



CITY OF APPLETON
**Community & Economic
Development Department**
March 11, 2020

GROWTH REPORT

2019

CITY OFFICIALS

Timothy Hanna, Mayor
James Walsh, City Attorney
Kami Lynch, City Clerk

2019 COMMON COUNCIL

District 1: William Siebers
District 2: Vered Meltzer
District 3: Brad Firkus
District 4: Joe Martin
District 5: Katie Van Zeeland
District 6: Denise Fenton
District 7: Maiyoua Thao
District 8: Matthew Reed
District 9: Alex Schultz
District 10: Christine Williams
District 11: Patti Coenen
District 12: Cathy Spears
District 13: Kyle Lobner
District 14: Christopher Croatt
District 15: Corey Otis

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

Karen Harkness, Director
Monica Stage, Deputy Director
Matt Rehbein, Economic Development Specialist
Laura Bonnet, Housing Coordinator
David Kress, Principal Planner
Don Harp, Principal Planner
Jessica Titel, Principal Planner
Nikki Gerhard, Grants Administrator
Mark Lund, GIS Specialist
Jessica Schneider, GIS Specialist
Heath Anderson, GIS Specialist
DeAnn Brosman, City Assessor
Tim Smith, Property Assessor
Dan Steenbock, Property Assessor
Matt Tooke, Property Assessor
Lona Thelen, Personal Property Clerk
Karen Pietila, Real Estate Assessment Clerk
Brenda Broeske, Administrative Assistant

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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, equalized valuation, and net new construction 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 Report will compare the City of Appleton to other comparable 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.

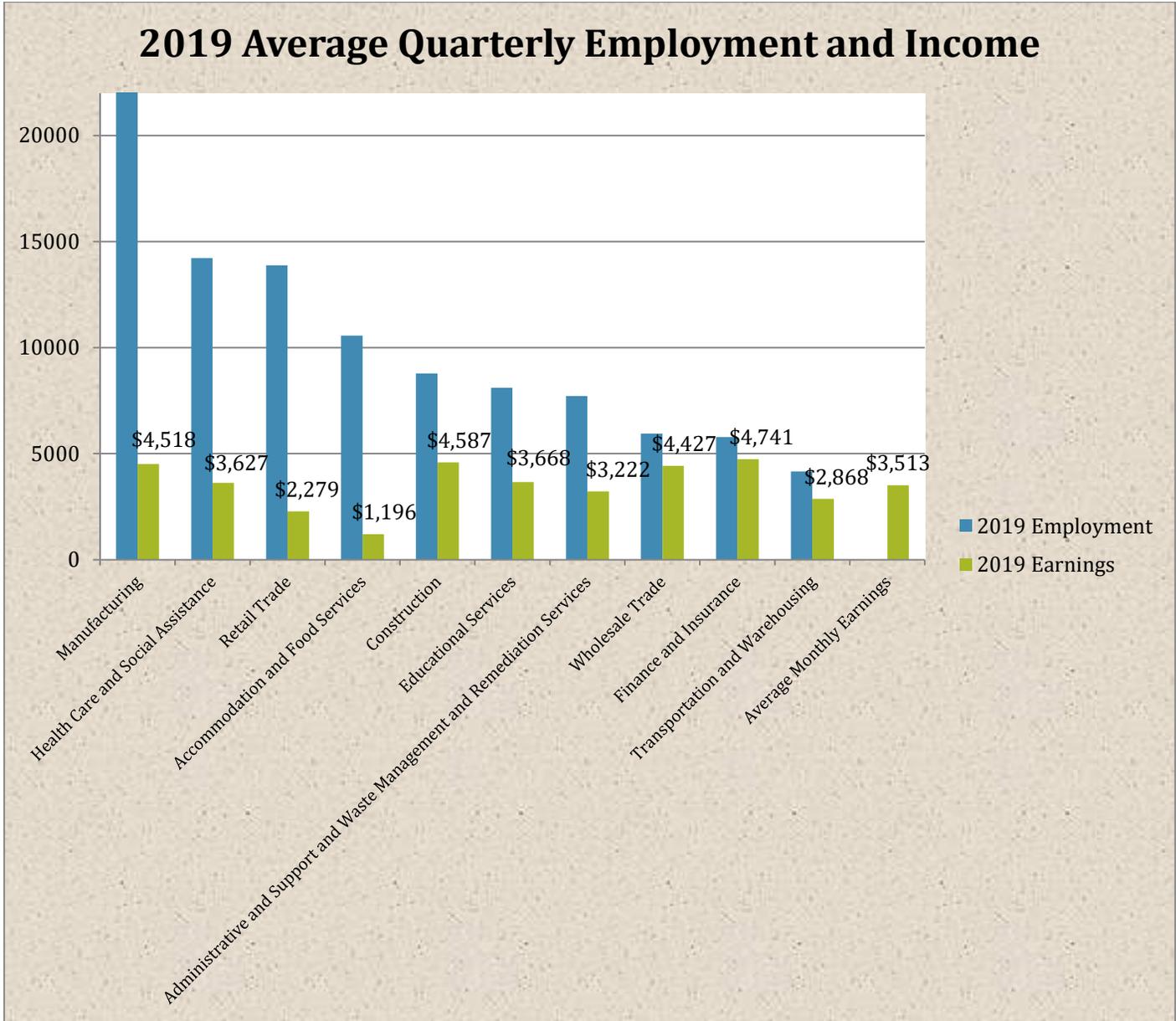
Last year, we started placing an increased focus on net new construction and a reduced focus on construction permit data. Construction permit data tends to be the most volatile, and reporting can be inconsistent or duplicated. Net new construction, on the other hand, is defined and standardized by the State of Wisconsin and has a direct bearing on the City's tax levy and ability to collect income.

INCOME

According to ESRI [supplier of geographic information system (GIS) applications] data, the median household income for the City of Appleton in 2019 was \$58,457, which is slightly below the median household income of \$59,087 for the State of Wisconsin and the U.S. average of \$60,548.

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 2019 (monthly earnings included in chart).



Source: US Census Bureau – Local Employment Dynamics

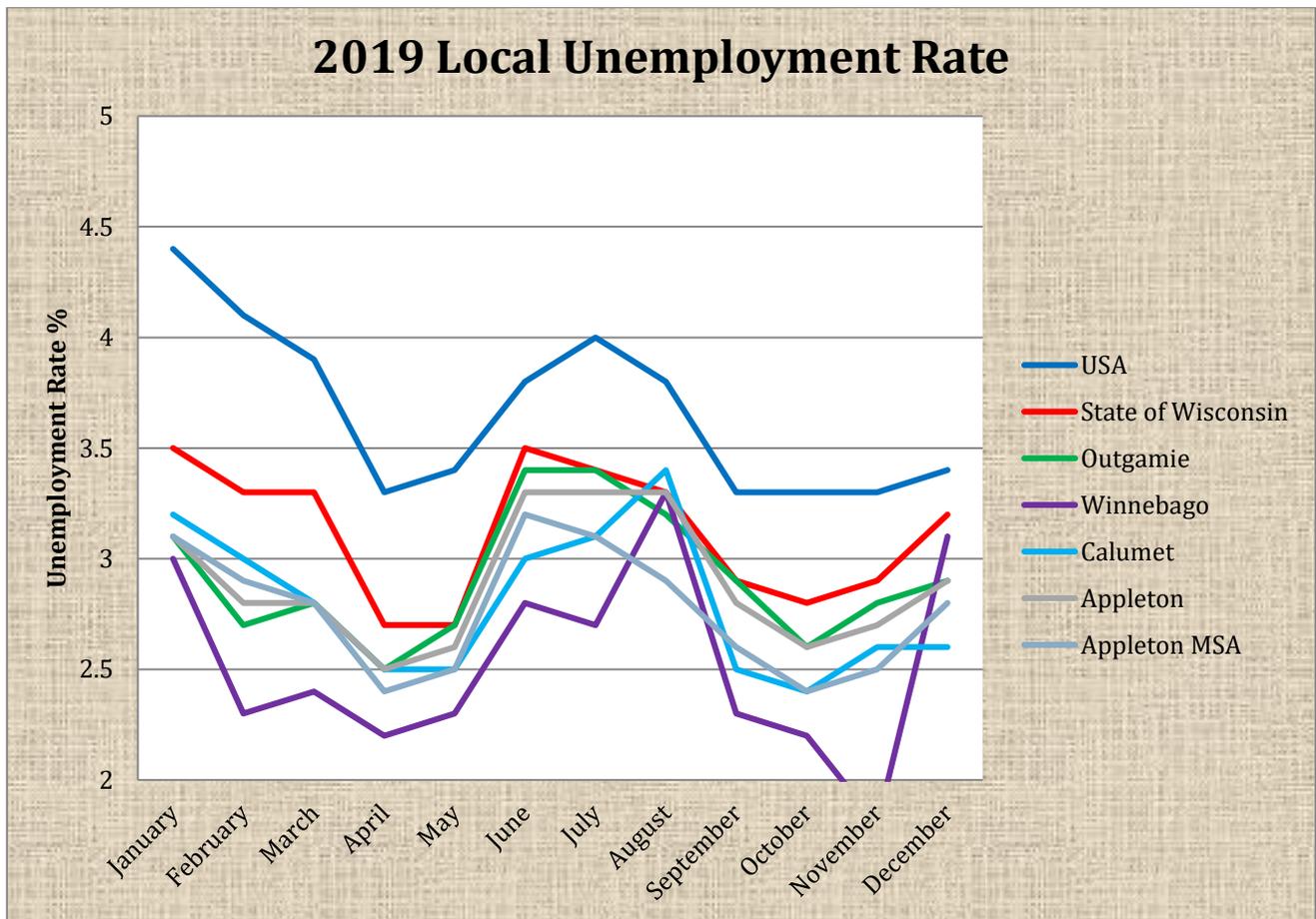
Manufacturing shows the highest quarterly employment, followed by Health Care and Social Assistance, then Retail Trade.

Average monthly earnings ranged from \$1,196 to \$4,587 per position for the top ten employment sectors represented. As a reference point, the Department of Housing and Urban Development (HUD) considers a monthly gross household income of \$5,588 or less to be low income for a family of four in the Appleton MSA, a family comprised of 1 individual is considered low income if under \$3,912.50 per month. It is worthy of note that 2 of the top 4 employment sectors by number of jobs provide earnings less than the \$3,515 average across all 10 employment categories.

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.

