



2012

# Growth Report



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James Walsh, City Attorney  
Charlene Peterson, City Clerk

## **2012 COMMON COUNCIL**

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Kathy Plank	Kole Oswald
Peter Stueck	Michael Smith
Patti Coenen	Teege Mettelle
Cathy Spears	James Clemons
Christopher Croatt	Jeffery Jirschele

## **COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT**

Karen Harkness, Director  
Monica Klaeser, Deputy Director  
Matt Rehbein, Economic Development Specialist  
    Laura Bonnet, Housing Coordinator  
    Brad Schmidt, Principal Planner  
    Don Harp, Principal Planner  
    Jeff Towne, Principal Planner  
Roxann Schmidt, Community Development Specialist  
    Mark Lund, GIS Specialist  
    Jessica Schneider, GIS Specialist  
    Kathy Flores, Diversity Coordinator  
    Deann Brosman, City Assessor  
    Tim Smith, Property Assessor  
    Dan Steenbock, Property Assessor  
    Matt Tooke, Property Assessor  
    Sheryl Snell, Personal Property Clerk  
    Karen Pietila, Real Estate Assessment Clerk  
    Sharon Anderson, Admin. Clerk II

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## INTRODUCTION

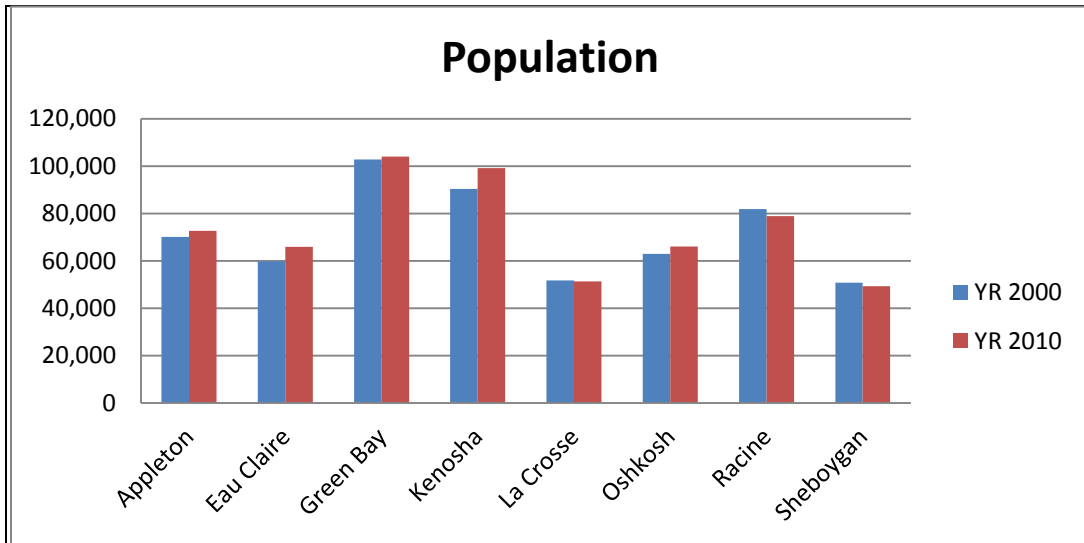
Each year the Community and Economic Development Department prepares an Annual Growth Report (Report). The purpose of the Report is to analyze growth figures over a period of ten years to determine if Appleton is capturing its historically proportionate share of growth. The Report looks at Appleton's building permit activity and equalized valuation and compares them with the Fox Cities region. This year's Report will compare the City of Appleton to other competitor cities in the State of Wisconsin and throughout the United States that we compete with for jobs and economic development. Other areas addressed include: success in target growth areas, prospects for growth, barriers that need to be overcome to continue growth, and a synopsis of the marketing efforts taken to promote growth.

The City of Appleton saw an overall decrease in the number, but increase in dollar value, of construction permits in 2012. Much of this is due to considerable growth in multi-family construction, primarily downtown and on the south side. The employment base in Appleton and the Fox Cities remains competitive and stable. The biggest sector of decline for the City of Appleton is in Equalized Values, led by a decrease in residential valuations. All but one of the City of Appleton's Tax Increment Districts (TID) decreased in value with one continuing to produce positive increment. The City of Appleton's unemployment rate continues to decline from an annual average 2011 rate of 8.8% to 8.1% in 2012.

Appleton has seen tremendous development activity along its waterfront areas. New construction projects are expected at RiverHeath, Eagle Flats, and the former Foremost Farms site, with all developments starting new phases in 2013.

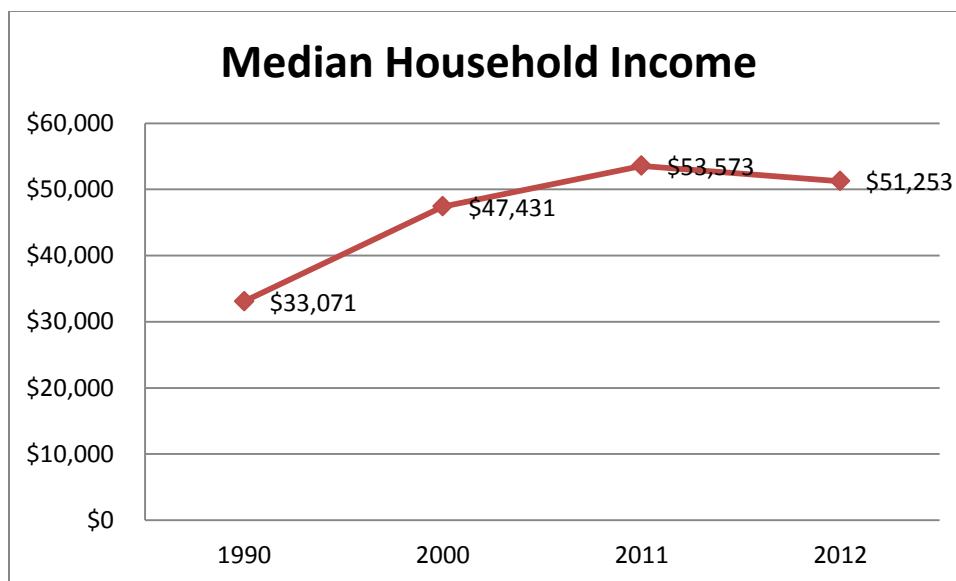
## DEMOGRAPHICS

The City of Appleton has experienced population changes in the last three censuses. The City saw about a 1.7% increase in population in 2010 from that of the 2000 census. This number is within the average of other midsize cities in the State of Wisconsin. The 2012 estimate of Appleton's population from the Department of Demographics is 72,810.



Source: 2010 Census

The median household income within the City of Appleton saw a decrease this year, for the first time in over 20 years. The chart below gives a 20 year historical trend of the median household income in the City. The 2010 Census showed that the median household income in Appleton was \$51,275, the median household income for 2012 was \$51,253 which compares favorably to the median household income of \$49,824 across the state of WI.



Source: ESRI

The following page shows a map of the Dominant Tapestry Segmentation type for the Appleton Area. Tapestry segmentation provides an accurate, detailed description of America’s neighborhoods. U.S. residential areas are divided into 65 segments based on demographic variables such as age, income, home value, occupation, household type, education and other consumer behavior characteristics. Segmentation systems operate on the theory that people with similar tastes, lifestyles, and behaviors seek others with the same tastes (hence the phrase, “like seeks like”). These behaviors can be measured, predicted and targeted.

As with many cities, Appleton is starting to see an increase in its aging population and there are select neighborhoods that we can pinpoint to start analyzing for future neighborhood development to ensure we are meeting the needs of the community. If you refer to the map on the next page, you will see clusters of 29, 30, 57, and 65. These are Tapestry segments that make up a Life Mode called “Senior Styles”. These areas of the City are within close proximity to primary and secondary schools, and it is imperative that we continue to provide adequate housing styles for all populations including young families with school age children as well as seniors who lived in a neighborhood for generations and want to remain there. This is merely one example of the demographics that the Community and Economic Development Department will continue to monitor. There are twelve(12) distinct Segment Groups for the Appleton Area. The following list identifies each segment group and highlights their key characteristics. The predominant segmentation groups in Appleton are the Traditional Living (L10) and Senior Styles(L5).

