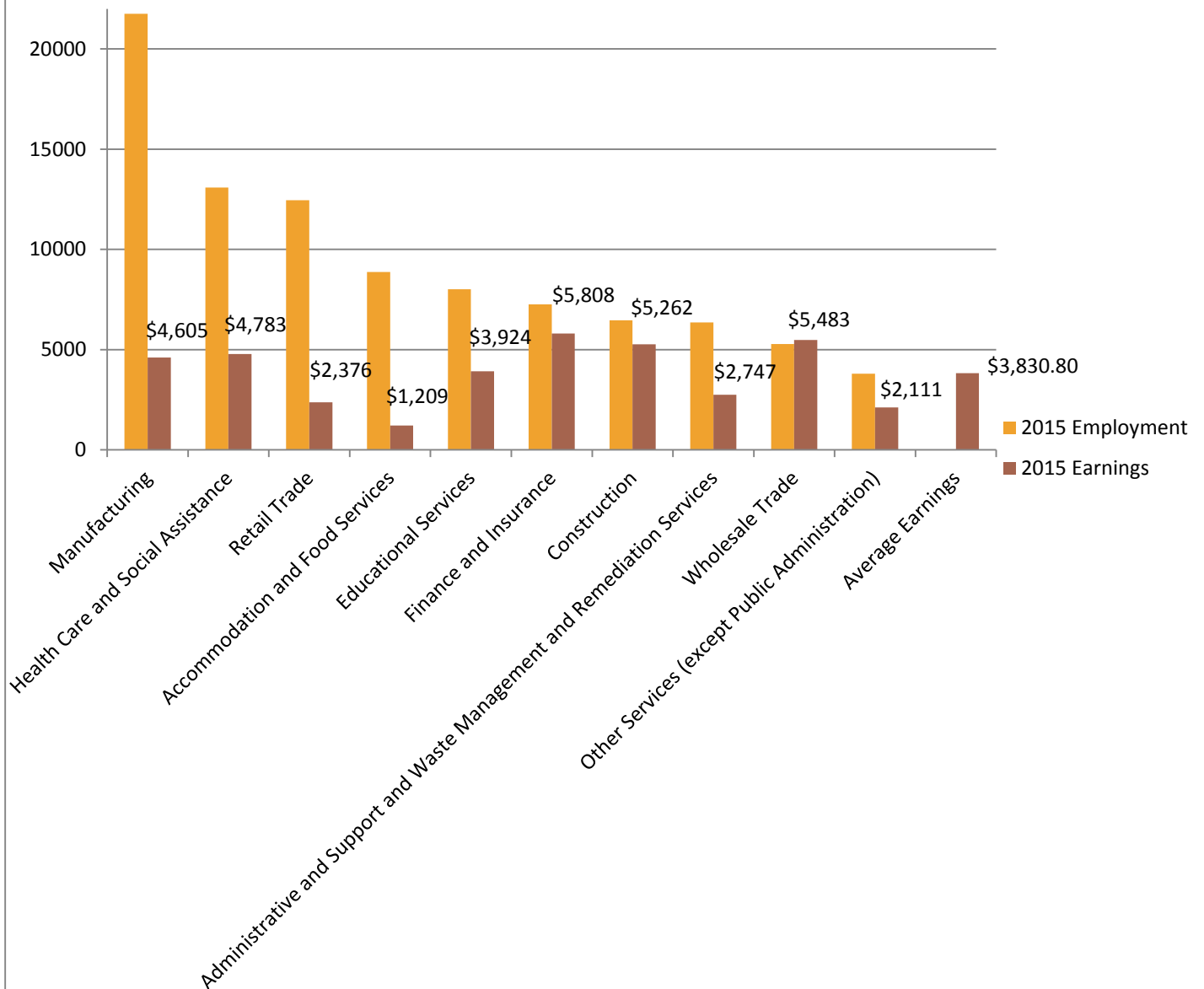
INCOME

The median household income in the City of Appleton increased slightly this year according to the U.S. Census Bureau, American Fact Finder data. The 2014 median household income in Appleton was \$53,183; the median household income for 2015 was \$53,439, which compares favorably to the median household income of \$52,738 for the State of Wisconsin and is very close to the US average of \$53,482.

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 2015 (monthly earnings included in chart).

2015 Average Quarterly Employment and Income



Source: US Census Bureau – Local Employment Dynamics

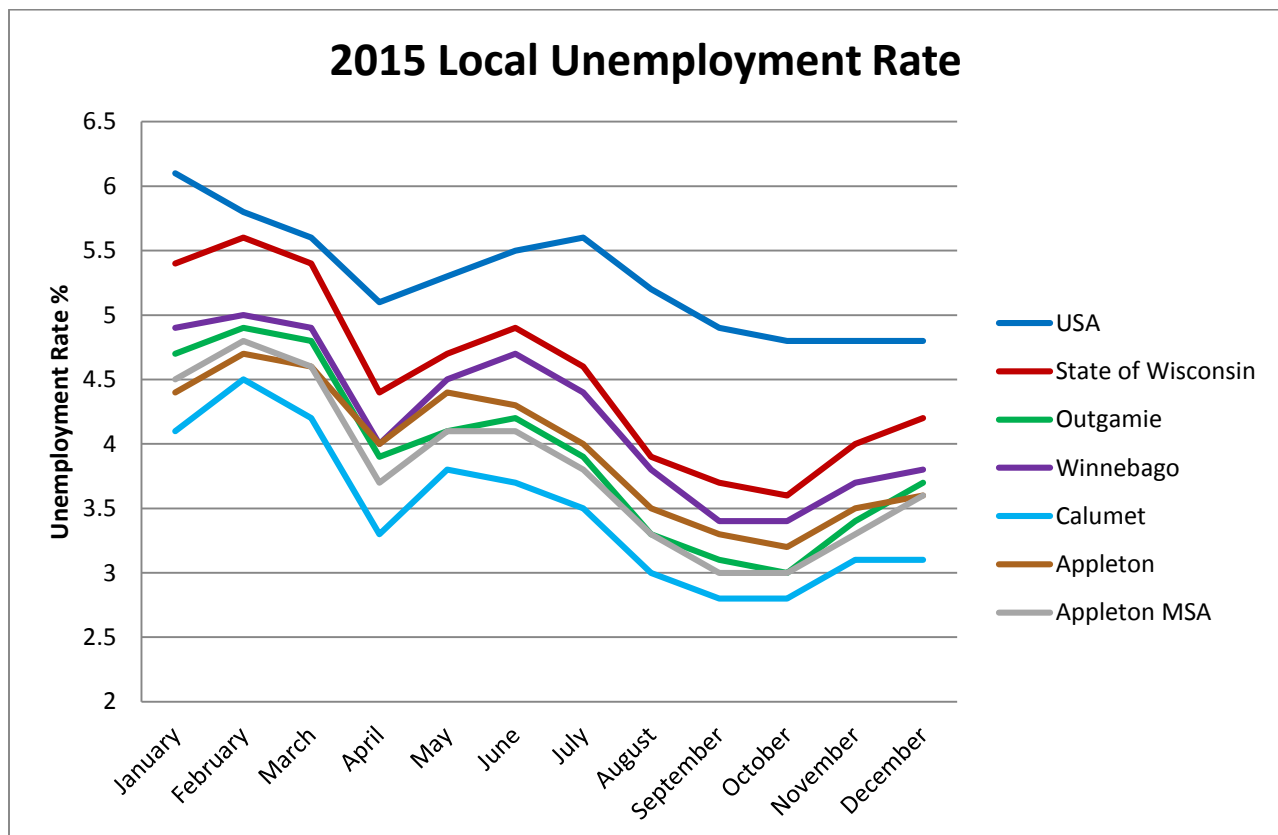
Manufacturing shows the highest quarterly employment followed by Healthcare and Social Assistance. Both categories provide monthly income above the City's average. Which remains unchanged from last year.

It is important to take into account the average monthly wages the leading employment sectors in the Appleton MSA produce. Looking at the stable and emerging industry clusters (manufacturing,

healthcare and social assistance) here in the Appleton MSA, you can see the average monthly income is higher than other sectors, ranging from \$4,605 - 4,783 per position. As a reference point, the Department of Housing and Urban Development (HUD) considers a monthly income of \$5,025.00 or less to be low income for a family of four in the Appleton MSA compared to \$4,745.83 in 2014. 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.

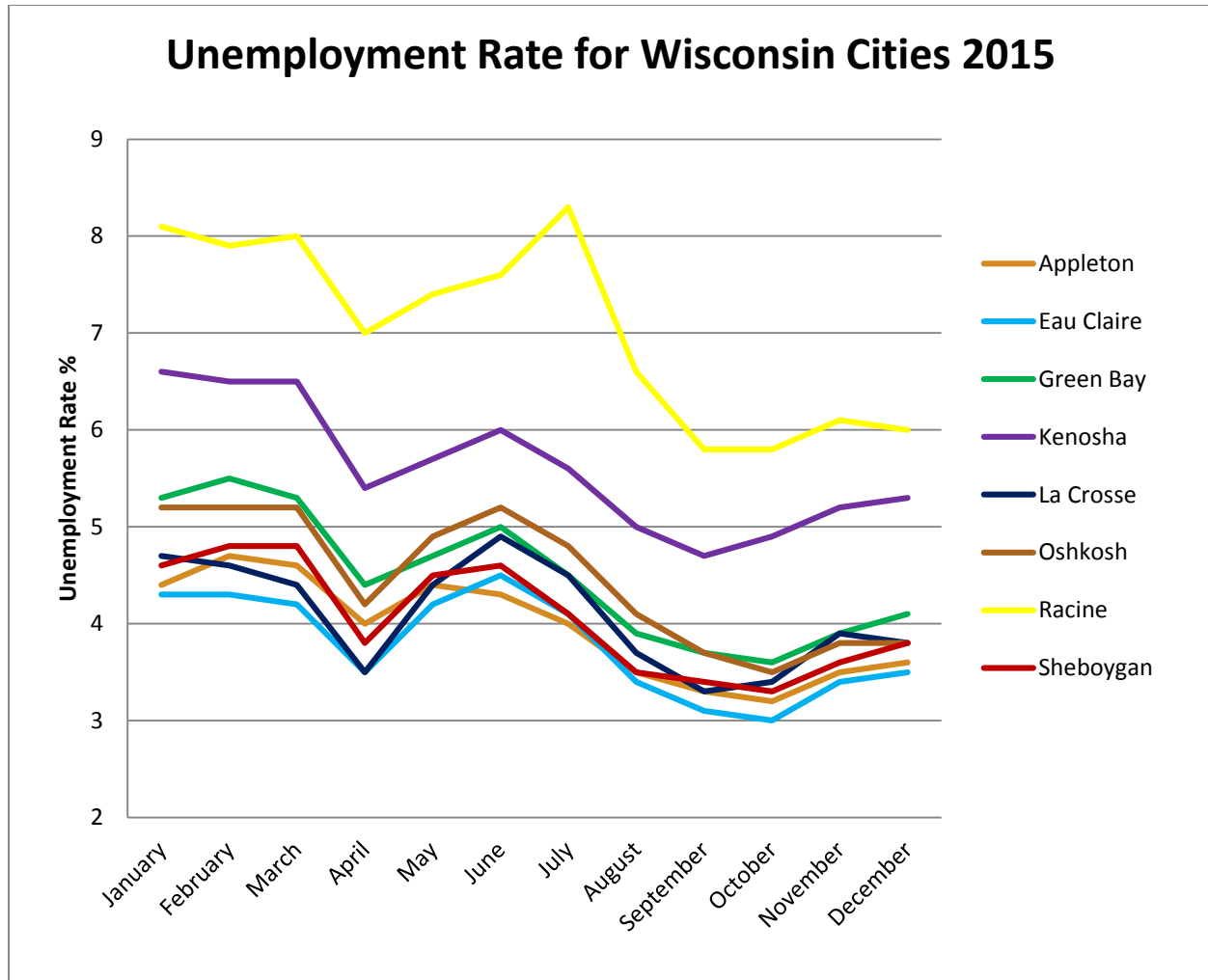
UNEMPLOYMENT

The City of Appleton has experienced a steady decline in its unemployment rate over the last year. The City started 2015 at 4.4% unemployment and concluded the year at 3.6%. The average 2015 unemployment rate for Appleton was 4.0%. 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. It is important to note 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