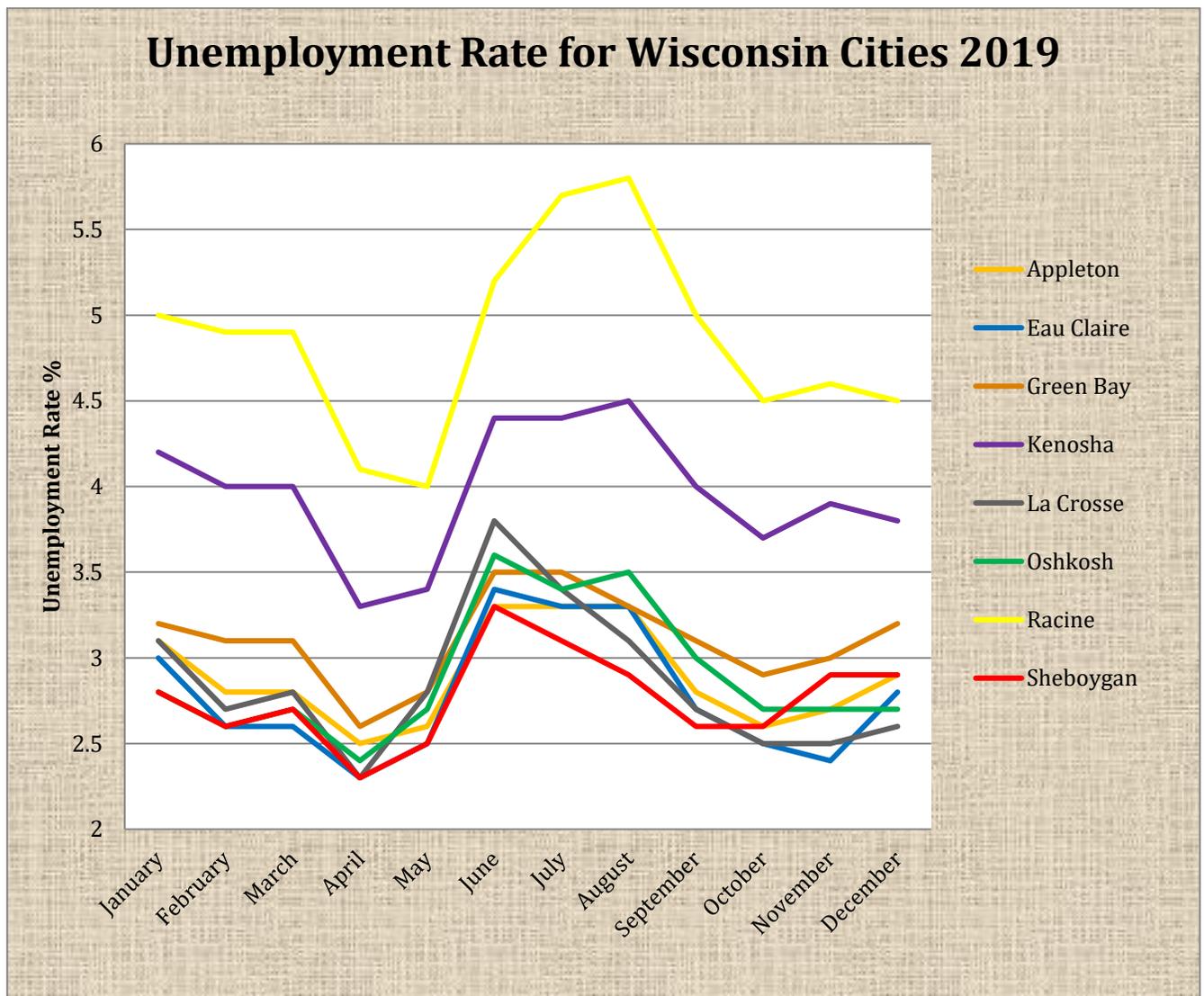
UNEMPLOYMENT

The City of Appleton unemployment rate declined last year. The City started January 2019 at 3.1% unemployment and concluded the year at 2.9%. The average 2019 unemployment rate for Appleton was 2.9%. 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. 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

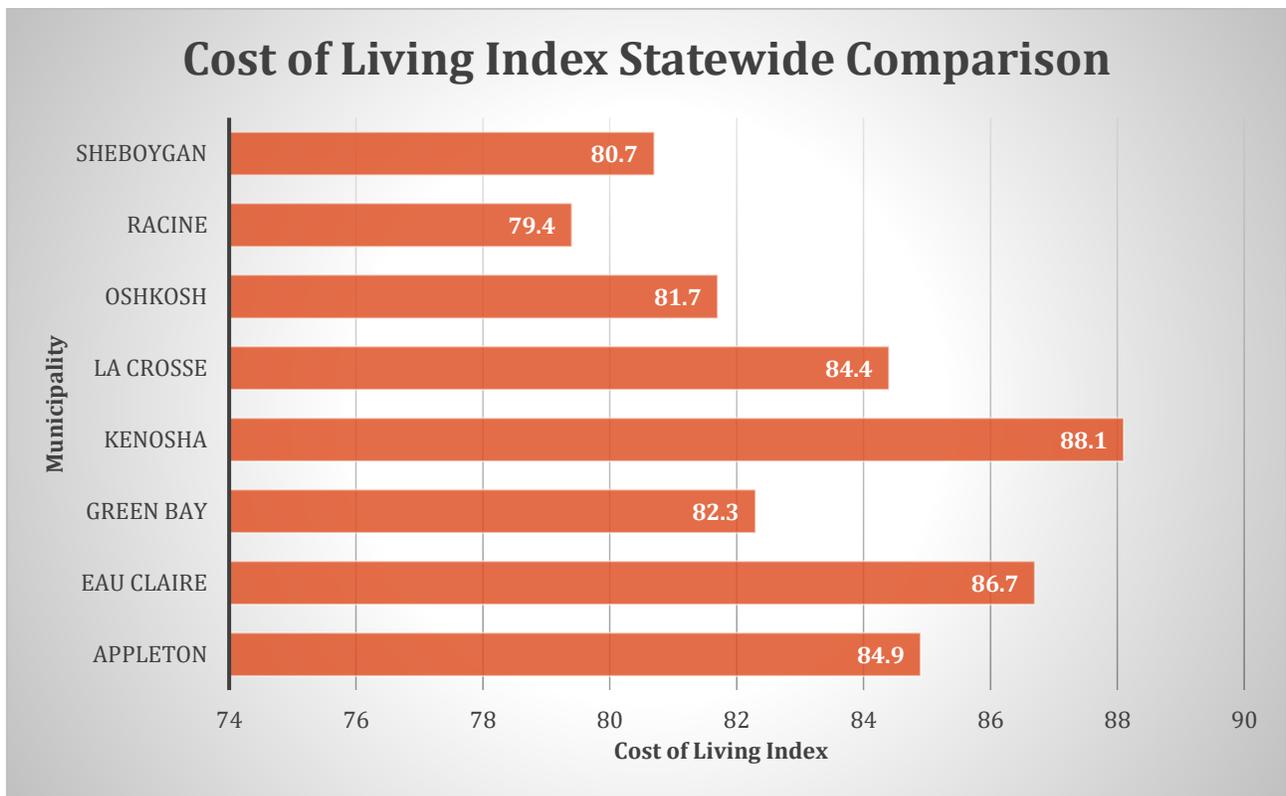
The following chart shows the average unemployment rate of the medium size cities in the State of Wisconsin. The Cities of Eau Claire and Sheboygan saw the lowest average unemployment rate of 2.8% in 2019, while the City of Racine had the highest unemployment rate of 4.9%. The City of Appleton trended similarly to other communities in the state each month and was toward the middle of the pack with an average for the year of 2.9%. Employers are acutely aware of the need to attract workers. Leading economists indicate an unemployment rate of around 5% is considered “full employment”. These unemployment figures indicate communities throughout the state are all in need of workers. To maintain competitiveness, availability of skilled workers is crucial.



Source: State of Wisconsin Department of Workforce Development

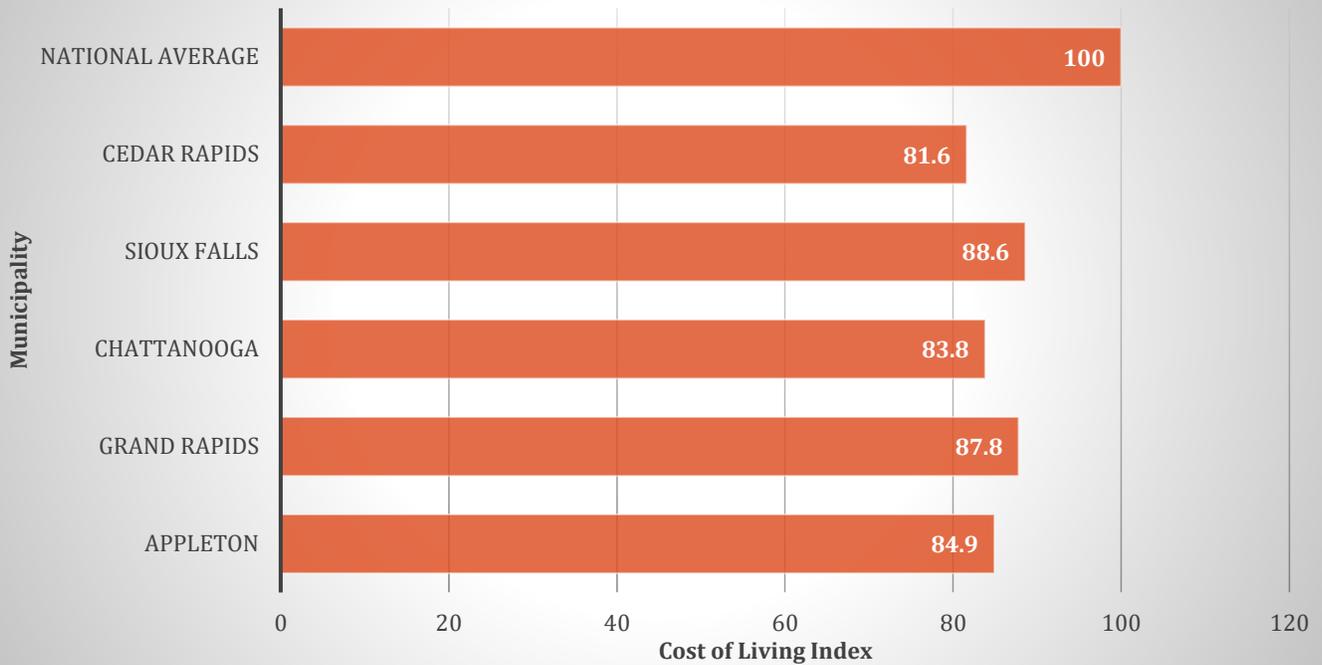
COST OF LIVING

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 84.9, which compares favorably to the national average of 100. Appleton's rating of 84.9 is near the middle when compared to other communities across the State and Midwest. Compared to the nearby communities of Green Bay and Oshkosh, Appleton's cost of housing and utilities was the highest, resulting in the higher cost of living overall among the three. 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

Cost of Living Index National Comparison



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

Housing (67.4): The average cost of an area's housing which includes mortgage payments, apartment rents, and property taxes.