**Life Mode Summary Group Segment Codes**

**Appleton codes in red text**

**L1 High Society** 01, **02**, 03, **04**, 05, 06, 07

*Affluent well educated married-couple homeowners*

**L2 Upscale Avenues** 09, 10, 11, **13**, 16, **17, 18** -

*Prosperous, married-couple homeowners in different housing*

**L3 Metropolis** 20, **22**, 45, 51, 54, 62

*City dwellers in older homes*

**L4 Solo Acts** 08, 23, 27, **36, 39**

*Urban young singles on the move*

**L5 Senior Styles** 14, **15, 29, 30**, 43, 49, 50, **57,**

**65** -*Senior lifestyles by income age and housing type*

**L6 Scholars and Patriots** 40, 55, 63

*College and military environments*

**L7 High Hopes** **28, 48** - *Young households striving for the “American Dream*

**L8 Global Roots** 35, 38, 44, 47, 52, 58, 60, 61 - *Ethnic and culturally diverse families*

**L9 Family Portrait** **12, 19**, 21, 59, 64

*Youth, family life and children*

**L10 Traditional Living** **24, 32, 33**, 34

*Middle aged, middle income, Middle America*

**L11 Factories and Farms** 25, 37, **42**, 53, 56

*Hardworking families in small communities settled near jobs*

**L12 American Quilt** 26, 31, 41, 46

*Households in small towns and rural area*

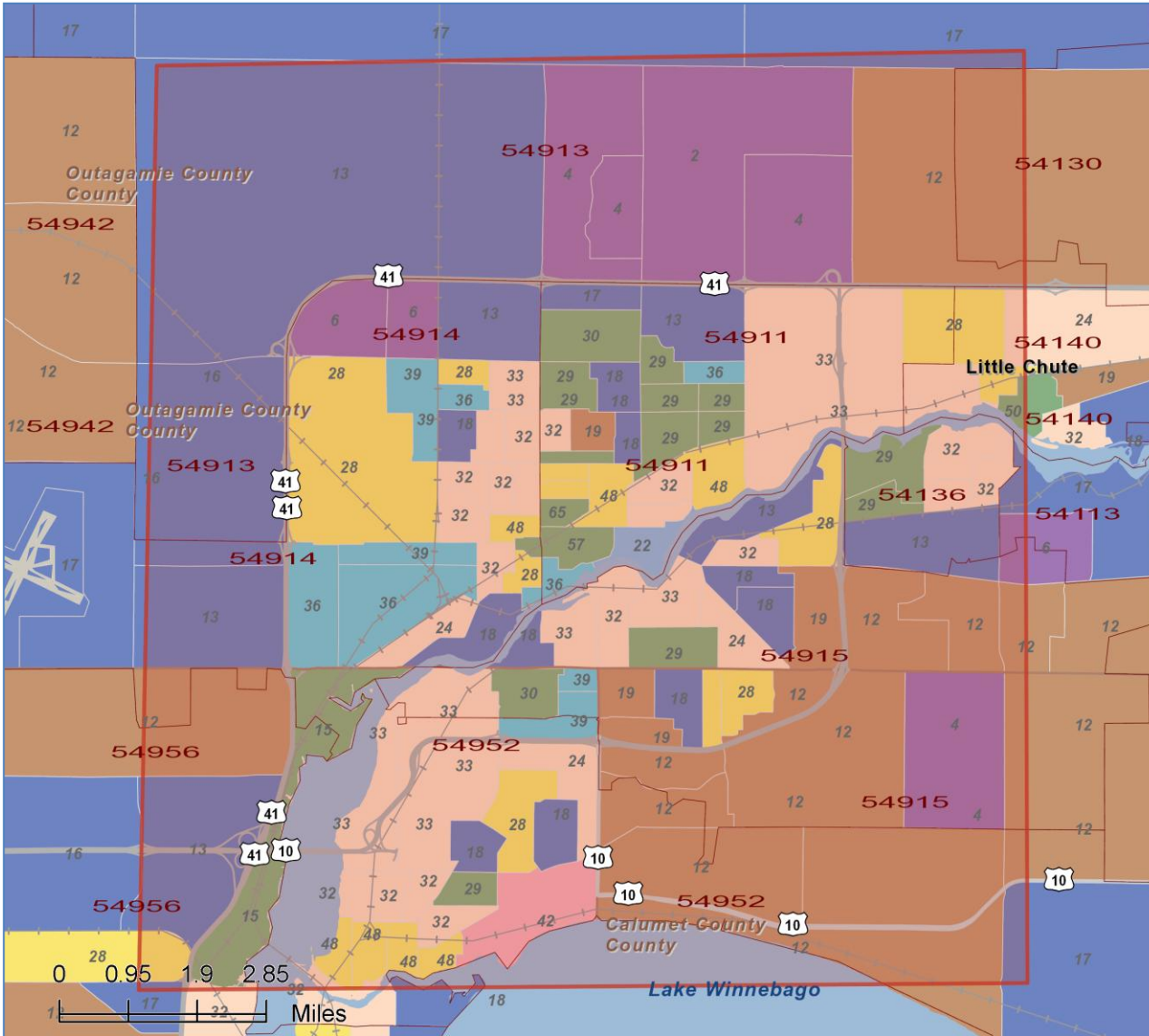
A more in depth explanation of Tapestry Segmentation can be found at:

<http://www.esri.com/library/brochures/pdfs/tapestry-segmentation.pdf>

# DOMINANT TAPESTRY SITE MAP – APPLETON AREA

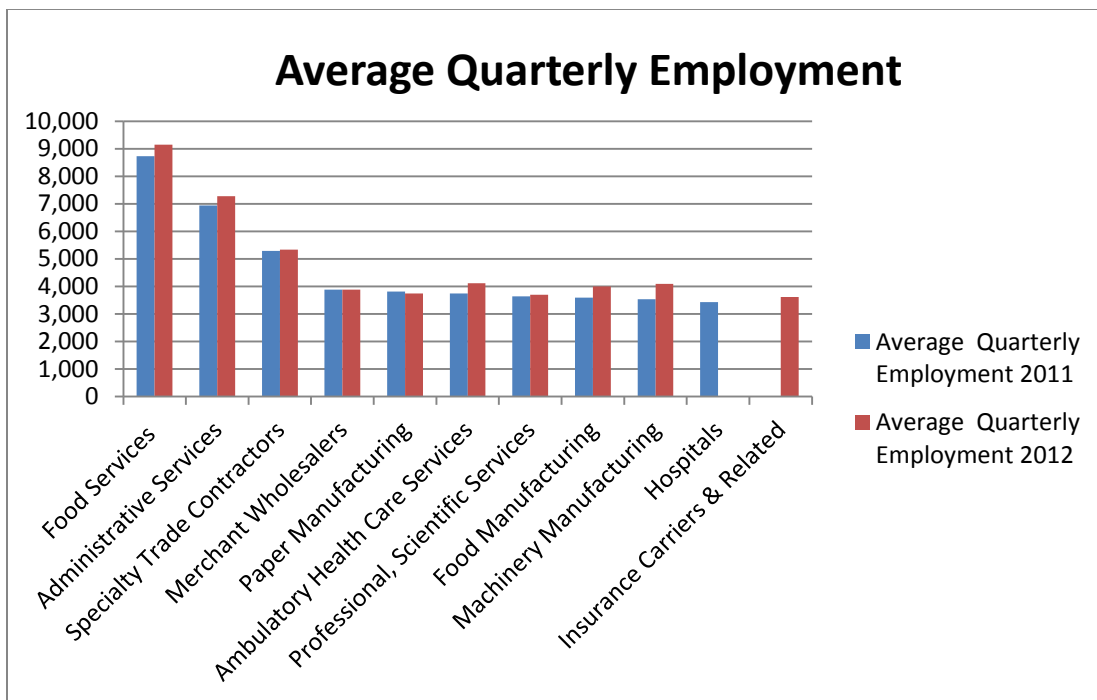
### Tapestry LifeMode

<ul style="list-style-type: none"> <li><span style="color: purple;">■</span> L1 High Society: Affluent, well-educated, married-couple homeowners</li> <li><span style="color: blue;">■</span> L2 Upscale Avenues: Prosperous, married-couple homeowners in different housing</li> <li><span style="color: lightblue;">■</span> L3 Metropolis: City dwellers in older homes reflecting the diversity of urban culture</li> <li><span style="color: cyan;">■</span> L4 Solo Acts: Urban young singles on the move</li> <li><span style="color: green;">■</span> L5 Senior Styles: Senior lifestyles by income, age, and housing type</li> <li><span style="color: lightgreen;">■</span> L6 Scholars and Patriots: College, military environments</li> </ul>	<ul style="list-style-type: none"> <li><span style="color: yellow;">■</span> L7 High Hopes: Young households striving for the "American Dream"</li> <li><span style="color: orange;">■</span> L8 Global Roots: Ethnic and culturally diverse families</li> <li><span style="color: brown;">■</span> L9 Family Portrait: Youth, family life, and children</li> <li><span style="color: peachpuff;">■</span> L10 Traditional Living: Middle-aged, middle income—Middle America</li> <li><span style="color: pink;">■</span> L11 Factories and Farms: Hardworking families in small communities, settled near jobs</li> <li><span style="color: red;">■</span> L12 American Quilt: Households in small towns and rural areas</li> </ul>
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## LABOR STATISTICS

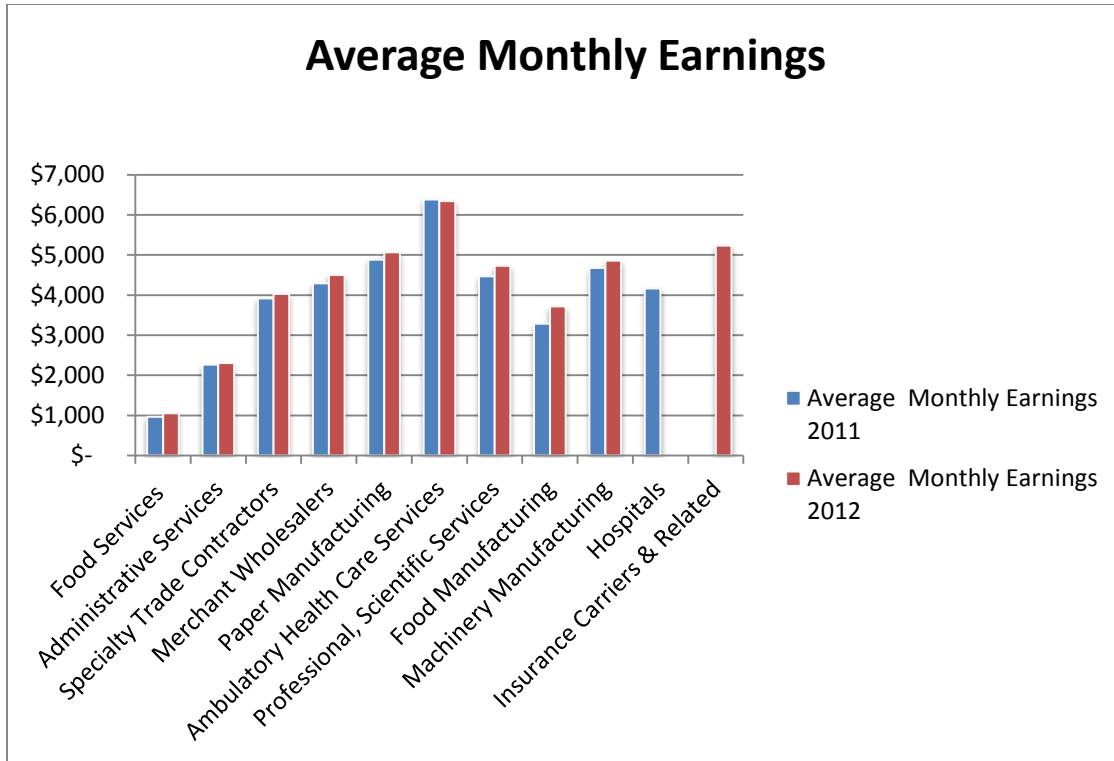
The City of Appleton and the Appleton Metropolitan Statistical Area (MSA) defined by the Office of Management and Budget (OMB) as Outagamie and Calumet Counties, has a well established labor force and is known internationally for its industry clusters of food processing, paper industry and manufacturing. The chart below shows the average quarterly employment by industry within the Appleton MSA for the year 2012 and 2011.



Source: US Census Bureau – Local Employment Dynamics

As you can see, food services (restaurants, fast foods, and banquets) has the highest quarterly employment followed by administrative services (call centers, receptionist, etc), with hospitals and insurance carriers trading spots in 2011 & 2012 at the smallest end of the employment spectrum.



