



CITY OF APPLETON
Community & Economic
Development Department
March 9, 2022

GROWTH REPORT

2021

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Christopher Behrens, City Attorney
Kami Lynch, City Clerk

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District 6: Denise Fenton	District 14: Joe Prohaska, Jr.
District 7: Maiyoua Thao	District 15: Chad Doran
District 8: Matthew Reed	

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Jessica Titel, Principal Planner
Nikki Gerhard, Grants Administrator
Ryne Lodl, Coordinated Entry Specialist
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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Table of Contents

Introduction	1
Income	1
Labor Statistics	1
Unemployment Statistics	3
Cost of Living Comparisons	5
Building Permit Activity	7
Equalized Value and Net New Construction	10
Tax Incremental District Performance	14
Business Development	26
Housing Rehabilitation Projects	30
Neighborhood Program	31
Recent City Investments Promoting Growth	33
Challenges to Growth	34
Projects on the Horizon	35
Opportunities	36
Strategy/Marketing	36



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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.

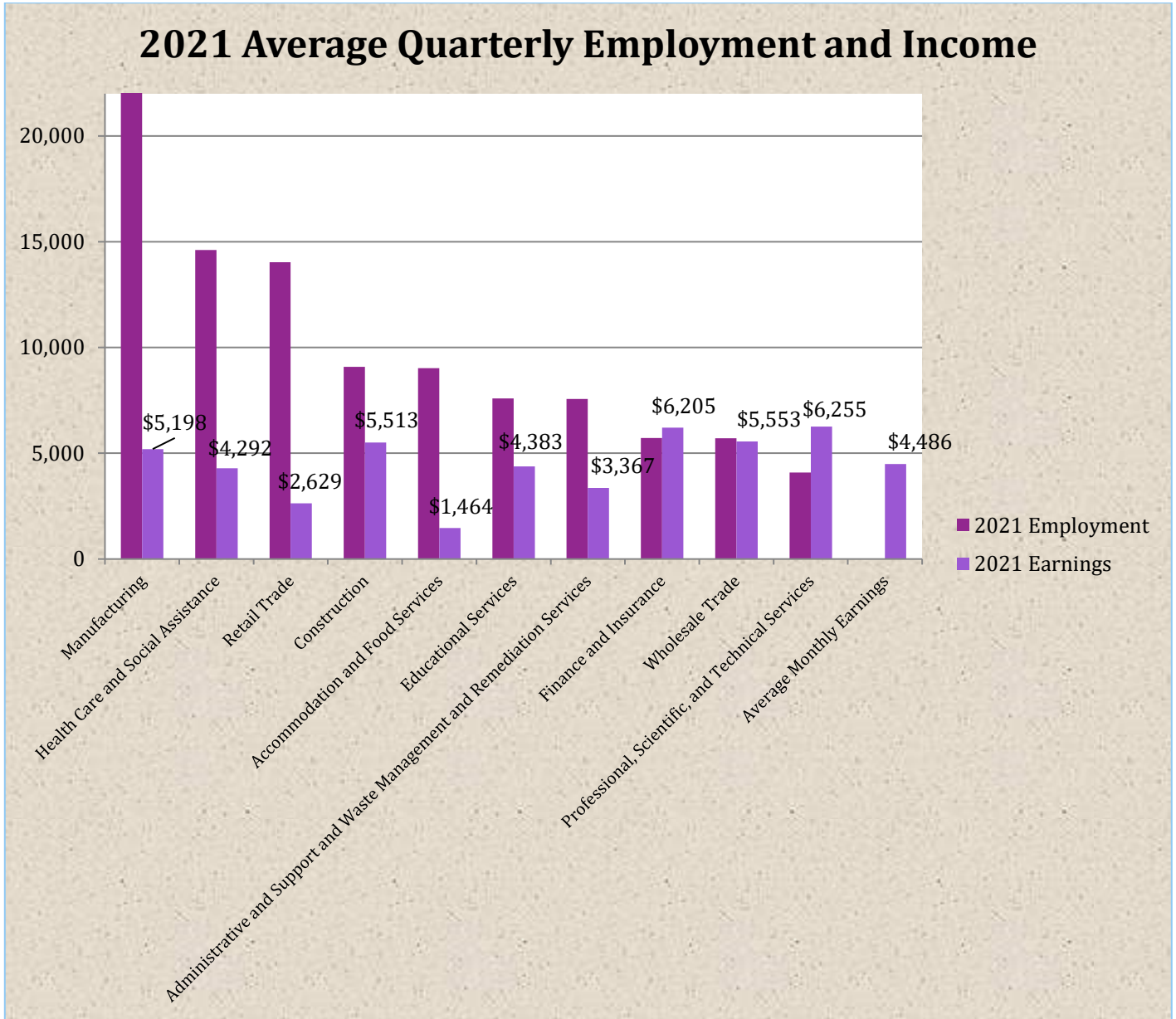
Over the past few years, we have been placing an increased focus on net new construction and a reduced focus on construction permit data. Construction permit data tends to be the most volatile, and reporting can be inconsistent or duplicated. Net new construction, on the other hand, is defined and standardized 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 2021 was \$58,613, which is below the median household income of \$63,001 for the State of Wisconsin and the U.S. average of \$64,730.

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 2021 (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.

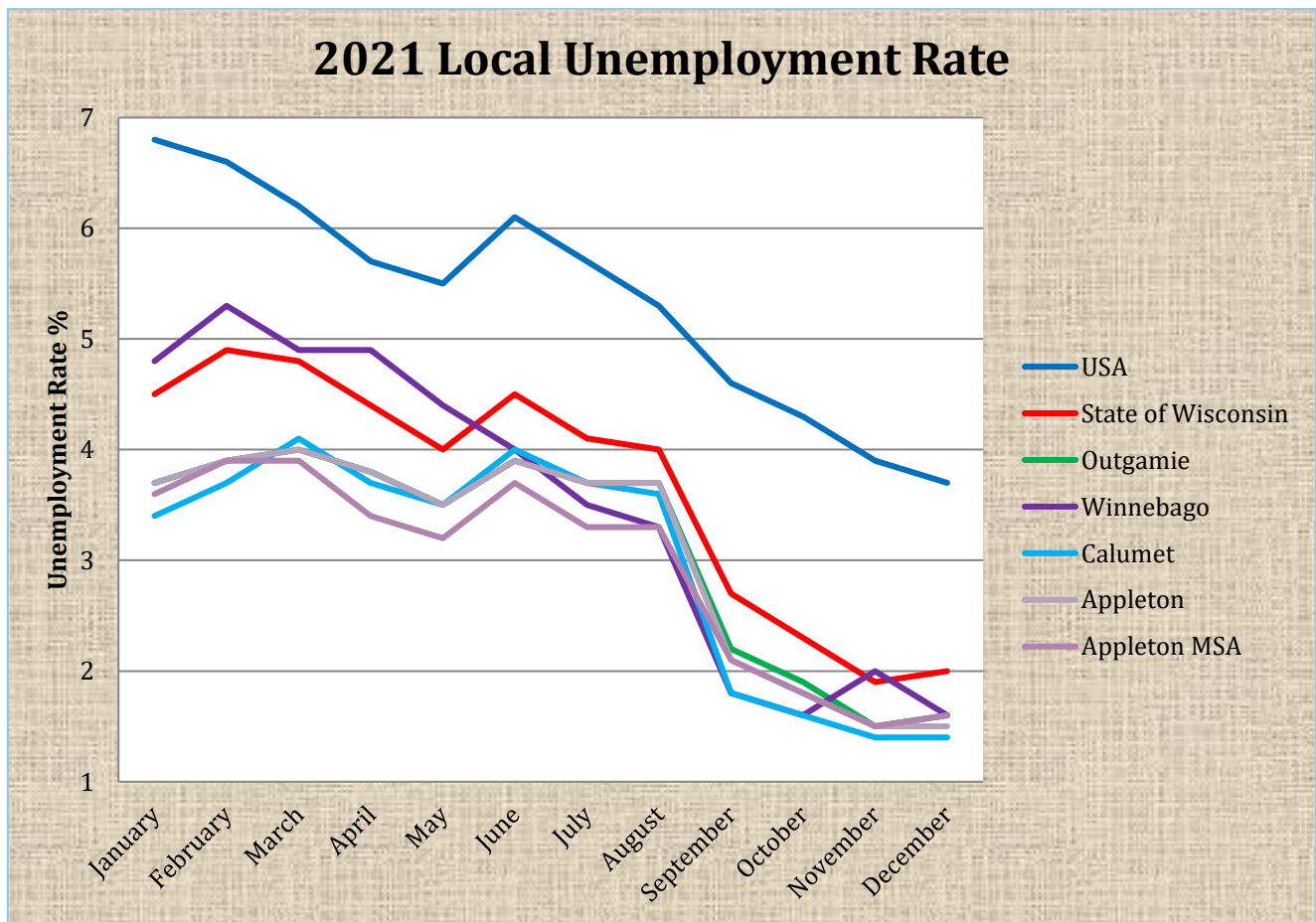
Average monthly earnings ranged from \$1,464 to \$6,255 per position for the top ten employment sectors represented. As a reference point, the U.S. Department of Housing and Urban Development (HUD) considers a monthly gross household income of \$5,708.33 or less to be low income for a family of four in the Appleton MSA; a household comprised of 1 individual is considered low income if under \$3,995.83 per month per HUD <https://www.huduser.gov/portal/datasets/il/il2021/select Geography.odn>. It is worthy of

note that 3 of the top 10 employment sectors by number of jobs provide earnings less than the low income amount (\$3,995.83) for 1 individual as established by HUD.

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.

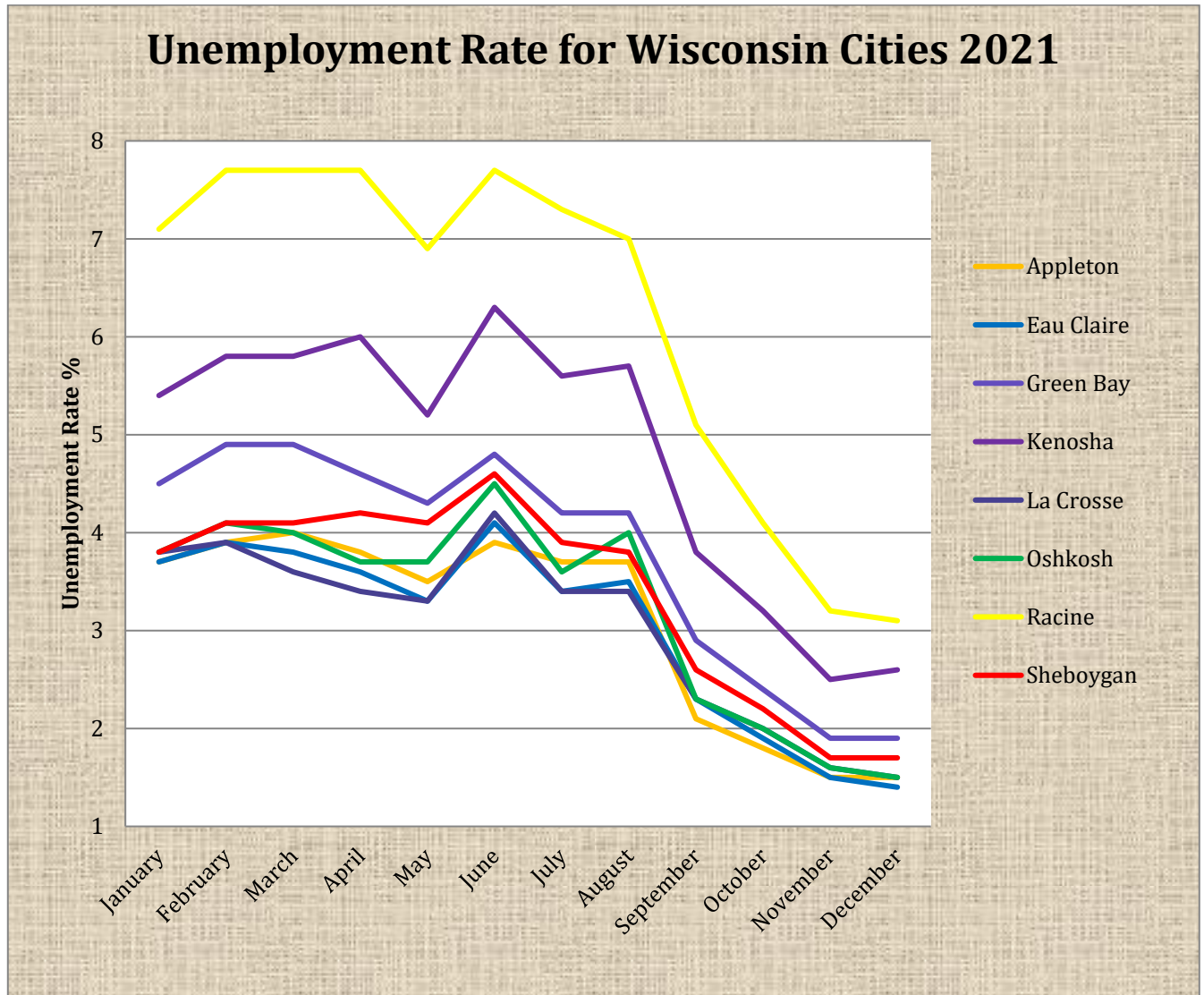
UNEMPLOYMENT

Like most markets, the City of Appleton unemployment rate saw significant fluctuation due to COVID-19 (coronavirus disease) last year. The City started January 2021 at 3.7% unemployment, with a high of 4.0% in March, and concluded the year at 1.5%. The average 2021 unemployment rate for Appleton was 3.1%. 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. 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 City of Eau Claire saw the lowest average unemployment rate of 3.0% in 2021, while the City of Racine had the highest unemployment rate of 6.2%. 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 3.1%. Leading economists indicate an unemployment rate of around 5% is considered “full employment”. The future effects of COVID-19 on the labor market are unknown at this time.