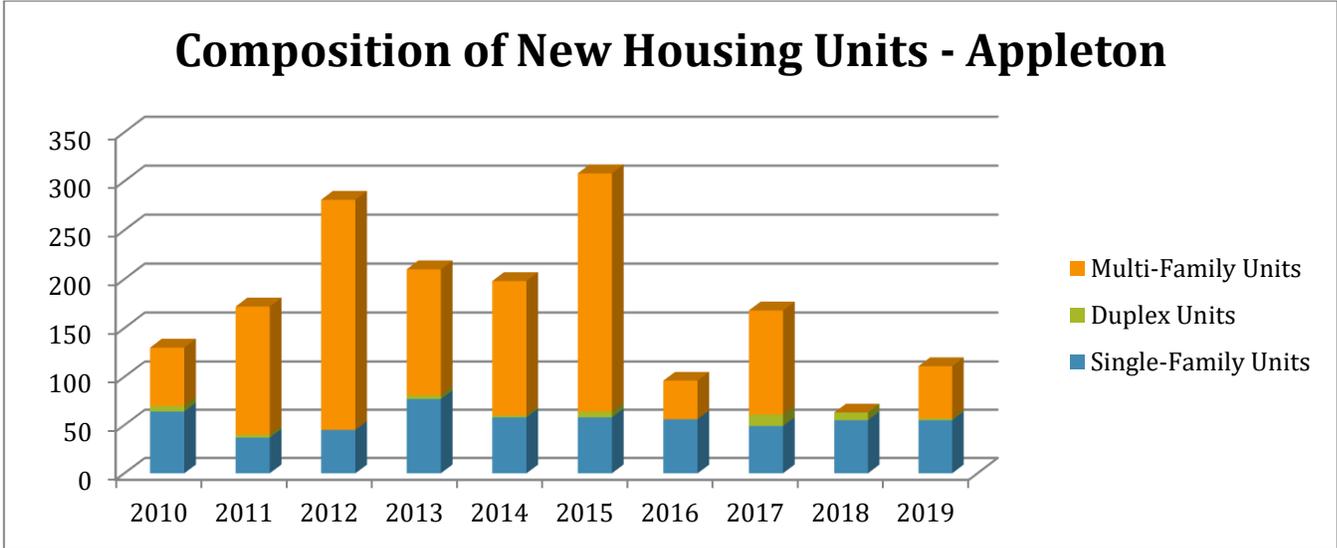
Utilities (97.9): The average cost of heating and cooling a typical residence for the area, including electricity and natural gas.

Transportation (74.1): 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.)

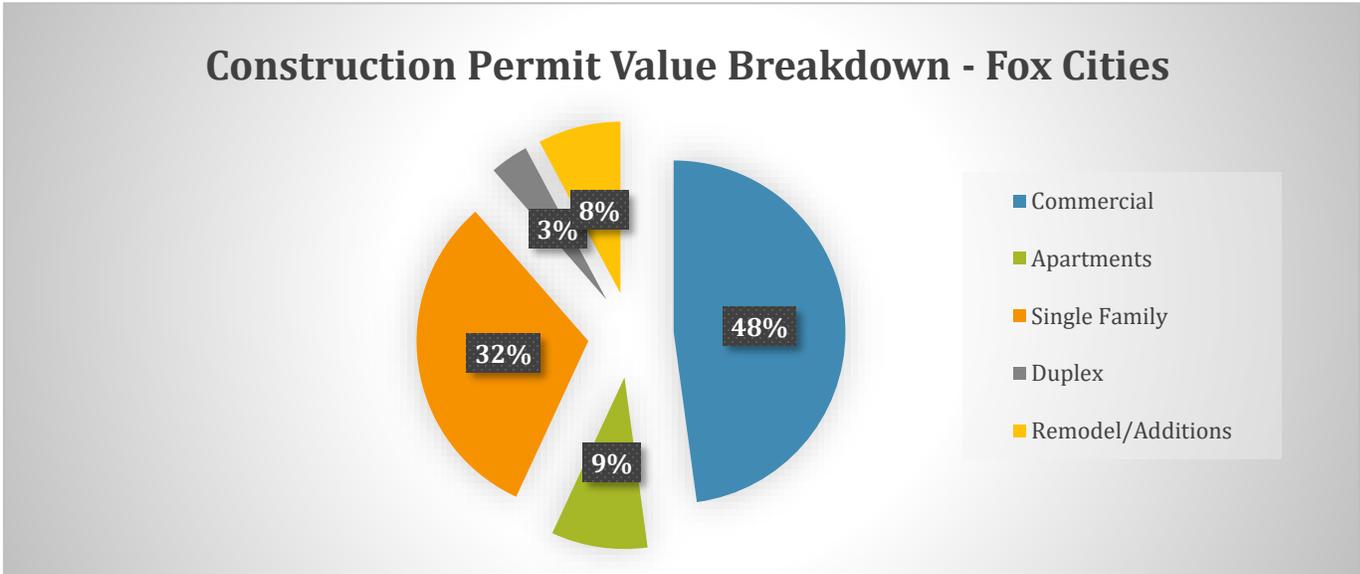
Health (103): The average cost of health care calculated using the standard daily rate for a hospital room and the costs of a doctor's office visit and a dental checkup.

BUILDING PERMIT ACTIVITY

The number of single-family homes in the City of Appleton constructed in 2019 was 55, which is identical to the number of single-family residential permits in 2018. Total housing unit construction in Appleton increased in 2019 to 111 units from 63 units in 2018. 2018 residential unit deliveries were exceptionally low due to no new multi-family project permits pulled in 2018.

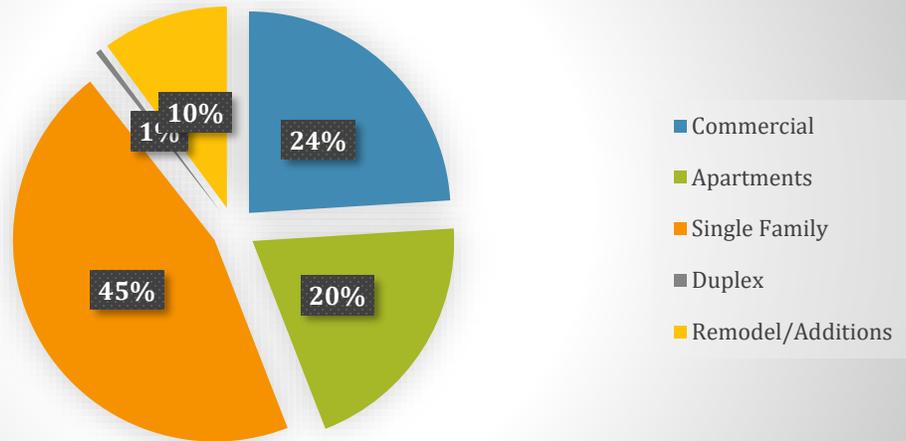


Construction by type for the City of Appleton exceeded construction by type for the overall Fox Cities by percentage in the single-family residential and multi-family categories. Commercial permits were a larger percentage in the Fox Cities overall in 2019.



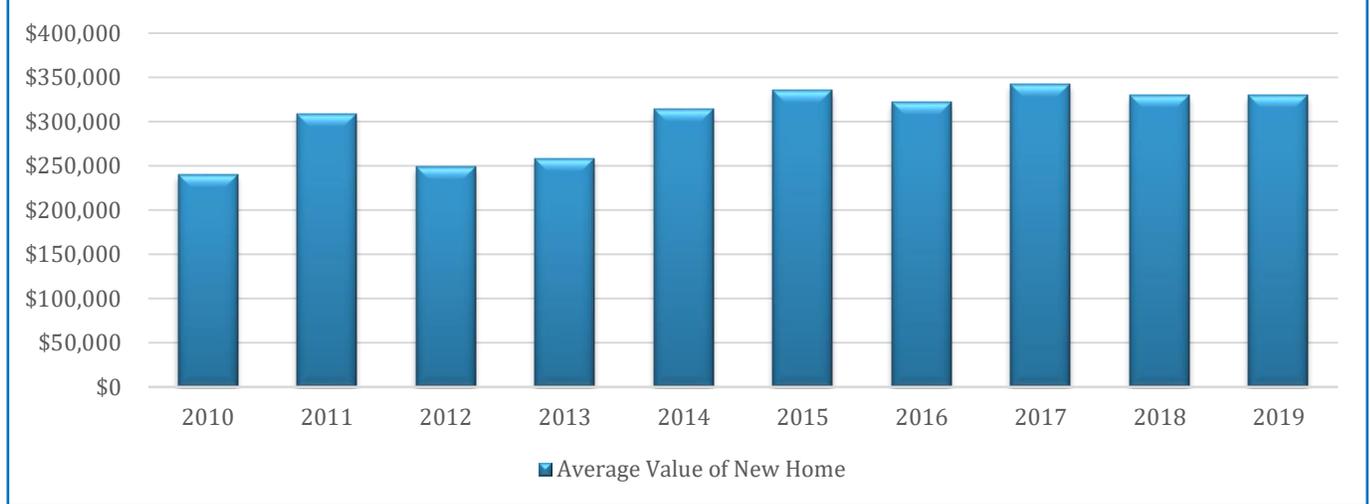
*Permit data from Village of Harrison and Town of Buchanan not received

Construction Permit Value Breakdown - Appleton



The total dollar value of single-family permits increased negligibly to \$18,152,000 from \$18,133,139 in the City of Appleton, with an average permit value of new home construction at \$330,036 in 2019 compared to \$329,701 in 2018.

Average Value of New Homes 2019 - Appleton



To follow is a list of projects started in 2019 over \$1 million in estimated value based on permits. Projects over \$1 million provided for \$45,322,469 in construction value in 2019, with \$11,982,169 of that exempt from taxes.