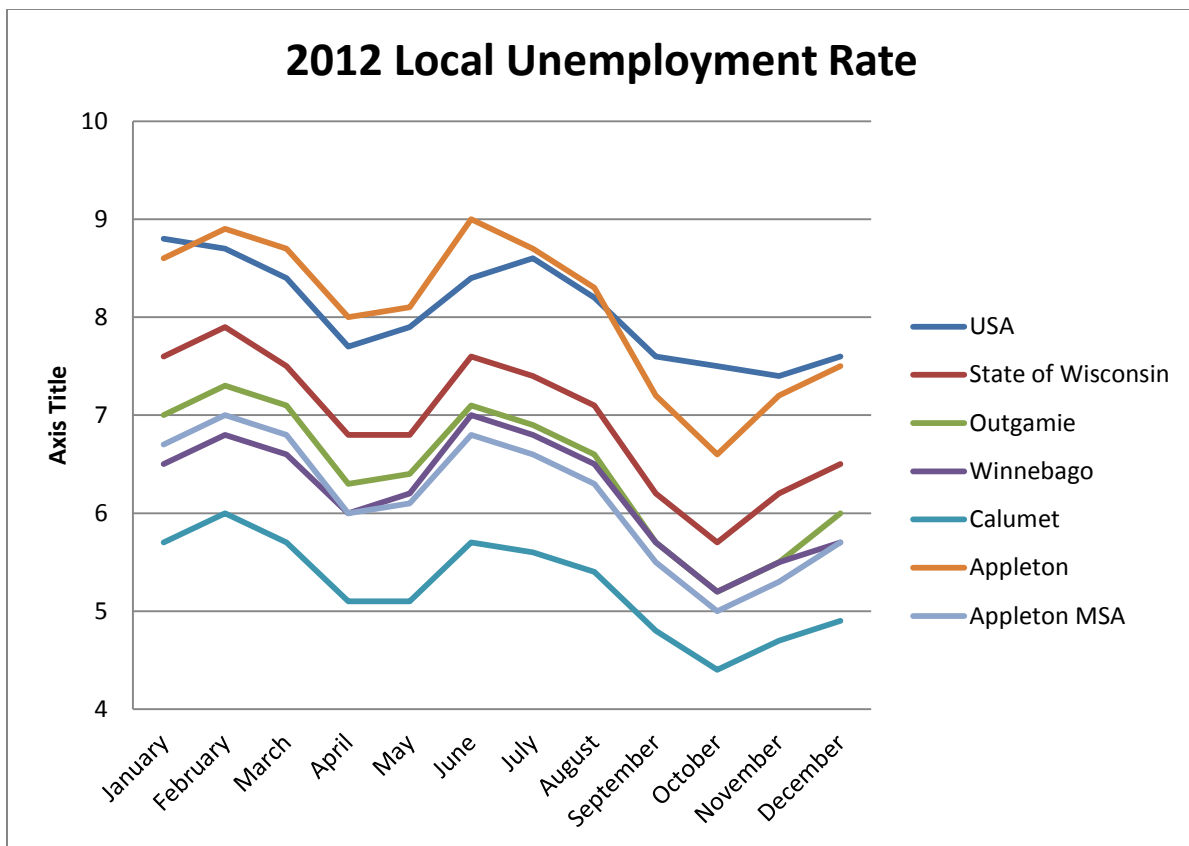


Source: US Census Bureau – Local Employment Dynamics

It's important to take into account the average monthly wages the leading employment sectors in the Appleton MSA produce. Looking at the previous chart regarding the quarterly employment sectors we see that the sectors with the highest employment numbers have the lowest average monthly earnings; food services at \$1,000 and administrative services near \$2,000. Looking at the stable and emerging industry clusters (food manufacturing, hospitals, and paper) here in our MSA, you can see the average monthly income is higher, ranging from \$3,400-\$5,000 dollars. As a reference point, HUD considers a monthly income of \$4,812.50 or less to be low income for a family of four (4) in the Appleton MSA. It's important we continue to invest in the necessary infrastructure and educational systems to continue the growth of these industries to keep the income levels up in our community.

## UNEMPLOYMENT

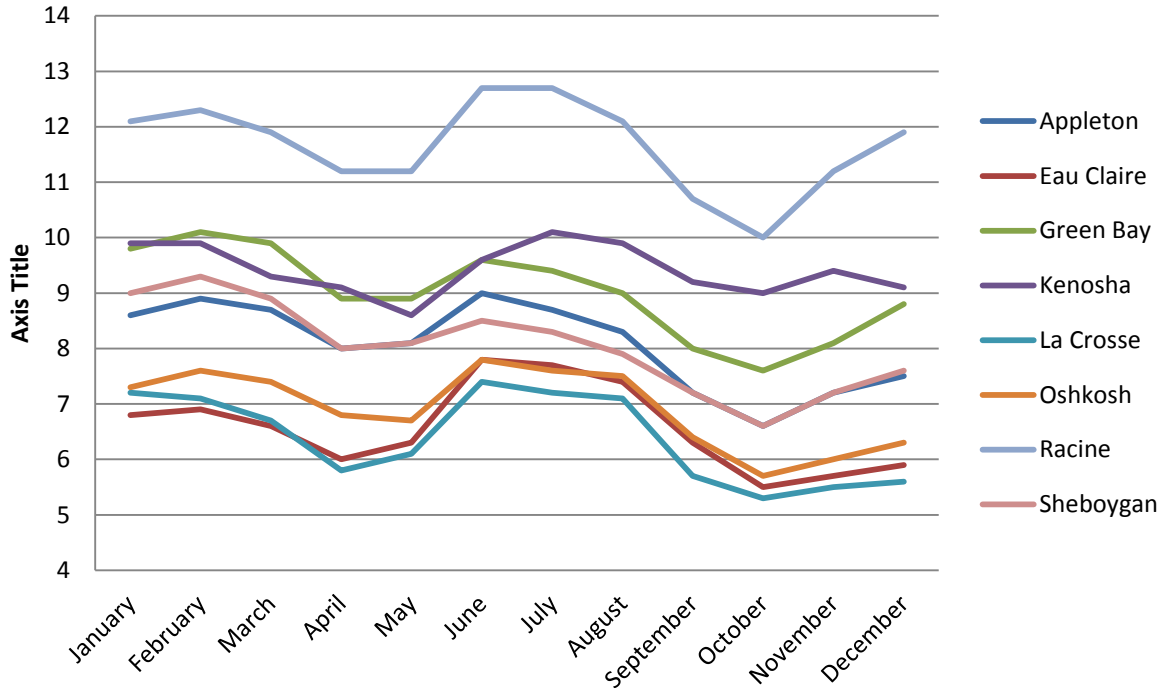
The City of Appleton has experienced a steady decline in its unemployment rate. The City started off 2012 at 8.6% unemployment and concluded the year at 7.5%. The average 2012 unemployment rate for Appleton was 8.1%. Included in the chart are the comparable unemployment rates for the United States, the State of Wisconsin, Appleton MSA, and the counties of Winnebago, Outagamie, and Calumet. It's important to note the unemployment rate for the City of Appleton consists of persons who file an unemployment claim and live within the corporate City limits of Appleton.



Source: State of Wisconsin Department of Workforce Development

The following chart shows the unemployment rate of the medium size cities in the State of Wisconsin we are competing with for economic development. The cities of Eau Claire and La Crosse led the way with the lowest unemployment rates of 6.6% and 6.4% while the City of Racine had the highest unemployment rate with 11.7%. The City of Appleton was included in the top half, ending the year with an unemployment rate of 7.5%.

## Unemployment Rate for Wisconsin Cities 2012



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 national average for cost of living index is 100. The City of Appleton has a cost of living index of 94. The first chart below compares the City Appleton to the other midsize cities in Wisconsin, the second chart below compares Appleton to competitor cities throughout the United States.

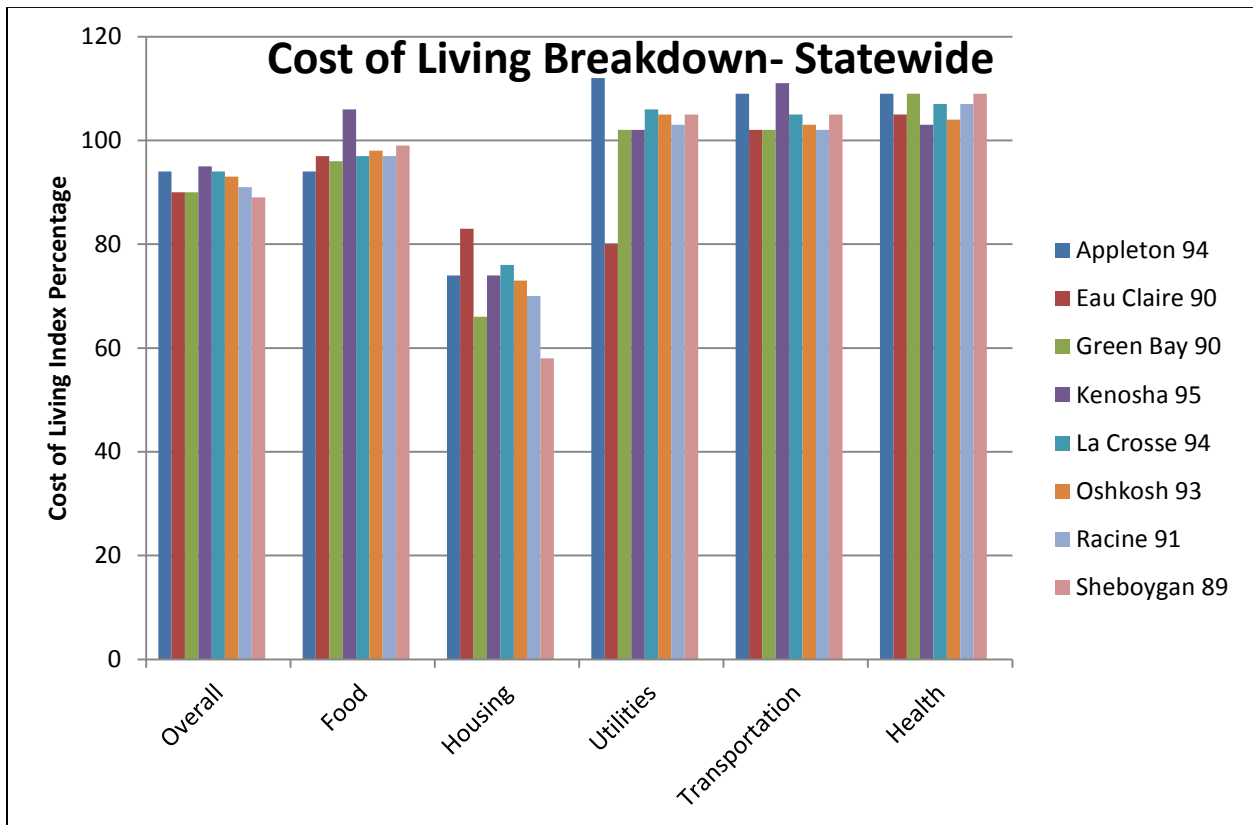
**Food:** The average cost of food and groceries not including restaurants.