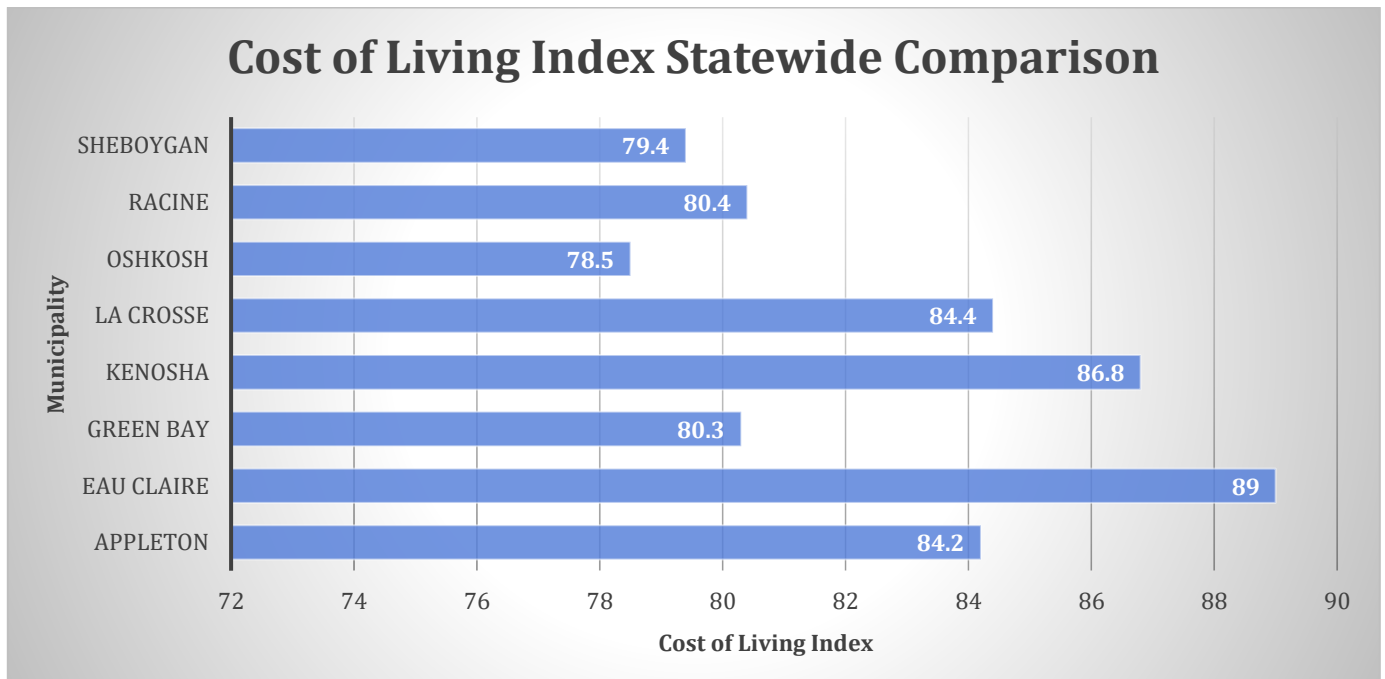
Source: State of Wisconsin Department of Workforce Development

The very low unemployment rates we have seen of late are largely described as being part of a national trend often termed, “The Great Resignation”. Part of this can be explained as the Baby Boomer Generation reaches retirement age, and part is explained by those who left the workforce to care for family members or for their own health considerations during COVID. From 4th Quarter 2019 to 2nd Quarter of 2021, roughly 4.2 million people left the workforce. This trend has, and will continue to, have significant impacts on the availability of labor.

Source: Miguel Faria e Castro, "The COVID Retirement Boom," *Economic Synopses*, No. 25, 2021. <https://doi.org/10.20955/es.2021.25>

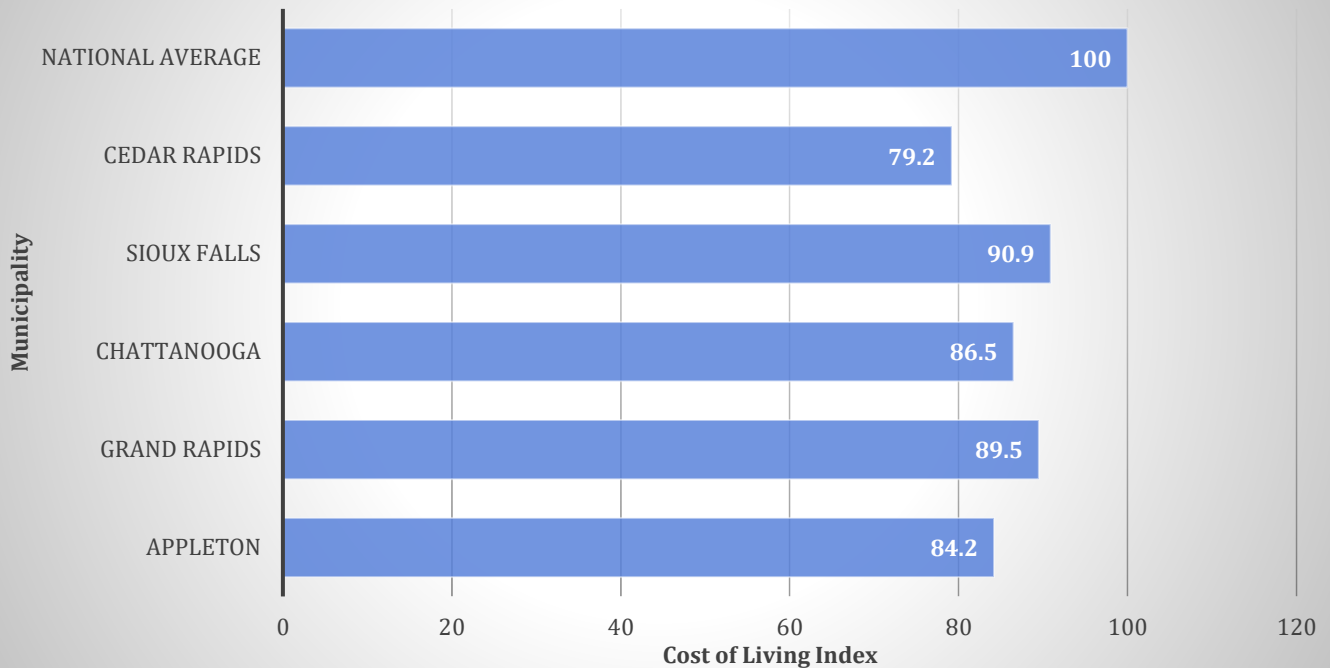
COST OF LIVING

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 evaluated for each index is included below. The City of Appleton has a cost of living index of 84.2, which compares favorably to the national average of 100. Appleton’s rating of 84.2 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 (94.2): 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.

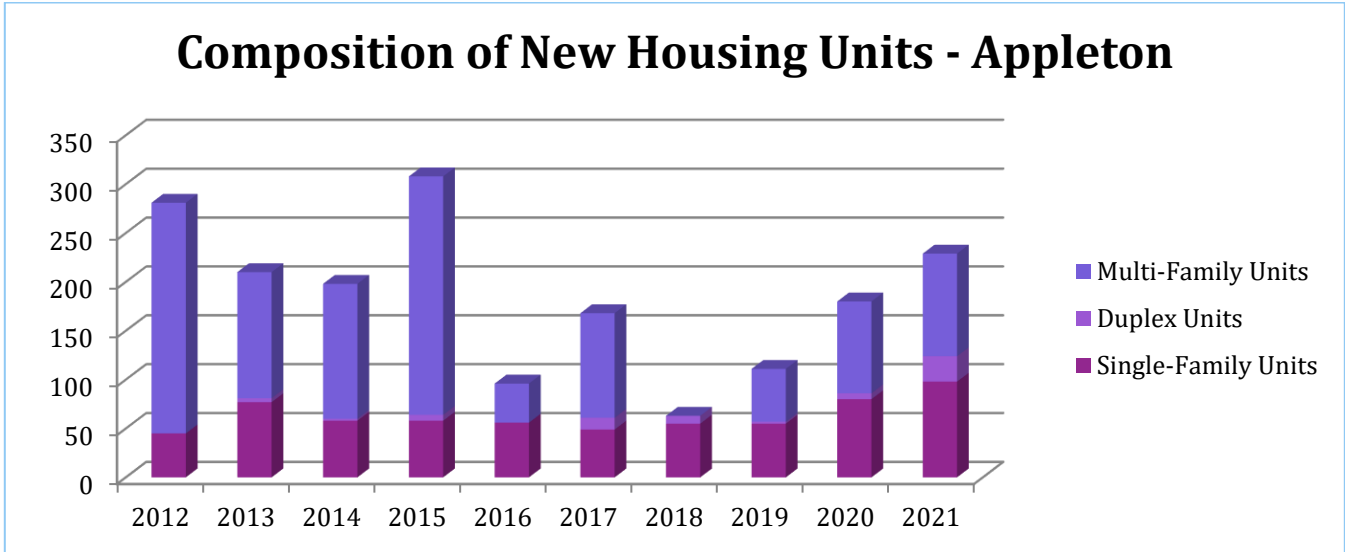
Utilities (97.9): The average cost of heating and cooling a typical residence for the area, including electricity and natural gas.

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.)

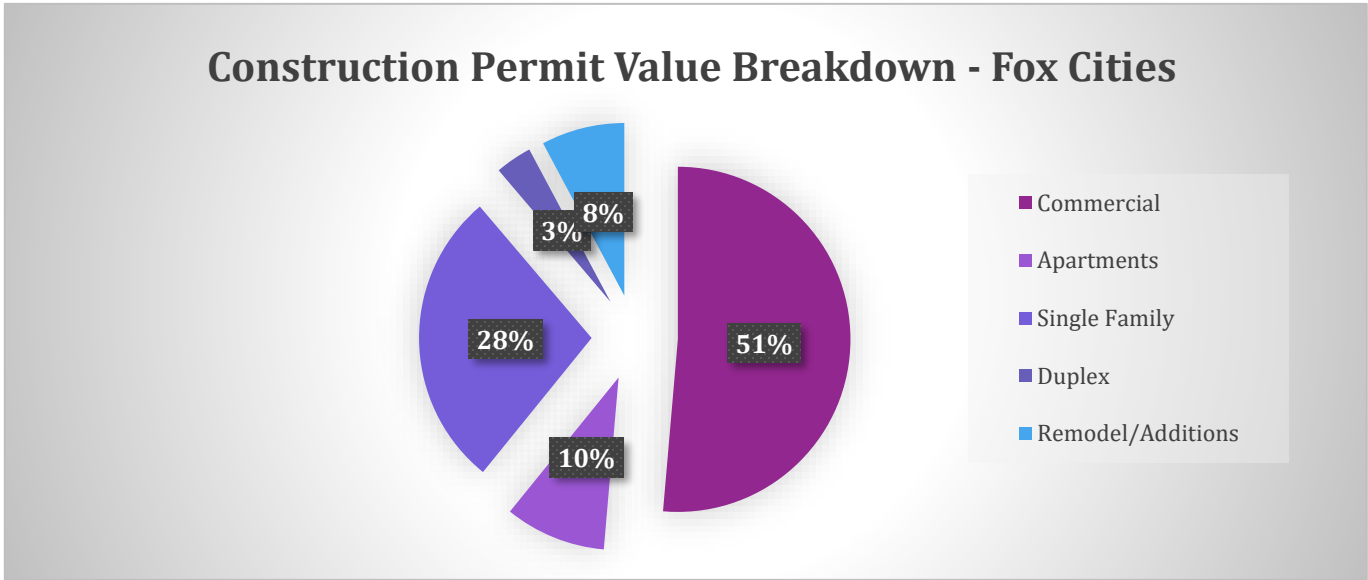
Health (95.3): The average cost of health care calculated using the standard daily rate for a hospital room and the costs of a doctor's office visit and a dental checkup.

BUILDING PERMIT ACTIVITY

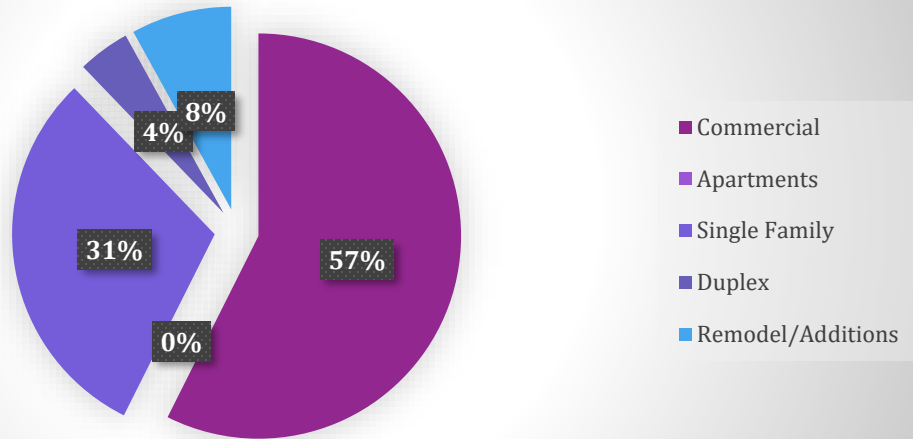
The number of single-family homes in the City of Appleton constructed in 2021 was 98, which is a significant increase to the 80 single-family residential permits in 2020. Total housing unit construction in Appleton increased in 2021 to 229 units from 180 units in 2020, with 105 multi-family units making up the rest. Of the 229 units brought to market in 2021, 25% are for residents who qualify as low to moderate income.



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 commercial categories. Apartment construction in Appleton is understated in 2021 due to several mixed use projects that were categorized as “Commercial”.

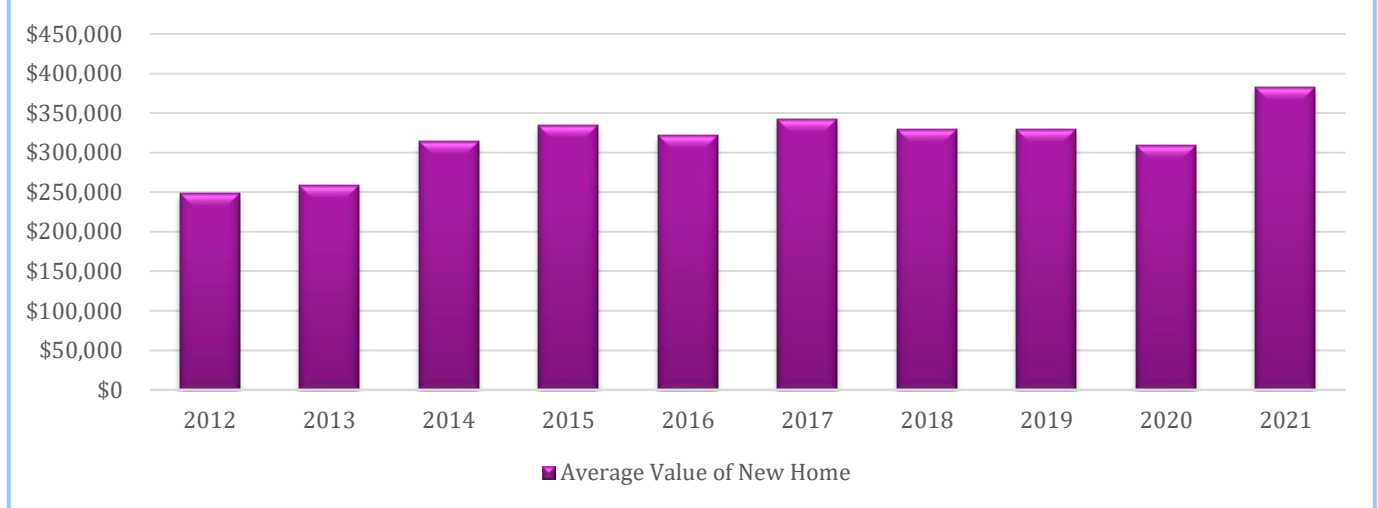


Construction Permit Value Breakdown - Appleton



The total dollar value of single-family permits increased in 2021 to \$37,623,048 from \$24,726,800 in 2020 in the City of Appleton, with an average permit value of new home construction at \$383,090 in 2021, compared to \$309,085 in 2020.