2019 PERMITS IN APPLETON OVER \$1,000,000

Owner	Address	Estimated Cost (\$)	Reason	Description	Taxable Status
PELICAN'S NEST LLC	E JOHN ST	6,026,440	COMMERCIAL	NEW BUILDING	Y
THRIVENT FINANCIAL	4321 N BALLARD RD	4,982,489	COMMERCIAL	REMODEL	Y
RIVERHEATH WILLOW LLC	161 S RIVERHEATH WAY	4,904,431	COMMERCIAL	NEW BUILDING	Y
AVANT APARTMENTS LLC	126 N DURKEE ST	4,500,000	MULTI FAMILY	NEW BUILDING	Y
THEDACARE INC	2500 E CAPITOL DR	4,359,740	COMMERCIAL	REMODELING	Y
OUTAGAMIE COUNTY	320 S WALNUT ST	3,600,000	COMMERCIAL	REMODELING	N
GABRIEL LOFTS LLC	209 E COLLEGE AVE	3,550,000	MULTI FAMILY	NEW BUILDING	Y
WISCONSIN ELECTRIC POWER COMPANY	139 N STATE ST	2,000,000	COMMERCIAL	CONC SLAB	N
CITY OF APPLETON	1313 E WITZKE BLVD	1,800,000	COMMERCIAL	ADDITION	N
JMAE HOLDINGS LLC	3232 N BALLARD RD	1,600,000	COMMERCIAL	REMODEL INT	Y
NEW MORNING REAL ESTATE LLC	3600 E VANTAGE DR	1,455,000	COMMERCIAL	NEW BUILDING	N
PERKINS LLC	1200 S PERKINS ST	1,200,000	COMMERCIAL	ADDITION	Y
DAYTON HUDSON CORP	1800 S KENSINGTON DR	1,117,200	COMMERCIAL	REMODEL I/E	Y
BENSHAW PROPERTIES LLC	3984 E ENDEAVOR DR	1,107,969	COMMERCIAL	NEW BUILDING	N
THOMAS PURDY	6800 N PURDY PKWY	1,100,000	ONE FAMILY	NEW BUILDING	Y
ETERNAL LOVE EVANGEL LUTH CHURCH	1011 E MIDWAY RD	1,019,200	COMMERCIAL	REMODEL INT	N
CITY OF APPLETON	N APPLETON ST	1,000,000	COMMERCIAL	WRECKING	N

EQUALIZED VALUE AND NET NEW CONSTRUCTION

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). Being the largest number (\$5.86B in 2019 vs. \$5.44B in 2018), it is also the least volatile. Equalized values capture the following changes:

- DOR's market field studies
- Demolition or destruction of buildings or other improvements
- Changes in property's exempt status
- Changes in classification of property
- Annexation gains or losses
- Other miscellaneous changes
- Adjustments (corrections) made under State law (Sec. 70.57, Wis. Stats.)

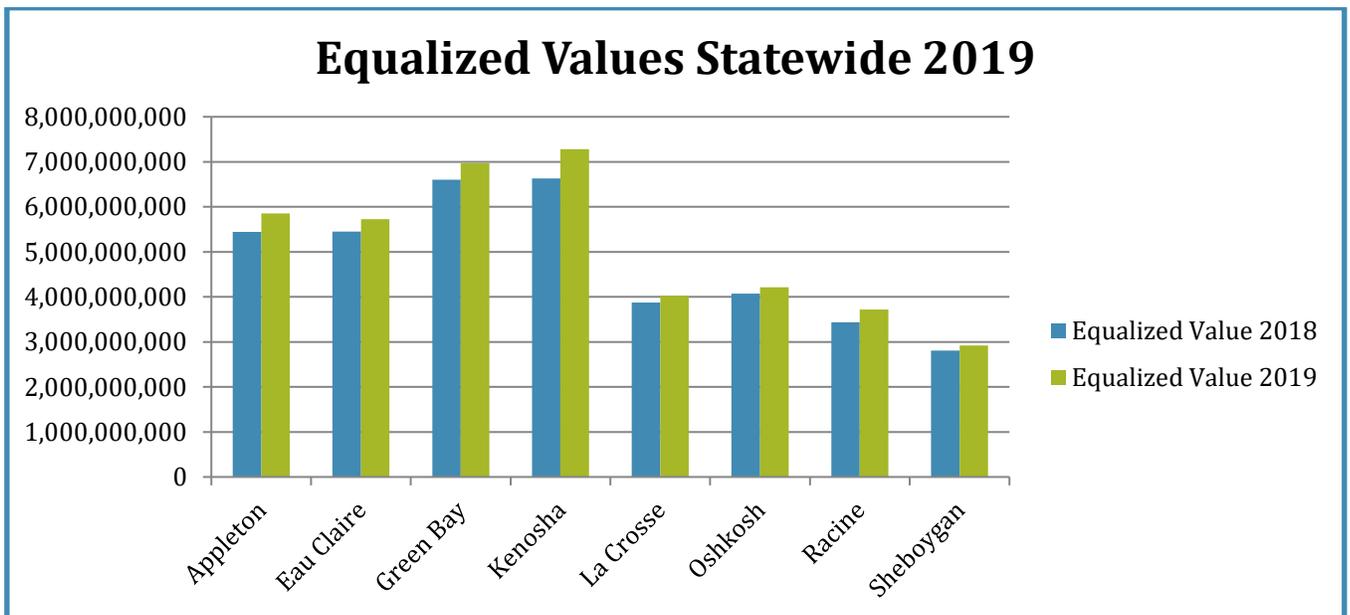
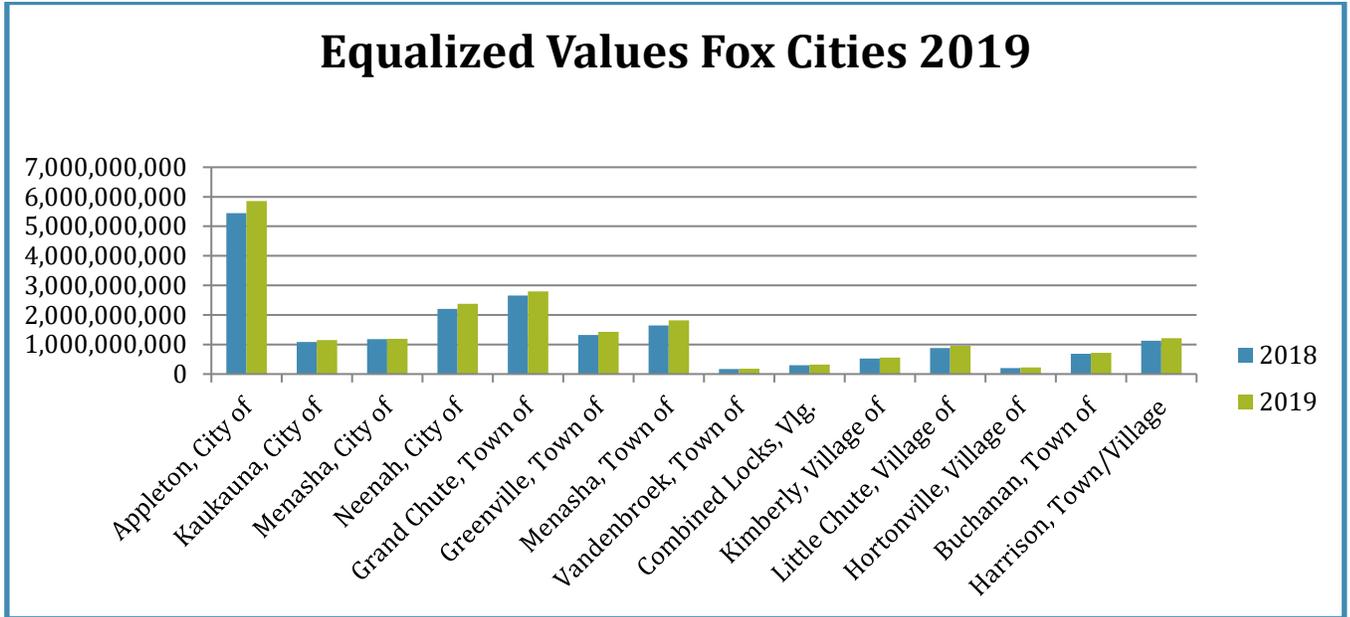
NET NEW CONSTRUCTION:

Net new construction captures the following:

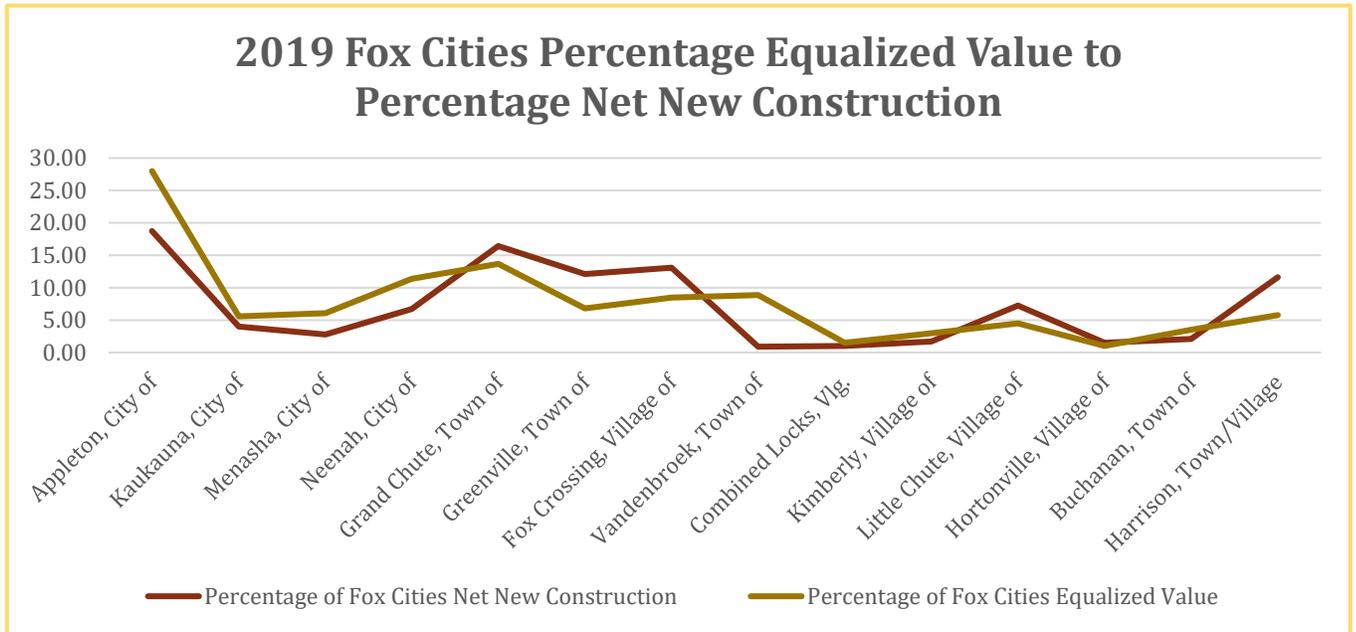
- Land value changes are due to higher land utility
- Improvement value changes are due to construction of new buildings

This is a significant number to pay attention to because it ties directly to the City's available tax levy. A municipality is allowed to increase its levy over the amount it levied in the prior year by the percentage increase in equalized value from net new construction. If no new construction occurred in your community, then your allowable levy increase is zero percent.