**Housing:** The average cost of an area’s housing which includes mortgage payments, apartment rents and property taxes.

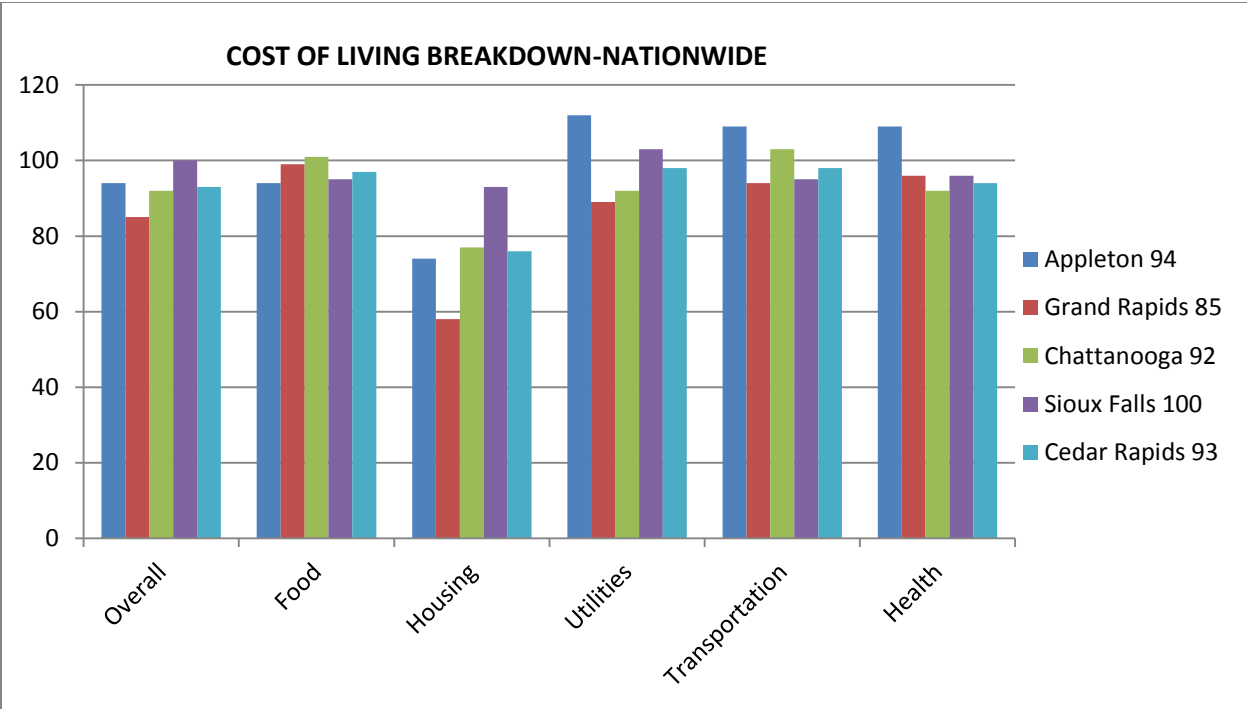
**Utilities:** The average cost of heating and cooling a typical residence for the area, including electricity and natural gas.

**Transportation:** 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:** 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.

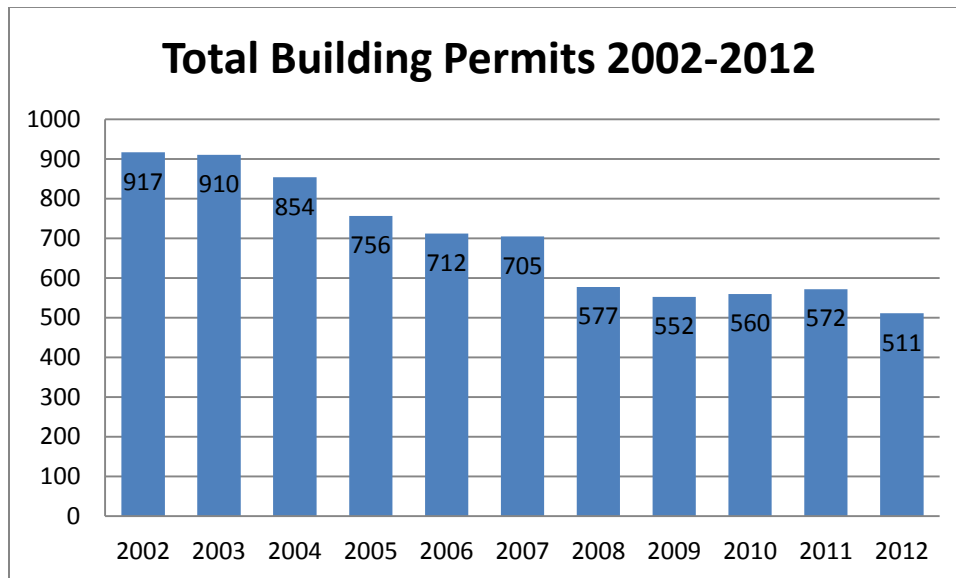


Source: [www.bestplaces.net](http://www.bestplaces.net)

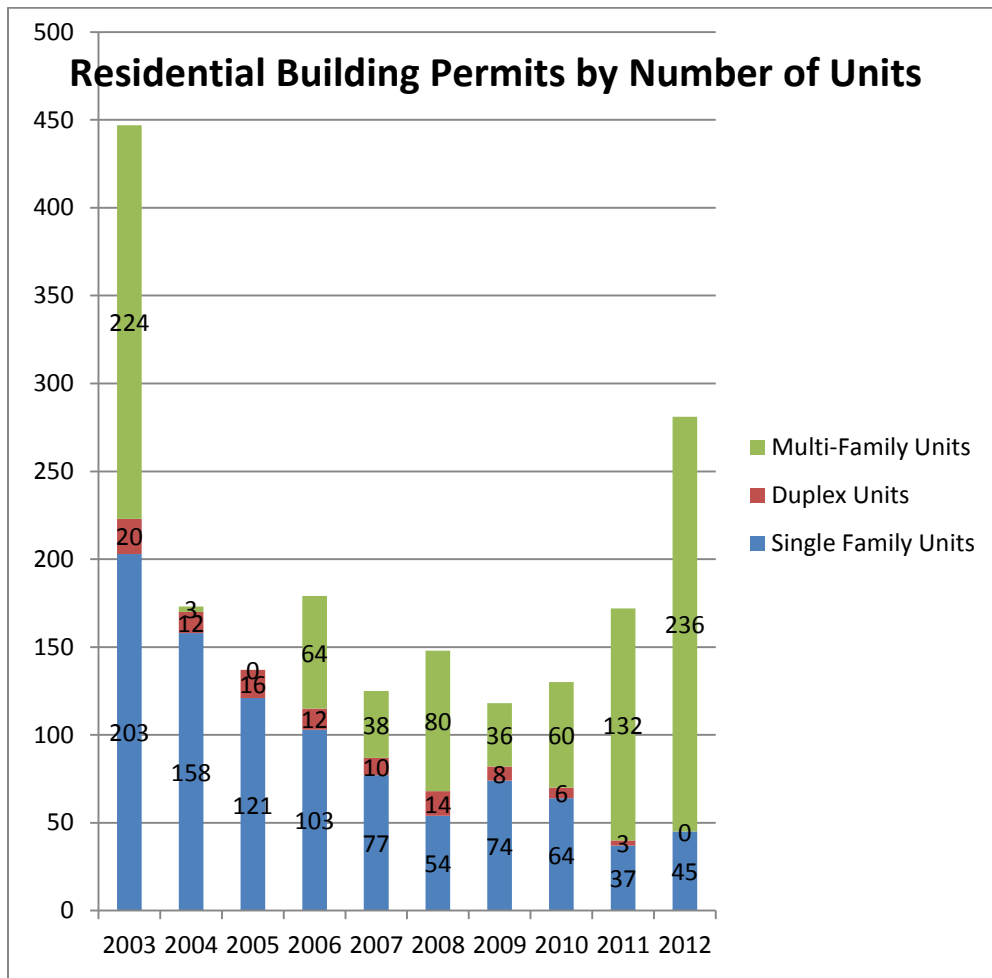


## BUILDING PERMIT ACTIVITY

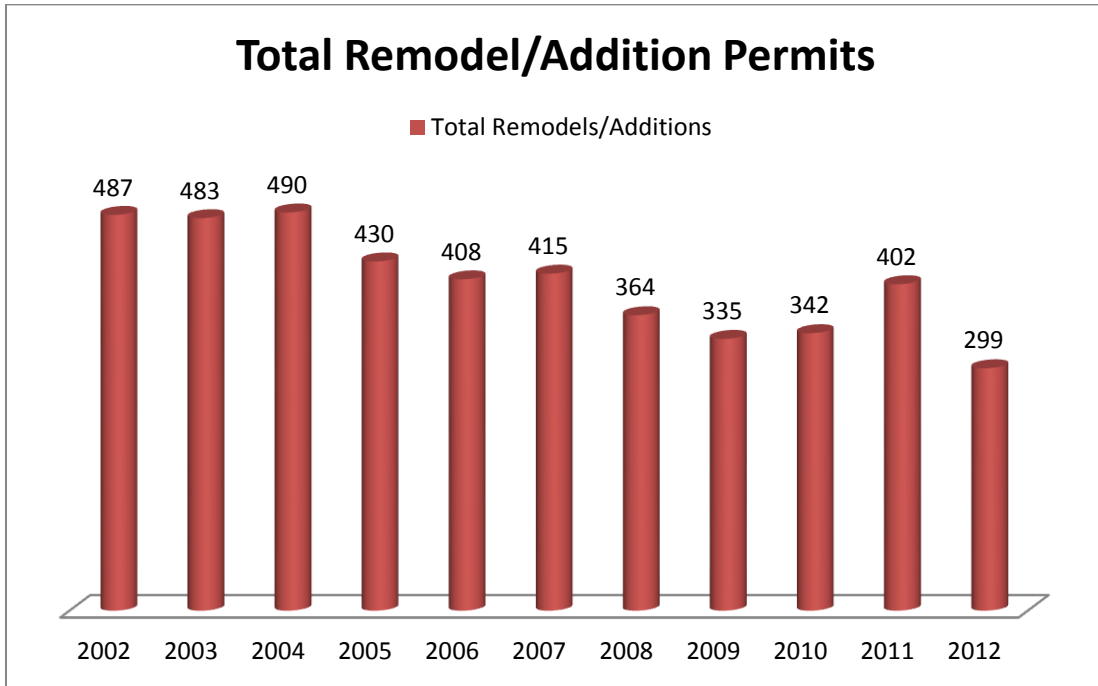
The City of Appleton's building permit activity over the last ten years is shown below. The yearly total number of permits issued for the last ten years ranged from a low of 511 permits in 2012 to a high of 917 permits in 2002. The ten-year average was 693 permits a year. The 511 permits issued in 2012 is the lowest we've seen in the past 10 years. This lower than average trend can primarily be attributed to sizeable declines in the additions/alterations and commercial and industrial permit sectors due to the down turn in the economy.



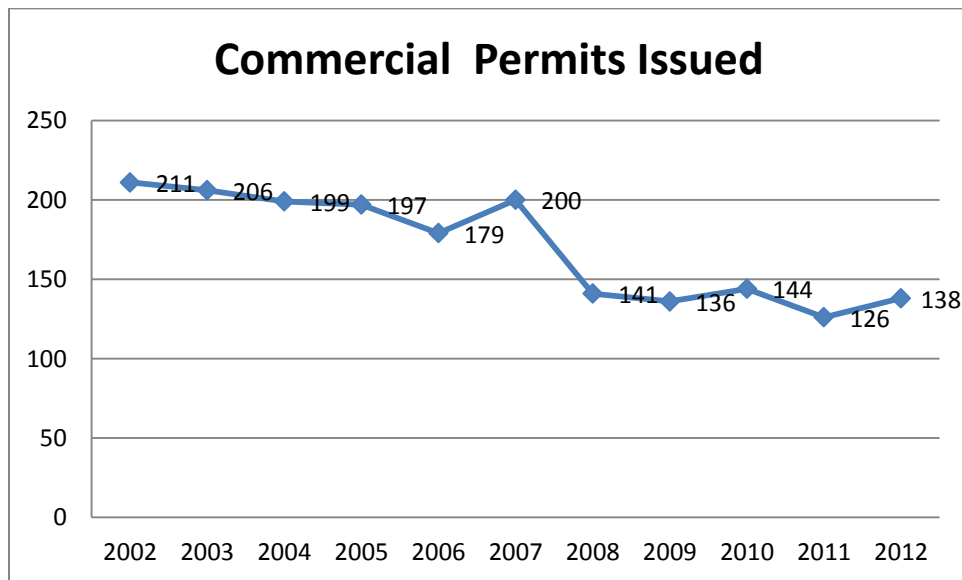
The number of single-family housing units constructed annually ticked up slightly in 2012 to 45 from 37 in 2011. After two years of minimal duplex construction, the City saw no new duplexes built in 2012. The number of multi-family building permits increased from 4 to 29 in 2012. Total housing unit construction in Appleton increased for the fourth straight year, with the majority of units being added in the multi-family sector with 236 multi-family units.



