

Housing and Neighborhoods

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Appleton features a diversity of housing types and styles, and neighborhoods in which they are located. These are mostly well maintained and stable, yet like any city of its age, Appleton deals with concerns about an aging housing stock, weak commercial districts, housing affordability, and the need to redevelop neighborhood infrastructure. This element of the **Comprehensive Plan** documents current and projected housing conditions within the City, identifies issues of concern, and establishes the City's goals and policies with regard to housing. This element also discusses the formation of neighborhoods and neighborhood organizations as a mechanism to build a sense of community and to monitor and address local issues within the larger region.

Housing Conditions

Appleton's housing may be characterized as predominantly single-family homes built in the last half of the 20th Century. Although there has been a recent downturn in the market, homes have generally been maintained with low vacancy levels, and have appreciated in value. Future housing demands may prompt opportunities for redevelopment and renovation of the existing housing stock. The City's housing rehabilitation programs have contributed to the relatively good condition of the housing stock.

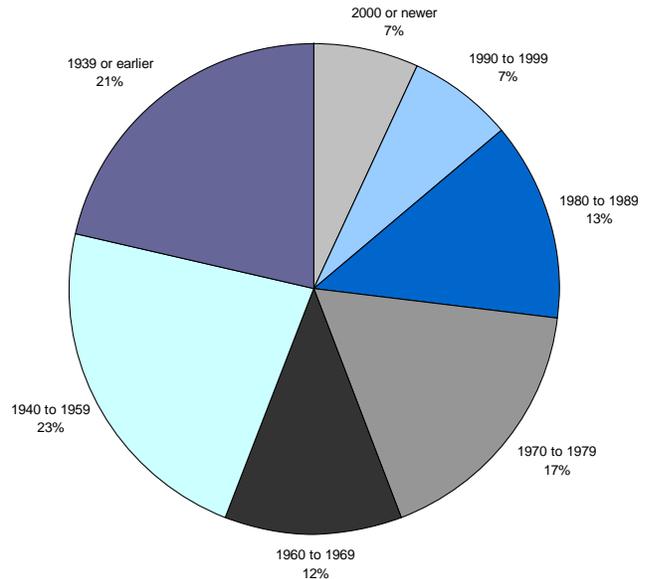
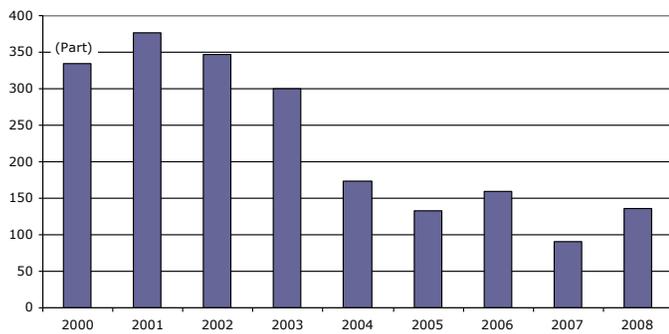
Housing Units and New Construction

The 2000 Census reported a total of 27,675 housing units in the City of Appleton. A majority of these (18,740, or 67.7 percent) were single-family, detached units. Attached and two-unit structures made up another 14.3 percent of the total.

Between April of 2000 (the date of the Census) and the end of 2008 (the most recent data available¹) permits have been issued for a total of 2,051 for new housing within the City of Appleton. This consisted of 1,255 detached single-family homes (61 percent) and 796 attached homes (39 percent). The number of building permits issued annually has declined since 2000, in part due to a lack of vacant land for residential development and in part due to the general slowing of the housing market.

Based on the 2000 Census count and permit data from April of 2000 through 2008, there are currently an estimated 29,600 total housing units in Appleton.

New Residential Building Permits Issued in Appleton



¹ US Bureau of the Census SOCDs Building Permit Database



The age of housing is an indicator of potential needs for home renovation or updating. Older homes are more likely to have lead pipes or lead-based paint, contain asbestos, or have outdated electrical service. They may also be at a greater risk of having structural problems, or need new heating and cooling systems, roofing, or other costly items.

The median age of housing in Appleton is 39 years. When the building permit data from 2000 through 2008 is considered, it is apparent that less than half of the City's housing stock dates prior to 1960. This includes about one in five (21.5 percent) homes built before 1940, and another 22.6 percent of homes built between 1940 and 1959.

The typical home in Appleton has 5.5 rooms and measures about 1,550 square feet. The largest number have three bedrooms. A majority are heated by natural gas (80.4 percent) followed by electricity (11.4 percent). Nearly all of the City's housing has full kitchen and plumbing facilities, with fewer than 0.2 percent lacking these features (59 units and 48 units, respectively, according to the 2000 Census).

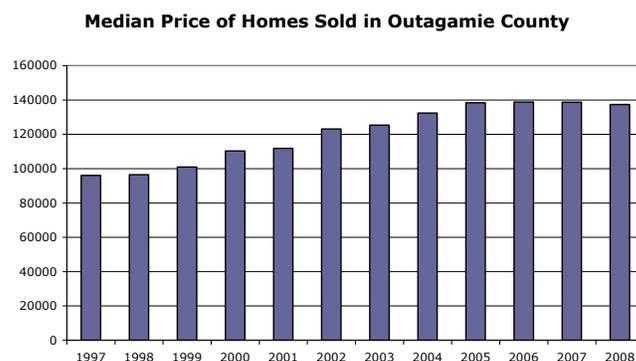
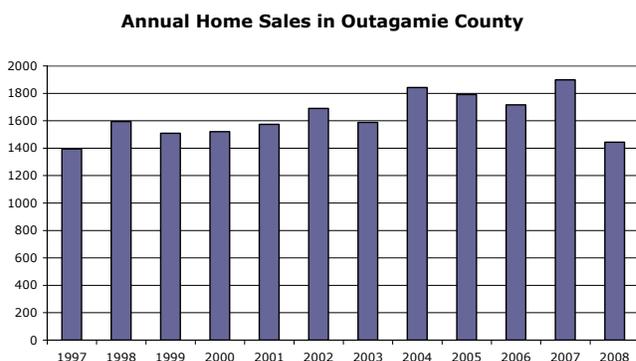
Current Market Conditions

The local housing market in Appleton and surrounding communities has been relatively stable, even as national home values tumble. Local home values have increased in recent years, but not at the inflated pace seen elsewhere in the United States. Long-term prospects for the housing market continue to look good following a recovery and as the area grows.