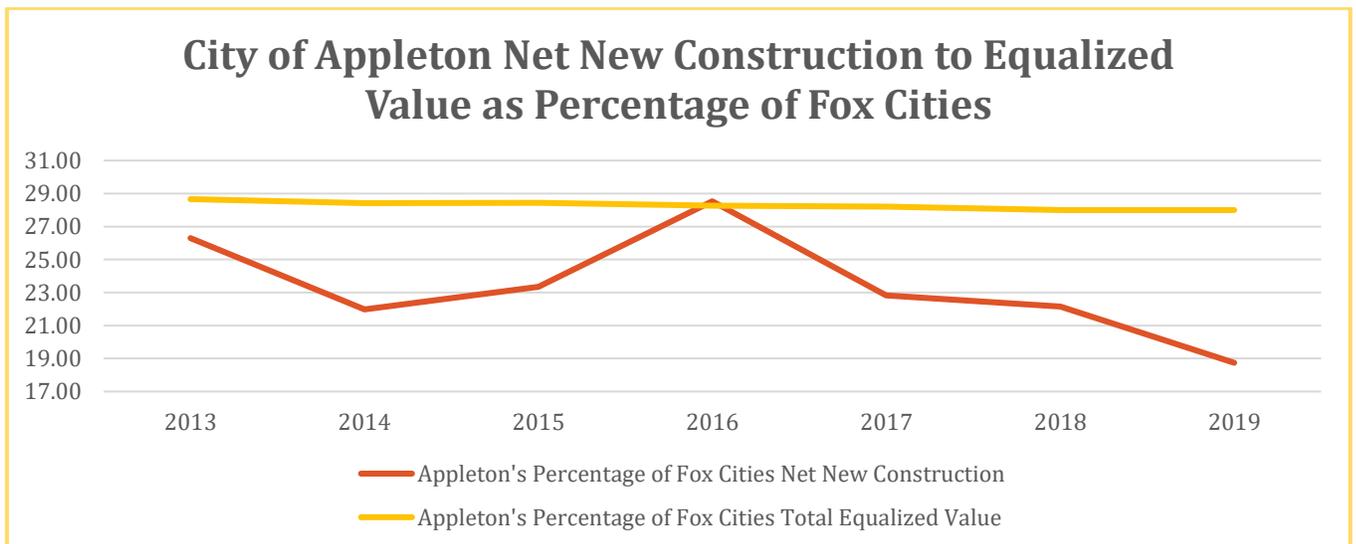
Appleton experienced an increase in equalized values for the City overall of 7.57%, compared to a statewide increase in Wisconsin of 5.72%. The following charts compare Appleton's equalized value to the Fox Cities and other midsize cities in the State of Wisconsin.



The following chart shows the percentage of net new construction captured by each municipality (as a percentage of the Fox Cities) and their equalized value (as a percentage of the Fox Cities). The City of Appleton garnered a lower percentage of net new construction in the Fox Cities relative to the percentage of equalized value in the Fox Cities. Grand Chute, Greenville, Fox Crossing, Little Chute, Hortonville and Harrison outperformed their percentage of the Fox Cities with net new construction in 2019. Municipalities use the percentage increase of net new construction as a valuation factor in determining the allowable tax levy for the municipality.



The 7-year trend shown in the following chart which compares the City of Appleton’s percentage of Fox Cities net new construction and the percentage of total equalized value in the City of Appleton is concerning. 2016 was the only year in which the City’s net new construction percentage exceeded the City’s percentage of equalized value. With an average net new construction percentage 4.88% below the equalized value percentage over the 7-year period, the City of Appleton’s percentage of total Fox Cities’ equalized value has been decreasing.



Fox Cities by Percentage Increase in Net New Construction

Municipality	2018 Equalized Value	Net New Construction	2018-2019 Percentage Increase	Percentage of Fox Cities Net New Construction
Harrison, Town/Village	1,123,583,900	45,449,900	4.05%	11.60%
Greenville, Town of	1,323,094,600	47,471,000	3.59%	12.12%
Little Chute, Village of	878,465,300	28,438,300	3.24%	7.26%
Fox Crossing, Village of	1,644,837,000	51,383,900	3.12%	13.12%
Hortonville, Village of	199,760,600	5,921,900	2.96%	1.51%
Grand Chute, Town of	2,657,993,100	64,385,300	2.42%	16.43%
Calumet County*	4,215,076,500	96,454,400	2.29%	N/A
Vandenbroek, Town of	172,130,300	3,534,000	2.05%	.90%
Outagamie County*	15,601,113,200	296,924,700	1.9%	N/A
Kaukauna, City of	1,088,410,700	15,788,200	1.45%	4.03%
Winnebago County*	13,475,470,700	184,265,000	1.37%	N/A
Appleton, City of	5,443,435,200	73,422,600	1.35%	18.74%
Combined Locks, Vlg.	297,130,800	3,996,300	1.34%	1.02%
Kimberly, Village of	524,142,700	6,617,900	1.26%	1.69%
Buchanan, Town of	684,363,800	8,204,300	1.20%	2.09%
Neenah, City of	2,209,662,100	26,350,800	1.19%	6.73%
Menasha, City of	1,177,560,800	10,814,200	.92%	2.76%
Fox Cities Total	\$19,424,570,900	\$391,778,600	2.02%	100%

*County numbers included for net new construction comparison only, not included in totals

The City of Appleton represents 28.00% of the Fox Cities by total equalized value and captured 18.74% of net new construction equalized value in 2019. The City’s net new construction percentage increase is 1.35%, compared to the Fox Cities average of 2.02%, which warrants monitoring to ensure the City of Appleton captures its “fair share” of net new construction. Details of net new construction throughout the State can be found on the State of Wisconsin Department of Revenue Website:

<https://www.revenue.wi.gov/SLFReportsassessor/nnc-2019f.pdf>

TAX INCREMENTAL DISTRICT

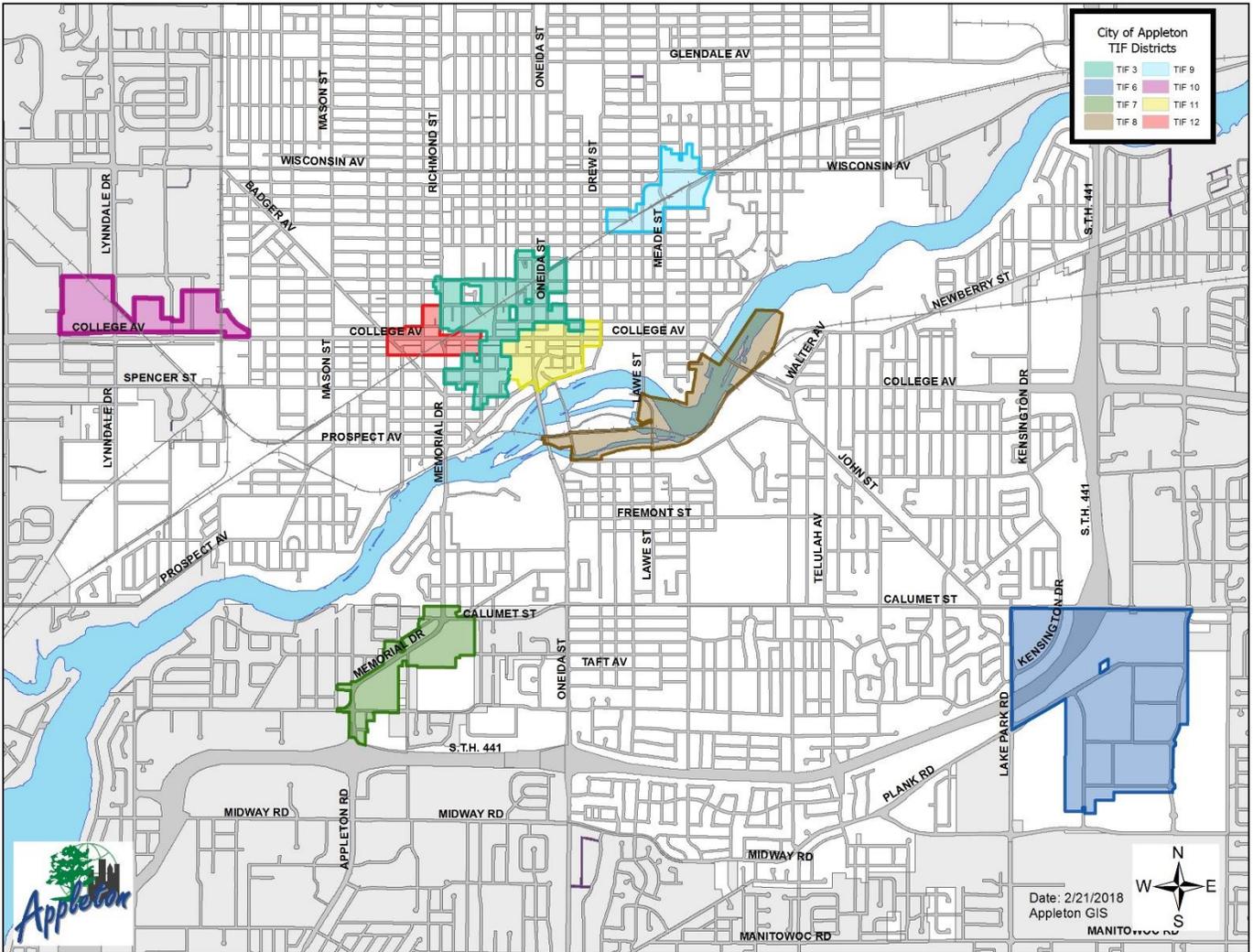
The following table shows the value increase/decrease of Tax Incremental Districts since creation, change during the past year, and an average annualized percentage change. Tax Incremental Districts 3, 6, 8 and 12 saw increase in increment in 2019, while Tax Incremental Districts 7, 9, 10 and 11 saw decreases. Citywide, the cumulative decrease across all Tax Increment Districts in 2019 was (.96)%. The following pages summarize performance by each district. In 2019, the City's Assessment ratio, as set by the State of Wisconsin, went from 96% to 100%, resulting in a 4% reduction in values across all TIF Districts.

