

## SUPPLEMENTAL MATERIALS FOR THE BOARD’S CONSIDERATION

Appeal of July 29, 2025 Order to Cease and Desist

### Chronology of Events and Diligence

The following timeline is drawn from documents already in the Board’s agenda packet. It demonstrates that the owners acted promptly and in good faith throughout this process.

DATE	EVENT
2018	First floor remodeled to coworking (Group B) — fully permitted by the City.
2019	Prior owner converts second-floor apartments to short-term rentals without change-of-occupancy review.
Oct 2021	Shane and Jen Forrest purchase building as operating investment property (\$850,000).
Dec 2021	City issues TRH license to Keystone Futures LLC; license renewed annually through June 2025.
Jan 2025	City creates Environmental Health Technician position focused on TRH compliance.
Mar 2025	City departments coordinate and determine property does not meet commercial building/fire code for TRH use.
May 2025	Shane contacts City inspectors seeking guidance; receives inconsistent information over several weeks.
Jun 9, 2025	City Inspector Dan Meissner tells Shane no action is needed because no permit was sought. Shane relies on this.
Jun 30, 2025	TRH license expires; City does not renew.
Jul 15, 2025	Inspections Division issues Notice of Noncompliance (change of occupancy R-2 to R-1).
Jul 17, 2025	Appleton Fire Department memo confirms: sprinklers, alarm upgrade, new certificate of occupancy required.
Jul 29, 2025	Health Department issues Order to Cease and Desist; grace period through Oct 31, 2025 for existing reservations.
Early Aug	Shane promptly retains counsel; counsel begins research; architect site visit arranged.
Aug 28, 2025	Counsel files timely appeal with Interim Safety Plan (day 30 of 30).
Sep 18, 2025	City provides Conditional License Agreement draft; Pace Fire Protection provides sprinkler quote (\$36,400).
Sep 23, 2025	Fireline Sprinkler provides second sprinkler quote (\$76,450).
Sep 30, 2025	Atlas Fire & Security provides alarm panel upgrade estimate (\$56,256).
Oct 3, 2025	De Keyser Construction provides water lateral quote (\$39,745). All major quotes now in hand.
Oct–Nov 2025	Counsel unavailable (conferences, then illness). Communication gap with City. Counsel accepts responsibility.
Jan 9, 2026	Counsel requests continuance due to fiduciary duties in Florida as health-care surrogate.
Jan 29, 2026	Counsel’s ward elects hospice; passes Feb 6, 2026.
Feb 4, 2026	Counsel submits cover letter, memorandum, contractor quotes, and 23 interior photos for Board packet.
Feb 11, 2026	Board of Health hearing.

## Cost Context: Compliance Estimates vs. Property Value

These figures are drawn from contractor quotations included in the Board's agenda packet. The property's approximate current value is \$550,000 (online valuation sources). The Forrests purchased the property for \$850,000 in 2021.

SCOPE ITEM	LOW	HIGH	SOURCE
Fire Sprinkler Retrofit (NFPA 13, whole building)	\$36,400	\$76,450	Pace / Fireline
Fire Alarm Panel Upgrade (addressable, 520 Hz)	\$56,256	\$56,256	Atlas Fire & Security
Water Service Lateral (4" supply for sprinklers)	\$39,745	\$39,745	De Keyser Construction
Elevator Equipment (if required)	\$180,000	\$180,000	Wisconsin Elevator
Elevator Shaft / Construction / Roof	\$175,000	\$175,000	Budgetary estimate
<b>TOTAL RANGE (without elevator)</b>	<b>\$132,401</b>	<b>\$172,451</b>	24–31% of property value
<b>TOTAL RANGE (with elevator)</b>	<b>\$487,401</b>	<b>\$527,451</b>	89–96% of property value

## Key Points for the Board's Consideration

- 1. The owners acted in good faith.** Shane and Jen Forrest purchased an operating business from a friend in 2021, relying on a history of successful licensure and the absence of any enforcement action for nearly four years. The prior owner's failure to obtain change-of-occupancy review was unknown to the Forrests.
- 2. The owners responded promptly.** Within weeks of the July 2025 order, the Forrests retained counsel, engaged an architect, and began soliciting contractor quotes. All major quotes were in hand by early October 2025.
- 3. The communication gap was counsel's responsibility.** The conditional license was not signed or returned because counsel was evaluating cost data and wanted to protect the client's rights before committing to unknown obligations. Counsel's subsequent travel and illness prevented follow-up with the City. This reflects on counsel, not on the owners' diligence or good faith.
- 4. The compliance costs are extraordinary for a small family owner.** Even without an elevator, the minimum estimated cost exceeds \$132,000—roughly 24% of property value. With an elevator, costs approach the full value of the building. The City's own TRH compliance officer has acknowledged that "most operators find this step cost-prohibitive."
- 5. There is a path forward.** The owners intend to pursue a variance through the Wisconsin Department of Safety and Professional Services (DSPS) to seek tailored relief where strict compliance is impractical but equivalent safety can be demonstrated. Counsel has begun researching this process and is prepared to proceed promptly.
- 6. Stateview Commons contributes to the community.** Over 1,300 guests since 2022. Nearly \$58,000 in state, county, and lodging taxes paid. Partnerships with the PAC, Mile of Music, Oktoberfest, and Fox Valley Chamber of Commerce. The building's facade hosts a City-commissioned Mile of Music mural.

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Respectfully submitted by Arthur Law Office LLC on behalf of Keystone Futures LLC

# STATEVIEW Commons

## MEMORANDUM

To: Cathy Spears, Chair, and Members of the Appleton Board of Health

From: Keystone Futures LLC (Stateview Commons)

Date: February 11, 2026

Re: 532 W. College Avenue, Appleton, Wisconsin — Additional Submittals to Board Packet (Appeal of July 29, 2025 Order)

### Existing Facility Fire Alarm/Control Equipment

- Central fire alarm communication panel
- 6 smoke detectors
- Two pull stations
- 6 combo audible/strobe stations
  - o Two in common hall
  - o One in each apartment
- Lighted exit signs to two exits from single common hall visible from all apartment access points
- 5 fire extinguishers
  - o One in common hall
  - o One in each apartment

### Tourism statistics

- 1343 tourists 2022-2025
  - o Average of 335 individual guests annually
- 2824 nights booked 2022-2025
  - o Average of 706 nights booked annually

# STATEVIEW

Commons

## **Financial/Community Impact**

- \$20,502.76 paid in State/County Taxes
- \$37,277.80 paid in Lodging Taxes
- 300+ tourists per year patronizing our downtown restaurants and businesses
- PAC partnership
- Mile of Music
- Octoberfest/License to Cruise
- ADI Member previously
- Fox Valley Chamber of Commerce Member