Home Sales

The U.S. housing market is currently experiencing a slump, resulting in a surplus of homes for sale and declining home values. Zillow.com estimates that the market value of a typical Wisconsin home stood at \$138,000 in January 2009. This value represents a decline of just 2.8 percent from a year earlier. Nationally, home values fell 11.0 percent during the same period, although the median home value at the national level is higher.²

According to data provided by the Wisconsin Realtors Association, the Appleton area has seen a recent leveling off of prices and more recently, a decline in the number of units sold. The pace of home sales in 2008 is roughly three-quarters that of the previous year. Meanwhile, home prices leveled off in 2005 and are showing some signs of decline.



There are two concerns that may signal a further short term decline in home values and sales. The first of these is a worsening local and national economy. In 2007 there were fewer than 300 jobs lost in Appleton and surrounding communities through plant closings and mass layoffs reported to the Wisconsin Department of Workforce Development. During 2008, more than 1,200 jobs have been lost, and the overall rate of unemployment has increased. This will limit the pool of potential buyers in the market. Supply may be impacted if the persons losing their jobs relocate for new jobs, or are forced to sell due to economic circumstances.

² Source: Zillow Home Value Index, February 2009



The second issue affecting the market is a general tightening of credit standards. Lenient credit policies and new (subprime) mortgage products introduced in the past several years have encouraged people to purchase homes that they may not have been able to afford under more traditional credit standards. Nationally, escalating default rates have forced banks to become more restrictive, again lowering the pool of available buyers.

It should be noted that the condominium market currently includes a very large number of units for sale, with many of these located in one recent development project. Absorption of these units has been unusually slow and may be depressing the condominium market in general, as well as opportunities for additional redevelopment in the downtown area.

Foreclosures

The United States is witnessing a wave of foreclosures that is unprecedented since the Great Depression of the 1930's. Rising unemployment, a period of rapid escalation in home values and subsequent declines, and lax credit standards all contribute to this trend. While a slowing economy and job losses are self-explanatory, the other two factors deserve greater explanation.

Home values have increased by substantial margins during the past several years, above the pace of both inflation and real wage growth. Whether inflated or justified, these value increases attracted speculators seeking to make money off real estate investments, and prompted buyers to make purchases in order to keep from being priced out of the market. This demand was enabled by increasing use of subprime (interest-only, variable rate, stated income, etc.) loans beginning in the early 2000's. Loan products such as these are characterized by short terms or initial low interest or payments that reset to higher rates after a two- to five-year time frame. Typically, households taking out these loans would expect to refinance with a conventional mortgage at this point, taking advantage of equity created by rising home values.

Default rates on subprime loans were escalating even before the recent market slump. It is the decline in home values, however, that has been the catalyst for the foreclosure crisis. Many homeowners have found that they have little equity, or are in a reverse equity position (owing more than the home's value). They may be unable to refinance, or unable to continue to make payments when loans reset to higher rates. As an economic decision, some owners may feel that they would be better off defaulting on the loan and allowing the bank to foreclose on the house.

The subprime lending crisis is likely to continue to be felt for some years. Use of these mortgage products grew rapidly, from 8.6 percent of all mortgages to a peak of 20.1 percent in 2006. Adjustable rate loans made up another 35 percent of all mortgages in 2005. Many of the terms on these loans have not yet reset to higher rates. As they do, it is expected that the rate of default will climb significantly.

In June of 2008, about one in every 501 mortgages in the United States was in some stage of default³. Wisconsin had the 23rd-highest rate in the country, or one in every 1,072 mortgages in foreclosure. Data for Outagamie County suggest that the problem is less severe locally, with only one in every 1,472 mortgages in default. In August of 2008, RealtyTrac listed 272 properties in Appleton in default, another six listed for foreclosure sale, and 106 bank-owned. These 384 homes represent about 1.3 percent of Appleton's housing stock.

The Federal government has passed the American Housing Rescue and Foreclosure Prevention Act to help alleviate the housing crisis. One aspect of the bill is a program to help some homeowners refinance their homes with a government-backed mortgage. In order to qualify, the homeowner will still need to demonstrate an acceptable credit history and sufficient income to continue to make mortgage payments, and the bank may need to agree to accept a loss on the mortgage that is in default. The relief provided by this act, therefore, will only be realized by some portion of the homeowners who enter default or foreclosure. Many others will still lose their homes.

In an effort to prevent the blight that may be fostered by vacant and foreclosed homes in a neighborhood, the bill also provides \$3 billion in funding for local communities to purchase and renovate foreclosed homes. These funds have been apportioned to each state, and then distributed within each state in a manner similar to Community Development Block Grant funds. Appleton has applied for an allocation of these funds that it can use to establish a program for purchasing and rehabilitating foreclosed homes, or to make neighborhood improvements.

³ Source: RealtyTrac, August 2008. This statistic includes all mortgages in which a notice of default had been issued, suit filed, a trustee sale or foreclosure sale was pending, or the property was owned by the bank.