Tax Incremental District Valuations

TID #	Start	Base Value	2018 Value	2019 Value	Total Increment	2018-2019 Increment	% Change in 2018-2019 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 3	1993	18,940,800	66,625,000	70,899,500	51,958,700	4,274,500	6.42%	10.97%	274.32%
TID 6	2000	12,141,600	126,319,900	129,019,600	116,878,000	2,699,700	2.14%	53.48%	962.62%
TID 7	2007	25,657,000	44,650,100	39,089,800	13,432,800	(5,560,300)	-12.45%	4.76%	52.36%
TID 8	2009	6,135,100	50,720,000	56,920,500	50,785,400	6,200,500	12.22%	91.98%	827.78%
TID 9	2013	21,512,900	22,337,500	20,537,900	(975,000)	(1,799,600)	-8.06%	-0.91%	-4.53%
TID 10	2013	24,543,900	24,196,200	18,183,800	(6,360,100)	(6,012,400)	-24.85%	-5.18%	-25.91%
TID 11	2017	83,099,200	90,259,800	84,702,900	1,603,700	(5,556,900)	-6.16%	1.93%	1.93%
TID 12	2017	22,974,900	22,689,200	24,144,800	1,169,900	1,455,600	6.42%	5.09%	5.09%
Total		\$215,005,400	\$447,797,700	\$443,498,800	\$228,493,400	(\$4,298,900)	-0.96%		106.27%

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

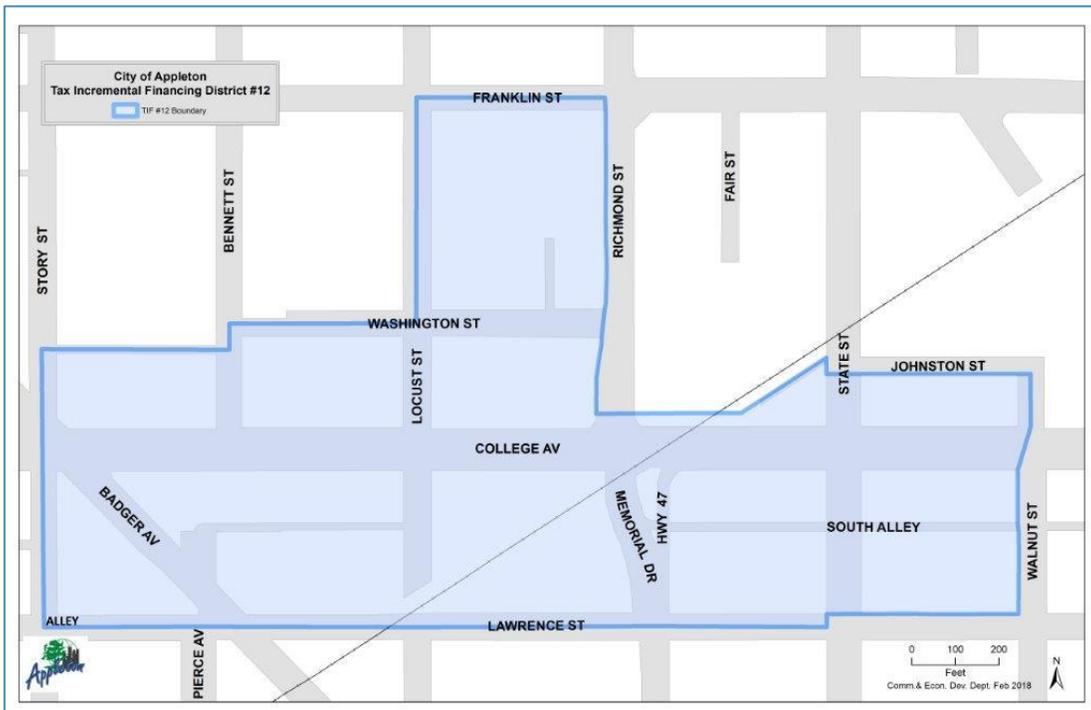
The following is a City Map indicating locations of the TIDs and then a map of, and performance notes for each, along with the scheduled closing date of each TID:



TID #11 Created in 2017, TID #11 saw a decrease in value of \$5,556,900 or (6.16)% due mostly to the ratio adjustment to equalized values. This TID is scheduled to close in 2044.



TID #12 TID #12, also created in 2017, saw an increase in value of \$1,455,600 or 6.42%. The former Thompson Community Center returned to the tax roles in 2019, and McFleshman’s made significant improvements comprising much of the increase. This TID is scheduled to close in 2044.



BUSINESS DEVELOPMENT

The City once again experienced a net gain in new businesses. During 2019, 161 new businesses opened in the City, while 73 closed, for a net gain of 88. The following pages highlight the new businesses that opened in Appleton and the businesses that closed or moved in 2019.

New Businesses That Opened in the City of Appleton:

TRIPLE E MACHINE & TOOL INC	GLK FOODS LLC	TOLL PROS INC
WII & ARI : W WAREHOUSING INC	PERFECT PATTERNS INC	CHEMPRINT NORTH INC
CASTERS & MATERIAL HANDLING INC	CAPTAIN'S AUTO SALES LLC	CD PRODUCTS INC : INMAR ENTERPRISE INC
CECKA'S BARBERSHOP LLC	COTTINGHAM & BUTLER INS SERVICES INC	DRAKE HOMES LLC
EAGLE POINT SENIOR LIVING INC	EDWARD D JONES & CO LP #98407	EVER DRY WATERPROOFING OF THE FOX CITIES
FIRST IMPRESSIONS SC	FOX VALLEY CLEAN AIR C/O DANIEL BECK	GEC HOME INSPECTIONS LLC
HANDS-ON HEALING MASSAGE LLC	CIA PLUS INC	JIMMY JOHNS : J-BALLARD INC
JMW CONSTRUCTION C/O JAMES MICHAEL WIDDER	KATIE'S CONSULTING LLC	L&W SUPPLY CORP - APPLETON EAST
LEGACY INVESTMENTS SERVICES INC	LIFE IQ LLC	MOON WATER CAFE LLC
PAUL DAVIS RESTORATION OF SE WI INC	PERSONA BODY ART STUDIO LLC	POWER ENGINEERS INC
PRECISION POWDER LLC	RAPID 3D INC	RAYMOND JAMES & ASSOC INC
ROONEY TEAM C/O JILL ROONEY	SHERMAN COUNSELING MANAGEMENT LLC	STERLING LAW OFFICES SC
THEDACARE HEMATOLOGY & ONCOLOGY : THEDACARE INC	VALLEY SPINE AND SPORT LLC	WISCONSIN REGISTERED AGENT LLC
WOMEN : ASARE ENTERPRISES LLC	WONDERS ICE CREAM C/O GAOLAI LEE & HONG KONG VANG	AIA CORPORATION
BYLINE BANK : SMALL BUSINESS CAPITAL	CARDINAL REALTY LLC	CASTING ON LLC
FITZGERALD & BOMIER LLC	GREAT LAKES REALTY ADVISORS LLC	IVORY ROSE BRIDAL BOUTIQUE LLC
J GEIGER CONSULTING INC	PLAYER 2 ARCADE BAR : PLAYER 2 LLC	TELMARK SALES SOLUTIONS INC

THRIVENT FINANCIAL FOR LUTHERANS	ZUELKE BUILDING LLC - CO-WORKING	BADGER PAINTING LLC
BEHNKE PROPERTIES LLC	BLUSH DE FLEUR LLC	DEALER INSPIRE INC
DOLLAR TREE STORES INC #7529	FRESS RESTAURANT & BAR : DVV ENTERPRISES LLC	JERK JOINT LLC
LOON PADDLE COMPANY LLC	MC FLESHMAN'S BREWING CO LLC	MS MATERIALS LTD
NINE.TWO.ZERO SALON LLC	SYSIGN ENGINEERING LLC	ALYSSA & ANNA LLC
APOTHEKE HEATH & WELLNESS BOUTIQUE : APOTHEKE WELLNESS LLC	BE // A CTR FOR HOLISTIC MENTAL HEALTH & HEALING LLC	BURN BOOT CAMP
THE CAMBRIDGE TEAM C/O CHRIS HALBACH	CAREER (RE)SEARCH GROUP C/O CHRISTOPHER CZARNIK & JENNIFER BANTA-KROLL	COMMUNITY FIRST CREDIT UNION
EMILY MEGAN PHOTOGRAPHY	EYE PHOTOGRAPH LLC	FLY CIRCUS & AERIAL ARTS C/O JAIME SCHMITT
FORK FARMS LLC	GIORDANA BEAUTY LLC	GRAHAM IMAGES LLC
THE HOME TEAM - CENTURY 21 ACE REALTY C/O A LAUER & C VOSTERS	J B HUNT TRANSPORT SERVICES INC	LEARFIELD COMMUNICATIONS LLC
LINCOLN FINANCIAL ADVISORS CORP : LINC FIN GRP : SAGEMARK	LORI'S GIFTS LLC	M C KINNEY PHOTOGRAPHY C/O TRACY VAN ZEELAND
THE MANOR @ 1815 C/O THERESA SPOEHR	THE NORTHERN TUNDRA LLC	OPTIMAL DIGITAL MARKETING INC
SOUND DECISION MOBILE ENTERTAINMENT CO C/O DANIEL DRAVES	STEAM SALON AND SPA C/O JESSI BICHEL	TOPVU MEDIA LLC
UPLIFT NUTRITION LLC	VALERIE HAMILTON PSYCHOTHERAPIST LLC	ZIEMANN COUNSELING AND WELLNESS LLC
ATTIC ON THE AVE LLC	AUSTIN66 PRECIOUS LEATHERS	BRAIDS UNLIMITED SALON/BARBER SHOP C/O JOHNNITTA SCOTT
CORE'S LOUNGE LLC	FOX CITIES CLINIC OF CHIROPRACTIC LLC	FOX VALLEY COMMUNICATIONS LLC
IQ RESOURCE GROUP INC	KIGER STEFFES CHIROPRACTIC SC	LEGENDS CUTS & STYLES C/O ERNESTO SANCHEZ JUAREZ
1-800-GOT-JUNK : RUBBISH BOYS DISPOSAL SERVICE INC	PHYSICS OF FITNESS LLC	RICH'S BARBER SHOP LLC (APPLETON)
RITCHIE AUTO LLC	SEAN & SONS LLC	SOLANGE'S AFRICAN MARKET C/O AUGUSTIN UWERA
STATEVIEW COMMONS C/O MIKE & JENILEE EHLENBECK	STUDIO K STAINED GLASS LLC	STUDIO 604 LLC
TIL DEATH TATTOOS LLC	URBAN LEAF CBD C/O ROSE LEE	WILTZIUS ASSOCIATES LLC
APEX INSPECTIONS LLC	BENDEL IP LEGAL LLC	BEYOND WORDS LLC