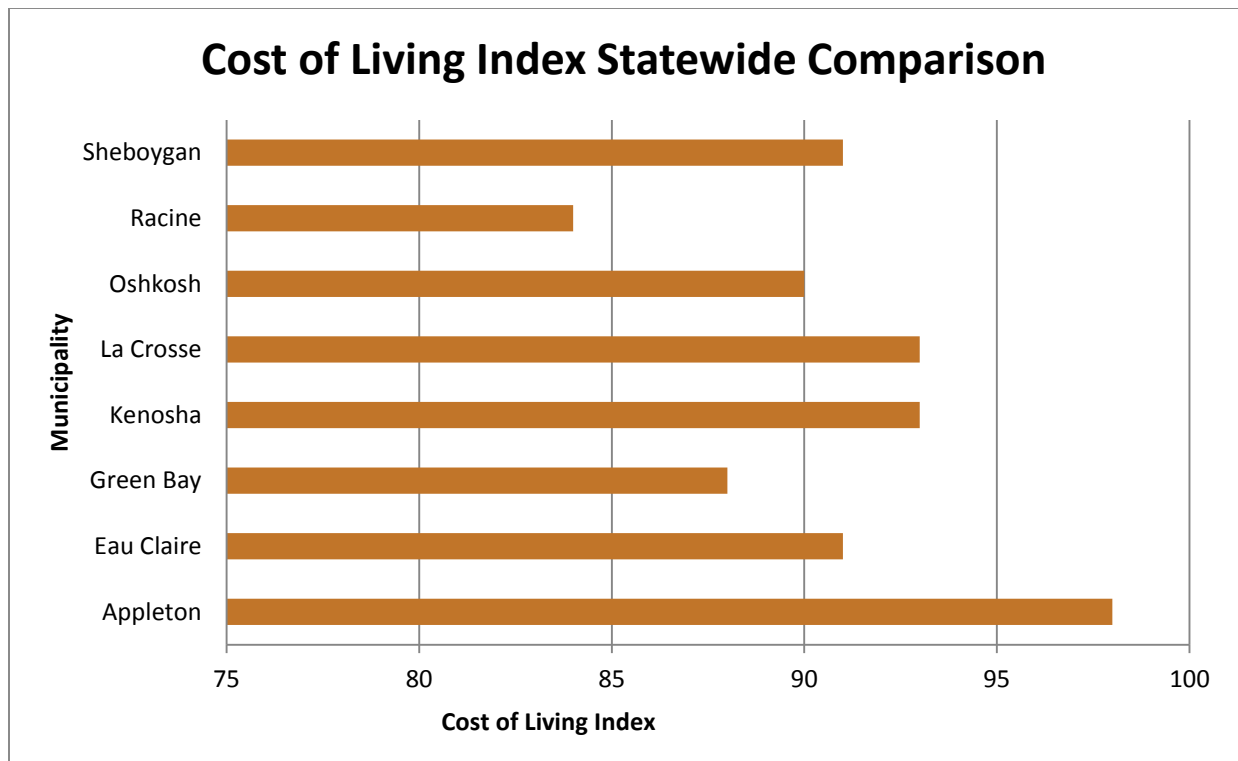
The following chart shows the unemployment rate of the medium size cities in the State of Wisconsin. The City of Eau Claire saw the lowest unemployment rate of 3.8%, while the City of Racine had the highest unemployment rate with 7.1%. The City of Appleton has the second lowest unemployment rate in 2015, ending the year at 4.0%. This trend will be important to watch as there are many employers looking to hire in the Appleton area. To maintain competitiveness, availability of skilled workers is crucial.



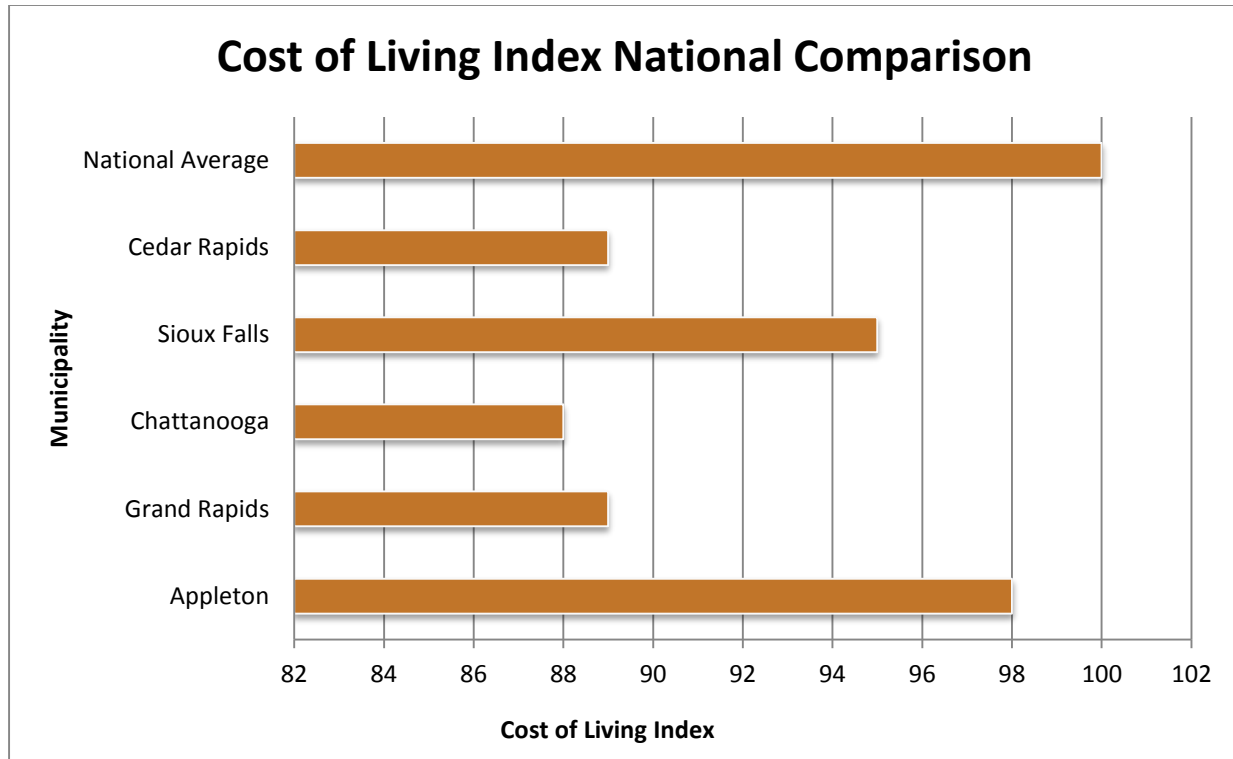
Source: State of Wisconsin Department of Workforce Development

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 that are evaluated for each index is included below. The City of Appleton has a cost of living index of 98 which is equal to the State of Wisconsin overall and compares favorably to the national average of 100. Appleton's rating of 98 is higher than other comparable communities across the State and Midwest. 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



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 (94.9): The average cost of food and groceries not including restaurants.

Housing (89): The average cost of an area's housing which includes mortgage payments, apartment rents and property taxes.

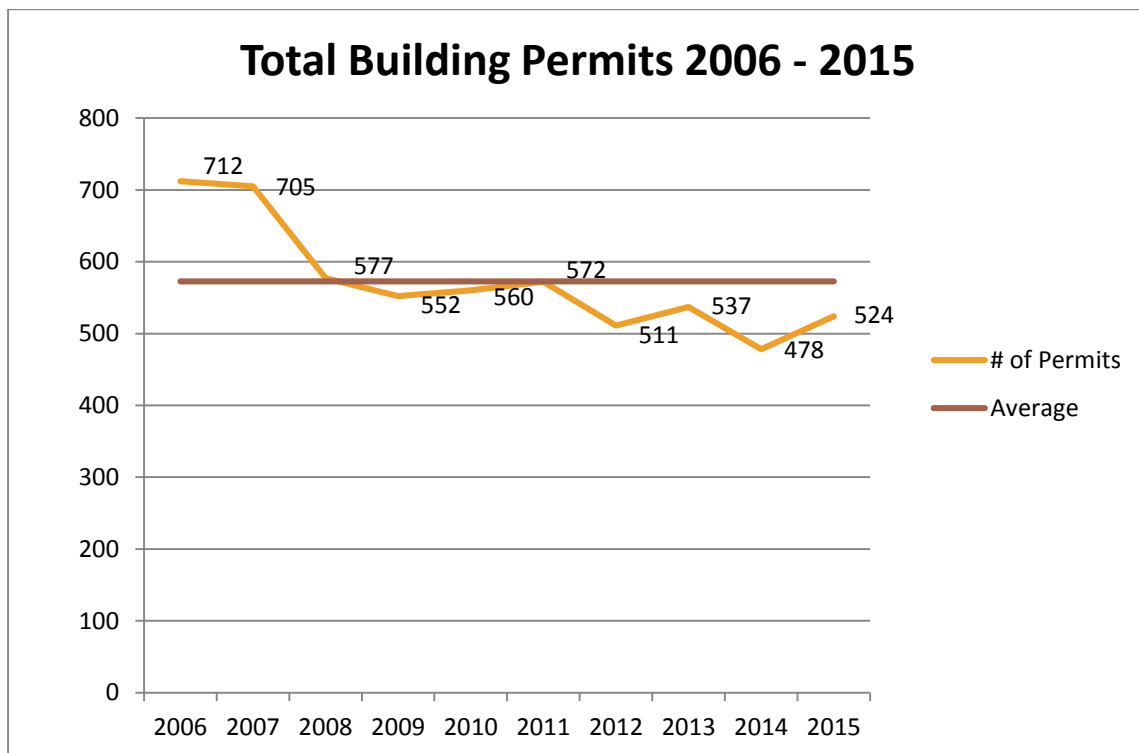
Utilities (111): The average cost of heating and cooling a typical residence for the area, including electricity and natural gas.

Transportation (101): 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.)