The Boomer Sell-Off

The baby boom generation was the largest generation in U.S. history, and one in which home ownership reached record levels. As this generation reaches retirement age, it is expected that many will opt to sell their existing home to move into a (not necessarily smaller) home that better fits their needs. The homes purchased by the boomers will tend to be new construction, including both condominiums large homes in suburban or exurban settings, and condominiums in vibrant urban settings. In many markets, the expected sell-off may cause a glut of for sale homes, leading to reductions in new home construction and a potential drop in prices. It is possible that in some places, the current housing slump reflects at least a portion of this sell-off. Appleton's population includes a significant number of retirees and boomers who may be poised to begin selling their homes.

Tenure

Appleton residents tend to own their homes. In 2000, 68.3 percent of Appleton's residents owned a home while about 31 percent of Appleton's households rented. This is almost identical to statewide percentages. According to the 2005 American Community Survey, the vast majority of properties in Appleton and surrounding communities were occupied. Only one percent of owned homes were vacant, while the rental vacancy rate was 4.1 percent.

Length of tenure may provide some insight into the existing housing that may be coming onto the market in future years. The 2000 Census identifies 2,643 households (or about 9.9 percent of the total) who had lived in their home since 1969 or earlier. Another 9.6 percent (2,580 households) moved in between 1970 and 1979. Many of these will be aging homeowners who may be considered likely to sell as they move to retirement housing.

Future Housing Needs

Age and family status are closely related to housing, and people follow a typical pattern in their housing selection. As children they live with their parents, tending to move out to rental housing as they enter adulthood. A first home purchase will typically occur as they begin to form households. According to the National Association of Realtors, the average age of a first-time home buyer in the United States is 32 years. The first home purchase is often followed by a move to "upgrade" during the prime earning years. Retirement brings yet another move. This may be to a final home, or for some older retirees, to retirement housing or nursing care.

This cycle is important in that it creates turnover in the housing stock, freeing up properties for other buyers. Most of the homes purchased are existing homes. However, it is also important to understand how generational preferences for housing vary. The future desirability of neighborhoods and communities is going to be influenced by the degree to which the existing housing stock meets the desires of future home buyers.

Demographic Preferences

Housing preferences vary among different groups of people. Demographers note that the main distinctions are based on age and ethnicity. Each generation has a preferred set of characteristics they like to see in their housing, while ethnic differences are less pronounced. Multiple analyses of generational preferences in housing (for example, research conducted by the National Association of Realtors, the National Homebuilders Association, the Joint Center for Housing Studies of Harvard University, the Fannie Mae Foundation and others) can be used to help understand the future demand for housing. This research is summarized in this section of the *Comprehensive Plan*.

Appleton's oldest residents were born during the Great Depression and World War Two years. This is the generation of the "American Dream" of a detached single-family home in a suburban setting. Now in their retirement, many members of this cohort have left their homes for condominiums or retirement facilities. This was a generation that was inclined to move to Arizona or Florida upon retirement. As they enter their eighties or later years, though, many are returning to be closer to family. In 2006, according to the American Community Survey there were about 8,705 members of this generation living in Appleton, along with 3,047 people in the prior generation.



The baby boom generation (1945 to 1964) tended to follow the lead of their parents in choosing a suburban home. This was the largest age cohort in Appleton in 2000, with 20,988 members. The wealthiest of generations, they set a precedent for ever larger homes, often upgrading as they entered their forties. Now as they approach retirement, a majority are planning another move. Research indicates that they tend to view their next home as their last, and a majority are not intending to downsize. They want extra room for entertaining or accommodating visiting children. As they continue to age, it is expected that baby boomers will want to remain in their homes, creating a demand for renovations that allow them to "age in place," including modifications for accessibility and live-in caretakers (perhaps suggesting a demand for accessory housing units).

Generation X (1965 to 1980) is unlike previous generations. Marrying later and having fewer children, these are the home buyers who have fueled a return to central cities. Many people in this generation value active urban environments and mixed-use development, and are not as inclined to want the maintenance responsibilities of a detached home and large yard. Additionally, the small rooms in many of Appleton's older homes may not appeal to X-ers, who prefer open and multi-functional spaces. This generation now includes the most first-time home buyers, as the median age of all first-time home buyers is 32 years. It is a smaller generation than the one before it and the one that follows, having 15,000 people living in Appleton in 2000. The characteristics of this generation suggest the potential for extensive renovation of existing homes as well as the potential for urban multi-family infill housing or redevelopment on sites such as the industrial flats on the Fox River.

Generation Y (1981 to 1995) is in the early years of entering the housing market. Most are renters, although some have purchased homes, and a majority will enter their prime home-buying years over the lifespan of Appleton's **Comprehensive Plan**. Like Generation X, they share an interest in locating in vibrant urban neighborhoods instead of suburban subdivisions. Early research suggests that they (along with Generation X) emphasize quality over space, and will be attracted to distinctive buildings with open floorplans and nicer finishes, instead of "cookie-cutter" buildings and sterile design. This age cohort consisted of about 16,513 persons in the 2000 Census, but it is also the group in which Wisconsin is experiencing a "brain drain" to larger metropolitan areas in other states. As first-time home buyers, affordability remains a concern. Urban sites such as the north side of downtown Appleton may be able to deliver appealing housing at a quality price to this cohort of buyers.

Among ethnic groups, the most significant differences are seen among Hispanics. Nationally, the Hispanic population is growing faster than any other group, and the same holds true in Appleton. Because of cultural norms as well as ongoing immigration and typically lower incomes, it is not uncommon for multiple generations and extended family to share a single home. This may prompt a demand for homes with a larger number of bedrooms or accessory living units. Larger household sizes may generate concerns about overcrowding or provision of adequate off-street parking.

Interestingly, research concerning the housing preferences of person with Asian ancestry suggests that there are no significant differences from that of the general population.



Appleton's renovated mills are an example of the unique urban housing sought by Generation X and Y homeowners and renters.

Future Housing Needs

This discussion of housing preferences points to a number of potential trends that may shape housing development and redevelopment in Appleton over the next two or three decades. Some of the significant points to consider include the following.