In 2012, there were 299 permits issued for additions and alterations. This is a significant decrease from the 402 permits in 2011.



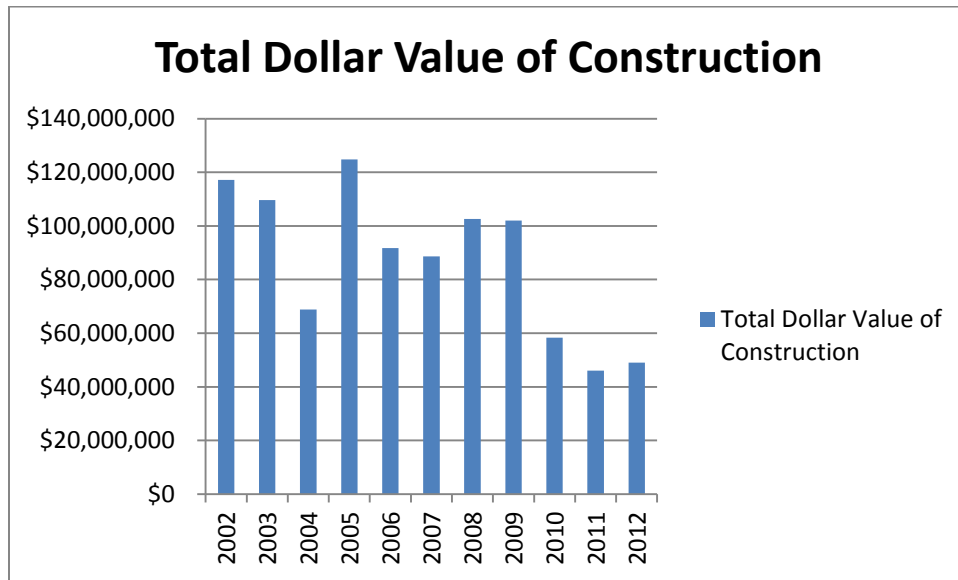
There were 138 commercial building permits issued in the City of Appleton in 2012, which is an increase from the ten (10) year low of 126 in 2011. This is, however, below the ten (10) year average of 167.



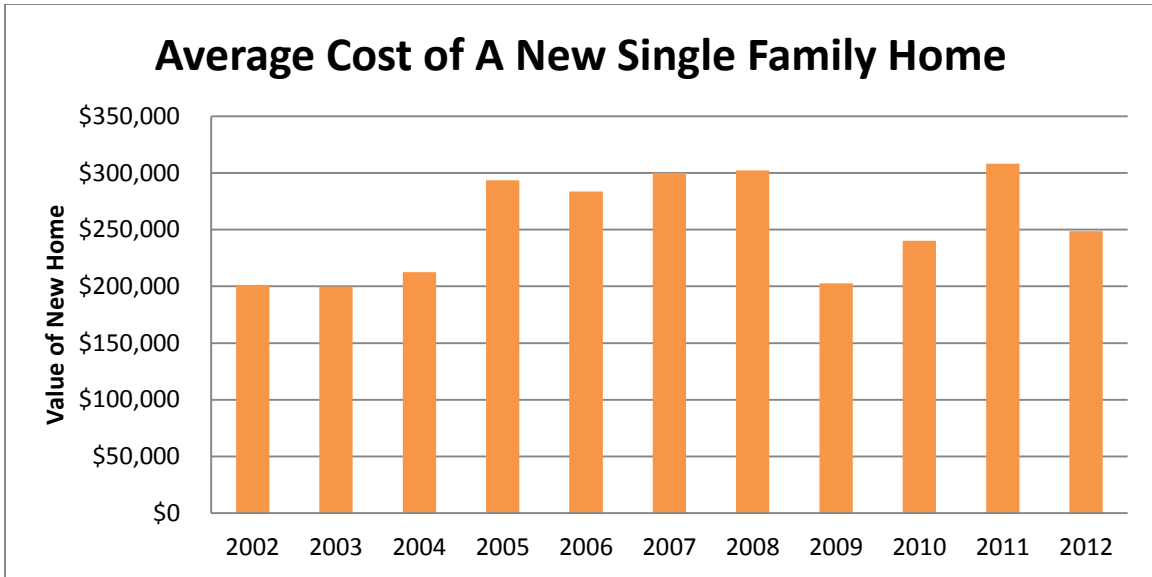


## DOLLAR VALUE OF PERMITS

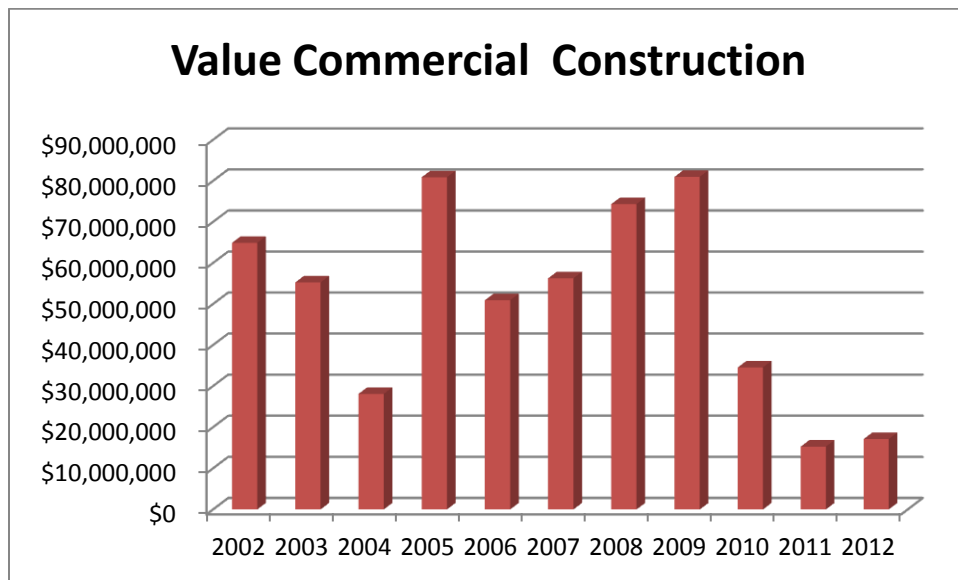
Appleton's total dollar value of construction in 2012 was \$49,084,251, which is a slight increase over the 2011 number of \$46,054,424 but below the 10 year average of \$84,173,003. The total dollar value of all construction in the City of Appleton between 2002 and 2012 ranged from a low of \$46 million in 2011 to a record high of \$124.8 million in 2005.



Despite the number of single family permits increasing from 37 to 45 between 2011 & 2012, the total dollar value of single family permits dropped to \$11,191,000 which is a 1.8% decrease from 2011. 2011 was a record year in terms of average value of new homes at \$308,094. 2012 saw a drop in average value to \$248,689. This does however, continue the upward trend in average value since 2009 which was \$202,539.



Without any major commercial projects to lead the way, Appleton saw only \$15 million in commercial construction in 2011, the lowest in ten years. 2012 saw a slight increase to \$17,110,413 which is still well below the ten(10) year average of \$49,362,087. Major projects, contributing to the total dollars of commercial construction in 2012 include: St. Elizabeth Hospital Remodel (\$2,460,000), Lawrence University Remodel (\$2,343,397), Outagamie County Remodel (\$1,530,197) and the expansion of Flair Flexible Packaging (\$1,000,000). Please note, most of this new commercial construction activity will not be taxable property.

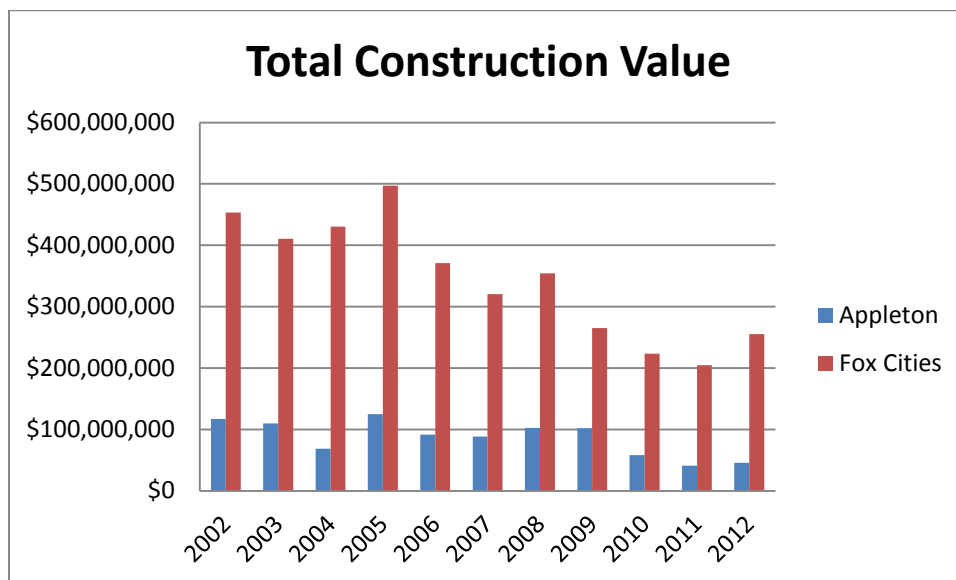


## FOX CITIES REGION

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

The total dollar value of construction in the Fox Cities increased by almost 25% in 2012. By comparison, Appleton's dollar value of construction increased by approximately 11%.