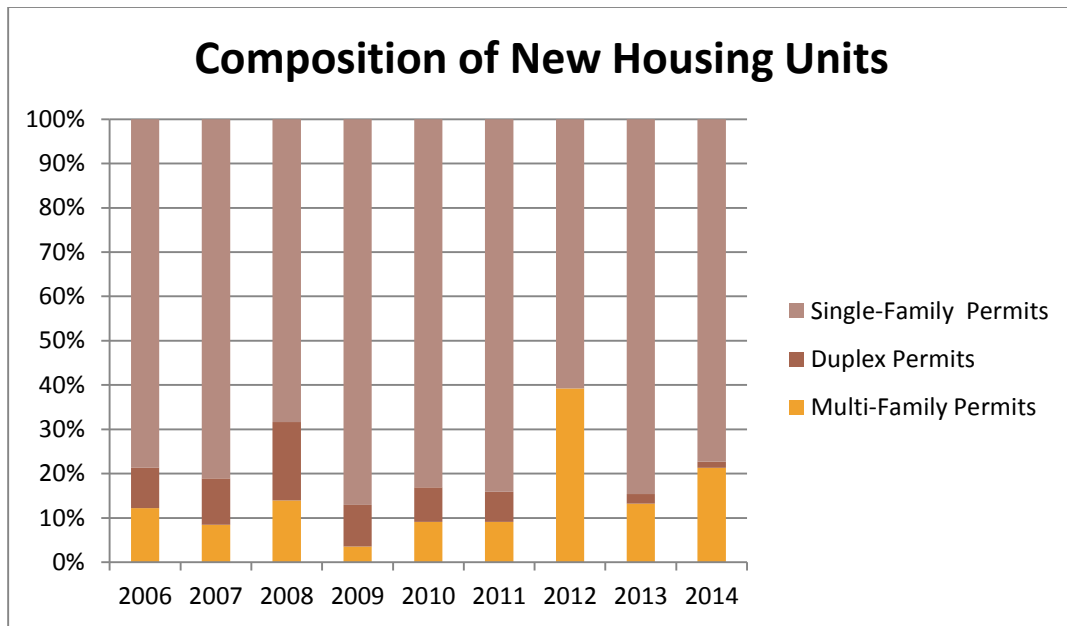
Health (106): The average cost of health care calculated using the standard daily rate for a hospital room and the costs of a doctor's office visit and a dental checkup.

BUILDING PERMIT ACTIVITY

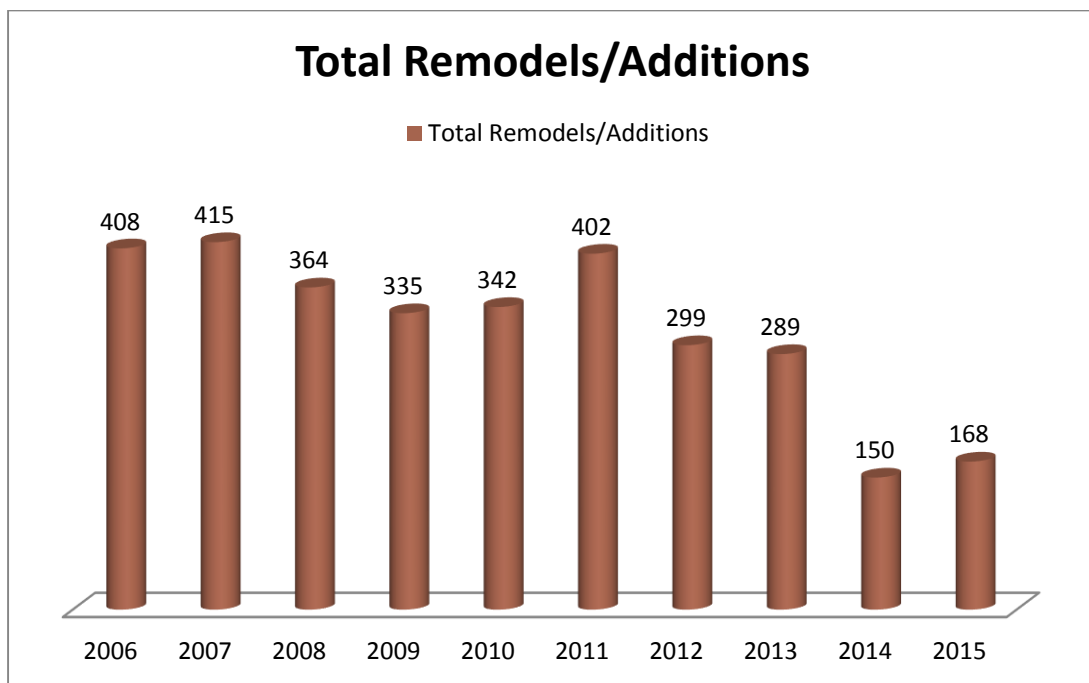
The City of Appleton's building permit activity over the last ten years is shown below. The yearly total number of permits issued ranged from a low of 478 permits in 2014 to a high of 712 permits in 2006. The ten-year average was 573 permits a year. 524 permits were taken out in 2015, a nearly 10% increase from 2014.



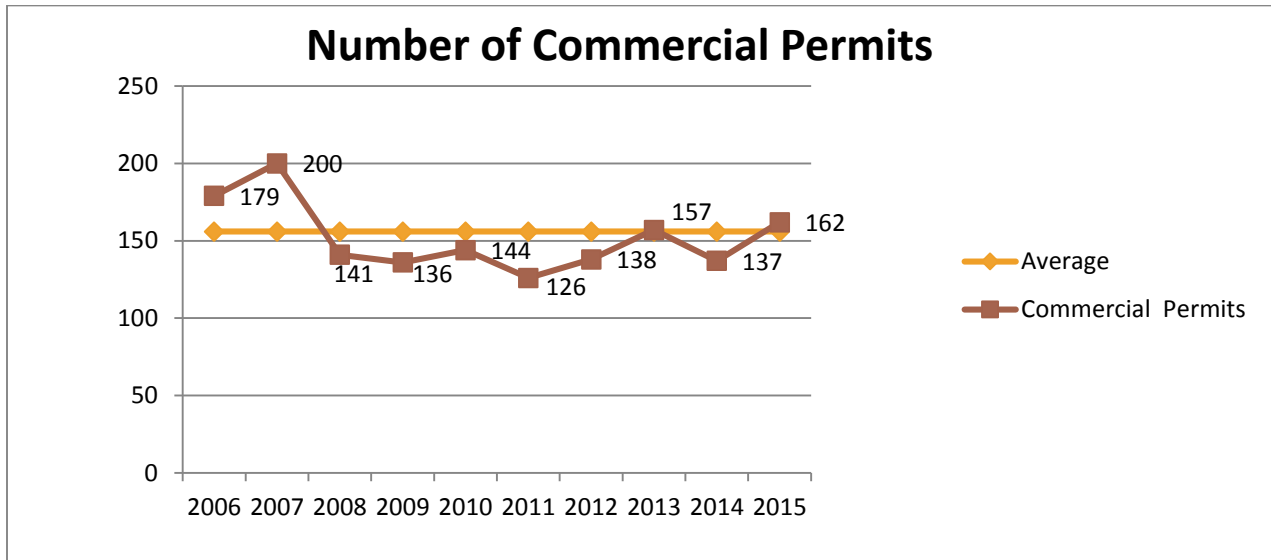
The number of single-family homes constructed annually was identical to 2014 with 58 homes in 2015. The number of multi-family building permits increased from 16 permits to 26 permits in 2015. Total housing unit construction in Appleton also increased in 2015 to 308 units from 198 units in 2014. This is primarily due to the 244 multi-family units brought to market in 2015.



In 2015, there were 168 permits issued for additions and alterations. This is a slight increase from 2014's 150 permits.

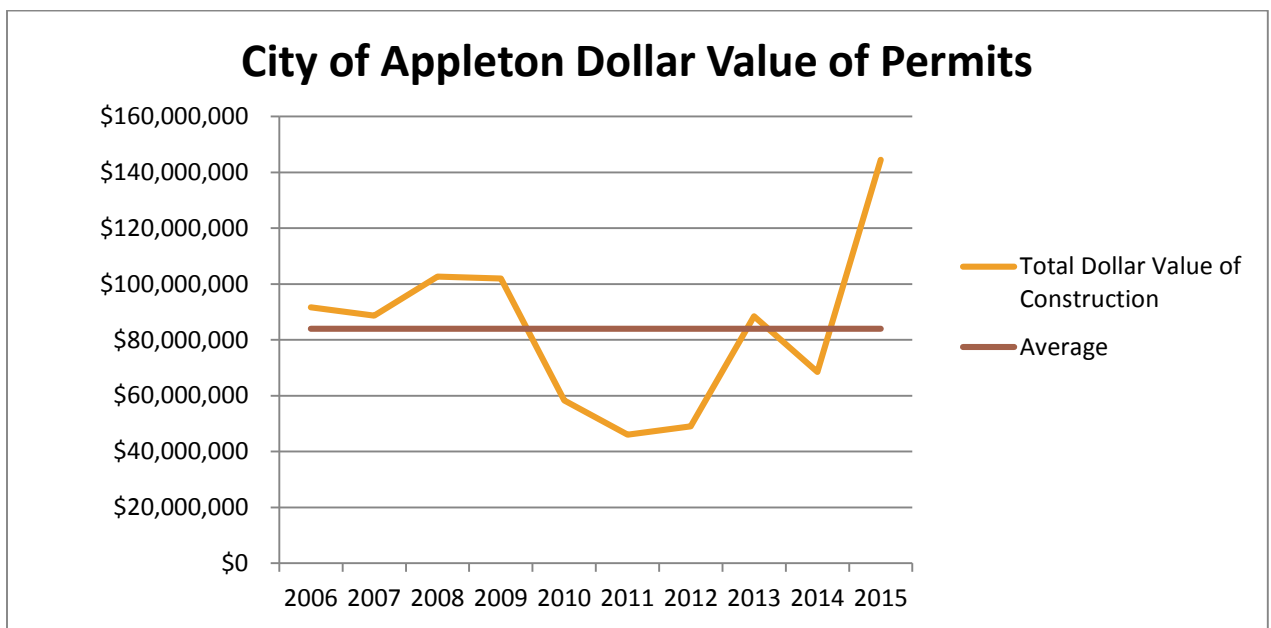


There were 162 commercial building permits issued in the City of Appleton in 2015, which is very close to the ten-year average of 158 and an increase from 2014's 137 permits.