- There is likely to be a continued demand for larger (at or over 1,800 to 2,000 square foot) detached and condominium homes to meet the desires of aging baby boomers moving into their last house.
- Demand from Generations X and Y may fuel redevelopment in the city center, industrial flats, and other neighborhood areas where quality design is provided in close proximity to shopping, entertainment, and recreation.

- An aging population will create demands for home improvements related to accessibility and aging in place.
- Appleton's existing older homes may not be designed to appeal to future buyers in Generations X and Y, at least without significant renovations.
- There may be an increasing demand to allow accessory residential units, either within the home or in separate space, to provide housing for caregivers or extended family.

Housing Affordability

Appleton should be considered a relatively affordable housing market. This is true of both the rental and home ownership markets. Already favorable housing costs are likely to improve as values stabilize or decline under the current housing market, however, these gains may be offset by corresponding declines in household income or a rise in unemployment.

Affordable housing is generally defined as housing that can be purchased or rented by a household expending no more than 30 percent of its pre-tax income on rent or a mortgage. In this context, affordability should not be confused with housing for low-income individuals. It is the amount that a household can comfortably afford to spend on housing. Households spending more than 30 percent of their income on housing are often referred to as "burdened," with households spending more than half of their income on housing costs described as severely burdened. To some extent, and especially within higher income brackets, the decision to take on a higher housing cost burden is an individual choice.

Home Ownership

The 2006 American Community Survey reports that there are 12,477 housing units in Appleton with a mortgage. This includes 1,476 units with a second mortgage, 2,225 with a home equity loan, and 71 with both a second mortgage and a home equity loan.

As of January of 2009, the median home price stood at \$138,500 and the prevailing rate on a 30-year fixed mortgage was 6.35 percent. Assuming a buyer could provide a 20 percent down payment and contributed 30 percent of their household income toward housing costs, they would need to earn \$40,730 in order to afford the median-priced home. The following table illustrates how the required income may vary depending on the amount of down payment provided and proportion of household income contributed towards housing costs.

Qualifying Income to Finance Purchase of a Median-Priced Home in Appleton

Down Payment as a Percentage of Price	0%	5%	10%	15%	20%
Dollar Value of Down Payment	\$0	\$6,925	\$13,850	\$20,775	\$27,700
Closing Costs (3% of Purchase Price)	\$4,155	\$4,155	\$4,155	\$4,155	\$4,155
Total Amount of Mortgage Required	\$142,655	\$135,730	\$128,805	\$121,880	\$114,955
Monthly Principal and Interest Payment	\$888	\$845	\$801	\$758	\$715
Monthly Portion of Property Taxes	\$245	\$245	\$245	\$245	\$245
Monthly Portion of Home Insurance	\$58	\$58	\$58	\$58	\$58
Total Monthly Payment Required	\$1,191	\$1,148	\$1,104	\$1,061	\$1,018
The following is an estimate of the annual household income and hourly wage required to qualify for the mortgage if...					
...30% of income goes to housing	\$47,625	\$45,901	\$44,178	\$42,454	\$40,730
	\$22.90	\$22.07	\$21.24	\$20.41	\$19.58
...40% of income goes to housing	\$35,719	\$34,426	\$33,133	\$31,840	\$30,548
	\$17.17	\$16.55	\$15.93	\$15.31	\$14.69
...50% of income goes to housing	\$28,575	\$27,541	\$26,507	\$25,472	\$24,438

Source: Estimates prepared by Place Dynamics



The median household income in Appleton is \$50,673⁴. Half of all households in the community earn more than that, and half earn less, just as half of all homes in Appleton are valued more than \$138,500 and half are valued less. Even if a household were to provide no down payment and contribute only 30 percent of their monthly income toward housing costs, more than half of the City's households could afford to purchase more than half of the homes in the community.

It is possible to also look at income and housing costs and ask how much of a home can be afforded based on income. A median income household (earning \$50,673 per year) would be able to afford a mortgage of \$155,700 if their housing cost were to be set at 30 percent of their income. This would mean that they could normally afford to spend up to that amount on a home, plus the amount of any available down payment. The following table indicates the amount of mortgage that can be supported at various percentages of the current median income of City residents.

Mortgage Affordability Based on Median Income in Appleton

Percent of Median Income	120%	100%	80%	50%	30%
Annual Income	\$60,808	\$50,673	\$40,538	\$25,377	\$15,202
Available Monthly Payment (30% of Income)	\$1,520	\$1,267	\$1,103	\$633	\$380
Available Monthly Payment (40% of Income)	\$2,027	\$1,689	\$1,351	\$845	\$507
Available Monthly Payment (50% of Income)	\$2,534	\$2,111	\$1,689	\$1,056	\$633
Affordable Home Price (30% of Income)	\$196,651	\$155,718	\$114,785	\$53,385	\$12,452
Affordable Home Price (40% of Income)	\$278,518	\$223,940	\$169,363	\$87,496	\$32,919
Affordable Home Price (50% of Income)	\$360,384	\$292,162	\$223,940	\$121,607	\$53,385

Source: Estimates prepared by Place Dynamics

The Multiple Listing Service listed 992 properties for sale in Appleton on August 22, 2008. These include 685 single-family homes, 214 condominiums, and 93 multi-family properties. Because of the way in which properties are listed, some properties in the adjacent towns are included in the totals for Appleton.

For sale single-family homes range in listing price from \$49,000 to just under \$1 million. Condominium listings started at \$54,900 and topped out at \$534,000. The low starting price for many of these homes suggests that home ownership is attainable for many low and moderate-income households in Appleton. A total of 97 of the listed single-family properties, and 51 of the condominiums were priced under \$100,000. This represents about 15 percent of the total listings. Properties priced at \$150,000 or less made up just under half (48 percent) of all homes listed. Several of the multi-family properties listed for sale (typically two-unit structures) would also be considered affordable, bringing the totals to 173 properties (17 percent) under \$100,000 and 526 properties (53 percent) under \$150,000.