Average Value of New Homes 2021 - Appleton



To follow is a list of projects started in 2021 over \$1 million in estimated value based on permits. Projects over \$1 million provided for \$142,590,110 in construction value in 2021, with \$13,147,578 of that exempt from taxes.

2021 PERMITS IN APPLETON OVER \$1,000,000

Owner	Address	Estimated Cost (\$)	Reason	Description	Tax Exempt
THEDACARE INC	2500 E CAPITOL DR	74,913,775	NEW BUILDING	HOSPITAL	
GRISHABER MAIN STREET	3950 N RICHMOND ST	11,452,217	NEW BUILDING	COMMERCIAL	
ZUELKE FLATS LLC	101 W COLLEGE AVE	9,288,857	REMODEL INT	COMMERCIAL APMT	
318 COLLEGE AVE LLC	318 W COLLEGE AVE	6,843,144	BUILDING ADDITION	MIXED USE BUSINESS & RESIDENTIAL	
PBJ BT INVESTMENTS LLC	3850 N ALVIN ST	6,115,163	NEW BUILDING	COMMERCIAL	
YMCA OF APPLETON	120 S ONEIDA ST	5,590,500	NEW BUILDING	PARKING STRUCTURE	Yes
APPLETON STORAGE I LLC	2400 W COLLEGE AVE	4,202,300	NEW BUILDING	COMMERICAL	
LAWRENCE UNIVERSITY	724 E ALTON ST	3,929,928	REMODEL I/E	KOHLER HALL/HOUSING	Yes
BARBARA SCHMIDT LIFE TRUST	200 RIVER DR	2,900,800	NEW BUILDING	SINGLE FAMILY HOME	
JCT PROPERTIES LLC	3313 E GOODLAND DR	2,863,091	NEW BUILDING	BUSINESS	
CITY OF APPLETON	2006 E NEWBERRY ST	2,130,000	REMODEL	WASTEWATER TREATMENT PLANT	Yes
BERGSTROM CHEV/PONTIAC	2255 W COLLEGE AVE	1,744,640	NEW BUILDING	COMMERCIAL	
THRIVENT FINANCIAL	4321 N BALLARD RD	1,643,146	REMODEL INT	COMMERCIAL	Partial
BRIAN LOHRBACH REV TRUST	612 W RIVER RD	1,565,000	NEW BUILDING	SINGLE FAMILY HOME	
CITY OF APPLETON	2625 E GLENDALE AVE	1,497,150	SOLAR REMODEL	MUNICIPAL SERVICES BLDG	Yes
WALMART #01-2958 REAL ESTATE	3701 E CALUMET ST	1,434,000	REMODEL INT	SHOPPING CENTER	
ST. ELIZABETH HOSPITAL	1506 S ONEIDA ST	1,170,400	REMODEL	HOSPITAL	
DANIEL LINDBERG ET AL	6445 N SNOWDRIFT DR	1,165,795	NEW BUILDING	SINGLE FAMILY HOME	
GARY WEYERS REV TRUST	2730 E INCLINE WAY	1,132,634	NEW BUILDING	SINGLE FAMILY HOME	
JILL HAGEN	6352 N SNOWDRIFT DR	1,007,570	NEW BUILDING	SINGLE FAMILY HOME	

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 of the two measurements (\$6.7B in 2021 vs. \$6.2B in 2020), 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.)

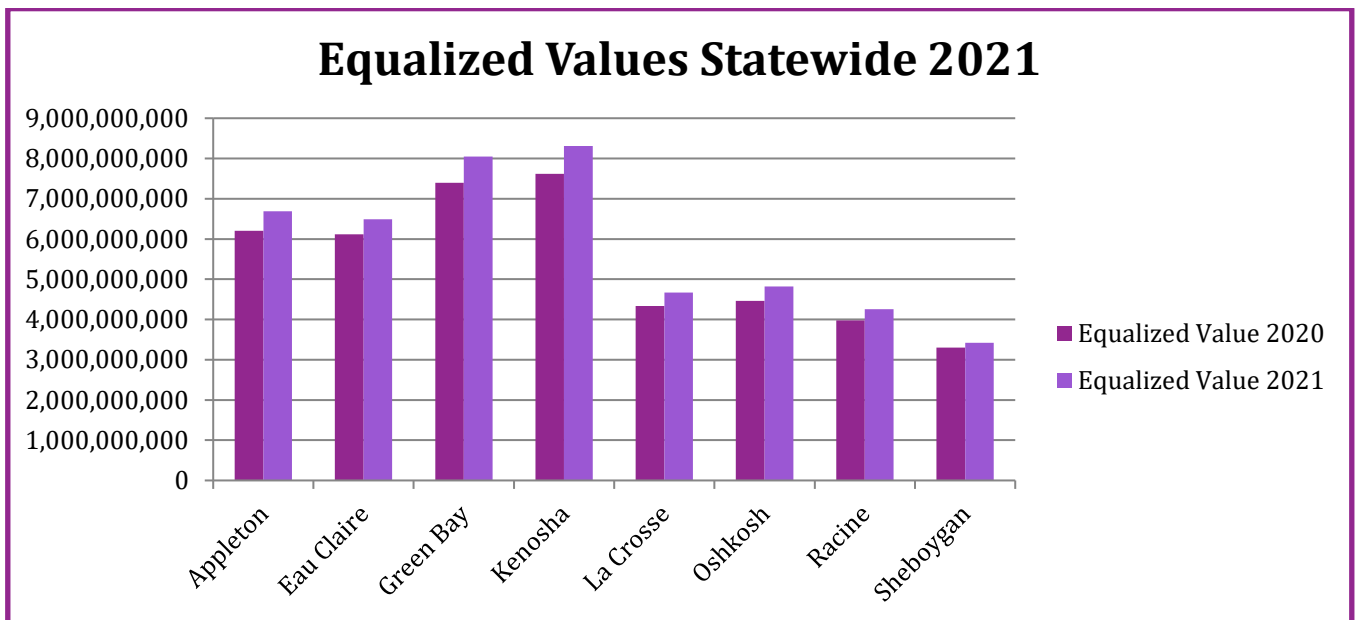
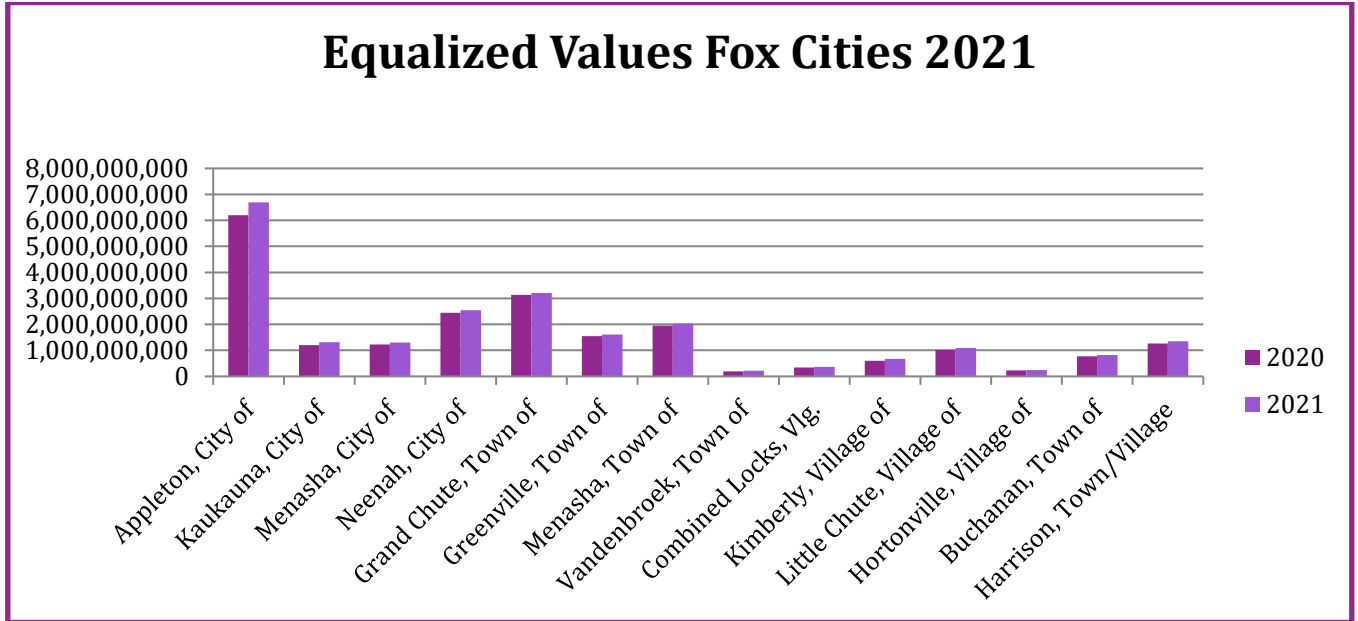
NET NEW CONSTRUCTION:

Net new construction captures the following:

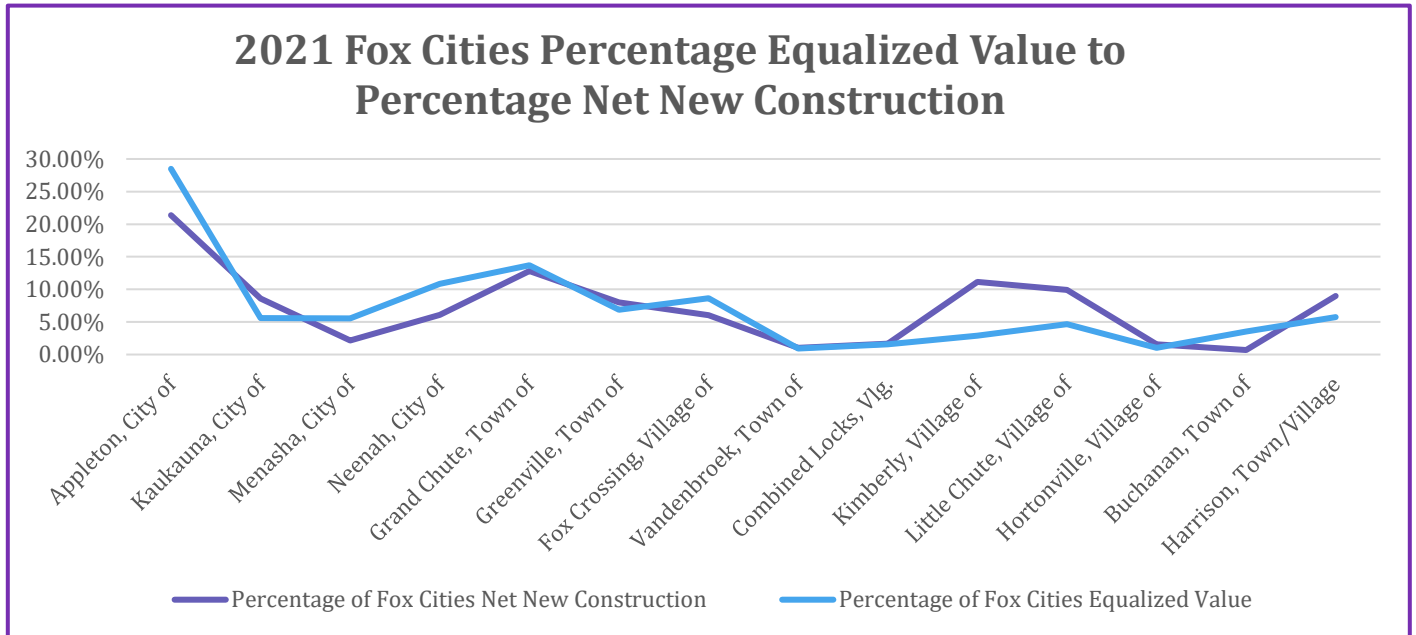
- Land value changes are due to higher land utility
- Improvement value changes are due to construction of new buildings

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.

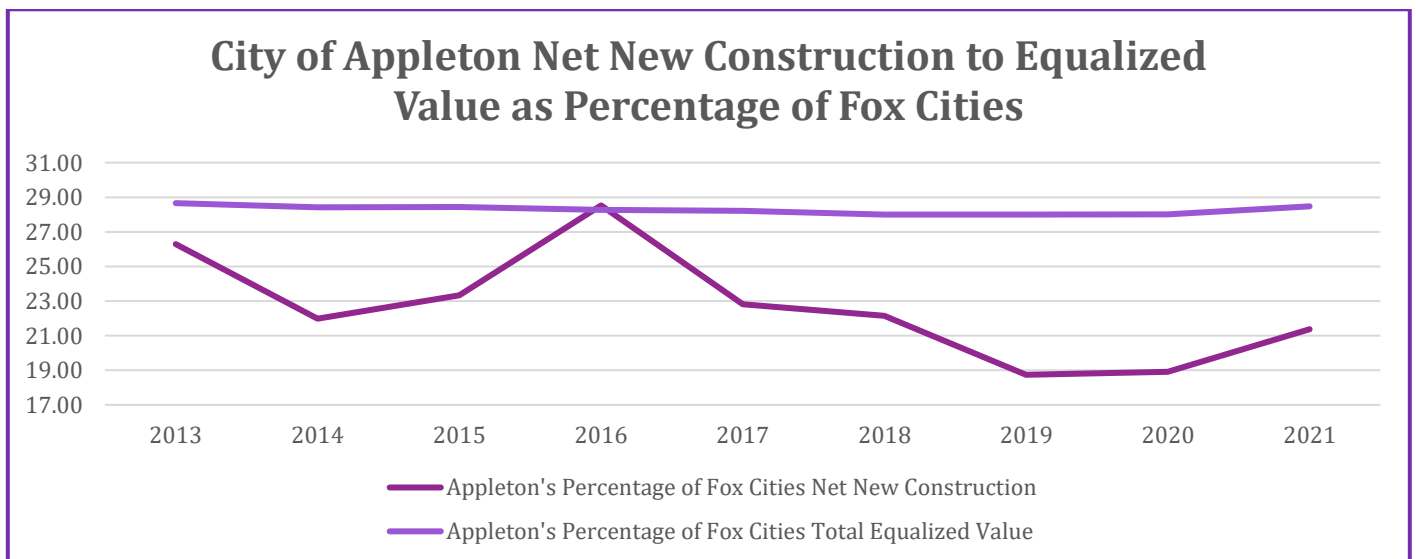
Appleton experienced an increase in equalized values for the City overall of 7.87%, compared to a statewide increase in Wisconsin of 6.8%. The following charts compare Appleton's equalized value to the Fox Cities and other midsize cities in the State of Wisconsin.



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. Kaukauna, Greenville, Kimberly, Little Chute, Hortonville, and Harrison outperformed their percentage of the Fox Cities with net new construction in 2021. Municipalities use the percentage increase of net new construction as a valuation factor in determining the allowable tax levy for the municipality.