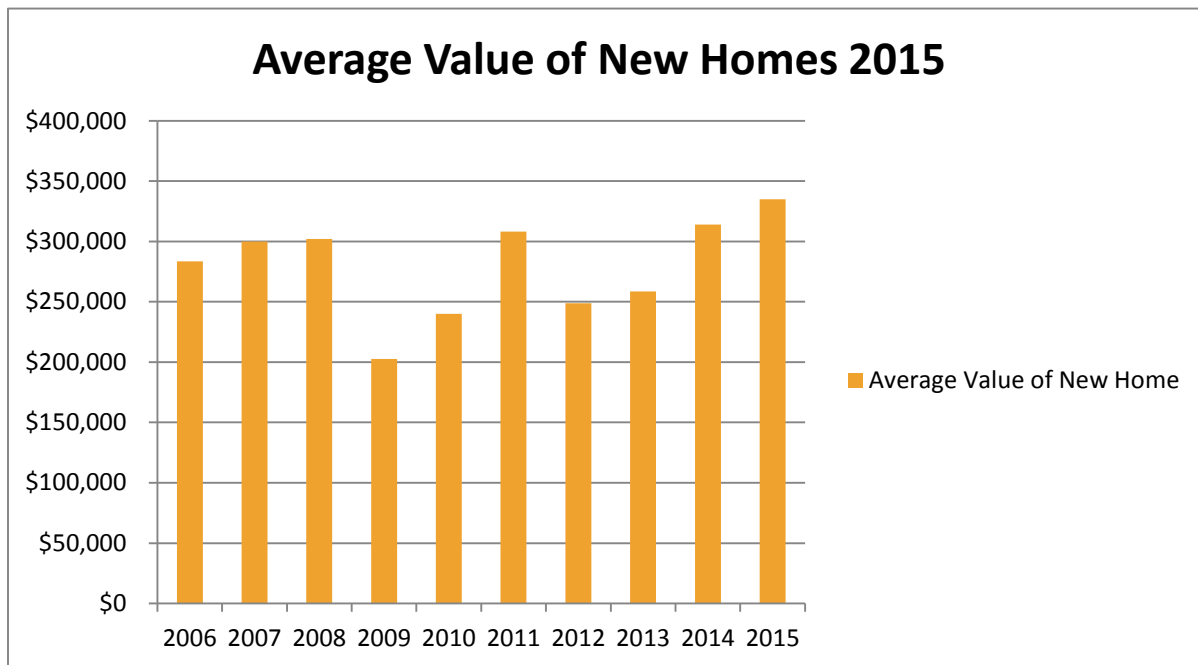


DOLLAR VALUE OF PERMITS

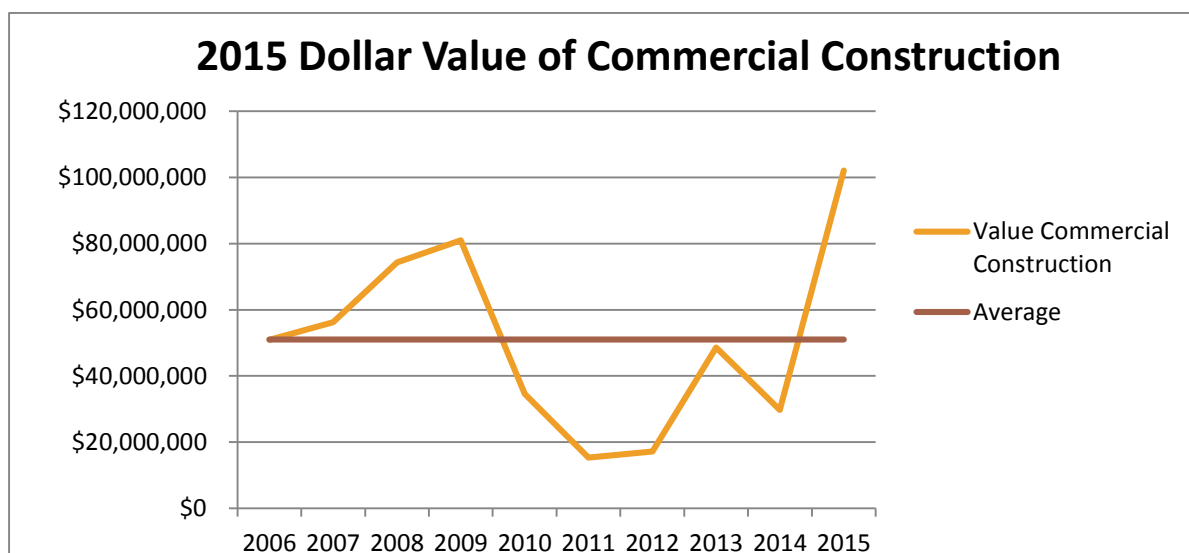
Appleton's total dollar value of construction in 2015 was \$144,450,267, which is an increase of 110% from the 2014 number of \$68,559,764. The total dollar value of all construction in the City of Appleton between 2006 and 2015 ranged from a low of \$46 million in 2011 to a record high of \$144,450,267 in 2015. The ten year average is just under \$84,000,000. A significant contributor to this year's high dollar value of construction is from the commercial segment, broken down in detail later. Details and value of each of these projects is listed in the beginning of this Report in the "2015 Commercial & Multi-Family Permits in Appleton over \$100,000" section.



The number of single family permits held the same at 58 between 2014 and 2015. The total dollar value of single family permits increased to \$19,433,400 from \$18,208,000. 2015 was a record year in terms of average permit value of new home construction at \$335,059. These figures continue the upward trend since the low in 2009 which was \$202,539.



Commercial construction permit values spiked in 2015 to \$102,085,061 from 2014's \$29,704,352 in estimated value. This is a significant increase attributable largely to a few large projects started in 2015 including two cancer centers, an expansion by Neenah Papers and several multi-family projects.



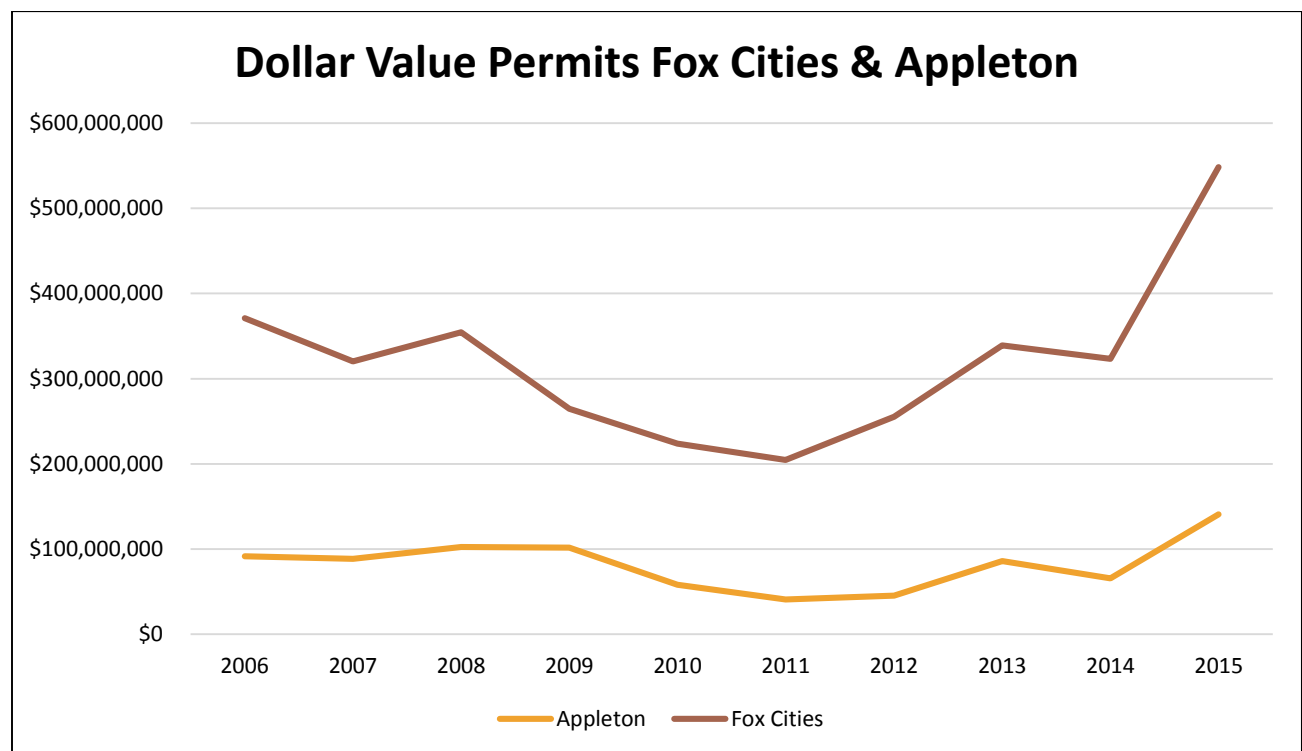
FOX CITIES REGION CONSTRUCTION VALUE

In an effort to compare Appleton to the Fox Cities region, data was collected from 13 municipalities surrounding Appleton and comprising the Fox Cities. These are the Cities of Kaukauna, Menasha and Neenah; Villages of Combined Locks, Kimberly, Hortonville and Little Chute and Towns of Buchanan, Grand Chute, Greenville, Vandenbroek, Menasha and Harrison.

**Note: In 2013, the Town incorporated into the Village of Harrison, these figures include year-end data for both.*

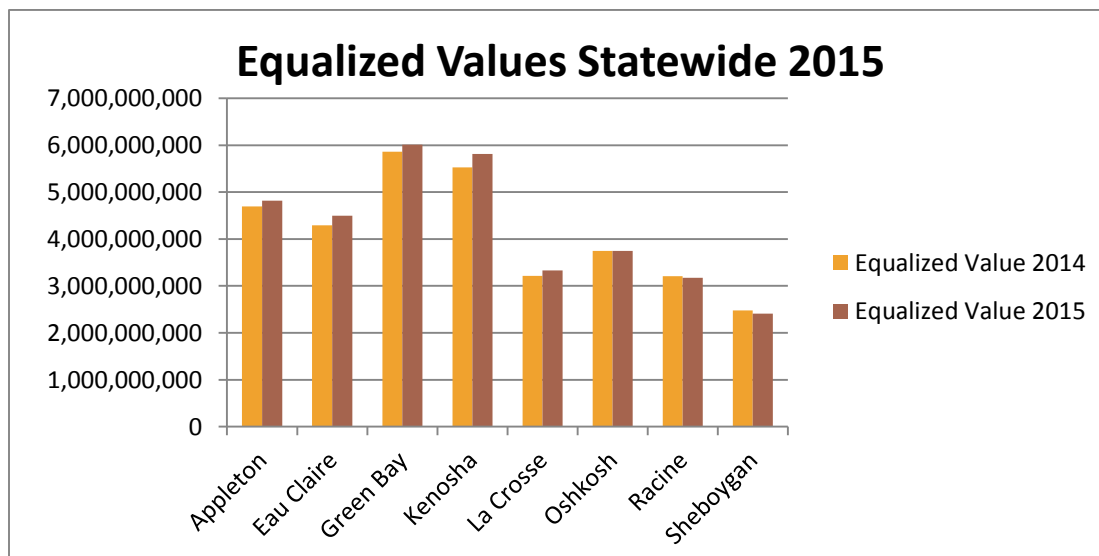
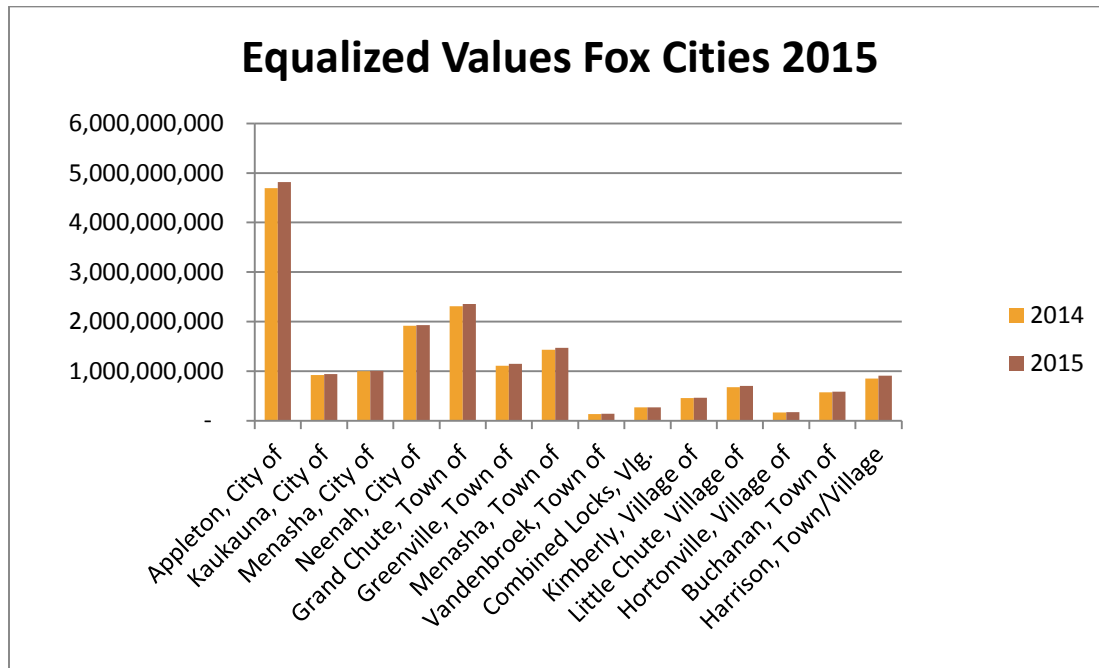
The total dollar value of construction in the Fox Cities increased by nearly 70% in 2015 to \$548,221,676 from \$323,453,005 in 2014. By comparison, Appleton's dollar value of construction increased by approximately 115% over 2015 going from \$65,563,944 in 2014 to \$140,806,509 in 2015.