Rental Housing

Rental housing may be found in a wide range of pricing and styles within Appleton. This includes single-family homes and large multi-unit buildings, appealing to the needs and preferences of many diverse renters. Rental units are distributed throughout the community.

Lower-income households make up a greater proportion of the number of renters than they do of the population in general. The 2006 American Community Survey indicates that the median household income for renters was only \$24,798, or somewhat more than half of the median income for the entire population. The median rental household spent \$616, or just under 30 percent of their income, on monthly housing costs. The U.S. Department of Housing and Urban Development has established fair market rents for Appleton as indicated in the following table. The hourly wage required to afford that rent, with housing costs not exceeding 30 percent of income, is also shown.

The hourly wage data suggest that affordable housing may be relatively attainable for most earners, as the 2007 median wage for Appleton workers is \$14.72. Those most likely to be impacted by housing costs are larger households requiring three or more bedrooms, or unemployed and part-time workers.

⁴ 2006 American Community Survey



Fair Market Rent and Required Hourly Wage in Appleton

	Studio	1 Bedroom	2 Bedroom	3 Bedroom	4 Bedroom
Fair Market Rent	\$509	\$523	\$649	\$946	\$962
Hourly Wage Needed if Housing Costs are 30 Percent of Income	\$9.79	\$10.06	\$12.48	\$18.00	\$18.50

Source: U.S. Department of Housing and Urban Development, estimates prepared by Place Dynamics

* Fair Market Rent or FMR: FMRs are gross rent estimates. They include the shelter rent plus the cost of all tenant-paid utilities, except telephones, cable or satellite television service, and internet service.

The Appleton Housing Authority commissioned a study in 2001 to examine the need for affordable rental housing. Highlights of this study included:

- The majority of renters with household incomes under \$25,000 experience a housing cost burden, especially those who spend 40 or 50% of their income on housing. Those who spent thirty percent of their adjusted gross income spent about \$625 per month.
- The needs assessment showed that there are between 1500 and 1600 subsidized housing units in the Fox Cities.
- The Section 8 (housing choice) voucher program most successfully addresses the needs of the lowest income renters by providing rental assistance in the general market, but not enough new vouchers are being approved to meet the growing need. Close to 600 families are on the Appleton Housing Authority Section 8 waiting list for rental assistance while an additional 550 families are being served. The waiting period is typically from two to five years.
- The acquisition or development of more affordable housing is necessary to keep pace with trends. Appleton should anticipate the need for 99 to 119 new rental units per year to keep pace. Most of these won't be affordable, but will create trade-ups which will make lower rent units available in the market.

Appleton Housing Authority

The Appleton Housing Authority was established by the Common Council on July 7, 1967, originally to address the need for senior housing as that population swelled. In 1974 it began to receive and allocate funds under the Section 8 Program for affordable rental housing. Today, the Appleton Housing Authority operates 547 units under the Section 8 Housing Choice Voucher Program, 153 Senior Public Housing units, 57 Scattered Site Family Housing units, 70 units under the Section 8 Substantial Rehab Program, an Affordable Homeownership Program, and an active Family Self-Sufficiency Program.

The Appleton Housing Authority "is an independent governmental agency governed by a five-member board, which is appointed by the Mayor of Appleton. The Appleton Housing Authority requires no municipal tax dollars to operate and receives it's funding from the Department of Housing and Urban Development (HUD) and from the rent it collects each month from housing owned by the Authority.

Since the Appleton Housing Authority's primary source of funding is government revenue, HUD is responsible for the ongoing monitoring of the operations of the agency. Management and financial reporting and reviews are conducted periodically by HUD, as well as an independent audit each year in accordance with the Federal Single Audit Act."

Section 8 Housing Choice Voucher Program

The Section 8 program provides assistance for low income households in the private rental market through vouchers that subsidize rental payments. Participating households pay approximately 30 percent of their income toward rent and utilities. The Section 8 Program pays the balance of the rent to the landlord. In order to be eligible, household income cannot exceed 50 percent of the county median income, adjusted for family size. The Appleton Housing Authority has a limited number of vouchers that it can issue, and there is currently



a waiting list for acceptance into the program. Housing under the Section 8 Program is provided by private rental property owners who agree to participate in the program.

Scattered Site Housing Public Housing

The Appleton Housing Authority owns 48 rental units that it rents to low-income households. Rent and utility costs for the housing units are based on 30 percent of the program participant's adjusted monthly income. Annual income may not exceed 50 percent of the median income for the metropolitan area. The available units are distributed throughout the City of Appleton, so as to not concentrate low income housing in any one area.

Affordable Senior Housing

Appleton Housing Authority owns and manages two rental properties specifically for seniors. Oneida Heights and Washington Place offer rental rates at 30 percent of the person's adjusted income. Rent includes appliances and utilities. Both facilities are located on the north side of Appleton's downtown. Washington Place was originally constructed as a hotel in 1963, and subsequently renovated by the Housing Authority to create apartments. There is currently an ongoing discussion to replace these units with a new building, as substantial rehabilitation is considered necessary and perhaps cost prohibitive. Sites being considered for a new building are also in the downtown area.



Washington Place provides affordable senior housing

Family Self Sufficiency

This program is intended to link housing and other resources in a way that will help people move from assistance to self-sufficiency. It includes a number of initiatives such as:

- setting aside increases in the family's share of rent to create a pool that can be used for a down payment on a home purchase;
- referring participants to agencies providing assistance with child care, job training, education, money management, substance abuse, and other issues;
- providing planning to help participants become free from welfare; and
- giving technical assistance with resume preparation, financial planning, and other concerns.

In return for this assistance, participants are required to sign a contract agreeing to report any changes in income and to work to become free of welfare.