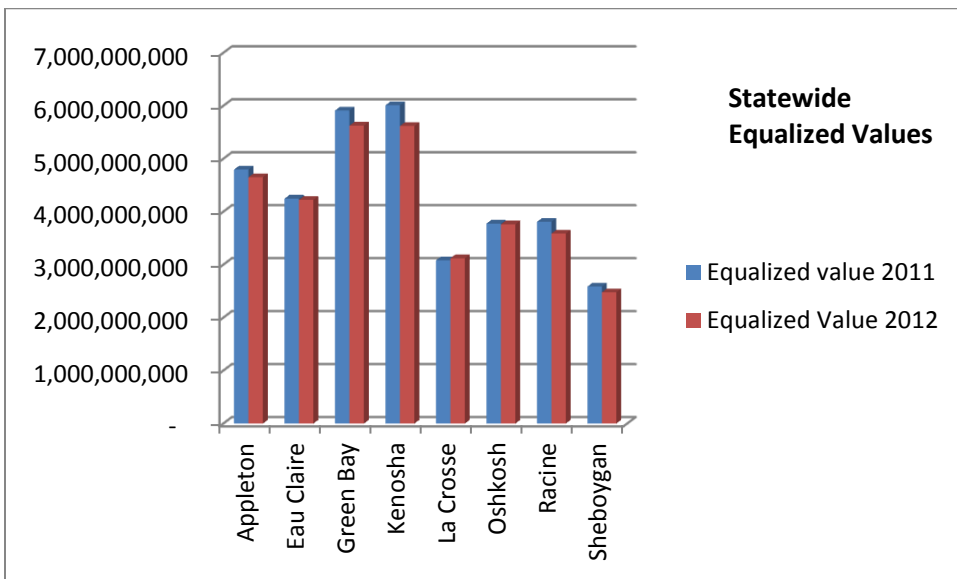
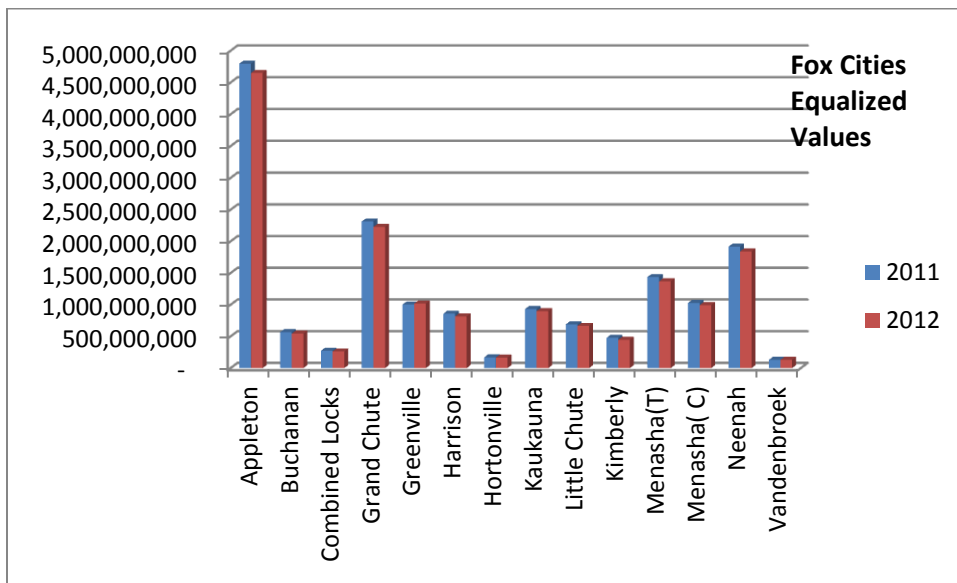
The City of Appleton comprised \$45,387,144 million or 18% of the total dollars spent on construction in the Fox Cities in 2012. This is a decrease from 2011 when Appleton captured 20% of the total dollars spent on construction. The reason for this is twofold; 1)The City of Neenah saw significant investment in commercial construction in 2012 with Plexus Corp.'s 473,000 sf manufacturing plant and a new Festival Foods store; and 2)significant single family home construction in Greenville's 87 units, and Grand Chute's 53 Units, as compared to Appleton's 45 units.



## EQUALIZED VALUE

Appleton experienced a slight decrease in equalized values of 3.04%. This is slightly below the Statewide decrease of 3.24%. Much of this is due to an overall decrease in residential values. Also, it is important to keep in mind in looking at the commercial building permits issued in 2012, over 50% were issued to entities that are not taxable which will not contribute to the City's tax base in 2013. We do, however, continue lead in the percentage share of the total equalized value in the Fox Cities with 29%.

The following charts compare Appleton's Equalized value to the Fox Cities and other midsize competitor cities in the State of Wisconsin.



## TAX INCREMENTAL DISTRICT

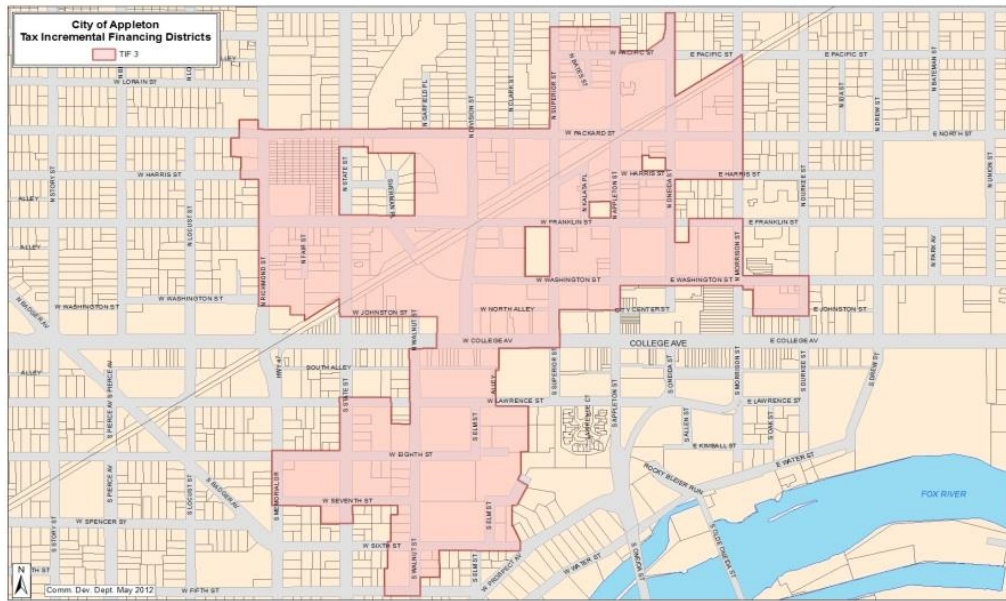
An important aspect of Appleton's valuation is the effect of Tax Incremental Districts (TID) and Appleton Redevelopment Project Areas (ARP). The Department of Revenue (DOR) modified the valuation process for Tax Incremental Districts in 2010. Specifically, greater reliance is now being placed upon locally assessed values to ensure the increment captures tax base changes in the local area, such as market appreciation or depreciation, new construction or demolition, versus the global city/area economic adjustment the State made to these values in the past. These changes will have far reaching implications into the future for the City. As commercial property values are a lagging indicator as it relates to overall economic trends, we anticipate another year of reduced values.

### Tax Incremental District Performance

TID #2    TID #2 saw a decrease of \$902,500 in equalized value in 2012 which is 4.91%.



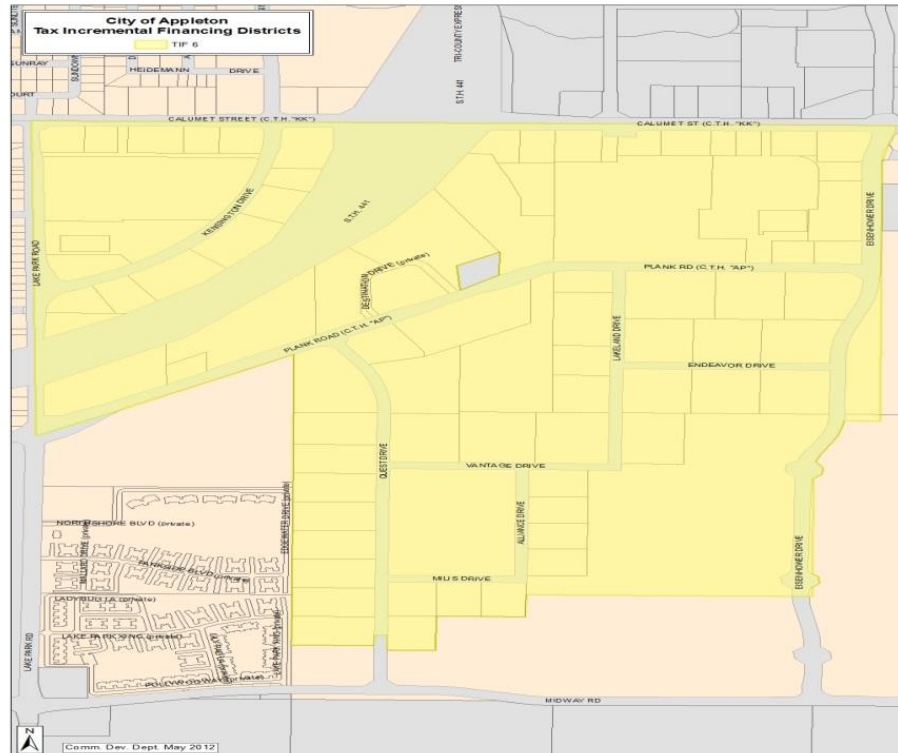
TID #3 Equalized valuations in TID #3 decreased by \$3,425,300, or 5.66%, due in part to the property at 215 E. Washington St. becoming exempt from taxes (\$1,060,000) as well as a reduction in value of the property at 318 W. College Ave. (\$430,800). This district was scheduled to close in 2021 but in 2011 was designated as distressed as allowed by Act 310. This designation allows the extension of the district's life by up to ten years beyond the original termination date.



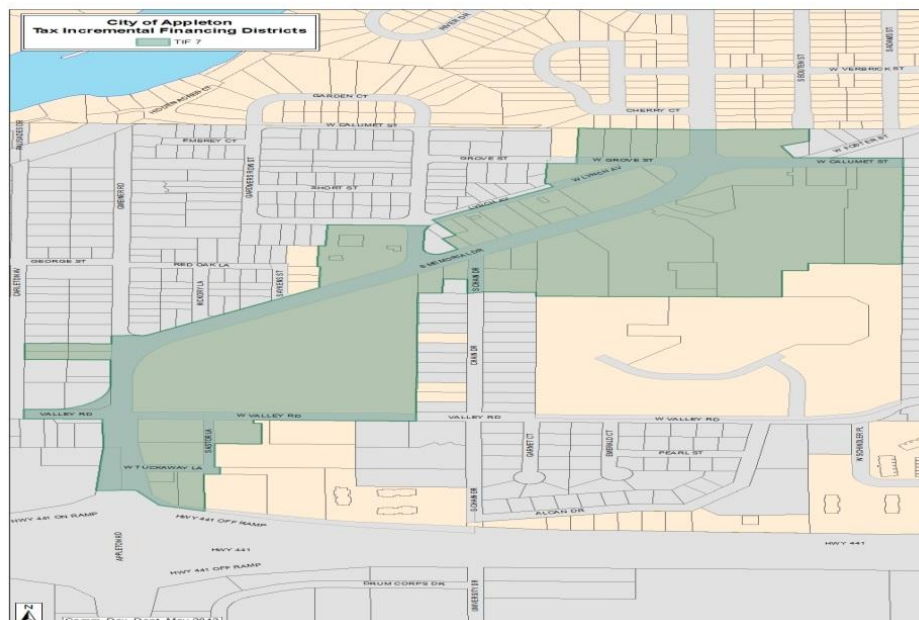
TID #5 Equalized valuations decreased in TID #5 by \$203,100 which is 1.61%.