The City of Appleton comprised \$140,806,509 or 25.7% of the total dollars spent on construction in the Fox Cities in 2015.



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). Appleton experienced an increase in equalized values for the City overall of 2.56%. The following charts compare Appleton's equalized value to the Fox Cities and other midsize cities in the State of Wisconsin.



In addition to equalized values, the following chart captures, more specifically, the City's percentage of net new construction added over the preceding year. Municipalities use the percentage increase of net new construction as a valuation factor in determining the allowable tax levy for the municipality.

MUNICIPALITY	2014	NET NEW CONSTRUCTION	PERCENTAGE INCREASE	PERCENTAGE OF FOX CITIES NET NEW CONSTRUCTION
Appleton, City of	4,696,660,500	51,444,400	1.10%	23%
Kaukauna, City of	922,897,500	15,160,200	1.64%	7%
Menasha, City of	999,088,600	9,469,700	0.95%	4%
Neenah, City of	1,918,342,200	16,329,500	0.85%	7%
Grand Chute, Town of	2,312,053,900	30,995,200	1.34%	14%
Greenville, Town of	1,108,564,100	34,039,300	3.07%	15%
Menasha, Town of	1,434,553,900	7,889,000	0.55%	4%
Vandenbroek, Town of	138,124,900	4,885,000	3.54%	2%
Combined Locks, Vlg.	268,645,800	3,398,700	1.27%	2%
Kimberly, Village of	456,335,200	4,693,400	1.03%	2%
Little Chute, Village of	677,706,100	16,513,700	2.44%	7%
Hortonville, Village of	167,673,900	4,353,900	2.60%	2%
Buchanan, Town of	573,045,300	4,015,500	0.70%	2%
Harrison, Town/Village	852,654,300	17,244,700	2.02%	8%
Fox Cities Total	\$16,526,346,200	220,432,200	13.3%	100%

Despite Appleton representing 29% of the Fox Cities by total equalized value, the City captured 23% of net new construction equalized value. This is due in part to: significant tax exempt development in Appleton, continued strong commercial demand in Grand Chute and significant single family residential development in Grand Chute and Greenville. Going forward, we will track trends in both dollar value of construction as well as net new construction equalized value compared to the City's percentage of total equalized value for the area.

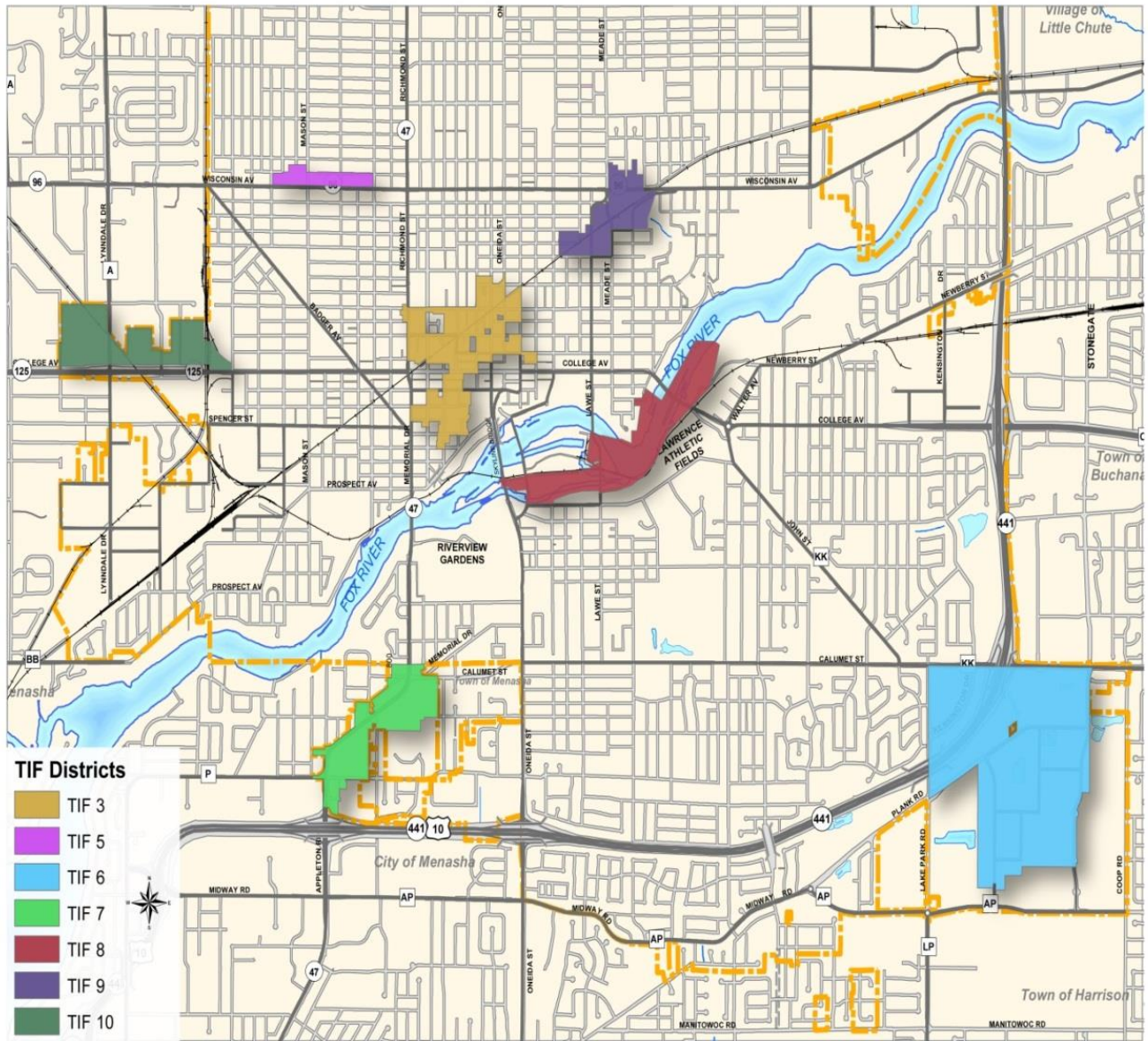
TAX INCREMENTAL DISTRICT

The table below shows the value increase/decrease of Tax Incremental Districts since creation, change during the past year, and an average annualized percentage change. While many districts saw a decrease in value, it should be noted that the 2014 citywide assessment ratio was 101.5%. When adjusted in 2015 to reflect 100%, all districts effectively realized a 1.5% decrease before taking into consideration any projects.

Tax Incremental District Valuations									
TID#	Start	Base Value \$	2014 Value	2015 Value	Total Increment	2014-2015 Increment	% Change in 2014-2015 Value	Avg % Annual Change since start	% Change in Total Value since start
TID3	1993	18,940,800	58,900,600	57,585,800	38,645,000	(1,314,800)	-2.23%	9.72%	204.03%
TID6	2000	12,141,600	102,700,900	100,497,400	88,355,800	(2,203,500)	-2.15%	51.98%	727.71%
TID7	2007	25,657,000	37,882,400	37,580,400	11,923,400	(302,000)	-0.80%	6.64%	46.47%
TID8	2009	6,135,100	16,029,100	17,187,200	11,052,100	1,158,100	7.22%	36.03%	180.15%
TID9	2013	21,512,900	22,809,600	22,901,700	1,388,800	92,100	0.40%	6.46%	6.46%
TID 10	2013	24,543,900	25,936,200	25,045,600	501,700	(890,600)	-3.43%	2.04%	2.04%
Total		108,931,300	264,258,800	260,798,100	151,866,800	(3,460,700)	-1.31%		139.42%
			2014 City Value \$	2015 City Value \$	Change in Value \$ 2014-2015		% Change in 2014-2015 Value		
City			264,258,800	260,798,100	(3,460,700)		-1.31%		

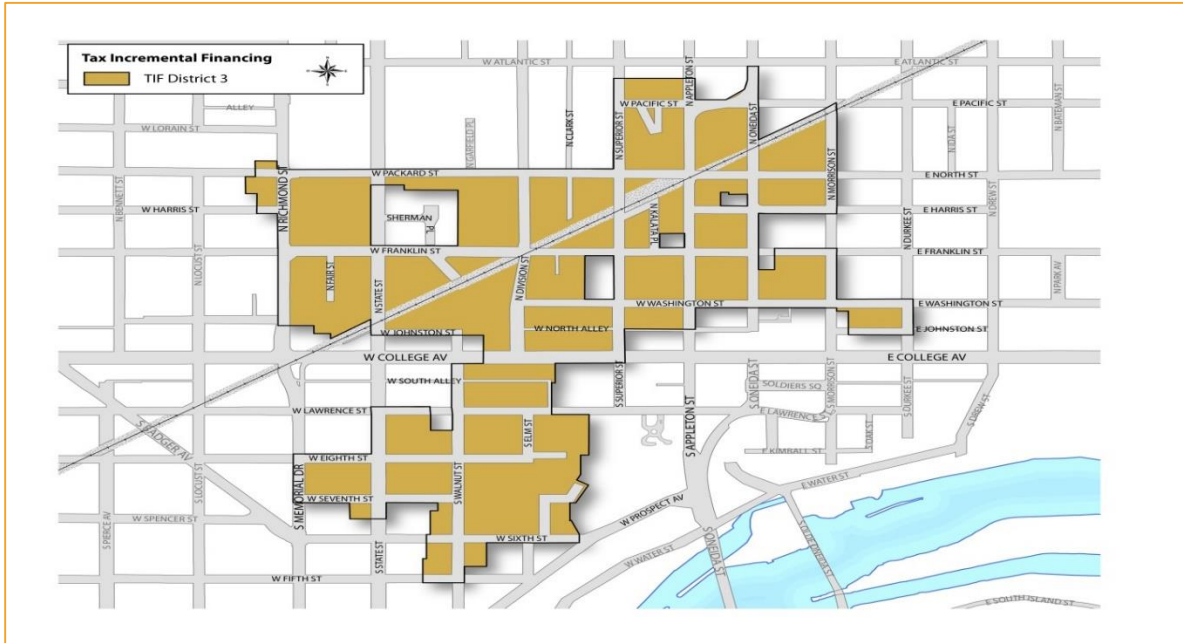
*Note TID #6 & TID #8 Base Value adjusted to include amended area that was added to the district.