Homebuyer Program

Appleton has initiated a program to assist low-income households in making a home purchase. The Homebuyer Program makes funds available through a no-interest loan with deferred payments. Loan funds may be used for a down payment or for eligible home repairs. Many local banks have agreed to offer lowered interest rates and reduce or waive fees for these buyers.

Homeless Persons

Appleton and the Fox Cities do have a small homeless population. For these people, services are organized along a "continuum of care" as defined by the Department of Housing and Urban Development. This continuum begins with emergency shelter programs that provide overnight temporary shelter, continues through

transitional housing programs that provide longer-term temporary housing, and on to permanent affordable rental housing.

Additional Housing Programs

Beside the Appleton Housing Authority, several other organizations provide support for home ownership, rental, homeless, and other needs in the community. The following is a summary of some of these programs.

City of Appleton Housing Rehabilitation Programs

The City of Appleton operates two programs to help property owners maintain their homes. 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. Income, equity, and asset limits apply to the homeowners. Since the program's inception in 1979, the City has rehabilitated nearly 1,000 homes through the Homeowner Rehabilitation Loan Program.

The Rental Rehabilitation Loan Program provides financial and related technical assistance to property owners who rent the units in a property located in the City of Appleton. Income and rent restrictions apply to the tenants/units of the property, and to the first five years of the loan. In addition, there must be enough equity in the property to cover the lien. Since the program's inception in 1985, the City has rehabilitated nearly 100 properties through the Rental Rehabilitation Loan Program.

For both programs, 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 recycles those funds into future properties. Priority is given to lead-based paint hazards, roofing, foundation, electrical, plumbing, heating, windows, doors, insulation, interior walls/ceilings, private sidewalk, driveway, porches, siding, exterior trim, etc

Community Outreach Temporary Services (COTS)

Cots was founded in 1999 to provide shelter for homeless people in Outagamie, Winnebago, and Calumet Counties. It currently offers transitional shelter for 58 persons in two facilities.

Emergency Shelter of the Fox Valley

The mission of the Emergency Shelter of the Fox Valley, Inc., is to provide temporary shelter to homeless individuals and families in a safe environment, while providing guidance to those both homeless and at-risk that promotes independence. The Emergency Shelter was established in 1981 as a non-profit organization to provide homeless men, women, and children safe shelter. Originally, the Shelter operated on a voucher system and all clients were provided shelter at local motels. In 1997, the Emergency Shelter built its current facility located at 400 N. Division Street in Appleton. This facility can house up to 14 or 15 family units, single men, and single women, not to exceed 75 total residents.

Fair Housing Center of Northeast Wisconsin

The Fair Housing Center of Northeast Wisconsin investigates complaints of housing discrimination, provides rental management programs for property managers, and education to explain fair housing.

Fox Cities Housing Coalition

The Fox Cities Housing Coalition's mission is to "promote the most efficient and cooperative use of resources, both fiscal and human, by non-profits, businesses and local units of government, and to enhance housing stability and opportunities for all persons in the Fox Cities Community." The Coalition provides information and advocacy, and brings together several partners in the Fox Valley to address housing needs.



Fox Valley Apartment Association

The Fox Valley Apartment Association is a group of around 200 property owners and managers who are responsible for over 8000 rental units throughout the Fox Valley and surrounding areas. The group consists of owners who own a single unit to those who manage several hundred units. The mission of the FVAA is to unite the owners and managers of residential rental property in the purpose of advancing the general welfare of the rental housing industry and promoting an environment conducive to the business success of its members.

Greater Fox Cities Area Habitat for Humanity

Habitat for Humanity has an active presence in the Fox Valley. A non-profit organization affiliated with Habitat for Humanity International, the Greater Fox Cities Area Habitat for Humanity builds houses using volunteer labor and funds raised locally. These houses are sold at no profit and no interest to a partner family chosen through a nondiscriminatory selection process. Participants are required to put in a number of sweat equity hours and make a down payment of \$500. Homeowners are required to pay monthly mortgage payments and obtain homeowners insurance. Since 1993, the Greater Fox Cities Area Habitat for Humanity has constructed over 100 homes in the Fox Valley. In 2009 they intend to construct 14 new homes.

Rebuilding Together Fox Valley

The mission of Rebuilding Together Fox Valley is to preserve and revitalize homes and communities, assuring that low-income home owners, specifically seniors, and those with disabilities, can continue to live in warmth, safety, and independence. It is a volunteer-based organization that forms partnerships to build and repair the homes of those in need.

The Housing Partnership of the Fox Cities, Inc.

The Housing Partnership was formed in 1987 as a non-profit organization to bring together community members to “revitalize neglected homes in established city neighborhoods.” The organization seeks to address housing affordability needs for working families. It is funded through private contributions, grants, and volunteer support.

The Housing Partnership operates three programs that provide different levels of opportunity and support. In all three programs families pay 30% of their monthly income toward rent.

- The Affordable Rental Program is available to families that have an income level below 50% of the county median income. Families in the Affordable Rental Program generally do not have a need for supportive services, they just need time to obtain gainful employment which can support a move to market rate housing.
- Permanent Supportive Housing is available to potential tenants who are homeless and mentally or physically disabled. Individuals and families receive supportive services include case management and life skills training. There is no maximum length of stay in this program as long as families maintain good tenancy.
- The Transitional Housing Program is the signature program of the Housing Partnership. This program not only provides affordable housing, but also provides case management and life skills training to help individuals break the cycle of poverty. In order to qualify for the Transitional Housing Program families must be homeless. Families must have incomes below 30% of the county median income and the head of household must be at least 18 in order to qualify for this program. Tenants can stay in the Transitional Housing Program for 18 months. Families in this program receive supportive services from our case manager and life skills coordinator.