CMIT SOLUTIONS OF APPLETON C/O RICHARD SZYMANSKI	COMPASS TWO LLC	COUNSELING AND CONSULTING PROFESSIONALS LLC
FARMERS INSURANCE : MAILOR LOR AGENCY LLC	GRACEFUL REMINDERS C/O RITA VIEAU	HARMONIA REIKI HEALING C/O ANN E WENDEL
HOMES FOR INDEPENDENT LIVING - FOX VALLEY	INSURANCE BROKERAGE SERVICES : IBS INC	KAUFMAN RESIDENTIAL DESIGN LLC
KKY POOL HALL C/O YER XIONG & KEETEEKUNE THAO	MASTER'S TOUCH DENTAL CERAMICS LLC	NEIL NOVAK REALTY LLC
NORTHLAND HOMETOWN PHARMACY LLC	OPEN TRAILS COUNSELING LLC	PRIMROSE OF APPLETON : APPLETON RETIREMENT LLC
SPHAIRA WELLNESS LLC	TASTE OF THE WINDY CITY C/O HATEM AYARI	THREE OTTERS PHOTOGRAPHY C/O MARY BAIRD
VALLEY EMOTIONAL HEALTH : DR SUE MELCHER LLC	VALLEY PILATES LLC	WORLD HEADQUARTERS LLC
YOUR CBD STORE C/O CARA BLOOM	PLANET FITNESS OF APPLETON LLC	POPEYES LOUISIANA KITCHEN : SMIT CO EATERIES INC
SMARTE CARTE INC	THOUGHTFUL THERAPY LLC	BAYSIDE HOME MEDICAL : BAY PHARMACIES INC
CHRISTIANOS PIZZA : WISE RESTAURANT GROUP	DARBOY AUTO SALES INC	EDWARD D JONES & CO LP
FARRELL EQUIPMENT & SUPPLY CO INC	FOX VALLEY TINT WRAPS & CERAMIC PRO : FOX VALLEY TINT LLC	FOX VALLEY VITALITY LLC
HOMEFINITY : FAIRWAY INDEPENDENT MTG CORP	JACKSON HEWITT TAX SERVICE : TAX SERVICES OF AMERICA	JEREMY J KOX LANDSCAPE ARCHITECTURE LLC
MAPLE TREE REST & PANCAKE HOUSE C/O AGRON & SPRESA BEKTESHI	MATHNASIUM OF EAST APPLETON : APPLETON PI LLC	OFFSETS GARAGE LLC
PURE BARRE C/O JORDAN MALKOWSKI & BROOKE MC MILLAN	SECURITY-LUEBKE ROOFING INC	SHOPKO OPTICAL : SHOPTIKAL LLC
WORLD FINANCE CO OF SOUTH CAROLINA LLC	MEADE STREET BISTRO C/O SONY MEYER	

Businesses That Closed or Moved Out of the City of Appleton:

ACCENT CUSTOM COMPONENTS INC	ALLSTAR INSURANCE - GY AGENCY APPLETON C/O GAO (SUE) YANG	BIG HEARTS LITTLE HANDS HOME CHILD CARE C/O MELISSA F HAMPP
NORTHWESTERN MUTUAL : THE DOULE GROUP LLC	ELIPTICON WOOD PRODUCTS INC	JP MORGAN CHASE BANK NA
LARSON INSURANCE AGENCY C/O PAUL LARSON	MAC'S SMALL ENGINE LLC	MARES, CHRIS J SC

MASSMUTUAL FINANCIAL GROUP	GREEN APPLE EYE CARE : MEMMEN, JAMES E MD LTD	PIZZA KING OF APPLETON LLC
SHOPKO EXPRESS #505 : SHOPKO STORES OPERATING CO LLC	STILES LAW FIRM C/O RICHARD L STILES	APPLETON ROCK SCHOOL LLC
FEISTEL & ASSOCIATES LLC	GABRIEL FURNITURE COMPANY : WELLS ENTERPRISES INC	GIBSON MUSIC HALL : APPLETON MUSIC HALL LLP
KRUZEL, SUSAN C LPC LLC	MERYDYAN TECHNOLOGIES LLC	MI-TECH SERVICES INC
AUTHOR'S KITCHEN & BAR : MJ AUTHOR'S KITCHEN LLC	ROGERI VIOLIN SHOP LLC	SCHENCK INVESTMENT SOLUTIONS LLC
SHE.HAIR & BOUTIQUE LLC	SILTON SEIFERT CARLSON SC	CENA RESTAURANT LLC
STUDIO KITCHENS LLC	IL ANGOLO RESTO-BAR LLC	LOTUS SPA C/O PING LU
ATLAS WATERFRONT CAFE/GATHERM : LASUBO INC	POLAR BEAR CARPENTRY LLC	APPLEBEE'S #238 : APPLE HOSPITALITY GROUP LLC
BREATHE REVOLUTION STUDIO : PARNEE FREDERICK LMT LLC	CORNERSTONE MORTGAGE GROUP : CSTONE MORTGAGE INC	DALY REMINDERS PHOTOGRAPHY C/O LINDSAY DALY
DOG HOUSE GROOMING SPACENTRE : THE DOG HOUSE PET CENTER INC	ELEMENTAL CORE OUTREACH LLC	FOX VALLEY NURSERY INC
HEYNDRICKX TRUCKING LLC, R&B	MASSAGE SPOT THE C/O CHERYL A LEONARD	OLISTICA HAIR & BEAUTY LLC
ATRIUM POST ACUTE CARE : 601 BRIARCLIFF DRIVE OPER CO LLC	FOX CITIES ORIENTAL MARKET LLC	VAMP C/O AJ MILLER
ATRIUM HEALTH & SENIOR LIVING : FOX RVR NURSING/REHAB CTR LLC	PANACHE IMAGE CONSULTING SALON INC	ES FIRE PROTECTION : ELECTRIC SCIENTIFIC COMPANY
VFW CLUB #2778 INC	BAR STOOLS DIRECT INC	BIRTHWISE HEALTH & BIRTH CENTR : BIRTHWISE LLC
CUSTOM CANINE GROOMING BY HOLLY LLC	CUSTOM CANINE GROOMING BY TARA LLC	FLESH CHAMBER C/O ANTHONY YBARRA & ABE KRUPINSKI
GREEN GECKO GROCER & DELI : GREEN GECKO INC	HANDS TO HEART LLC	INTEGRITY CHIROPRACTIC : HEALTHWISE CHIRO/WELL CTR LLC
ONE STOP DISCOUNT FURNITURE : FURNITURE WORLD/MATTRESSES LLC	RIVER OF INK C/O JAMES A PLUTZ	SMITH, W E REALTY INC
SPIN FRESH COIN LAUNDRY LTD	YESTERDAY'S LLC	LIFE ENRICHMENT WITH DR M LLC
WILEY, JOHN (EQUIPMENT) C/O JOHN WILEY	APPRAISAL ASSOCIATES INC	DISTINCTIVE RENOVATIONS : G & S FASSBENDER LLC
FARMERS INSURANCE : ANDREW MAUS AGENCY LLC	LOS TRES MANANTIALES LLC	MASSAGES BY KELLY LLC
JP MORGAN CHASE BANK NA	SECURA INSURANCE COMPANY	CLARITY PUBLIC RELATIONS INC
HUNTINGTON NATIONAL BANK THE		

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- to moderate-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- to moderate-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 over \$6.3 million in outstanding loans. The City rehabilitated 24 housing units in 2019 and spent over \$500,000 on home improvement loans. The goal for 2020 is to rehabilitate an additional 24 housing units.

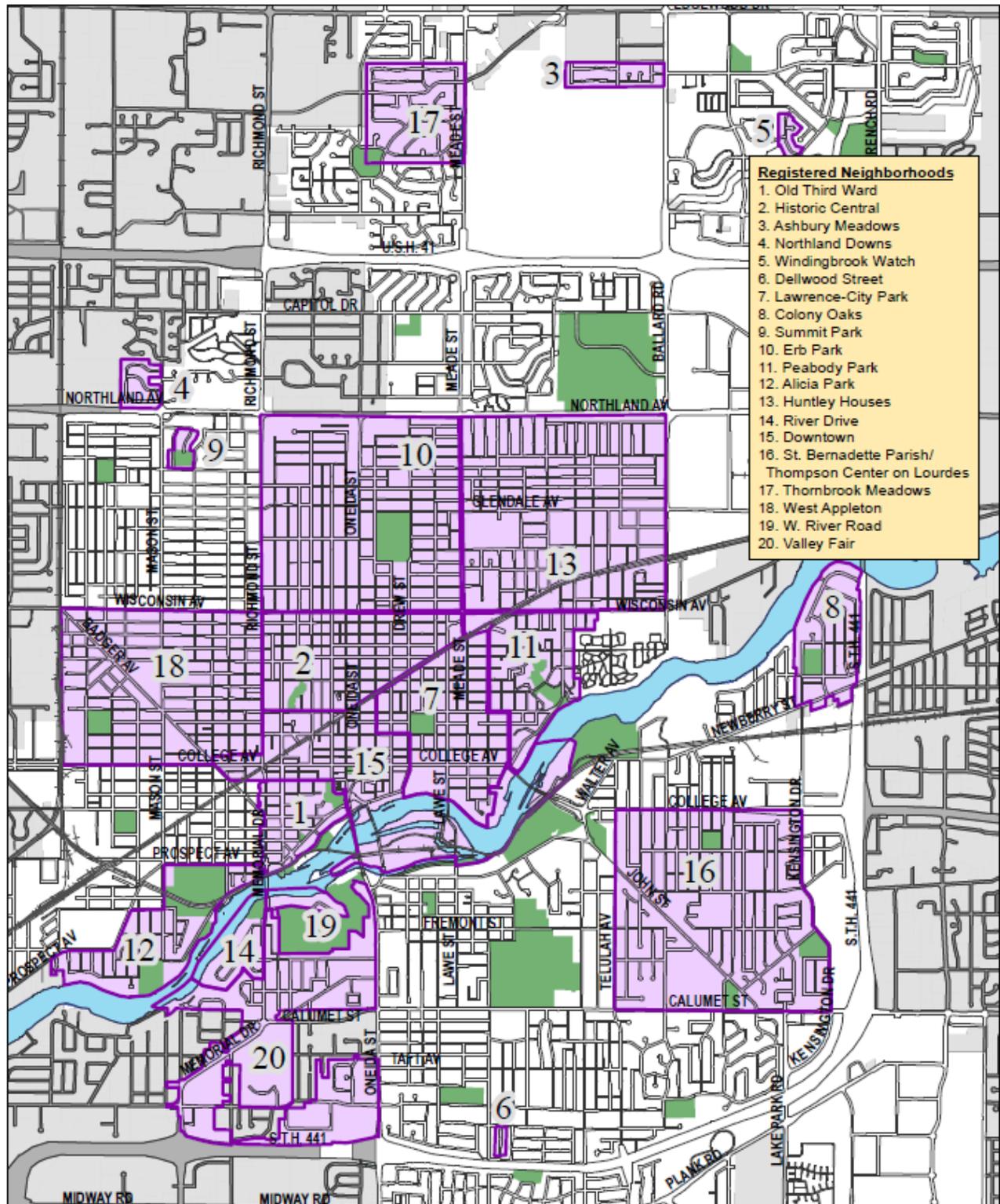
NEIGHBORHOOD PROGRAM

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 20 registered neighborhoods throughout the City. Registered neighborhoods are completely or partially located in all 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, Peabody Park, and Downtown).