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:

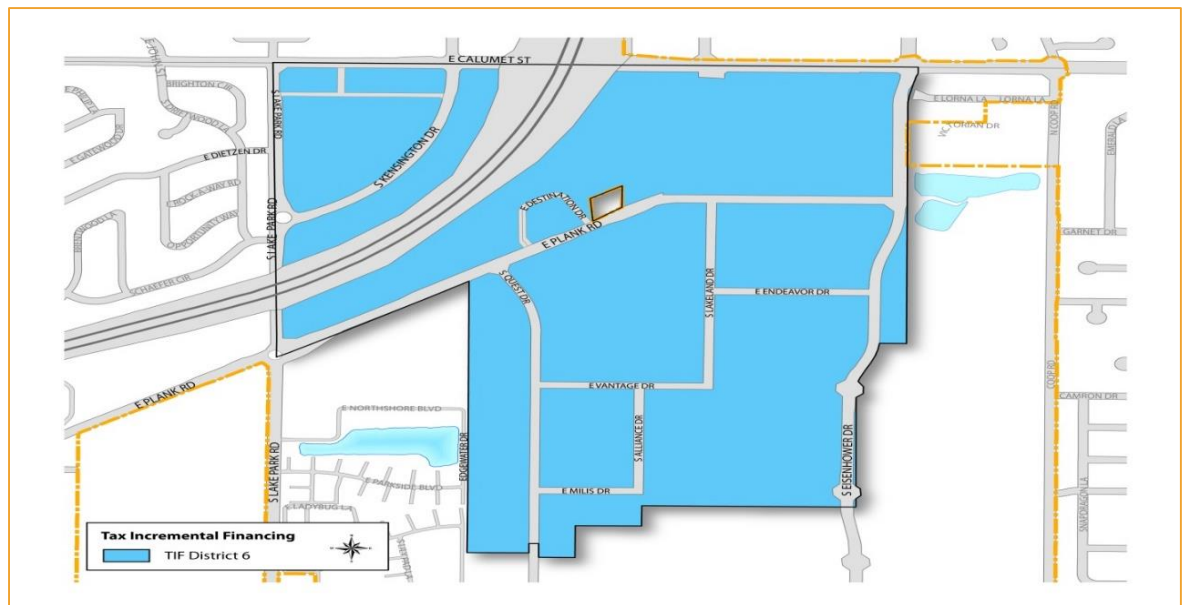


Tax Incremental District Performance

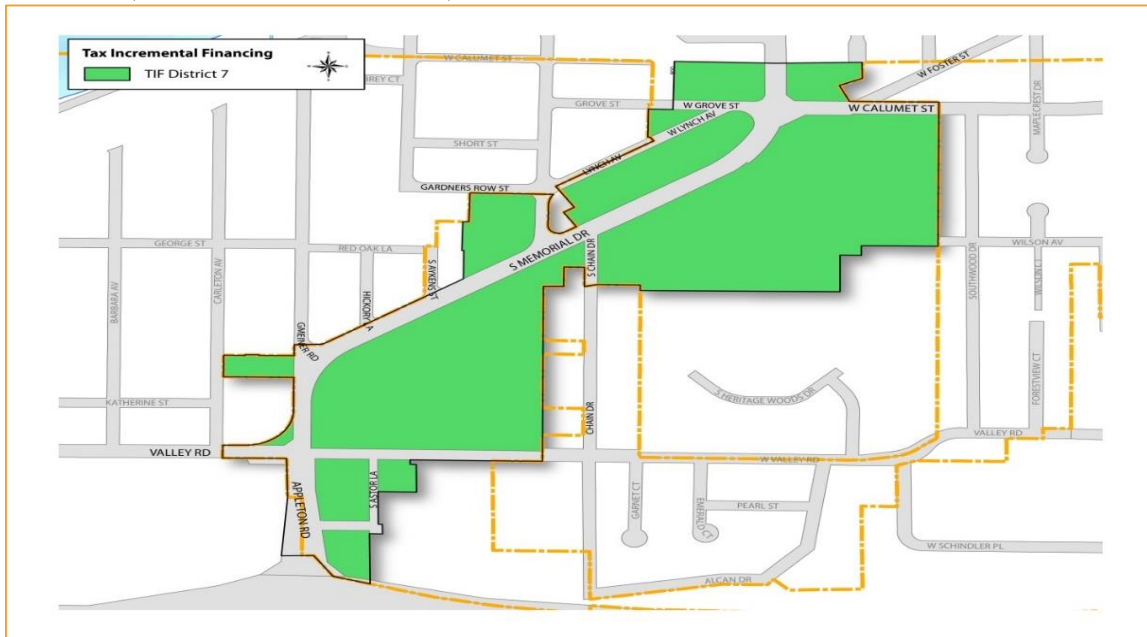
TID #3	Equalized valuations in TID #3 decreased by \$1,314,800 or 2.23%. This is attributable to the Department of Revenue making prior year corrections to equalized values as opposed to any properties coming off the tax rolls or reduction in values/ (Scheduled to close by 2031)
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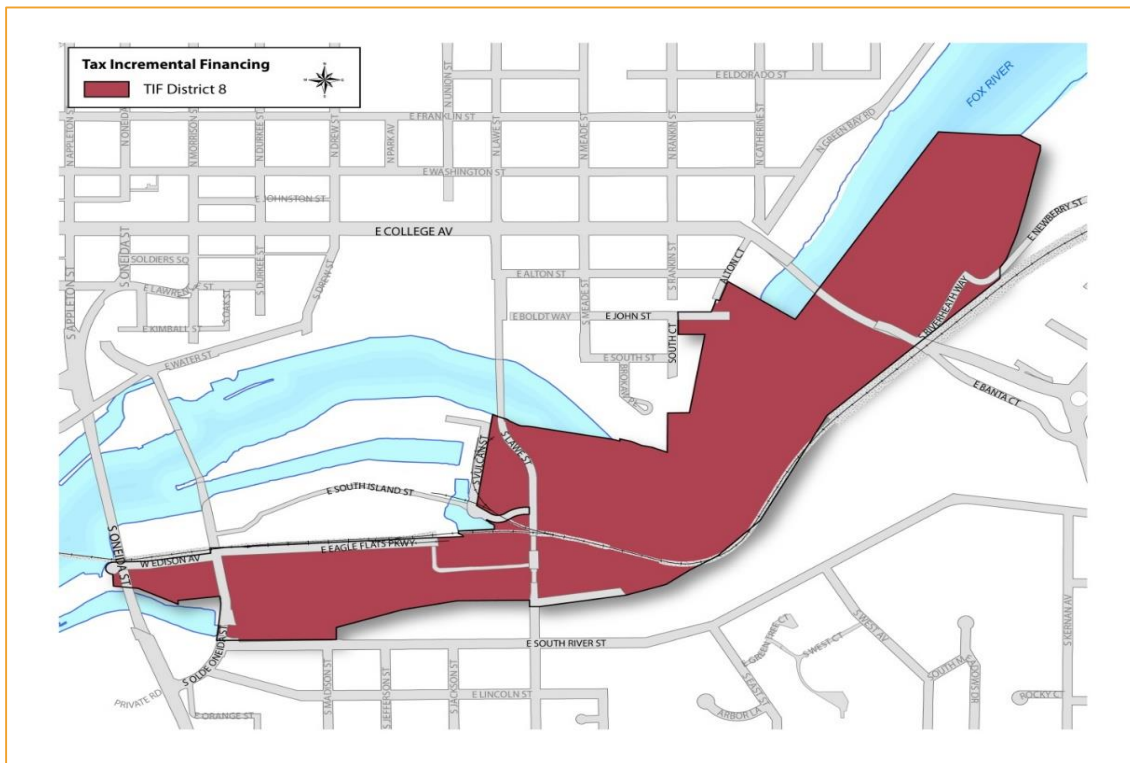
TID #6 Equalized valuations decreased in TID #6 by \$2,203,500 or 2.15%. Much of this reduction is the result of a reduction in value of a commercial property occupied by Best Buy and Office Depot (Scheduled to close 2023)



TID #7 TID #7 saw a decrease in equalized valuation of \$302,000 which is .80%.
(Scheduled to close 2034)



TID #8 In 2014, the equalized value of TID #8 increased by \$1,158,100 or 7.22%. Most of this growth is attributed to both residential condominiums and commercial development in the Riverheath project (Scheduled to close 2036)



TID #9 TID #9 was created in 2013 and saw an increase in value of \$92,100 or .4%. The increase was led primarily by development of the Union Square apartments (Scheduled to close 2039)



TID #10 TID 10, also created in 2013, saw a decrease in value of \$890,600 or 3.43%. In addition to the Department of Revenue changes, the Stock Lumber property realized a reduction in value. (Scheduled to close 2039)



BUSINESS DEVELOPMENT

The City, once again experienced a net gain in new businesses. During 2015, 105 new businesses opened in the city, while 54 closed for a net gain of 51. The following pages highlight the new businesses that opened in Appleton and the businesses that closed or moved in 2015.