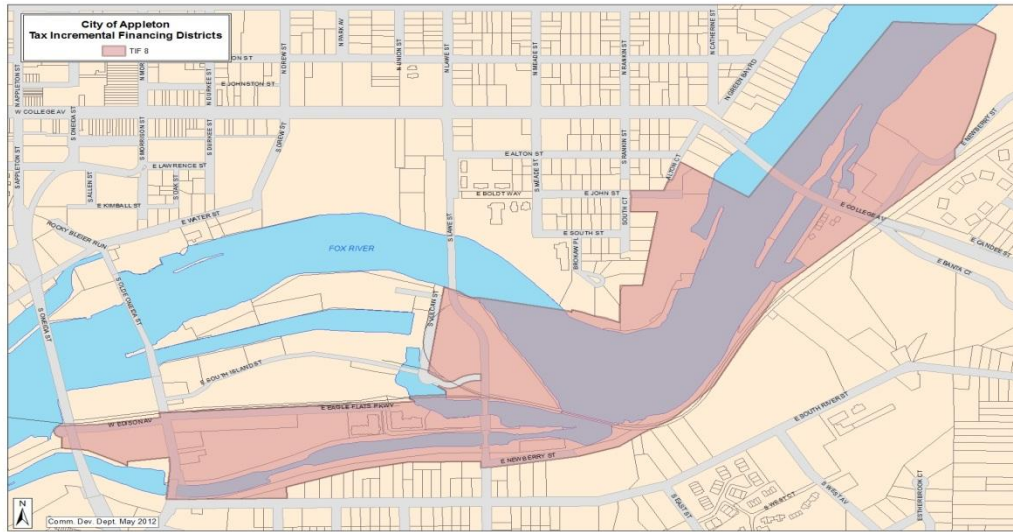
TID #6 Equalized valuations decreased in TID #6 by \$3,181,800, or 3.18%, due primarily to an overall commercial value reduction. Despite the net loss, interior buildouts occurred at 3825 E. Calumet (\$496,800) and 2201 S. Kensington (\$428,100) and added value in this TIF in 2012.



TID #7 In 2012, TID #7 saw a decrease in equalized valuation of \$1,702,700 which is 4.54%.



TID #8 In 2012, the equalized value of TID #8 increased by \$4,567,300. Two projects were completed in 2012, Riverwalk Place a 70 unit senior affordable housing project and The Landings, which is a 54 unit affordable housing project. Being tax credit projects, we anticipate approximately \$3,800,000 of the \$14,000,000 invested to add to the Tax Increment for this district in 2013. This is currently the most active TIF District with multiple projects anticipated for 2013.



The table below shows the value increase/decrease of Tax Incremental Districts since creation, change during the past year and an average annualized percentage change.

Tax Incremental District Valuations								
TID#	Inception	Base Value	2010Values	2011Values	2012Values	Total Increment	2011-2012 Increment	% Change in 2011-2012 Valuation
TID2	1991	\$4,050,900	\$18,025,200	\$18,383,800	\$17,481,300	13,430,400	(902,500)	-4.91%
TID3	1993	\$18,940,800	\$63,570,000	\$60,565,900	\$57,140,600	38,199,800	(3,425,300)	-5.66%
TID5	1999	\$4,669,500	\$13,649,100	\$12,588,600	\$12,385,500	7,716,000	(203,100)	-1.61%
TID6	2000	\$12,141,600	\$98,970,400	\$99,900,000	\$96,718,200	84,576,600	(3,181,800)	-3.18%
TID7	2007	\$25,657,000	\$27,315,500	\$37,516,500	\$35,813,800	10,156,800	(1,702,700)	-4.54%
TID8	2009	\$2,693,100	\$3,648,100	\$3,618,900	\$8,186,200	5,493,100	4,567,300	126.21%
<b>Total</b>		\$68,152,900	\$225,178,300	\$232,573,700	\$227,725,600	\$159,572,700	(\$4,848,100)	-2.08%



## BUSINESS DEVELOPMENT

The slowdown in the economy hasn't stopped the City from experiencing a net gain in new businesses over the last few years. During 2012, 132 new businesses opened in the city, while 79 closed for a net gain of 53 compared to 2011's gain of 30 businesses. The following pages highlight the new businesses that opened in Appleton and the businesses that closed or moved in 2012.

Community & Economic Development's Diversity Coordinator began working with the City Assessor's staff to develop best practices in supporting and retaining minority owned businesses.

We collaborated with New North and the Green Bay Chamber of Commerce to develop the Resource Guide to Multicultural Residents listing minority owned businesses and services within the Latino, Hmong, Indian and African American communities. This guide can be found on the City's Diversity page and at <http://www.thenewnorth.com/diversity>. This guide was developed to help retain and attract diverse businesses and employees to the Fox Cities.

Making contact with minority owned business is an essential part of business retention. Minority business enterprises (MBEs) make a substantial contribution to the U.S. economy, and yet they face obstacles and barriers to success. Through effective outreach, our goal is to help these businesses succeed and flourish.

### **New businesses that opened in the City of Appleton:**

Ace of Fades Barbershop	Cedar Harbor	Elite Paralegal & Prisoner Services
A'Dore on the Ave.	Cherry Berry	Envision Management Group, LLC
AE Jewelers of Appleton, LLC	Circle Street	Eric of All Trades
All American Pool & Spa	Code of Intellegence, LLC	Esser Consulting, LLC
All City Mudjacking & Masonry	Coin Laundry	The Euro Shop, LLC
Appleton Beer Factory	Coinstar Inc.	Evey Entertainment, LLC
Arcadia Home Care & Staffing	Colt's Timeless Tatoos	Expresstax
Arizant Healthcare Inc.	Compass Sales & Marketing Inc.	Farmers Insurance Group, Adam Graff
Balthazor & Straube Financial	Cozy Corner	Farmers Insurance Group, Pachia Lor
Be Gallery	Dainty Daisies	Femal's Towing Inc.
The Beach House Scrubs & Seashore	Dell Equipment Funding LP	Fischer Handy Services, LLC
Beam Consignment Boutique	Dewitt Londre Real Estate	Fox Cities Music Store
Beaudoin & Wade, LLC	Divine Energy Light Workers	Fox River Wood Shop, LLC
Morgan Stanley Smith Barney	DJ's Auto	GJB Health Services, LLC
Boyson Chiropractic	Driscoll Properties, LLC	Go For John Photography
The Bozz, LLC	Drusch Woodworking	The Gold Spot
Budget Pre-Owned Appliance, LLC	Eagle Flats Apartment Homes, LLC	Golden Hands Asian Massage
Business Club Center, LLC	El Patron & Gyros	Happy In Home Care, LLC
Cardinal Health 5, LLC	Electronics Etc. LLC	

Healing Hands of China, LLC  
 Hill-Rom Company Inc.  
 Holistic Health and Wellness  
 Coach, LLC  
 Holly's Hidden Treasures  
 Horace Mann Insurance  
 Integrity Interlock, LLC  
 J Smith Business Consulting,  
 LLC  
 Jackie Boyd Photography  
 Jensen Chiropractic LLC  
 JLM Advanced Technical  
 Services, LLC  
 Katblu Art & Design Studio  
 King Spa  
 Kings Barbershop  
 Kolash Wealth Advisory  
 La Hispana  
 La Michoacana Mexican Bar &  
 Grill Inc.  
 Laird Counseling Services  
 The Landlord Line  
 State Farm Insurance, Kimberly  
 Lee  
 Lighting By Design  
 M&M Bakery, LLC  
 Mach IV Motors, LLC  
 Macquarie Equipment Finance,  
 LLC  
 Marathon Gas

Marlin Leasing Corporation  
 Massage Envy Spa Fox Cities  
 Mi Casa Mexican Grill  
 Matt Misco Insurance  
 Murphy Law Firm, LLC  
 Mylee's Egg Roll House  
 Nails by Duyen  
 Naturally Balanced Body, LLC  
 NEC Financial Services, LLC  
 Nolte's Service & 24 Hour  
 Towing, LLC  
 The Office Technology Group,  
 LLC  
 One World Martial Arts, LLC  
 Original Image Productions  
 OSI Environmental Inc.  
 Park Bank ATM  
 Petersen & Shaha Attorneys at  
 Law, LLC  
 Peter's Computer Service &  
 Sales, LLC  
 Phillips Healthcare Informatic  
 Inc.  
 QDoba Mexican Grill  
 Rainbo Graphics, LLC  
 Revolution Dojo, LLC  
 Riverside Bar & Grill  
 RPM Homes, LLC  
 Scuba's Pourhouse, LLC  
 Serenity Candles

She. Hair Botique  
 Shopko Radioshack Mobile  
 Simplicity By Katie  
 Simply Inspires Hair Designs  
 Sky Nail & Spa  
 Squadron Tech, LLC  
 Stamped Out, LLC  
 Study Hall Café & Pub  
 Surfin Bird  
 Symmetry Resource Group,  
 LLC  
 Tammera Schumann LMT  
 The Thrifty Peacock, LLC  
 Thrifty Tickets, LLC  
 Timepayment Corp.  
 TLC Reflexology  
 Treasures Resale Store  
 Tropical Mexican Cuisine  
 Tyco Healthcare Group LP  
 Valley Emotional Health  
 Virtual Admin Xpress, LLC  
 Wells Fargo Equipment Finance  
 State Farm, Andy Wescott  
 Winthrop Resources Corp.  
 Wonders of Wellness  
 WWEBS-Worldwide Drug  
 Testing  
 Zimmer US, Inc.

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

1-800 Radiator of WI, LLC  
 A Frame in Time  
 Photography  
 Accessible Bath Solutions,  
 LLC  
 Afterglow Massage and  
 Makeup  
 All Things Jerky, LLC  
 Anchor Bank SSB  
 Antiques of Romance  
 Architectural Associates of  
 Appleton Inc.  
 ARO Behavioral Healthcare  
 Attitudes Inc.  
 Baer Paints & Supplies Inc.

Bank of America NA  
 Belejaka Salon & Spa Ltd.  
 The Betta Boutique, LLC  
 Big Shanghai Buffet  
 Boats US  
 Appleton Chiropractic  
 Bumble Puppy Sales, LLC  
 Chuck's Radiator Service  
 The Clothes Spa, LLC  
 Collision Pros, Fox Valley  
 Com-Tec Security, LLC  
 Best Buy  
 Designed Wedding  
 Photography

El Jaripeo Mexican  
 Restaurant  
 Electrolysis Exclusive  
 Empty Your Closet, LLC  
 Expert Roofing  
 Fat Tire Design & Marketing  
 Fox Valley Cleaners, LLC  
 Fox Valley Psychiatric  
 Associates  
 Gmeiner Clinic For  
 Communication Disorders  
 The Greek Café  
 Have Group Will Travel  
 American Family Insurance,  
 Tim Hetzel Agency

Hill-Rom Company  
Hobart Welding Products  
Hog Pen Cycle Parts and  
Powder Coating  
Holloway & Johnson, LLC  
Howie Voight Appliance  
Hypnotherapy Center of  
Wisconsin, LLC  
Ladybugs & Ladybugs Bistro  
Massage by McKenzie  
NCS Health Care  
Neurology Associates, LLC  
New Capital Management  
Inc.  
Newost, LLC  
Northfield Block Co.  
Oriental Video  
Michael J. Panzer, MD

Park Central Office/Nite  
Clubs  
Perpetual Motion, LLC  
Practical Portfolios, LLC  
Precision Builders Carpentry  
Prime Design  
Province Associates  
Quantum Energetics Therapy  
Quiet Claims  
Rancho Azul, LLC  
The Recovery Room  
Reliable Beauty & Barber  
Supply  
Right Choice  
Ristow Roofing, LLC  
Rondini's Abracadabra  
Magic Shop  
Rouf Law

Senior Tequila's &  
Casablanca  
Service Team Professionals  
Shear Gardens Studio & Spa  
JM Smak Company  
Sound Sational  
Speedy Loans Corp.  
Sprister Depot, LLC  
Stellar Blue Web Design,  
LLC  
Techline Furniture  
Trans Tech Logistics  
Video Gamestar  
Wild Bird & Backyard  
Your Guest Chef  
Yuenkel Enterprises, LLC

### HOUSING REHABILITATION PROJECTS

The City of Appleton operates two programs to help property owners maintain residential properties. 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.