Two applications for The Neighborhood Grant Program (TNGP) were received, approved and funded in 2019, both in the Appleton West Neighborhood. The first was a grant for \$3,300 to support promotion of a neighborhood launch gathering and extensive survey. The second was for \$1,500 to support "Make a Difference Day".

The primary goal of the Neighborhood Program is to increase communication between Appleton's neighborhoods and City Hall. Two neighborhood program meetings were held in 2019, one in spring and another in fall. Both "roundtable" discussions provided opportunities for residents to share their experiences as neighborhood leaders among peers, strengthen their neighborhoods, and establish a clear line of communication with the City. 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 on various topics such as when a developer or the City is proposing a project that may directly or indirectly impact a registered neighborhood. A map of Registered Neighborhoods is on the following page:



- Registered Neighborhoods**
1. Old Third Ward
 2. Historic Central
 3. Ashbury Meadows
 4. Northland Downs
 5. Windingbrook Watch
 6. Dellwood Street
 7. Lawrence-City Park
 8. Colony Oaks
 9. Summit Park
 10. Erb Park
 11. Peabody Park
 12. Alicia Park
 13. Huntley Houses
 14. River Drive
 15. Downtown
 16. St. Bernadette Parish/
Thompson Center on Lourdes
 17. Thornbrook Meadows
 18. West Appleton
 19. W. River Road
 20. Valley Fair



Registered Neighborhoods - Sept 2019



RECENT CITY INVESTMENTS PROMOTING GROWTH

- A. A full north/south two-way Appleton Street bridge was completed in 2019.
- B. The extension of Spartan Drive started in 2019 and will be complete in 2025 from Meade Street to Highway 47.
- C. Evergreen Drive (east of Richmond Street) reconstructed underground infrastructure work was completed in 2018. Paving was completed in 2019. This area is expected to see additional growth with the recently opened Meijer across the street in the Town of Grand Chute. Land at the southeast corner of Highway 47 and Evergreen was annexed into the City in 2019.
- D. The City of Appleton purchased two properties totaling approximately 23 acres on Edgewood Drive long identified as future commercial/industrial use on the Future Land Use Map. While not yet served by City utilities, the City continues to manage these properties to provide for additional growth in the future.
- E. A lift station was added in 2017 to accommodate approximately 950 acres of growth on the north side; it is located southeast of the intersection of Broadway Drive and Richmond Street, adjacent to future Spartan Drive.
- F. The “Diverging Diamond” intersection at Hwy 441 and South Oneida Street was completed in 2018. In addition, the City of Appleton completed roadwork to South Oneida Street between the Oneida Skyline Bridge to Hwy 441. These improvements will further enhance this area’s attractiveness for commercial development/redevelopment and re-open a major north/south thoroughfare.

CHALLENGES TO GROWTH

- A. Net new construction for the City was lower than most of our neighboring communities, which will limit the City’s ability to raise the tax levy and provide services. Appleton’s trend of net new construction as a percentage of the Fox Cities equalized value will have to change if the City wants financial resources to support current demands and future growth of the City without increasing debt.

- B. Uncertainty about the U.S. Venture relocation to downtown Appleton has placed other investments on hold in the downtown. This affects investments in the “Bluff” site, Soldier Square site, Central Business District and areas north of College Avenue.
- C. Changing roles of leadership and staff at the Fox Cities Chamber of Commerce has resulted in an unclear future vision and undefined separation between the Fox Cities Chamber of Commerce and Fox Cities Regional Partnership.
- D. Over the past few years, a series of incorporations by surrounding municipalities on the City’s south side has resulted in a limitation to the City’s growth corridor to the south.
- E. Workforce and Skilled Labor

While the unemployment rate for Appleton and the Fox Cities overall has been dropping and is currently quite low, that number alone does not tell the whole employment story. Underemployment and a skills gap exist which prevents maximizing potential in our labor force. Some suggested strategies for addressing future labor needs include:

1. Aligning Workforce and Economic Development Efforts
2. Engaging the Unemployed, Underemployed and Discouraged
3. Talent Attraction and Retention
4. Capital Improvement Funds
5. Incumbent Worker Training
6. Flexible Schedules
7. Seasonal Programs
8. Job Sharing Programs
9. Phased Retirement Programs
10. Knowledge Transfer and Reverse Mentoring

Source: Matt Kures, UW-Extension Center for Community and Economic Development

- F. Significant road improvements are needed to Apple Creek Road and Broadway Drive that require widening, including the acquisition of new right-of-way. French Road, north of Edgewood Drive, is a rural two-lane road. Future development could necessitate the widening and urbanizing of French Road.
- G. Regulatory floodplains are known to exist on the northside which will restrict the suitability of those areas for future growth.
- H. 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.

- I. The City received only one bid for concrete street improvements in 2019, which was significantly above the budgeted amount. This resulted in a reduction in the number of streets improved.
- J. Limitations of the existing utility infrastructure and coordinating their expansion with timing of development will have to be closely coordinated.
- K. Open green space and recreational amenities have been identified as a need on the south side. There is limited land available on the City's south side with sufficient size to accommodate a community park. Staff outlined several potential sites for a community park in 2017; however, Council did not recommend pursuit of any of the options.

PROJECTS ON THE HORIZON

- A. U.S. VENTURE: U.S. Venture has announced it plans to construct a new headquarters building on the "Bluff" site in downtown Appleton. This will bring up to 1,000 employees and will add a minimum of \$54.5 million in assessed value to our downtown. Details of the Development Agreement continue to be discussed and finalized.
- B. EAGLE FLATS: The developer is pursuing the next phase of the project, which is targeting the addition of office space, a visitor's center in partnership with the Fox River Navigational Authority, and public access at the property east of Lawe Street adjacent to Lock III.
- C. RIVERHEATH DEVELOPMENT: Tanesay Development continued construction of "The Willows" which will have 110 residential units and 23,000 square feet of commercial and retail space. Completion is anticipated in Spring 2020. After completion of The Willows, there is one lot remaining for development in the RiverHeath development.
- D. EAGLE POINT (FORMER FOREMOST DAIRY SITE): Construction of Phase I was completed in 2018, which includes 100 independent senior living units. Eagle Court (Phase II), comprising a 28-unit community based residential facility, started construction in 2019. One lot remains available in this development.
- E. GABRIEL LOFTS: This project will be add 21 residential units and commercial space to the downtown. Completion is anticipated in Spring 2020.
- F. CRESCENT LOFTS: The Crescent Lofts is scheduled to begin construction in Spring 2020. When complete, a total of 69 residential units will be added to the downtown, 58 of which will be affordable housing.

- G. 320 EAST COLLEGE: This project is scheduled to start construction in 2020 and will add 28 residential units and commercial space along College Avenue.
- H. F STREET DEVELOPMENT: F Street Development has 50 acres under contract to purchase in the Southpoint Commerce Park and anticipates construction of a series of speculative warehouse/distribution buildings. They hope to begin with an initial 200,000 square foot building in Spring 2020.

OPPORTUNITIES

- A. 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. 2019 saw the sale of just over 10 acres to three different companies. Two are new to the City of Appleton, and one is an expansion of an existing business in Southpoint.
- B. Opportunities will become more apparent on the “Bluff” site and surrounding area as plans get finalized for U.S. Venture and their relocation to downtown Appleton, including the library and areas north of College Avenue.
- C. Planned amendments to TIF Districts #3 and #11 will allow TIF support for parcels north of College Avenue.
- D. Privately owned land is still available for office developments north of I-41 along Enterprise Avenue and Evergreen Drive. The City repurchased one industrial site south of I-41 in 2019 and is currently marketing it for sale. Additional privately owned parcels are available in the Northeast Business Park area.
- E. The City of Appleton has approximately 280 single-family lots available for sale in established subdivisions, the majority of which are located on the north side. Plats for over 45 new single-family lots were approved in 2019, some already available. There are an additional 158 acres of planned single-family lots within the City that are unplatted as well.
- F. The City of Appleton has supported the efforts of the Fox Cities Regional Partnership, both financially and operationally, since 2012 with a total investment of \$241,500 since the Partnership’s creation. Many of these investments are to help support attracting and retaining an intelligent, innovative workforce to the City. The City approved funds in 2018 specifically to support the Talent Upload program, which was not executed in 2018. Council voted to allow the Fox Cities Regional Partnership to keep the funds allocated for Talent Upload to help offset “sunk” costs associated with the program. The Fox Cities

Chamber of Commerce created new programs in 2019 to help address workforce, talent attraction and retention issues in the region with their “Fox Cities Days” Program, and “Family Friendly Workplace” designation criteria. We look forward to seeing the results of these new programs.

STRATEGY/MARKETING

A. Comprehensive Plan Update 2010-2030

A Comprehensive Plan is intended to guide the growth and development of a community. It is a long range plan, addressing current issues while also looking beyond to future issues and opportunities with the City. It includes analysis, recommendations and implementation strategies which will impact a community’s population, economy, housing, transportation, community facilities, recreation-open space, and land use. A Comprehensive Plan establishes a vision for future land use, physical development, and quality of life in the City, as well as provides a comprehensive set of goals, policies and initiatives to achieve that vision. The Economic Development Strategic Plan, completed in 2015, was incorporated into the Comprehensive Plan which was adopted by the Common Council on March 15, 2017.

Over the course of 2019, several initiatives were completed to support the updated Comprehensive Plan. Some examples are listed below:

- 1) Mixed use and residential development in the downtown and along the river utilizing Central Business District (CBD) zoning in other areas of the City.
- 2) New growth and officially mapped roadways on the north side.
- 3) Assigning names to alleys.
- 4) Significant work on text amendments to the Zoning Code was completed in 2019 for approval in 2020.
- 5) In 2019, staff attended a Commercial Association of Realtors Wisconsin (CARW) Conference and two Mid-America Economic Development Council (MAEDC) conferences to directly promote awareness and investment in the City to site selectors and brokers from outside the area.
- 6) In 2019, staff met with over 40 businesses to resolve issues, help with retention, and assist with expansion plans.

B. The Fox Cities Economic Development Professionals

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 continues to remain committed to and actively engaged in FCEDP.

C. Marketing

Staff partnered with Locate in Wisconsin, Catylist and CoStar to reach the commercial real estate and development community and market City-owned sites. 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 from anywhere in the world.

The City of Appleton was a sponsor of the Manufacturing First conference in 2019. The conference was attended by over 1,200 manufacturers and 550 students. We also were a sponsor at the InDevelopment Conference, which is a gathering of the region's most influential people in commercial and economic development.

Sponsoring of small business initiatives was also a key focus in 2019 with the sponsorship of Small Business Saturday, Appleton Northside Business Association's Annual Meeting, and Appleton Downtown Incorporated programming, among others.