New businesses that opened in the City of Appleton:

GOSIA'S PHOTOGRAPHY LLC	DURASHIELD GROUP INC
GRAND APPLIANCE INC	4C ENERGY CONTROL SOLUTIONS
AIRGAS USA LLC, NORTH DIVISION	HEALTH & WELLNESS FAMILY CARE
ALWAYS IN MOTION TRUCKING LLC	KWIK TRIP INC #200
AVELLA'S LAWN CARE SERVICES LLC	LAURIE MARIE PHOTOGRAPHY LLC
ASHTON MOVING LLC	LIFE'S JOURNEY COUNSELING LLC
BASKIN-ROBBINS	MCHUGH FAMILY INSURANCE AGENCY
BON APPETIT MGMT COMPANY	BOOST MOBILE
CAFE DEBE	NEW DERMATOLOGY GROUP LTD, THE
CENTURY OAKS ON BALLARD LLC	PHARMA-SMART INTERNATIONAL INC
CERTIFIED REFRIGERATION &	RECOVERY INN, THE
ROMENESKO REALTY, VERNON	FIRST NATIONAL BANK FOX VALLEY
THEDACARE LIFESTYLE 180 SODEX	GECKOSUS INC
US BANK NATIONAL ASSOCIATION	NUTRITIONAL HEALING LLC
WELL WITHIN CHIROPRACTIC	PEERLESS DESIGN STUDIO LLC
ACCELEARNING	PSYCHIC GALLERY
APPLETON ROCK SCHOOL LLC	RECKERS LLC
RYDER LEGAL GROUP	SIDE QUEST GAMING LLC
CBS SQUARED INC	STUDIO 45 FASHION & BEAUTY
CM PC LLC	VORPAHL FURNITURE INC
DEPAWSITORY PET BOUTIQUE	MARITIME BAR
GREEN 3	SONGS CUISINE LLC
HMONG ENTERPRISES	ANNIE-TIME NAILS & SPA
INSPIRE SPA	CHERRY CREEK MORTGAGE
JK GRAPHIC PRINTING & DESIGN	DEPENDABLE AUTO SALES
KATE	ESCAPE ROOM WISCONSIN
MOTTO INC	HAIRS & HIS BY CASSIE
PSYCHOLOGIE CLINIQUE SC	KOSS REAL PROPERTY
SETH'S COFFEE LLC	MOR'S ALTERATIONS LLC
SHEAR CHAOS BARBERING CO	MOVICA SALON LLC
SOMA CORPORATION	NIELSEN COMPANY(US) LLC, THE
STELLPFLUG LAW SC	PHENG HOUA DAILY FOOD SERVICE
WHITE RAVEN AUDIO	PINNACLE THERAPY SOLUTIONS LLC
WINDSTREAM COMMUNICATIONS INC	CHOPSTIX
TUSLER LAW LLC	ED'S BOAT SALES OUTDOOR SUPER
WHIMSICAL CHARM LLC	PHARMA-SMART INTERNATIONAL INC

NAYELI'S CLEANING, CARPET &	SECURA INSURANCE COMPANY
ABSOLUTE WELLNESS LLC	SMART CHOICE MRI LLC
MOTOMART	CRUNCH FITNESS
BIRDDOG OUTFITTERS LLC	DEWITT, SCOTT
DANAE HERRMANN PHOTOGRAPHY	ESCAPE SALON STUDIOS
FAST RACK EQUIPMENT LLC	NEWSTYLE SALONS - SALON MANAG-
FACTOTUM USA LLC	R & L AUTOCARE
JULIE JILEK ART	ROYAL SPA ASIAN MASSAGE
MR BREWS TAPHOUSE	YE OLD GOAT
LIFE'S A STITCH	ZOOM ROOM
TRANSCENDENT TECHNOLOGIES LLC	JACKSON HEWITT TAX SERVICE
TWISTED ROOTS LLC	MOM AND POP'S BAKERY LLC
YOGA LOFT	CAPITAL CREDIT UNION
YANG'S CAFE LLC	CARTRIDGE WORLD
LINDO MICHOACAN MEXICAN	
TIFFAN'S BRIDAL & CONSIGNMENT	
AHAVA SALON AND SPA LLC	
APPLE VALLEY CONCRETE & CON-	
BOOST MOBILE	

Businesses that closed or moved out of the City of Appleton:

VALLEY MARTIAL ARTS LTD	GRANARY BULK FOODS LLC, THE
RIVERSIDE FLORIST INC	JOYERIA Y ARREGLOS MIZUKY
ABSOLUTE PLASTERING LLC	R E COMMERCIAL LLC
BILL-RAY HOME MOBILITY LLC	RELEASE U MASSAGE THERAPY
CONFUCIOUS	BATTERY HUB INC
FORSTER MASONRY INC	KNIGHT JEWELERS II LLC
FOX VALLEY HEMATOLOGY	SIMPLICITY BY KATIE
LUKE, JOHN PHOTOGRAPHY	A-TOWN THRIFT LLC
OSTEOPATHIC MEDICINE & PHYSIC	ELECTRIC IMAGES TATTOO
STAMPED OUT LLC	JAM OF APPLETON INC
TANNING ON THE EDGE	MATTRESS PLUS LLC
WELHOUSE & ASSOCIATES INC	SCHERER MD, MARK J
AIRADIGM COMMUNICATIONS	VALLEY FAIR 1-2-3-4
CAGED	CHANCES ANIMAL RESCUE INC
FOX CITIES MUSIC	TERIYAKI EXPRESS
CRAFTY CAT LLC, THE	PAC-VAN INC
DRINKS INC	PRECISION TITLE LLC
EVEY ENTERTAINMENT LLC	STEVIE B'S
FOX RIVER WOOD SHOP LLC	
GE EQUIP SMALL TICKET LLC	
GILL & GILL SC	
GREEN GECKO GROCER & DELI	
LA MICHOACANA BAR & GRILL	
PAC-VAN INC	
COLT'S TIMELESS TAVERN	
RECKA & ASSOCIATES LLC	

RUECKL STUDIO INC	
LUNA LOUNGE	
WHITTMAN, WENDAL	
TK ELECTRIC LLC	
BIG SHANGHAI BUFFET	
EYE CANDY INK LLC	
MID VALLEY SCREEN PRINTING	
WINNEBAGOLAND SECURITY S	
A'DORE ON THE AVE LLC	
ECONOMY APPLIANCE SERVICE	

Minority Owned Businesses

Valuing diversity and inclusion in Appleton helps us continue to build an economically vibrant community. Appleton's racial and ethnic minorities make up about fifteen percent of the general city population and twenty-seven percent of our school population. In order to attract and retain our diverse community members, we must have services that meet all needs. Examples include diverse offerings for hair services, food, interpreting services and general business opportunities.

We are happy to report that our Minority Businesses Enterprises (MBEs) are showing growth in our community. In 2015, Appleton identified 8.5% of its businesses as minority owned compared to previous year of 7.63%.

The Diversity Coordinator continues to make contact with MBEs as an essential part of business retention in order to identify barriers faced by MBEs. MBEs make a substantial contribution to the Appleton economy and yet they face unique obstacles and barriers to success. Through effective outreach, our goal is to help these businesses succeed and flourish.

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-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-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 over 1,100 homes in the City of Appleton and generated nearly \$6,000,000 in outstanding loans. The City rehabilitated 23 housing units in 2015 and spent over \$300,000 on home improvement loans. The goal for 2016 is to rehabilitate an additional 24 housing units.

NEIGHBORHOOD PROGRAM

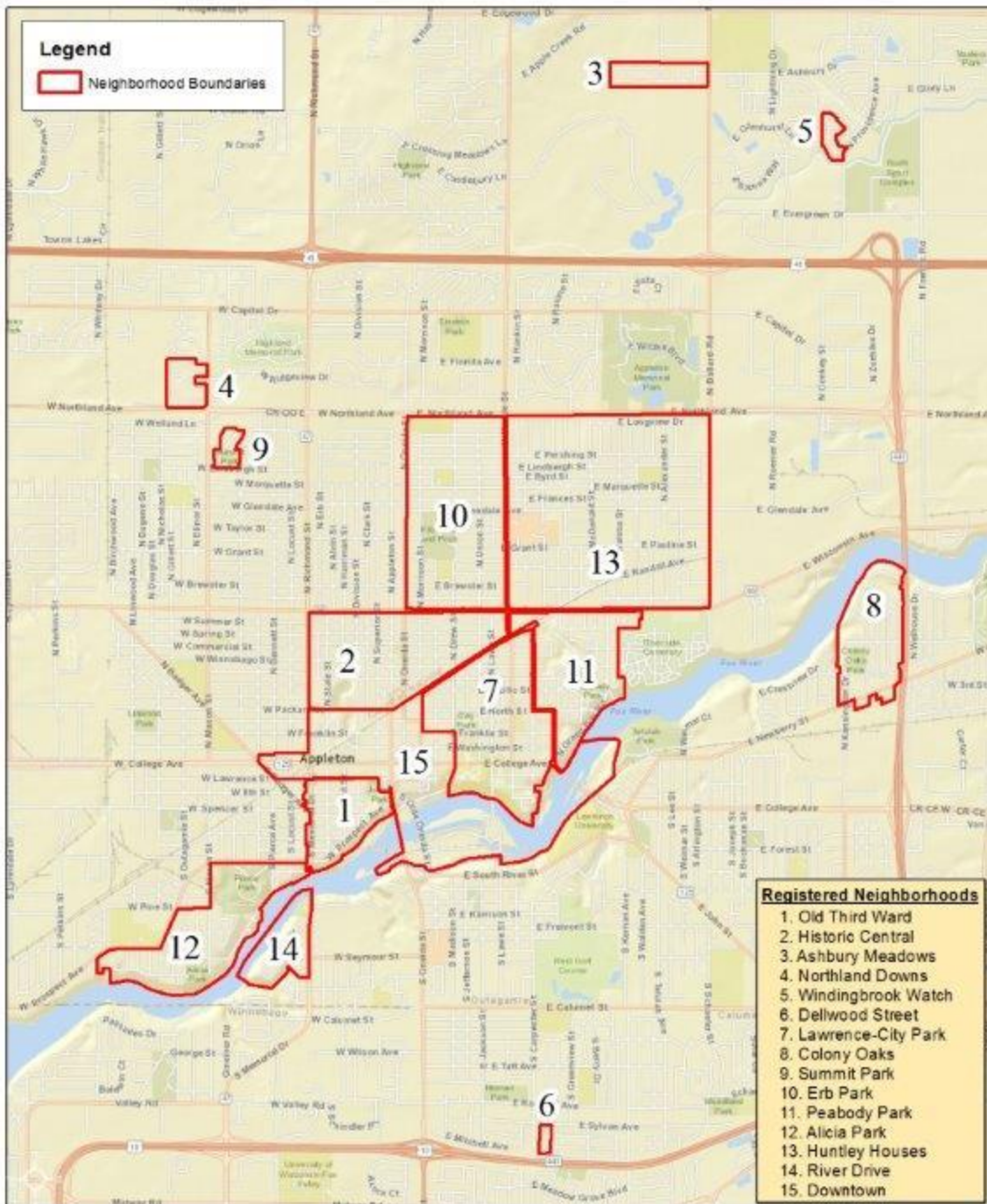
The Neighborhood Program was created in October 2012, with the goal of strengthening Appleton's neighborhoods by building strong bonds, engaging social capital, encouraging investment, and leveraging local resources. Beginning in the summer of 2013, staff developed a program brochure, conducted interviews 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 15 registered neighborhoods throughout the City. Registered neighborhoods are completely or partially located in 12 of the 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, and Peabody Park and Downtown).

One of the missions of the program is to strengthen neighborhoods through educational programs. The City contracted with Sustainable Fox Valley to collaborate on a neighborhood learning series called the Neighborhood Academy in 2013. The Neighborhood Academy is a six-module learning series intended to provide the knowledge and tools for Appleton residents residing in registered neighborhoods to increase their effectiveness as neighborhood leaders. Staff worked with Sustainable Fox Valley to market the program including creating a program brochure. The Neighborhood Academy began in October 2013 and concluded in 2014 with 19 participants representing 10 neighborhoods. 2015 saw the first funded Neighborhood Grant (TNGP) to the Lawrence-City Park neighborhood. Another award was approved to the Huntley Houses Neighborhood. This project is expected to take place in the summer of 2016.