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. In order to qualify, income and rent limits apply to the tenants/units and continue for the first five years of the loan. In addition, there must be enough equity in the property to cover the lien.

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 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 programs is two-fold: (1) to ensure decent, safe, and sanitary housing for low-income residents of the City of Appleton, and (2) to maintain the housing stock of these homes before they get to the point of being beyond repair. This stabilizes neighborhoods, maintains property values and ultimately increases the tax base in the city.

The City rehabilitated 25 housing units in 2012 and spent nearly \$300,000 on home improvement loans. The goal for 2013 is to rehabilitate an additional 25-30 housing units.

The Programs have five main objectives that directly benefit the City of Appleton:

1. Help low-income residents of the City of Appleton find or maintain decent, safe, and sanitary housing
2. Reduce the risk of lead poisoning in 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 Programs are considered to be very successful in achieving these objectives. These programs provide many advantages to the City of Appleton, have made significant impacts on the City, and are popular among City of Appleton residents. Since 1979, the Homeowner Rehabilitation

Loan Program has rehabbed over 1000 homes in the City of Appleton, and generated over \$5.7 million in outstanding loans. Since 1995, the Rental Rehabilitation Loan Program has rehabbed 97 rental properties in the City of Appleton and has generated nearly \$650,000 in outstanding loans.

## **NEIGHBORHOOD REVITALIZATION PROGRAM**

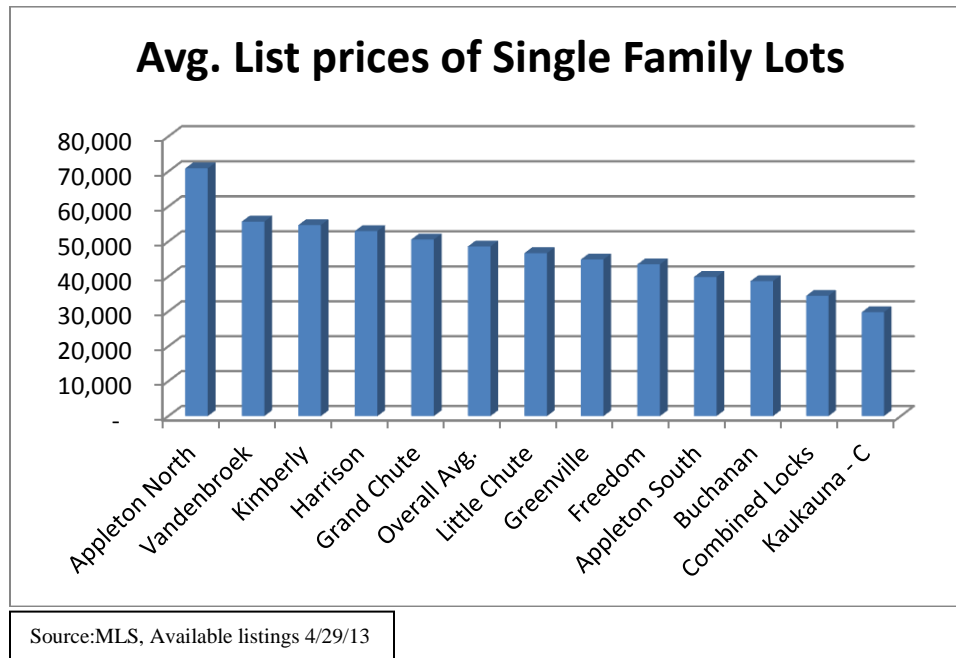
In late 2012, the Common Council approved a new Neighborhood Revitalization Program (NRP). The goal of this program is to foster communication between neighborhoods and the City of Appleton. This program will assist in educating participants on the benefits of neighborhood organization/registration as well as to provide support and communication to neighborhoods working to help themselves. The foundation of the program is a neighborhood registry, which provides a direct link between your neighborhood and the City of Appleton. The registry is also useful to City staff, who may contact the neighborhood regarding issues of interest. Program funding is solely available via Community Development Block Grant (CDBG) funds at this time which limits availability of the program to Low-Moderate Income (LMI) neighborhoods.



# PROSPECTS FOR GROWTH

## 1. Northside

- A. The City of Appleton has 15 acres of industrial land available in the Northeast Business Park for future development, located south of Hwy. 41 along Capitol Dr.
- B. Privately owned land is still available for office developments north of Hwy. 41 along Enterprise Ave. and Evergreen Dr.
- C. A Multiple Listing Service search of available single family lots indicated average prices ranging from \$29,800 to \$70,900 within the Fox Cities with the northside of Appleton having the highest average price(s). The majority of available single family lots are in Greenville with 117, the northside of Appleton has the second most available with 77 listed lots.



## 2. Southside

- A. State Highway 441 continues to be a commercial corridor with opportunities for development. A planned 441 upgrade will likely increase traffic, further enhancing this area's attractiveness for commercial development.
- B. The City currently has 100+ acres of fully improved land available for development in Southpoint Commerce Park.

### **3. Downtown/Riverfront**

- A. EAGLE FLATS:** The Developer is pursuing the next phase of the project, which is targeting the addition of residential units and public access at the property east of Lawe Street adjacent to Lock III with the potential to convert the former office building to a viable use.
- B. RIVERHEATH DEVELOPMENT:** With the loan in place for Riverheath Way, we anticipate Tanesay Development to break ground on a new 35 unit apartment building with approximately 2,500 sf of retail space on the first floor. Anticipated value is \$6 Million. Also coming this spring, Tanesay Development is going to break ground on two more Town House buildings comprising four (4) townhomes. Two (2) of those townhome units are already sold.
- C. FORMER FOREMOST DAIRY SITE:** The City took title to the former Foremost Farms USA property located at 935 E. John Street in July of 2011. The site has been remediated, the building demolished and the raceway abandoned to provide a site ready for development. The City rezoned this property on April 13, 2010 to R-3. A request for proposals went out in 2012 and we are in negotiations with a development group for the purchase and development of this site for a development consistent with R-3 Zoning.

## **BARRIERS TO GROWTH**

### **1. Northside**

- A.** Several significant road improvements are needed. Apple Creek Road, Edgewood Drive (east of Ballard Road), and Broadway Drive all require widening, including the acquisition of new right-of-way.
- B.** Stormwater management is a critical and costly piece of the development picture on the northside. New development is responsible for providing for its own stormwater management.
- C.** Regulatory floodplains are known to exist on the northside.
- D.** 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.
- E.** The average list price of single family lots in existing subdivisions is over \$70,900 which is cost prohibitive for entry-level, new construction homes.

### **2. Southside**

- A.** As growth continues to fill in subdivisions and commercial space, the area may need additional police, fire, school and recreational areas to meet growing demands.

### 1. 2012 Appleton Marketing Efforts

- A. Print Media: The City of Appleton's print advertisements in 2012 were targeted at regional business leaders to educate them on the opportunities in Southpoint Commerce Park. Media placements were made in Insight on Business, Insight on Manufacturing, New North B2B and the New North Annual Report to the community. The focus of the advertisements is to introduce and reinforce this choice business location in the region. New in 2012 was a print advertisement in the Fox Cities Chamber Membership Directory.
- B. Relationship Marketing: In 2012 sponsorship opportunities for the City of Appleton were selected to build and reinforce our name recognition among northeast Wisconsin businesses and developers, as well as create additional opportunities for staff to have 'face time' with key business and development leaders to discuss the benefits of doing business in Appleton. These opportunities included sponsorship of and participation in the InDevelopment Conference, the Fox Cities Chamber of Commerce Business Trifecta and hosting commercial real estate groups for information sessions.
- C. Internet Media: In 2012, online advertising initiatives continued to play an important role for the marketing program. The City's premium membership with LoopNet and listings with CoStar were the core component of the online focus of the Northeast Business Park and Southpoint Commerce Park.
- D. Updates to the Community Development website and Facebook pages in 2012 were focused on providing timely information regarding our Department Programs, new development and redevelopment related highlights, updates on City infrastructure projects and sharing business resources. The website continues to be an important tool for providing information on business resources, development processes and applications, available buildings and properties, neighborhood and housing programs and development opportunities. The social media outlets provide the information in an instant access format that meets the needs of the commercial real estate and development community regardless of whether City Hall is open.

### 2. The Fox Cities Economic Development Partnership

The Fox Cities Economic Development Partnership (FCEDP) is a business attraction and retention organization comprised of municipalities and organizations interested in the economic growth of the Fox Cities. In addition to fostering economic development by creating and implementing marketing programs that promote the area as an attractive



location for business and industry, the FCEDP conducts retention activities to ensure the continued viability of existing business.

### **3. Future Marketing Efforts**

- A. The City of Appleton has decided to support the efforts of the Fox Cities Regional Partnership, both financially and operationally.

The Fox Cities Regional Partnership is a public-private sector partnership within the organizational structure of the Fox Cities Chamber of Commerce.

The mission is to enhance the overall quality of life, raise the standard of living of our residents and increase the vibrancy of the economy of the Fox Cities. This will be accomplished using a comprehensive, aggressive economic development strategy focusing on job creation, existing business expansion and recruitment of new companies to the region. Appleton Regional Partnership will:

- Proactively market and promote the Fox Cities region to attract new companies, foster new investment and create high quality jobs for local residents
- Protect and support the existing employment base
- Support the education and training of existing and future workers
- Increased focus on product development

- B. The benefits of additional sponsorship opportunities for targeted audiences will continue to be evaluated in 2013 for future marketing opportunities.
- C. Staff will partner with Locate in Wisconsin, LoopNet, and CoStar to improve upon this economical way to reach the commercial real estate and development community.
- D. Business Retention and Expansion Program - Assisting in the retention and expansion of local industries is a top priority in the City of Appleton because nine out of ten jobs created in the City are created by existing businesses expanding their operations or by local entrepreneurs starting businesses. In 2012, the staff met with businesses to resolve issues, help with retention, and assist with expansion plans. We have also partnered with the Fox Cities Regional Partnership which has committed, in their Memorandum of Understanding with the City, to a minimum of 40 business retention and expansion calls.