The Housing Partnership provides case management to connect tenants to community resources that help them find employment, access transportation, receive essential mental health/health care, learn parent skills, and receive tenant training. Life skills training provides assistance with daily living skills in three areas: serving as a representative of the landlord, life “health” practitioner, and returning to the occupation of living. Life skills training includes home health and safety, budgeting, coping skills, education (often helping tenants find resources to complete their GED or HSED, employment skills (like resume writing and interviewing skills), and



time management. Returning to the “occupation of living” means promoting independence and self-sufficiency. The goal of our life skills training program is to give families the opportunity to successfully move from transitional to mainstream housing.

United Migrant Opportunity Services (UMOS)

UMOS is a private, non-profit corporation established in 1965 to advocate for and provide services to Hispanic migrant and seasonal farm workers in Wisconsin. Today, UMOS offers diverse programs and services to diverse populations. UMOS' mission is to provide programs and services which improve the employment, education, health, and housing opportunities of under-served populations. Currently UMOS operates programs to assist low-income individuals and families as they gain economic self-sufficiency.

The UMOS housing department began in response to the chronic need experienced by migrant workers coming to Wisconsin. Many migrant workers experienced homelessness early in each season, and UMOS' supportive services often became overburdened as a result. In response, UMOS sought a more systemic solution to the migrant housing issue by developing farm labor housing for migrant families.

UMOS's efforts now impact the total spectrum of housing needs for its service populations, including not only provision of supportive services, but the development of physical assets for housing and other service delivery, advocacy, education for renters and home-buyers and home financing.

United Way Fox Cities

Each year the Federal Emergency Management Agency (FEMA) designates funding to local communities for non-disaster related food and shelter through the Emergency Food and Shelter Program (EFSP). United Way's role is to staff the distribution of these funds in collaboration with the primary service providers. A formula involving population, poverty, and unemployment is applied to determine the eligibility of local jurisdictions for EFSP funding. United Way Fox Cities works with two local EFSP Boards to distribute funding to three counties, the EFSP Board for Winnebago County and the EFSP Board for Calumet and Outagamie Counties.

Valley Home Builders Association

Valley Home Builders Association (VHBA) was chartered in 1973 to promote, protect and preserve the home building industry in the greater Fox Cities area. A not-for-profit corporation, VHBA is a professional organization representing the building industry in the greater Fox Cities area. VHBA is the source for information on building issues, trends and innovations. VHBA provides its members with programs and services to enhance their ability to conduct business with integrity and professionalism.

WHEDA Tax Credit Supported Housing

Some of the affordable housing available in Appleton has been created through affordable housing tax credits available through the State of Wisconsin. The Affordable Housing Tax Credit Program is a competitive program that allocates federal income tax credits to developers. In exchange for receiving the tax credits, developers agree to reserve a portion of their housing units for low- and moderate-income households for at least 15 years. Projects that mix affordable and market rate rental units are common, with non-tax credit units rented at market rates without income limits. There are a total of 495 tax credit supported rental units in Appleton. Of these, 163 are available only to seniors.

Neighborhoods

Large communities are generally comprised of neighborhoods that may be defined by the housing found there, proximity to some natural or man-made feature, political boundaries, or other characteristics. Neighborhoods may be informal or officially recognized by local government. There are many advantages to establishing neighborhood areas within a community, including formation of a sense of community, strengthening relationships between residents of the area, improving communications between residents and local government, providing a vehicle for coordinated action, and promoting neighborhood improvement.



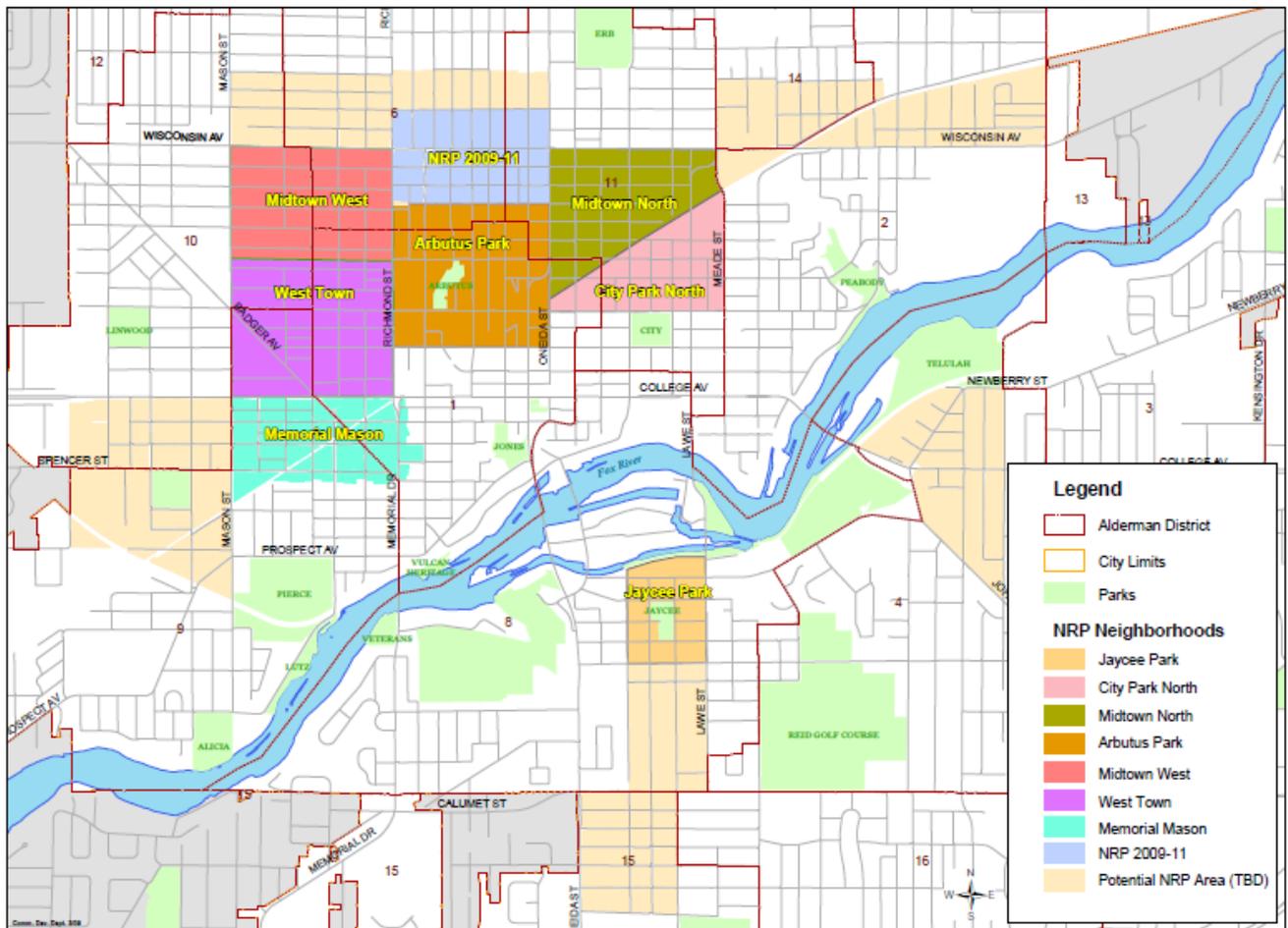
The Old Third Ward is an example of a neighborhood within the City of Appleton. It is bounded by Appleton Street, Memorial Drive, Lawrence Street, and the Fox River. The Old Third Ward Neighborhood Association originally formed to seek designation as a historic district and to counter encroachment by governmental uses into residential areas. These efforts were largely successful, and the Association has continued to address issues of concern to neighborhood residents.