The primary goal of the Neighborhood Program is to increase communication between Appleton's neighborhoods and City Hall. In order for residents to strengthen their neighborhoods, a clear line of communication with the City is important. 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 when a developer or the City is proposing a project which may directly or indirectly impact a registered neighborhood. A map of Registered Neighborhoods is on the following page:



Registered Neighborhoods - February 2016



PROSPECTS FOR GROWTH

1. Northside

- A. The City of Appleton has just under 3 acres of industrial land available in the Northeast Business Park for future development, located south of I-41 along Capitol Drive.
- B. Privately owned land is still available for office developments north of I-41 along Enterprise Avenue and Evergreen Drive and privately owned industrial sites are available south of I-41
- C. The City of Appleton has approximately 232 single-family lots available for sale in established subdivisions, the majority of which are located on the north side. An additional 13 single family lots are anticipated to come available in the Pond View Estates subdivision in 2016. There are several acres of planned single family lots that are currently unplatted as well.
- D. A lift station is being added in 2017 to accommodate growth on the north side.

2. Southside

- A. The Wisconsin Department of Transportation (WisDOT) plans to construct a “Diverging Diamond” intersection at Hwy 441 and South Oneida Street starting in 2020. In addition, the City of Appleton plans to make updates to South Oneida St. between the Oneida Skyline Bridge to Hwy. 441. These improvements will further enhance this area’s attractiveness for commercial development.
- B. 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. 2015 saw increased interest in land in Southpoint. Currently 21 acres are under option for purchase.

3. Downtown/Riverfront

- A. EAGLE FLATS: The developer is pursuing the next phase of the project, which is targeting the addition of residential units, visitors center in partnership with the fox River Navigational Authority and public access at the property east of Lawe Street adjacent to Lock III. In addition, the site immediately west of Lawe Street was prepped for construction in 2015.
- B. RIVERHEATH DEVELOPMENT: Tanesay Development broke ground on a sister building to the Evergreen Building in 2015. When completed, this building will have 40 apartment units and a small amount of first floor commercial space. Just under 9 acres are still available in this development for future projects.

- C. **FORMER FOREMOST DAIRY SITE:** The City took title to the former Foremost Farms USA property located at 935 E. John Street in July of 2011. The site has been remediated, the building demolished and the raceway abandoned to provide a site ready for development. The City rezoned this property on April 13, 2010 to R-3, multifamily residential district. A request for proposals went out in 2012. The development agreement for this project was approved by Appleton Redevelopment Authority and Common Council in 2014. The City received notice that the developer was not going to be able to proceed with the project in 2015 and another RFP process was completed in 2015. Several responses were received. Community and Economic Development is negotiating a development agreement with the selected developer with sale and groundbreaking anticipated in 2016. Phase I is anticipated to include 100 independent senior living units with future phase(s) under discussion.

BARRIERS TO GROWTH

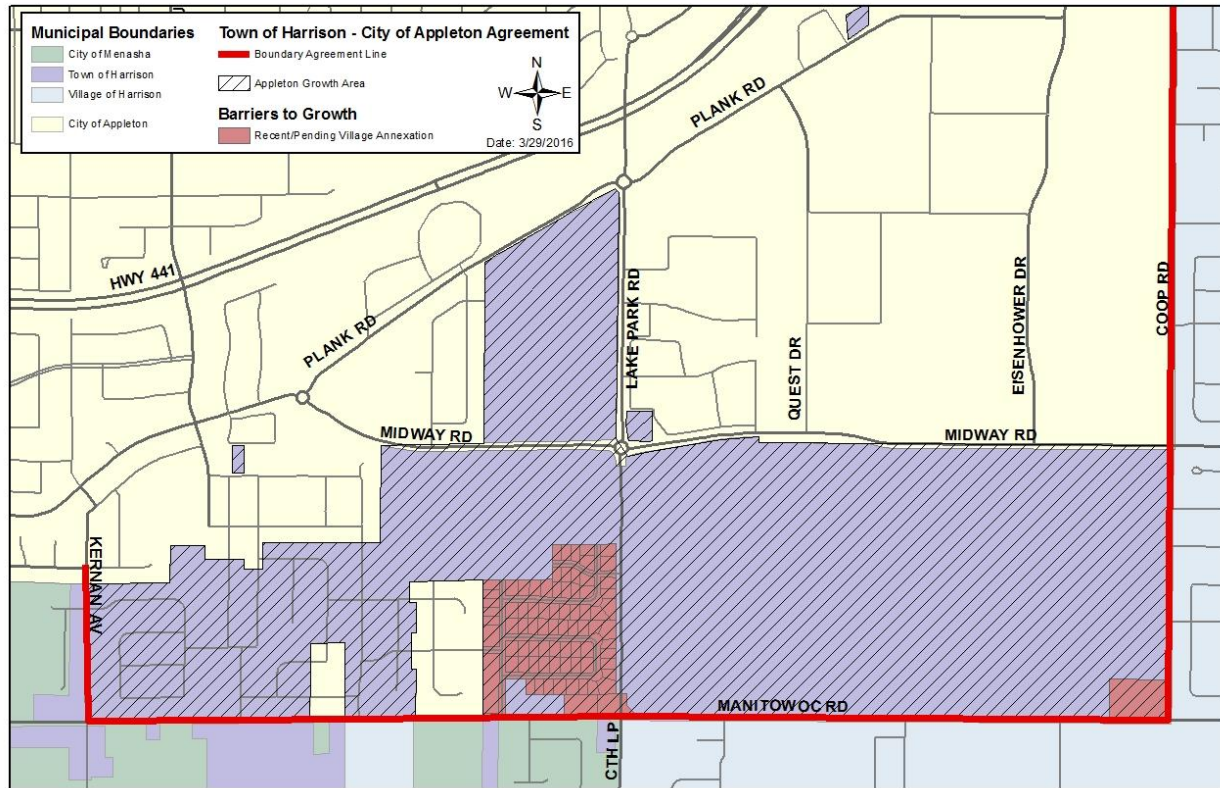
1. Northside

- A. Several significant road improvements are needed. Apple Creek Road, Edgewood Drive (east of Ballard Road) and Broadway Drive all require widening, including the acquisition of new right-of-way.
- B. Stormwater management is a critical and costly piece of the development picture in the Northeast Business Park. New development is responsible for providing for its own stormwater management.
- C. Regulatory floodplains are known to exist on the northside.
- D. Enforcement of wetland regulations has delayed some projects.
- E. 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.

2. Southside

- A. 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.
- B. Enforcement of wetland regulations has delayed some projects.
- C. In 1999, the City of Appleton and Town of Harrison entered into an inter-municipal agreement in order to establish fixed boundaries, facilitate orderly development, and provide for cost effective governmental services. The agreed upon boundary line and the City of Appleton's future growth area are shown on the following map. In 2013, the Village of Harrison incorporated as an independent municipality, after initially meeting the Incorporation Review Board's standards. Later that year, the boundary line was significantly changed to transfer land from the Town of Harrison to the Village of Harrison, leaving only the City of Appleton and City of Menasha growth areas remaining in the

Town. In 2015 and early 2016, several annexations within the City of Appleton growth area have been adopted and/or initiated by the Village of Harrison. These recent/pending annexations are also shown on the following map.



STRATEGY/MARKETING

1. 2015 Strategic Planning

The Appleton Common Council approved the Appleton Economic Development Strategic Plan (EDSP) on June 17, 2015. The EDSP identifies where Appleton is today and where it wants to be tomorrow in terms of economic development. The EDSP is a “report card” of where we are now, identifying our strengths and weaknesses and sharing demographic data and community assets such as education, employment, local trends, availability of land, etc. The next component of the EDSP is where we, as a community and organization, want to go in the future. In technical terms, we establish goals. The EDSP outlines 4 Economic Goals.

1. Business Attraction
2. Business Retention and Expansion
3. General Economic Development
4. Workforce

Once the goals were established, the identification of key actions and measures support achievement of the Economic Goals. The EDSP outlines 16 key actions and measures.

1. Continue fast approvals & create more aggressive sales policies to drive business park purchase & construction activities, which will drive growth of tax base & jobs
2. Create an email marketing campaign with a customer friendly web site
3. Target highly-desirable site selectors, real estate brokers, & c-suite executives, growing the Appleton brand via website & online advertising
4. Develop marketing campaign targeting key clusters: Office; Healthcare; Manufacturing; Food & Beverage; Retail; & Logistics
5. Continue the visitors' attraction campaign targeting a 100-mile radius around the City with supplemental funding
6. Conduct annual survey of businesses regarding City's customer service
7. Create a single point of entry for projects through the Community and Economic Development Department
8. Gather testimonials from businesses as evidence of consistent government responsiveness.
9. Continue 'fast-track permitting.' Review commercial permitting processes & streamline where appropriate to assure that permits are issued in a predictable & professional manner, & customers receive clear communication.
10. Restructure permit, inspection & storm water processes to be convenient for the consumer. Permit, water & storm water fees need to be competitive relative to nearby communities & other communities that the City competes for expansion & new projects.
11. Continue to conduct 40 annual site visits to key industries using business retention software to tabulate & analyze results.
12. Conduct Cost-Benefit analysis of completed and proposed projects.
13. Increase local food production and evidence of sales, distribution, processing and consumption.
14. Encourage & promote opportunities for executive, parent & student participation in coordinated programs with manufacturers, technology, & other key companies
15. Assist with workforce efforts to sustain high student graduation rates, job placement
16. Identify & implement best practices examples from neighboring communities

Staff continually works to further these goals, key actions and measures.

2. The Fox Cities Economic Development Professionals

The Fox Cities Economic Development Partnership (FCEDP) has historically been a business attraction and retention organization comprised of municipalities and organizations interested in the economic growth of the Fox Cities. The creation and activities of the Fox Cities Regional Partnership has caused FCEDP to re-evaluate its role and necessity. Planning and evaluation of the role for this entity was completed in 2014, resulting in the Purpose Statement and Initiatives listed below:

PURPOSE STATEMENT

Building professional relationships and sharing best practices to advance our region's economy.

FOX CITIES ECONOMIC DEVELOPMENT PROFESSIONALS STRATEGIC INITIATIVES

1. To provide for professional development and networking.
2. To encourage, facilitate communication, and participation among members and among economic development peers.
3. To learn about and work to establish economic development best practices.
4. To establish an educational and best practices manual for members.
5. To advance our region's economy.
6. To improve and establish collaborative efforts among economic development organizations in the region.

The City of Appleton was represented on the Executive Committee of FCEDP in 2015 and continues to remain engaged.

3. Fox Cities Regional Partnership

The City of Appleton decided to support the efforts of the Fox Cities Regional Partnership, both financially and operationally in 2015. The City contributed toward the following programs in 2015:

- PULSE Young Professionals Week
- Site Selector Tour
- Talent Upload

4. Marketing

Staff partnered with Locate in Wisconsin, LoopNet and CoStar to reach the commercial real estate and development community. 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.

Business Retention and Expansion Program - Assisting in the retention and expansion of local industries is a top priority in the City of Appleton because nine out of ten jobs created in the City are created by existing businesses expanding their operations or by local entrepreneurs starting businesses. In 2015, staff met with 41 businesses to resolve issues, help with retention and assist with expansion plans.

The City of Appleton sponsored a booth at the Manufacturing First conference in 2015 which was shared with the Fox Cities Chamber of Commerce. The conference was attended by 1300 manufacturers and 500 students.