The 9-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 5.6% below the equalized value percentage over the 9-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	2020 Equalized Value	Net New Construction	2020-2021 Percentage Increase	Percentage of Fox Cities Net New Construction
Kimberly, Village of	599,222,500	40,453,500	6.75%	11.16%
Little Chute, Village of	1,015,966,200	35,914,700	3.54%	9.91%
Kaukauna, City of	1,208,319,100	31,047,600	2.57%	8.57%
Harrison, Town/Village	1,268,358,600	32,567,800	2.57%	8.99%
Hortonville, Village of	230,745,900	5,648,000	2.45%	1.56%
Outagamie County*	17,772,577,200	353,961,000	1.99%	N/A
Greenville, Town of	1,545,676,600	29,073,100	1.88%	8.02%
Vandenbroek, Town of	195,263,700	3,635,000	1.86%	1%
Combined Locks, Vlg.	337,746,300	5,998,000	1.78%	1.65%
Calumet County*	4,739,204,400	70,400,600	1.49%	N/A
Grand Chute, Town of	3,138,463,400	46,339,900	1.48%	12.79%
Appleton, City of	6,200,311,200	77,471,000	1.25%	21.37%
Winnebago County*	14,893,226,500	171,603,300	1.15%	N/A
Fox Crossing, Village of	1,951,559,000	21,843,900	1.12%	6.03%
Neenah, City of	2,440,145,100	22,071,200	0.9%	6.09%
Menasha, City of	1,233,535,500	7,875,100	0.64%	2.17%
Buchanan, Town of	767,254,600	2,508,800	0.33%	0.69%
Fox Cities Total	\$22,132,567,700	\$362,447,600		100%

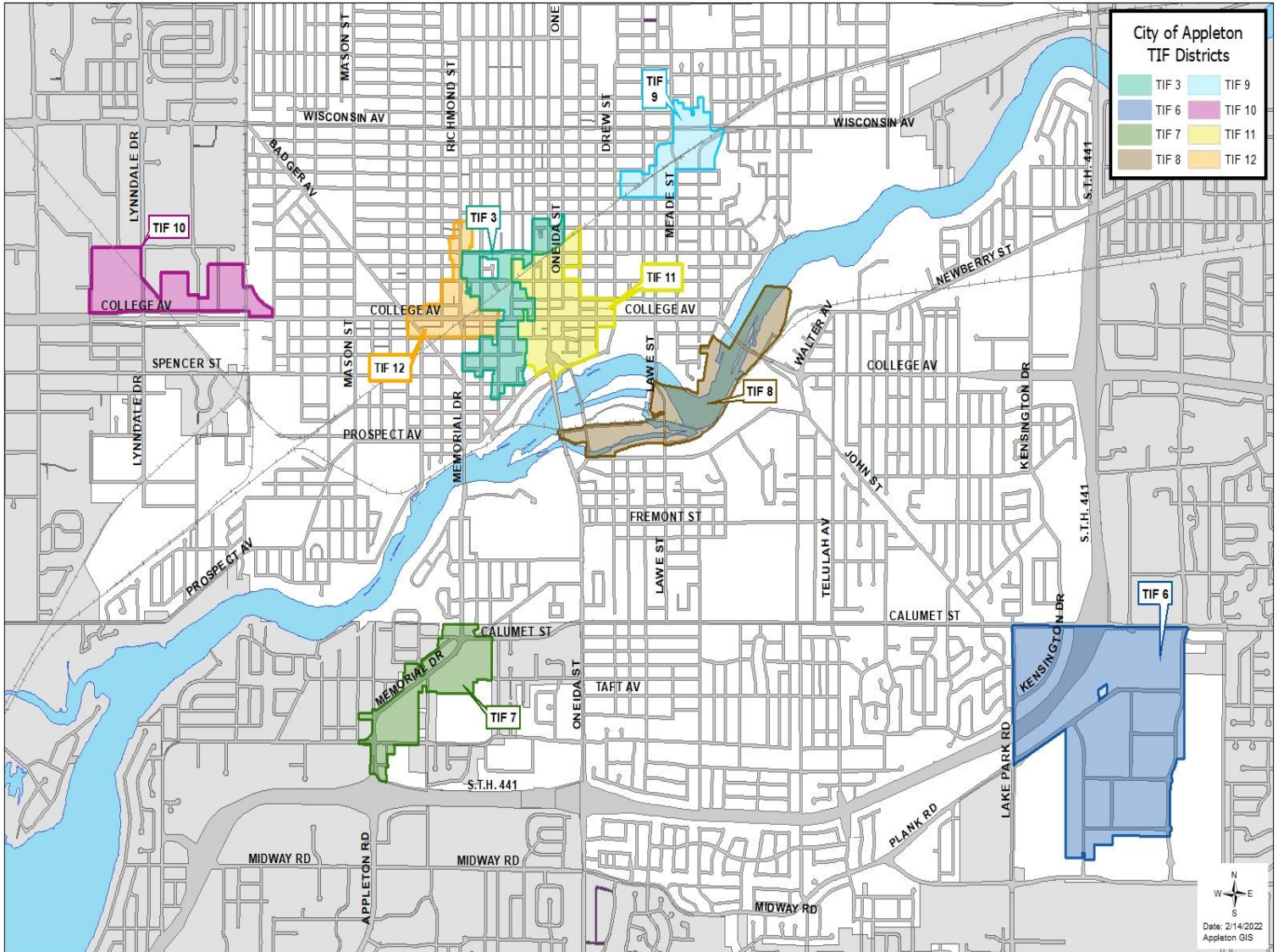
*County numbers included for net new construction comparison only, not included in totals

The City of Appleton represents 28.48% of the Fox Cities by total equalized value and captured 21.37% of net new construction equalized value in 2021. The City’s net new construction percentage increase is 1.25%, compared to the Fox Cities average of 1.64%, 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-2021.pdf>

TAX INCREMENTAL DISTRICT

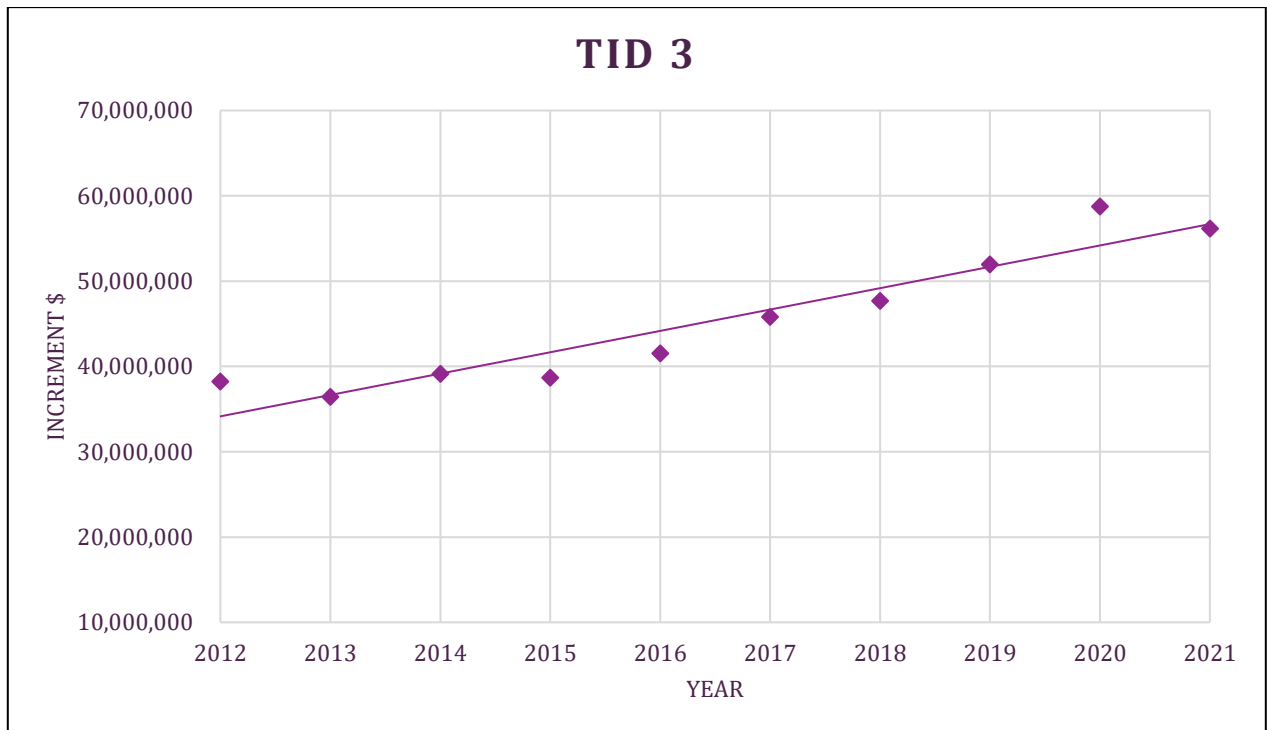
The following is a City Map indicating locations of the TIDs. Following that is an overview of each TID, including performance measures, a trendline, and notes on any major changes to the real estate and/or personal property values.

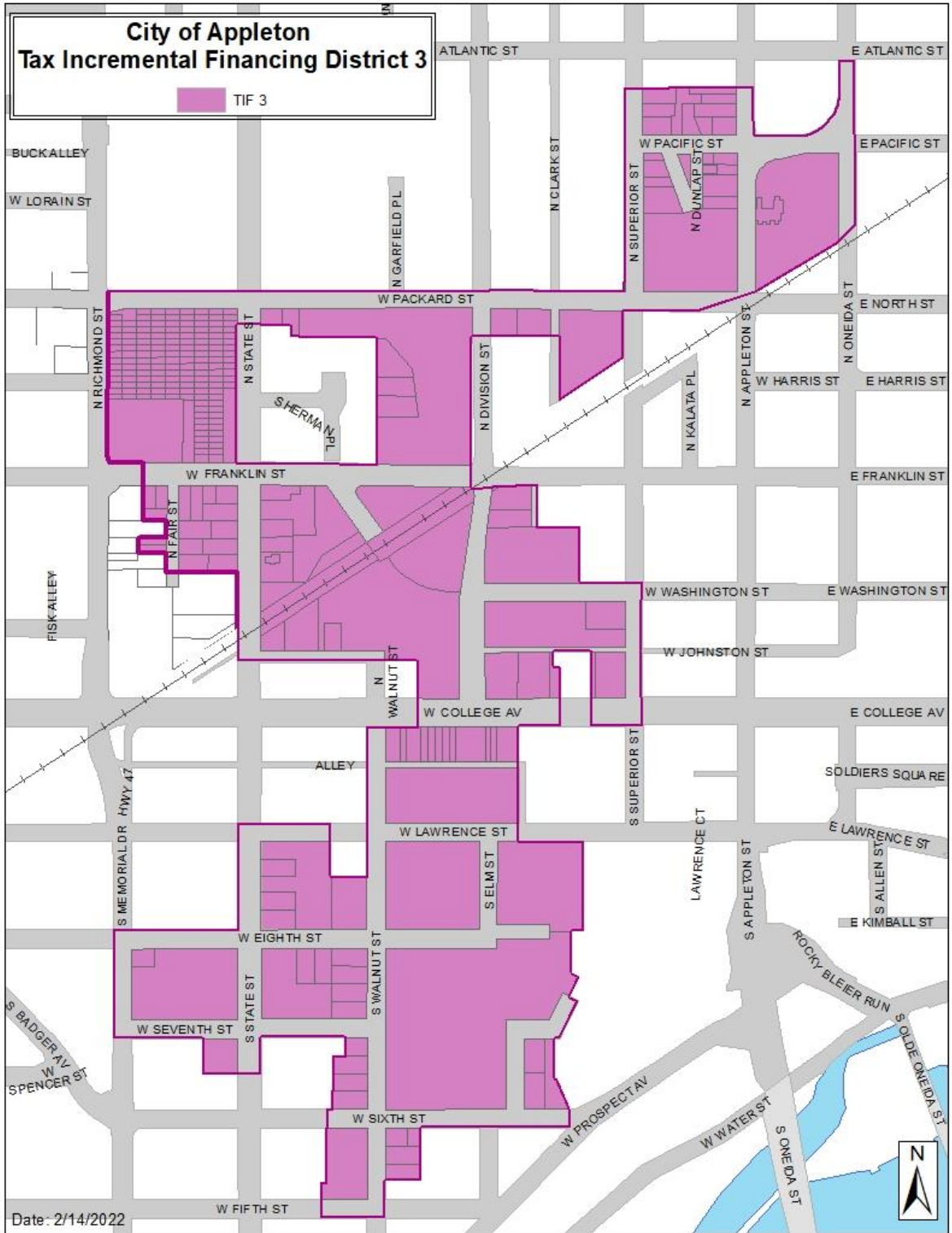


TAX INCREMENTAL DISTRICT PERFORMANCE

TID #3 The boundaries reflected on this map incorporate an amendment made to the District in 2021; however, the valuations chart reflects values as reported by WI Dept. of Revenue (DOR) prior to the amendment. This TID was declared distressed in 2011 and is scheduled to close by 2029. The reduction in value reflected in 2021 is due to adjustments made by the DOR.