The City Park District was added to the National Register of Historic Places in 2002. The district encompasses 455 acres and 139 buildings, the greater majority being residential. The area is significant for its architecture, including the Queen Anne style. At the center of this district sits City Park, a longtime favorite of residents.

The City of Appleton’s Neighborhood Revitalization Program, launched in 1996, was originally intended to keep Appleton’s central city neighborhoods healthy and vibrant. The program targets a neighborhood, creates a working action plan that brings multiple resources into the area, and works with neighborhood stakeholders and City departments for a two-year period.

The Neighborhood Revitalization Program gets its funding primarily through Community Development Block Grant funds that are provided by the U.S. Department of Housing and Community Development to Appleton as an entitlement community. The Neighborhood Revitalization applies for these funds annually and seeks other sources of funding.

Neighborhood Revitalization Program Long Range Plan



Several neighborhood areas have been included in the program, including Jaycee Park, City Park North, Midtown North, Arbutus Park, Midtown West, West Town, and Memorial/Mason. An area has been designated for inclusion in 2009 through 2011, and several other areas have been identified as potential future target areas.

Expanding this program can accomplish several important objectives including:

- providing an organization to help the City in disseminating information, receiving public input, and working cooperatively with residents to identify and act on neighborhood priorities;
- Assisting the City to more effectively carry out basic functions like policing, street maintenance, and code enforcement; and
- fostering a greater sense of community and neighborhood identity through greater social interaction.

Objectives and Policies

Appleton will provide a variety of rental and ownership housing choices in a range of prices affordable to community residents, and ensure that existing housing is adequately maintained in terms of physical quality and market viability. This will be carried out through the implementation of the following goals, objectives, and policies:

5.1 OBJECTIVE: Continue efforts to ensure an adequate supply of housing affordable to all income levels in the community.

- 5.1.1 Monitor the balance between household incomes and for-sale housing or market rents to identify trends that may impact affordability.
- 5.1.2 Continue to support, seek continued or additional funding, and expand the number of housing programs available to defray the costs of rental housing or home ownership.
- 5.1.3 Continue to support programs that provide assistance to homeless persons in the community.

5.2 OBJECTIVE: Work proactively to prevent decay of the City's housing stock and blight conditions within neighborhood areas.

- 5.2.1 Monitor property maintenance conditions in neighborhoods, evaluate existing codes to determine their effectiveness in addressing property conditions, and ensure adequate code enforcement.
- 5.2.2 Evaluate the need to provide greater authority to conduct inspections of rental properties.
- 5.2.3 Support and encourage programs that provide recognition for exemplary property maintenance.
- 5.2.4 Support existing programs to provide funding for home improvements for lower-income households.
- 5.2.5 Encourage and facilitate renovation and redevelopment that preserves and enhances the viability of existing housing and neighborhoods.
- 5.2.6 Utilize housing relief funding or other sources of assistance to minimize the risk of property foreclosure, and to acquire foreclosed or blighted properties to support neighborhood stabilization.

5.3 OBJECTIVE: Provide a range of housing styles that meet the needs and appeal to all segments of the community.

- 5.3.1 Evaluate conditions under which it may be appropriate to allow accessory units in some parts of the City.
- 5.3.2 Identify preferred locations and encourage urban infill and redevelopment to meet the needs of retirees and Generation X and Y buyers or renters, such as:
 - redevelopment sites on the north side of downtown or along Wisconsin Avenue, among other locations, targeted to moderately-priced condominiums and rental units;



- redevelopment sites along the Fox River Corridor, including the industrial flats, that are suited to higher-value condominium and rental units; and

5.3.3 Plan for a supply of market-affordable vacant land suitable for continued attainable residential development, primarily on the north side of the City.

5.4 OBJECTIVE: Expand the City's Neighborhood Revitalization Program to establish neighborhood organizations as partners in carrying out City functions.

5.4.1 Identify coherent neighborhood areas within Appleton, which may be centered around features such as shopping districts, schools, or parks.

5.4.2 Provide assistance to help form neighborhood organizations that will work with City staff and elected officials to promote neighborhood vitality.

5.4.3 Engage neighborhood areas to identify target activities on which residents and City government can partner to take action.