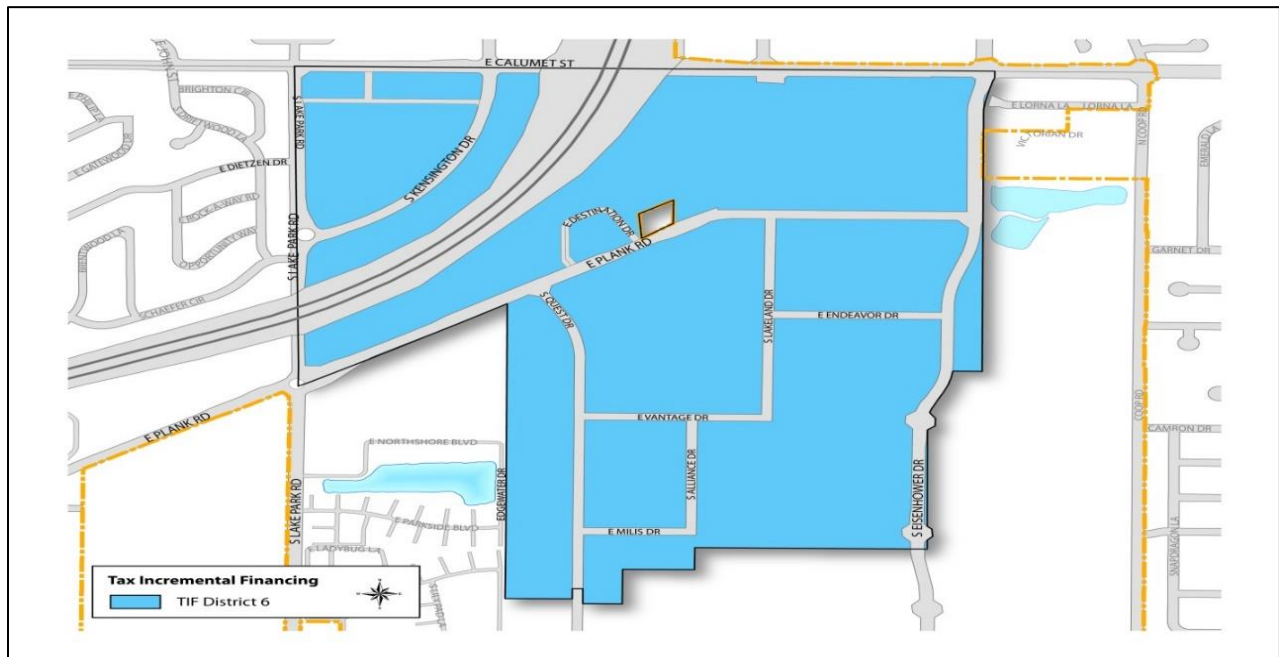
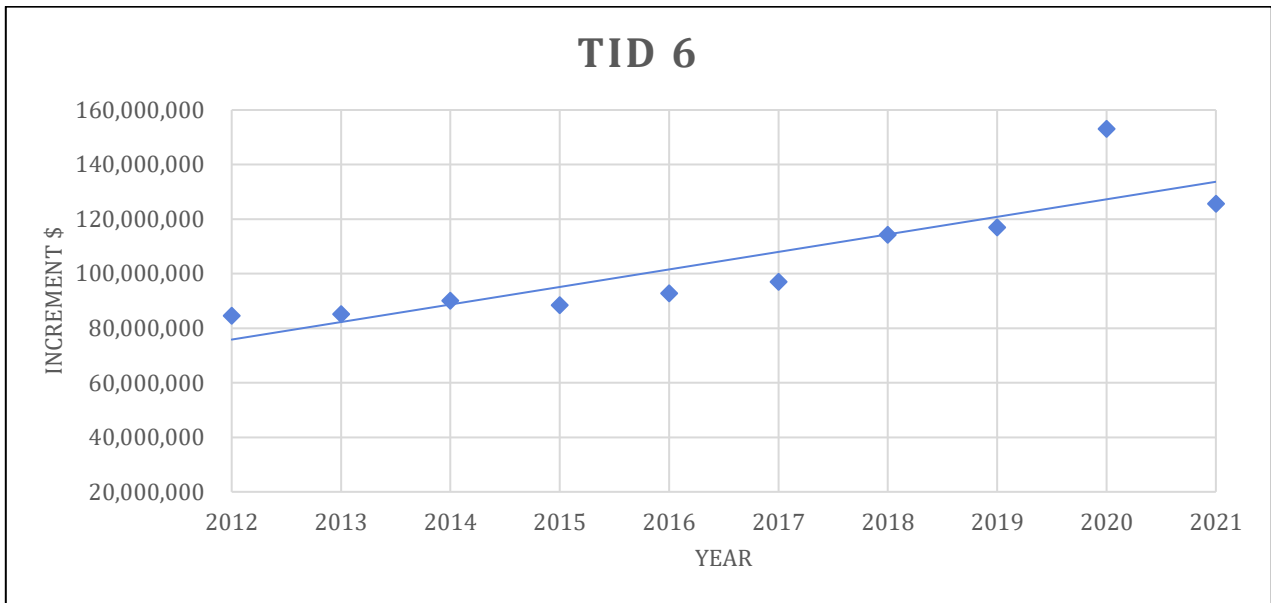
TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 3	1993	18,940,800	77,660,500	68,263,300	49,322,500	(9,397,200)	-12.1%	10.42%	260.4%





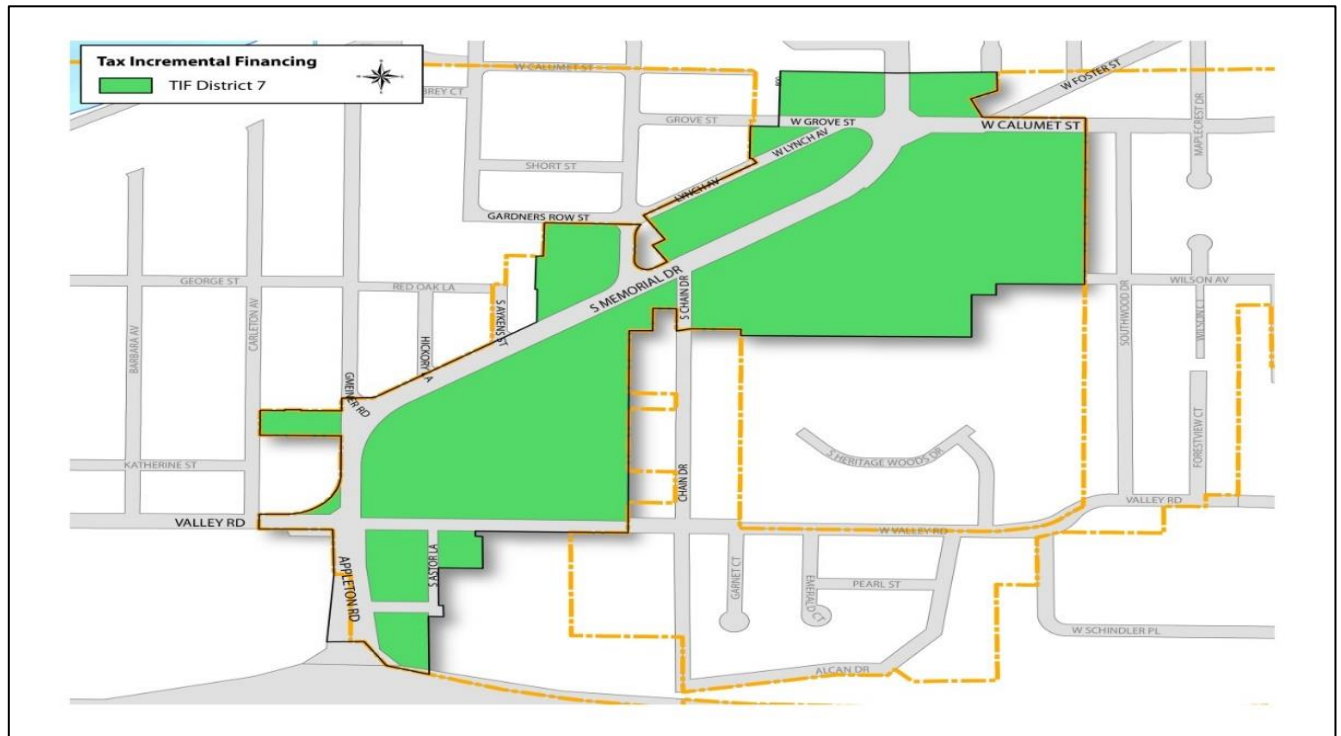
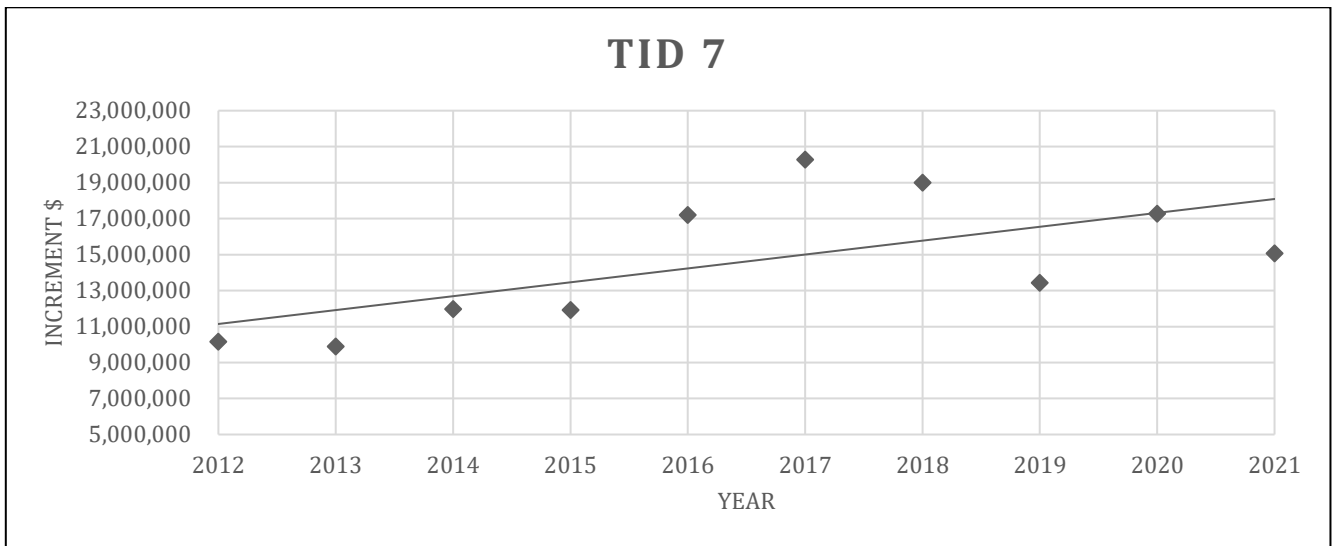
TID #6 The significant changes to value in this TID are due to DOR adjustment to last year's values to reflect an error in their software. This TID is scheduled to close in 2023.

TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 6	2000	12,141,600	165,211,300	137,738,300	125,596,700	(27,473,000)	-16.63%	57.47%	1034.43%



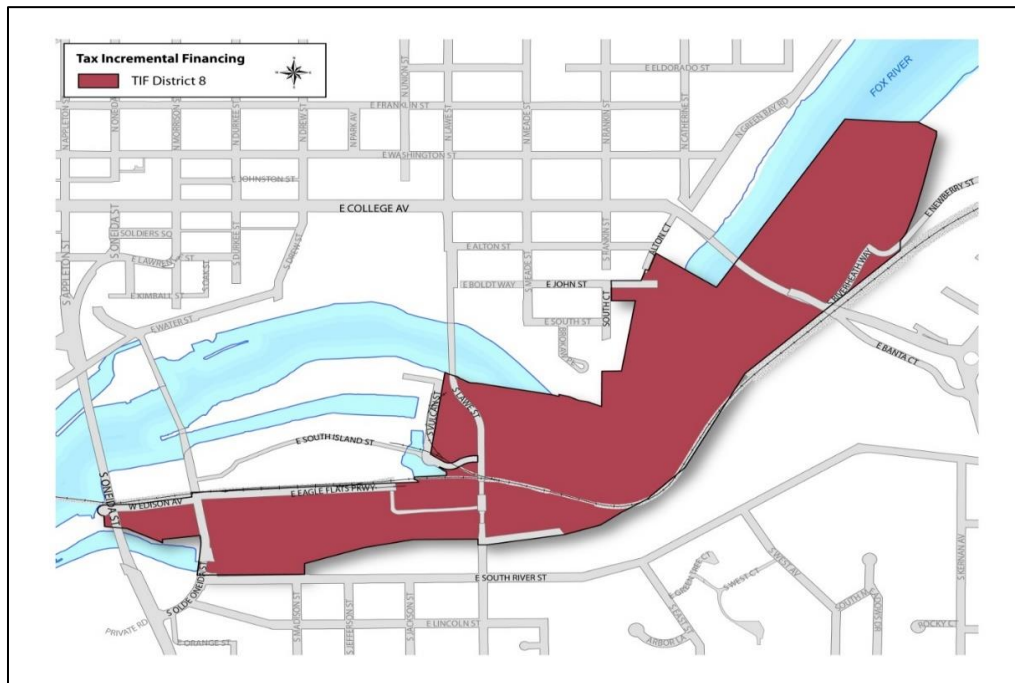
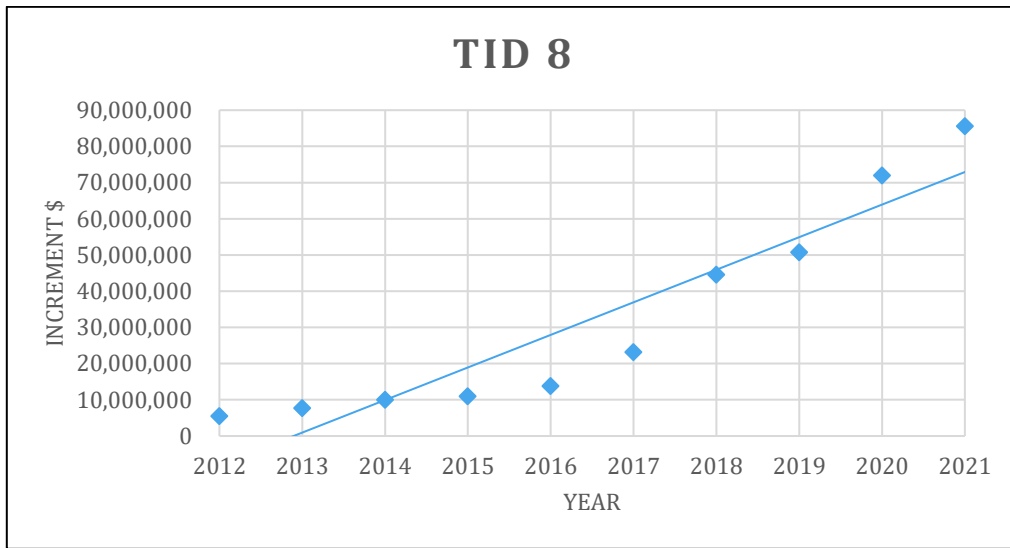
TID #7 The majority of the changes in increment is due to DOR adjustment to last year's values. This TID is scheduled to close in 2034.

TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 7	2007	25,657,000	42,924,700	40,712,900	15,055,900	(2,211,800)	-5.15%	5.33%	58.68%



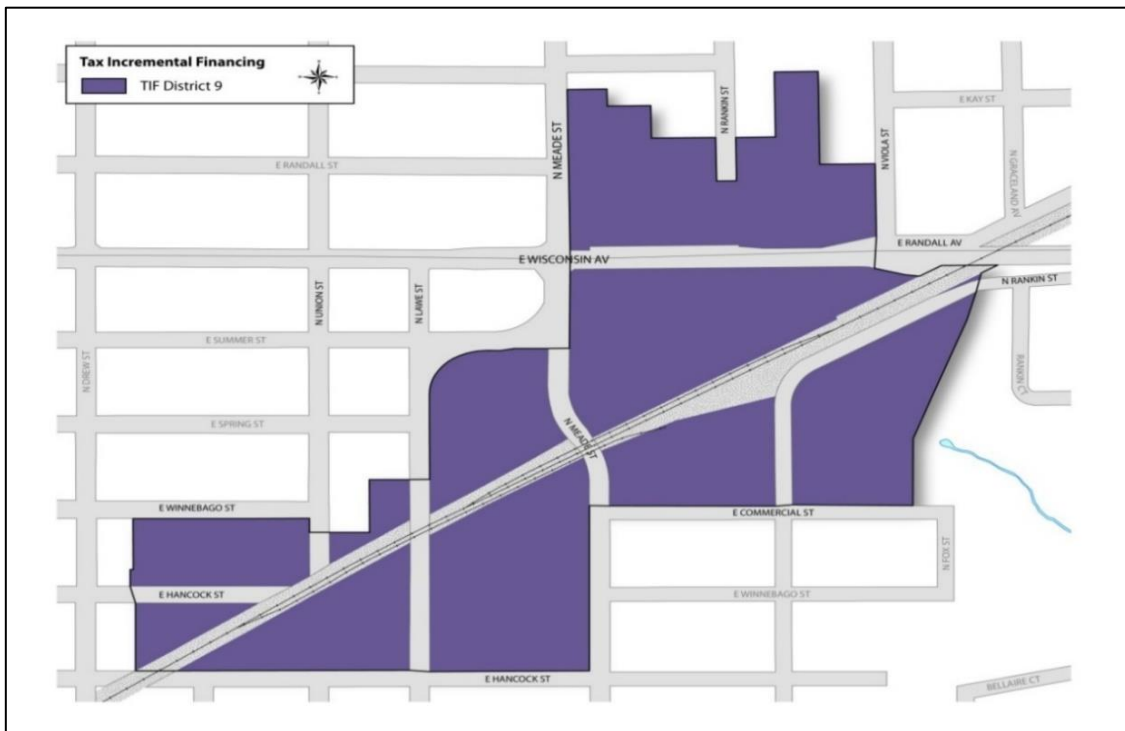
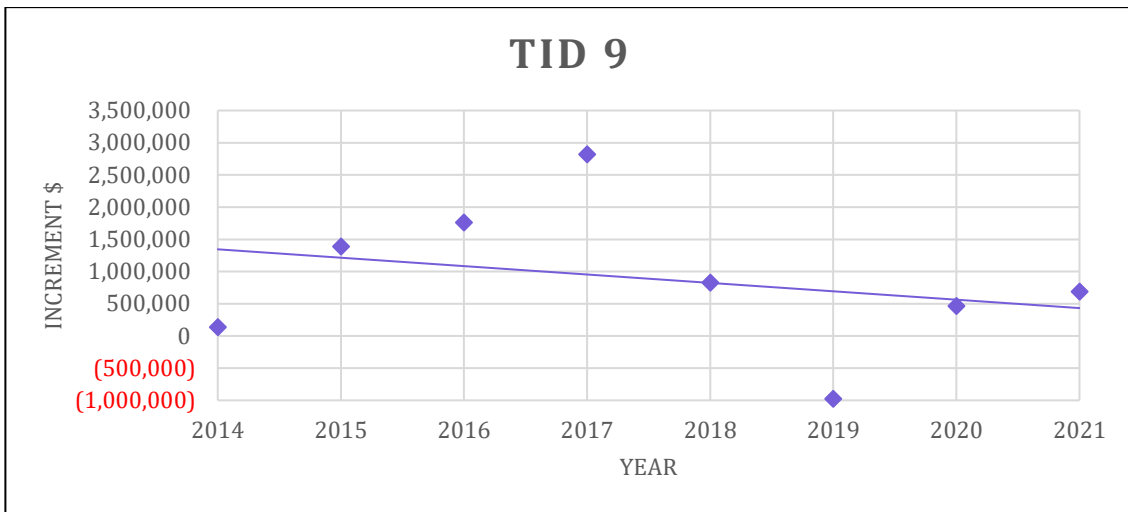
TID #8 The Willows at RiverHeath added significantly to the locally assessed value with 110 residential units and approximately 23,000 square feet of commercial/retail space. Completion of Eagle Point’s memory care facility was another factor for the increase in value. This TID is scheduled to close in 2036.

TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 8	2009	6,135,100	78,139,900	91,737,600	85,602,500	13,597,700	17.4%	155.03%	1395.29%



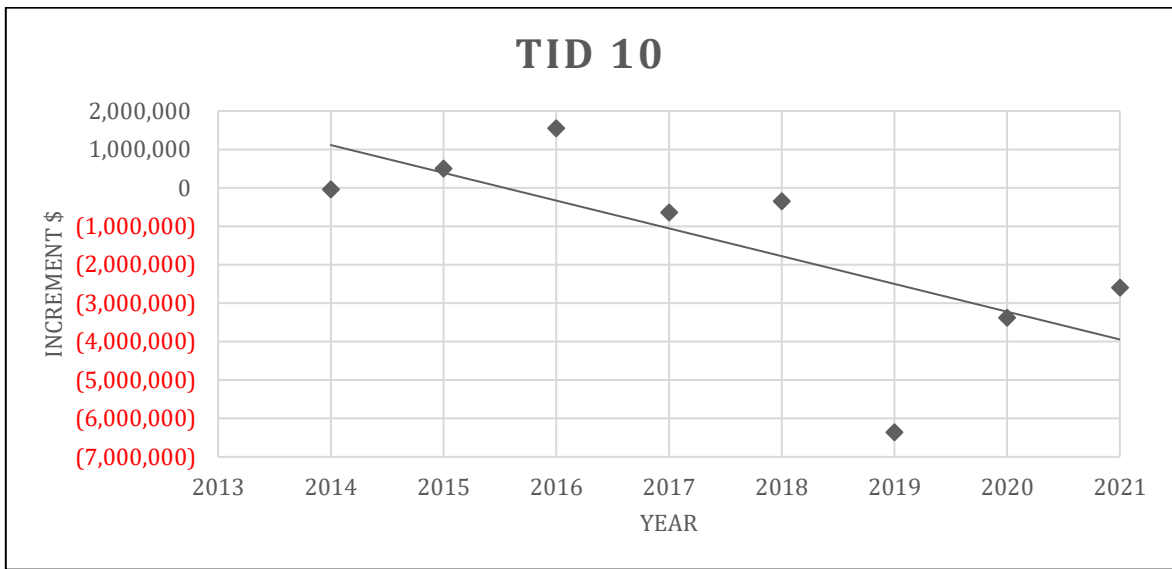
TID #9 TID #9 saw minimal changes in increment in 2021. This TID is scheduled to close in 2040.

TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 9	2013	21,512,900	21,978,700	22,202,700	689,800	224,000	1.02%	0.64%	3.21%



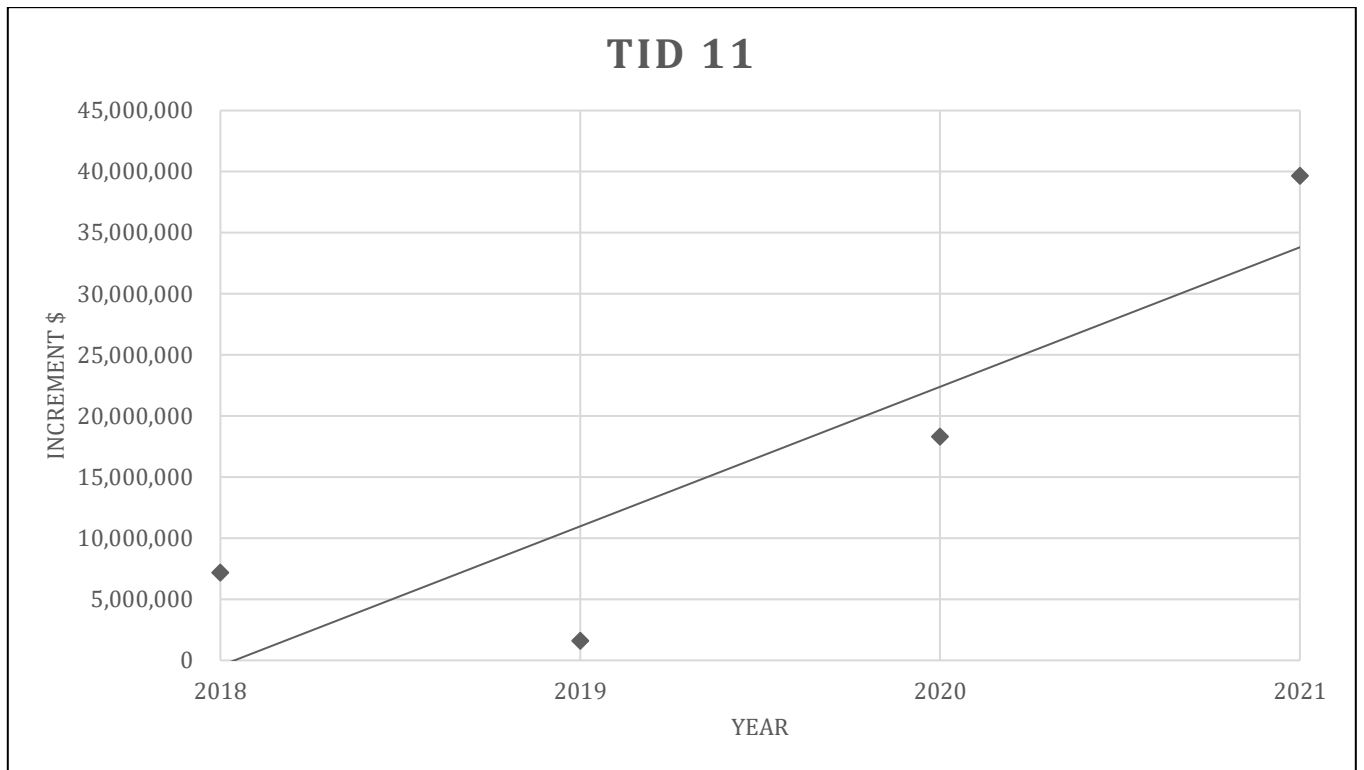
TID #10 This TID realized a significant decrease in value in 2019 due to the reduction in value of the Marketplace Center. Subsequently, TID #10 has seen values increasing. This TID is scheduled to close in 2040.

TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 10	2013	24,543,900	21,162,300	21,946,300	(2,597,600)	784,000	3.7%	-2.12%	-10.58%




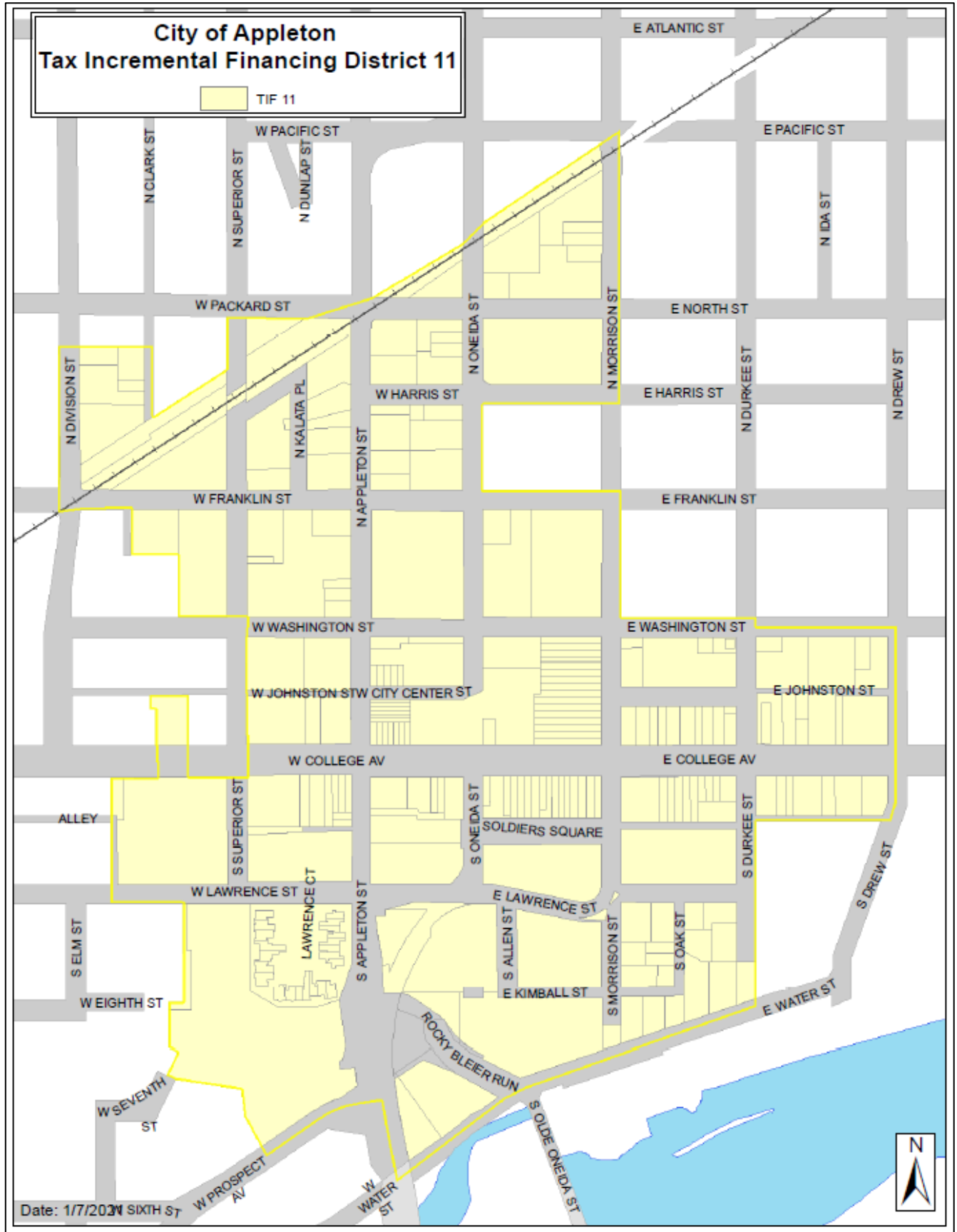
TID #11 Most of the increment in TID #11 is attributable to Gabriel Lofts, Avant Apartments and Crescent Lofts. This TID is scheduled to close in 2044.

TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 11	2017	83,099,200	101,405,100	122,753,700	39,654,500	21,348,600	21.05%	47.72%	47.72%



**City of Appleton
Tax Incremental Financing District 11**

 TIF 11

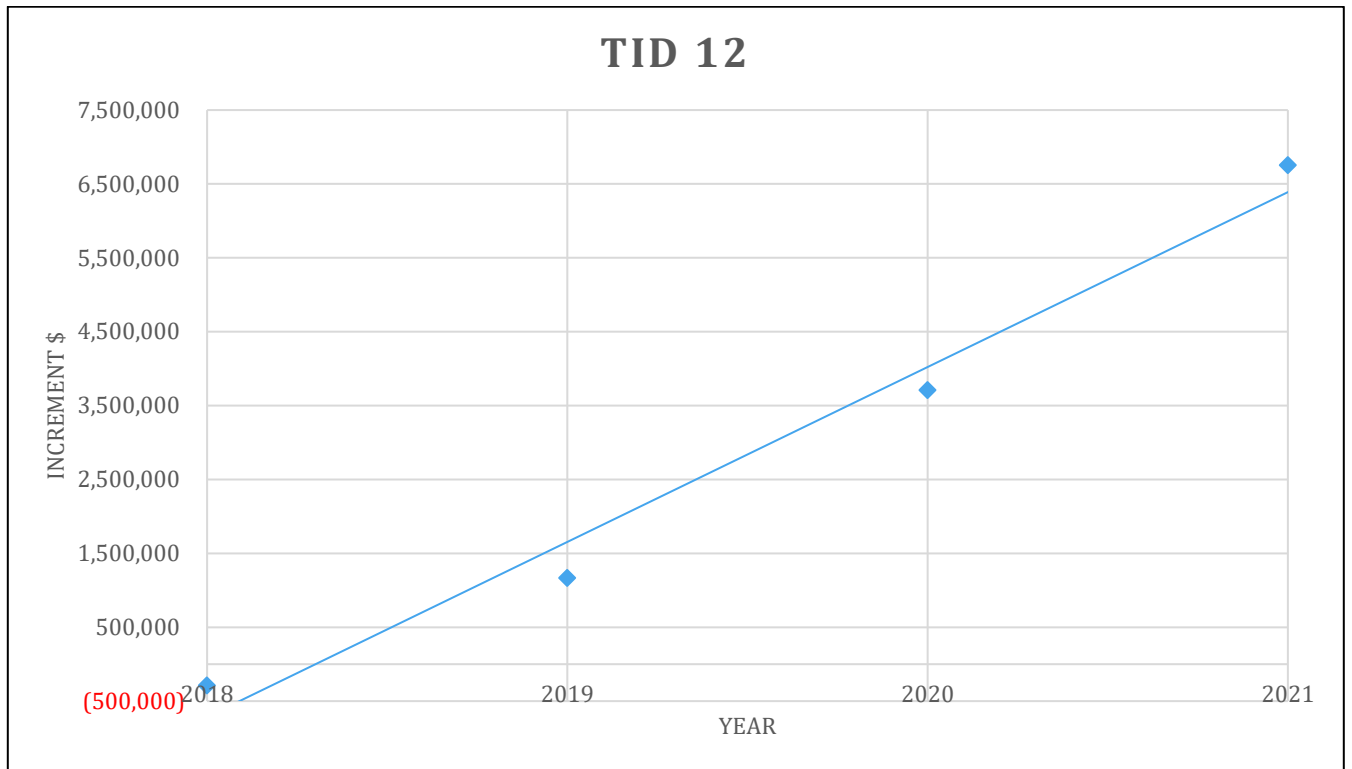


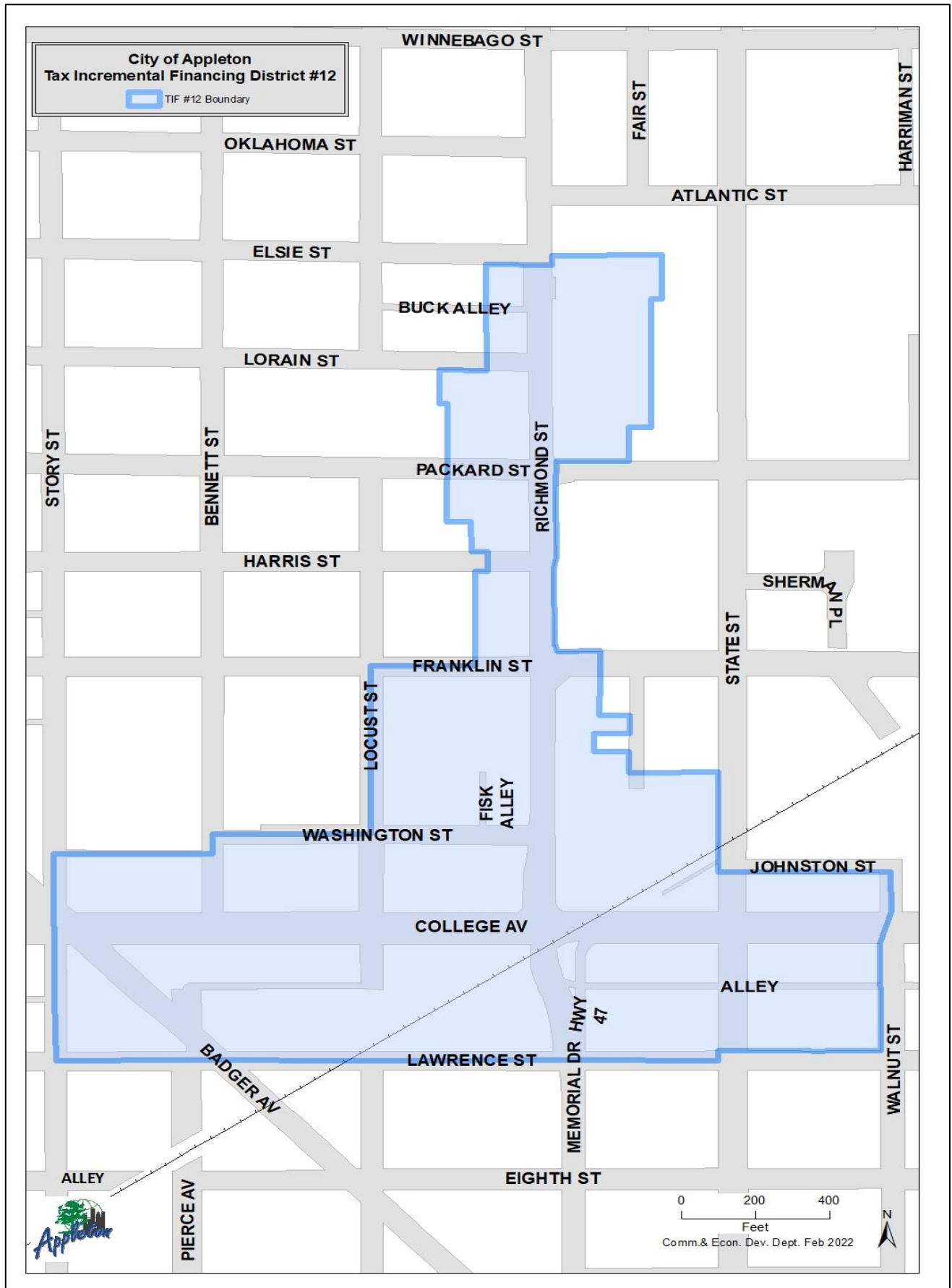
Date: 1/7/2024



TID #12 Most of the increase in increment in TID #12 is due to the Block 800 project, Evergreen Credit Union and the 513 Event Center. This TID is scheduled to close in 2044. The boundaries reflected on this map incorporate an amendment made to the District in 2021; however, the valuations chart reflects values as reported by WI DOR prior to the amendment.

TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 12	2017	22,974,900	26,685,600	29,733,400	6,758,500	3,047,800	11.42%	29.42%	29.42%





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.

<i>Tax Incremental District Valuations</i>									
TID #	Start	Base Value	2020 Value	2021 Value	Total Increment	2020-2021 Increment	% Change in 2020-2021 Value	Avg % Annual Change Since Start	% Change in Total Value Since Start
TID 3	1993	18,940,800	77,660,500	68,263,300	49,322,500	(9,397,200)	-12.1%	10.42%	260.4%
TID 6	2000	12,141,600	165,211,300	137,738,300	125,596,700	(27,473,000)	-16.63%	57.47%	1034.43%
TID 7	2007	25,657,000	42,924,700	40,712,900	15,055,900	(2,211,800)	-5.15%	5.33%	58.68%
TID 8	2009	6,135,100	78,139,900	91,737,600	85,602,500	13,597,700	17.4%	155.03%	1395.29%
TID 9	2013	21,512,900	21,978,700	22,202,700	689,800	224,000	1.02%	0.64%	3.21%
TID 10	2013	24,543,900	21,162,300	21,946,300	(2,597,600)	784,000	3.7%	-2.12%	-10.58%
TID 11	2017	83,099,200	101,405,100	122,753,700	39,654,500	21,348,600	21.05%	47.72%	47.72%
TID 12	2017	22,974,900	26,685,600	29,733,400	6,758,500	3,047,800	11.42%	29.42%	29.42%
Total		\$215,005,400	\$535,168,100	\$535,088,200	\$320,082,800	(\$79,900)	-0.01%		148.87%

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

BUSINESS DEVELOPMENT

The City once again experienced a net gain in new businesses. During 2021, 76 businesses opened or relocated in the City, while 8 closed or relocated, for a net loss of 12. The following pages highlight the businesses that opened in Appleton and the businesses that closed or moved out of the City in 2021.

Businesses That Opened or Relocated in the City of Appleton:

ATI LADISH LLC	BIAX-FIBERFILM CORP	NEW MORNING COFFEE ROASTERS INC
AMAZON.COM SERVICES LLC	APPLE CREEK PLUMBING LLC	CARY J WILDER INSURANCE AGENCY LLC
EAGLE COURT MEMORY CARE INC	EIS LEGACY LLC	FARRAR & ASSOCIATES MENTAL HEALTH SC
HELEN'S HOUSE LLC	IMPACT NORTHEAST WISCONSIN LLC	KETAMINE WELLNESS CENTER LLC
KLEENMARK SERVICES CORP	LEE NAILS SPA C/O VALENIE THOJ COOB LIS	OASIS NUTRITION LLC
PETSCHER CONSULTING LLC	SURGICAL ASSOCIATES OF NEENAH SC	WISCONSIN SWIM ACADEMY LLC
AAYUS HOLISTIC HEALTH SERVICES : SENSU LATO LLC	ALIGNEX INC/GOENGINEER INC	DVSN 1 C/O MATT HUNTER & QUADRY SMITH
FORE DEVELOPMENT & INVESTMENT GROUP C/O DAN, TOM, JACK KLISTER	GIBSON COMM MUSIC HALL : ORIG MUSIC COLLABORATIVE LLC THE	GREEN GECKO GROCER & DELI : GREEN GECKO ENTERPRISES LLC
KING BROKERAGE LTD	KODERE C/O COURTNEY & SCOTT BONCHER	91.1 THE AVENUE : MUSIC THAT MATTERS INC
NICOLET NATIONAL BANK	TUNDRALAND HOME IMPROVEMENTS LLC	513 APPLETON LLC THE
FRIENDSHIP FAMILY DAYCARE C/O BRIDGET M SIEBERS	PIERRI PIZZA LLC	RIVER TYME BISTRO : FOX RIVER BOAT HOLDING COMPANY LLC
SUSHI LOVER : C & K CATERING CORPORATIO	THAI GINGER BISTRO LLC	BEYOND THE ROOTS BY AMANDA JEAN LLC
BEYOND THE ROOTS BY CHRISTINA LLC	BEYOND THE ROOTS LLC	FABISCH BUILDERS LLC
FLOWER MILL LLC	LINDSAY RAE LLC	MJ PLATINUM DETAILING LLC
NEW TITLE SERVICES INC	OASIS SPA LLC	POPPY AVENUE BOUTIQUE & CLEAN BEAUTY BAR LLC
QUICK CLEAN LAUNDROMAT : LAUNDRO LLC	SYNERGY SENIOR CARE LLC	36TH STREET CAPITAL PARTNERS LLC
UNLISTED LLC	ACCESS MOBILITY VANS INC	ADAM GRIESBACH PLUMBING & WATER CONDITIONING LLC
APPLETON AXE LLC	BG REMODELING & CONSTRUCTION LLC	BOS' OPTIMAL SOLUTIONS LLC
EVERGREEN FLORIST OF APPLETON LLC	FOX VALLEY ELITE WRESTLING C/O ROB LEE	JIMMY'S CHICKEN & FISH C/O JIMMY & JAMES JACKSON
KEEP COOL THERMOGRAPHY APPLETON LLC	MANDA MARIE UPHOLSTERY LLC	MISS BROWN'S FINE FOODS II LLC
PARUCH AUTOMOTIVE CRAFTSMANSHIP LLC	TARA BREATHE (PARNEE) LLC	TINO BAKERY LLC
ALDI INC (WISCONSIN) #64086	BARBER LOUNGE LLC THE	BREAKING POINT LLC THE

LEFT BEHIND LLC	TACO HOUSE	NEUROSCIENCE GROUP OF NORTHEAST WISCONSIN SC
AQUA SYSTEMS : NEW AQUA LLC	BADGER & FOX TAX AND BUSINESS LLC	FOX VALLEY TINT : BLACK SHEEP DETAILING LLC
HOMESTEAD STUDIO LLC	INFINITE INK SCREEN PRINTERS : INFINITEINK LLC	SPECTRUM MID-AMERICA LLC
TROPICAL SNO FOX CITIES LLC		

Businesses That Closed, Relocated in the City, or Moved Out of the City of Appleton:

BOUWER PRINTING INC	ARISTIGUETA, MARIA T MD SC	CLASSIC CLEANING SERVICE OF FOX RVR VALLEY C/O JO ANN FIDIKA
COMMUNITY FIRST CREDIT UNION	EPIPHANY LAW LLC	GLOBAL DATA CONSULTANTS LLC MIDWEST REGION
HEART FAILURE SURVIVAL CENTER OF AMERICA SC	KLUSENDORF CHIROPRACTIC SC	MARCIA'S SCHOOL OF DANCE LLC
NEW YORK LIFE INSURANCE CO	NORTHERN COMPUTER SERVICE LLC	PARADISE ISLAND ICE CREAM : ICE CREAM UNLIMITED OF APPLETON INC
TURLAPATI & TURLAPATI MD'S C/O SUHASINI TURLAPAT	ACCELEARNING C/O CINDY A WINKELMAN	BYLINE BANK : SMALL BUSINESS CAPITAL
GREYHOUND LINES INC	LOU'S BREW CAFE & LOUNGE INC	NORTHWIND IP LAW SC
PEERLESS DESIGN STUDIO LLC	POWER SCHOOL GROUP LLC	PROACTIVE CONSULTING LLC
TROPICAL SMOOTHIE : SMOOTHIE ISLAND CAFE LLC	UFS LLC	BADGER PAINTING LLC
BLUSH DE FLEUR LLC	HMONG CONNECTION SERVICES LLC	PERKINS LLC
SYSIGN ENGINEERING LLC	ABES GARAGE C/O KEVIN ABEL	APOTHEKE HEALTH & WELLNESS BOUTIQUE : APOTHEKE WELLNESS LLC
APPLETON MASSAGE THERAPY C/O JEAN A ST PETER	BODY WORKS MASSAGE & MORE C/O CYNTHIA GRAHAM	COMMUNITY FIRST CREDIT UNION
FAMILY VIDEO MOVIE CLUB INC #170	FUSIONS C/O LORRAINE EBERT	JEM TRANSLATORS C/O EDWARD MONTESINOS
THE MANOR @ 1815 : WE LIVE MINDFULLY LLC	PAPA MURPHY'S : SIGNATURE PIZZA LLC	REBECCA'S SWEETS : ERIKA'S SWEETS BOUTIQUE LLC
START RENTING INC	TINY TOT TERRITORY C/O LORRAINE EBERT	TRIPLE THREE ATHLETICS & WELLNESS C/O TREY ROSENKRANZ
UNION JACK C/O GREGG T VAN DINTER	WG&R SLEEP SHOP : W G & R FURNITURE CO	A-S-K ASSOCIATES INC

AKASHA HEALING ARTS LLC	CHRISTOPHER & BANKS INC #171	COMMUNITY FIRST CREDIT UNION
CURIOSITY CABIN DAYCARE C/O JILL PENGLASE	GENESIS CONSTRUCTION AND DESIGN LLC	GOLDEN TREE BRANDS LLC
HESECO : HEAT EXCHANGER SALES/ENG CO	LASERSAVE INC	PLAY LEARN INSPIRE C/O NICOLE GEIGER
RICO'S FAMILY RESTAURANT LLC	SAN ROCCO'S : VSR ENTERTAINMENT LLC	STUDIO H BOUTIQUE RECORDING STUDIO/REHEARSAL C/O TONY ANDERS
THEDACARE INGENUITY FIRST : THEDACARE INC	ARBY'S #7270 : DRM INC	AVENUE TAX AND ACCOUNTING C/O DENNIS PRINGNITZ
ARCADIA HOME CARE AND STAFFING C/O STAN & TERESA BIGHAM	BENDEL IP LEGAL LLC	BOOST MOBILE : LA WIRELESS LLC
COMPETITIVE STRATEGIES INC	DEPENDABLE AUTO SALES : DEPENDABLE AUTOS LLC	FULL SWING LLC
HAIRS AND HIS BY CASSIE LLC	HOGAR FURNITURE INC	JEFFRY A ROSTAS DDS : JEFF ROSTAS DENTISTRY LLC
MARLENE'S WEDDING ACCESSORIES : MARLENE'S SHOPPE INC	MERAKI A SALON LLC	SAI RAM COIN LAUNDRY LLC : WASH MULTI FAM LNDRY SYS LLC
SUTTER LAW FIRM C/O THOMAS H SUTTER	GAME STOP INC #3349	AMERICAN TITLE LOANS : TOWNLEY CAPITAL LLC
ASSOCIATED BANK NA	BOOST MOBILE : COMPUTER CORNER LLC	CULTIVAS BIO INC
JP MORGAN CHASE BANK NA	ANGEL CORNER DAYCARE C/O STEPHANIE SCHMIDT	DARBOY AUTO SALES INC
MARY'S RESTAURANTS INC – SOUTH	MASSAGE BY MANDY LLC	SCANLAN JEWELERS INC
SMART CHOICE MRI LLC	STATE FARM INSURANCE : KIMBERLY LEE INS AGENCY INC	STUDIO 10 OLSON C/O ANGELA OLSON
UNIVERSAL WIRELESS INC		

HOUSING & NEIGHBORHOOD SERVICES

HOMEOWNER REHABILITATION PROJECTS

The Homeowner Rehabilitation Loan Program provides financial and related technical assistance for low- to moderate-income homeowners in the City of Appleton for the rehabilitation of their property. In order to qualify, the property must be owner occupied as well as meet income, equity and asset requirements.

Financial assistance is provided in the form of a 0% interest, deferred payment loan. The City places a lien on the property for the amount being spent on the rehabilitation, and the owner pays the loan back when the property is sold or vacated. This allows the City to assist property owners with maintaining and/or increasing their property values. When loans are repaid, the City reallocates those funds to future rehabilitation projects.

Priority is given to the following improvements: Lead-based paint hazards, roofing, foundation, electrical, plumbing, heating, windows, doors, insulation, interior walls/ceilings, private sidewalk, driveway, porches, siding, exterior trim, etc. The City does not provide funding for purchasing properties, additions to properties, cosmetic and/or luxury items.

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

The Program has five main objectives that directly benefit the City of Appleton:

1. Help low- 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 1,200 homes in the City of Appleton and generated over \$6.3 million in outstanding loans. The City rehabilitated 19 housing units in 2021 and spent over \$300,000 on home improvement loans. Extra precautions taken to keep staff, homeowners, and contractors safe during the COVID-19 pandemic, as well as a materials and labor shortage in the construction industry, has led to a reduction in funds spent compared to prior years. Occupants were also relocated while interior work was done on the home. The goal for 2022 is to spend \$360,000 rehabilitating an additional 20 housing units.

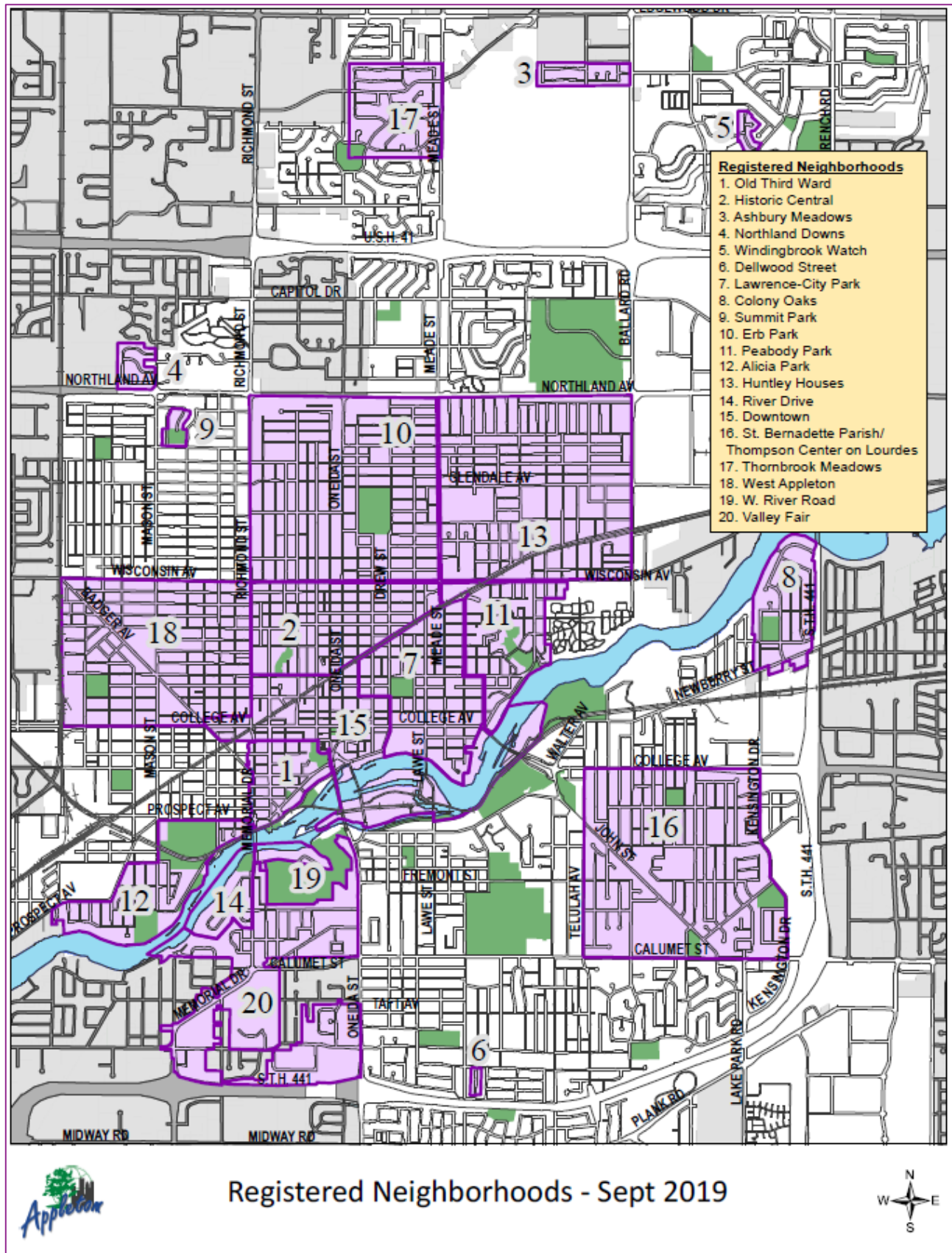
NEIGHBORHOOD PROGRAM

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).

There were two applications for The Neighborhood Grant Program (TNGP) in 2021. Both were awarded grants through TNGP. One was for a "Porchfest" event in the Historic Central Neighborhood, and the other was for a Block Party in the Lawrence/City Park Neighborhood.

One primary goal of the Neighborhood Program is to increase communication between Appleton's neighborhoods and City Hall. Two virtual neighborhood program meetings were held in 2021, 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 and each other. 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 all Registered Neighborhoods is on the following page:



RECENT CITY INVESTMENTS/ACTIVITIES PROMOTING GROWTH

- A. The Appleton Redevelopment Authority (ARA) awarded 13 grants through the ARA Business Enhancement Grant program in 2021. Grants totaling \$63,558.16 helped leverage another \$95,784.30 in owner investment in properties throughout the City. Modeled after the Business Enhancement Grant Programs available in TIFs 11 and 12, this provides matching grants of up to \$7,000 for businesses throughout the City.
- B. TIFs #11 & #12 Business Enhancement Grants were awarded to eleven (11) properties totaling over \$63,000 and leveraging another \$165,673 in private investment in these districts.
- C. Tax Incremental Financing (TIF) Districts #3 and #12 boundaries were amended in 2021 to include more properties eligible for TIF support in areas north of College Avenue.
- D. A commitment by the City to proceed with a new library at its current location provides a catalyst for the area north of College Avenue and allowed the YMCA to make decisions for their replacement of the Soldier Square Ramp.
- E. RDG Consultants has been contracted to complete a Sub Area Plan for the downtown neighborhood north of College Avenue. Work began in 2021, with completed report and real estate analysis expected in spring 2022.
- F. Design standards for Appleton Street and other areas downtown off-College were completed in 2021.
- G. Spartan Drive, started in 2019, will be extended east to Meade Street in approximately 5 years. The remaining portion, from STH 47 to 1,000 feet east, will be led by DOT and is expected 10 to 15 years out.
- H. The City of Appleton purchased (in 2016), and annexed into the City (in 2019), 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.
- I. Zoning Ordinance standards for Accessory Dwelling Units (Attached and Detached) and Junior Accessory Dwelling Units (JADUs) were created and approved in 2021.

- J. Staff facilitated and approved the First Addition to Broadway Hills Estates and the M&J Weyenberg Properties LLC Annexations, resulting in roughly 18.3 acres of land being annexed.
- K. Final plat approval resulted in the recording of 125 residential lots, including the Third Addition to Clearwater Creek, Sixth and Seventh Addition to Emerald Valley, North Edgewood Estates 2, and Trail View Estates South.

CHALLENGES TO GROWTH

- A. COVID-19 has had far-reaching impacts on workforce, workplace, safety protocols and more. There is still great uncertainty regarding returning to work, the potential ongoing “convenience economy” and more. These changes will have significant impacts on the real estate market going forward. Staff continues to monitor real estate forecasts to ensure the City is poised to continue to accommodate and proactively respond to the needs, challenges, and desires of the post pandemic workforce/workplace.
- B. Net new construction for the City was lower than most of our neighboring communities, which limits the City’s ability to raise the tax levy. It is difficult to directly impact this metric through specific City action. Communities with lower equalized values and large tracts of “greenfield” sites are better positioned to increase their net new construction than mature, largely developed communities like Appleton.
- C. 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.
- D. Regulatory floodplains are known to exist on the northside, which will restrict the suitability of those areas for future growth.
- E. Due diligence completed in 2021 has determined the site under consideration for a future business park on the northwest side will not meet our needs.
- F. Limitations of the existing utility infrastructure and coordinating their expansion with timing of development and resources will have to be closely coordinated.

PROJECTS ON THE HORIZON

- A. **BLOCK 800:** The Block 800 project started construction in 2020 and was completed in 2021. The 20 residential units are all occupied, and one tenant has occupied approximately half of the first floor commercial space.
- B. **RIVERHEATH DEVELOPMENT:** Tanesay Development completed Poplar Hall, an event space in the RiverHeath development in summer 2021.
- C. **CRESCENT LOFTS:** The Crescent Lofts completed construction in 2021, delivering 69 residential units to the downtown, 58 of these are affordable housing.
- D. **320 EAST COLLEGE:** This six-story project started construction in 2020 and will add 39 residential units and commercial space along College Avenue when complete in spring 2022.
- E. **BLUE RAMP/FORMER CONWAY HOTEL SITE:** Merge Urban Development acquired the Former Conway Hotel site in 2021 and plans to break ground on Phase I comprised of commercial first floor and 56 residential units in spring 2022. The Development Agreement for Phase II (Blue Ramp Site) is currently out for signature.
- F. **F STREET DEVELOPMENT:** F Street Development completed construction on a 218,000 square foot speculative distribution warehouse/manufacturing building in spring 2021. They have two leases signed for approximately 67% of the building. They also purchased an additional 35 acres to facilitate Phase II of their development in the Southpoint Commerce Park.
- G. **U.S. VENTURE:** U.S. Venture announced it plans to construct a new headquarters building on the “Bluff Site” in downtown Appleton. This will bring approximately 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.
- H. **YMCA:** The YMCA demolished the old Soldier’s Square ramp. A new ramp, owned by the YMCA, is under construction and is expected to be complete in fall 2022. This helps solidify plans for one parcel in the area of the “Bluff Site”.
- I. **Children’s Hospital of Wisconsin** has announced a new 50,000 clinic to be built in the Northeast Business Park. Estimated completion is 2023.

J. EVERGREEN/ALVIN ST.: Construction of a new headquarters for Baker Tilly and construction of a mixed-use development for Holiday's/Tom's Drive In are underway. Additional opportunities for development in this area exist.

OPPORTUNITIES

- A. The City currently has 94 acres of fully improved land available for development in the Southpoint Commerce Park, with 30 of those acres under contract. Further investment to design and installation of infrastructure for the approximately 80-acre area between Coop Road and Eisenhower Drive will provide additional buildable industrial lots.
- B. Opportunities will become more apparent on the "Bluff Site" and surrounding area as plans are finalized for U.S. Venture and their relocation to Downtown Appleton.
- C. Recently completed amendments to TIF Districts #3 and #12 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. Additional privately owned parcels are available in the Northeast Business Park area.
- E. The City of Appleton has approximately 394 single-family lots available for sale in established subdivisions, the majority of which are located on the north side. There are additional planned single-family lots within the City that are unplatted as well.

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.

Implementation of the Comprehensive Plan continued in 2021, with highlights that include infill projects along the I-41 corridor, targeted plans for streetscaping and an area north of College Avenue, development of additional downtown housing, zoning ordinance amendments to allow accessory dwelling units, and continued progress toward redeveloping the "Bluff Site" area.

B. 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 2021. The event drew over 700 attendees. The City also supported the InDevelopment Conference which is dedicated to real estate development in the area.

Sponsoring of small business initiatives was also a key focus in 2021 with the sponsorship of Small Business Saturday, Appleton Northside Business Association's Annual Government Meeting, and Appleton Downtown Incorporated programming, among others.

COVID-19 has created a number of challenges for businesses and individuals located in the City of Appleton. Over 2021, the Community & Economic Development Department has put a great deal of effort into contacting businesses to ensure they are receiving the support they need, being connected with resources for Paycheck Protection Program (PPP) loans, Main Street Bounceback Grants, WEDC programs, safety protocols, educational opportunities and more during this time.

