

Neenah Housing Study and Needs Assessment

DRAFT DOCUMENT



December 3, 2024

The background of the slide is a high-angle aerial photograph of a city. In the center, a large, light-colored skyscraper with a unique, angular design stands out. The city is densely built with a mix of modern high-rises and lower residential or office buildings. A network of roads and green spaces, including a large park with a circular feature, are visible in the foreground and middle ground. The overall scene is a blend of urban architecture and natural elements.

01 INTRODUCTION

INTRODUCTION

Neenah Housing Study and Needs Assessment

Conducted between late 2024 and early 2025, the Neenah Housing Study and Needs Assessment was undertaken to determine the current state of the housing market, to identify gaps and housing needs, and to determine strategies to ensure the City of Neenah continues to meet the housing needs of its current and future residents. The COVID-19 Public Health Emergency officially ended in May 2023, but the overall impact on the housing market continues to ripple across the community. This study sought to assess how COVID-19 impacted housing and rental availability and prices, and how new patterns of housing demand intersected with underlying pressures in the housing market. Consequently, this study draws data on underlying economic development drivers, current market performance indicators, a detailed inventory of residential housing stock, a community housing survey, and projected housing needs to determine gaps.

Report Outline

Chapter 2 is an executive summary of the main report. It draws out the major key findings that the study surfaced.

Chapter 3 examines major demand drivers impacting Neenah's housing market. Economic growth drives job creation, which draws households into the region. The industrial and occupational composition of an economy shapes the distribution of households by income, structuring the demand profile for different housing types at different price points. Strong underlying economic

fundamentals reinforce demand in the housing market.

Chapter 4 examines demographic change in the community. This further contextualizes housing demand by examining household types – is the community aging? Is it adding younger households with children? How large is the average household? Community composition changes faster than a community's housing stock - understanding these shifts helps identify gaps in housing supply.

Chapter 5 dives into housing market indicators, examining changes in home prices, rents, housing supply, development patterns, occupancy levels, and vacancy by different property types. Prices and vacancy rates are key indicators of demand and supply imbalances. Summaries of interviews held with key stakeholders including developers, policymakers, realtors, supportive housing providers, and business representatives are included to contextualize market data.

Chapter 6 is a detailed housing inventory that looks at housing by different types and price points and its spatial distribution within the community. Recent development indicates how land and housing developers are responding to market forces to drive new housing supply.

Chapter 7 identifies housing gaps and needs, forecasting household growth by income levels, and juxtaposing housing demand with the ability to supply new housing. Quantitative and qualitative measures are included to identify an estimated number of housing units and the type of housing that can meet identified needs.

Chapter 8 switches to a menu of housing strategies to meet identified needs. This includes a mix of regulatory, financial, and policy approaches.

Appendix 1 includes results from the housing survey, which helped inform and contextualize quantitative assessments of the market throughout.

Disclaimer

The objective of the report is to gather, analyze, and present as many market components as reasonably possible within the time constraints agreed upon. The conclusions contained in this report are based on the best judgment of the analysts; Stantec makes no guarantees or assurances that the projections or conclusions will be realized as stated. It is Stantec's function to provide our best effort in data aggregation, and to express opinions based on our evaluation.

INTRODUCTION

Covid-19 Impact

The economic response to Covid-19 had dramatic ripples across the housing market. Amidst deep economic disruption, priority was placed on keeping people housed. Policies included direct economic stimulus, mortgage forbearance for homeowners through a Foreclosure Moratorium, Emergency Rental Assistance (ERA) of over \$46 billion to help eligible households pay for rent and utilities, and an Eviction Moratorium. Subsidies were complemented with low interest rates – or quantitative easing – to induce borrowing and investment. Rental demand was further boosted as more households who historically shared housing with roommates moved into their own units. With new supply of housing lagging historical norms, the increased demand sent both home values and rents soaring. Homeowners – many of whom responded to low interest rates with refinanced mortgages – largely benefited from the runup in prices, as were some first-time homebuyers who leveraged low interest rates to secure higher price ownership housing.

Quantitative easing and supply chain disruptions, however, drove up inflation, leading to a sharp increase in interest rates. Even with higher rates, home prices held due to ongoing limited new supply and limited inventory as many homeowners held onto homes with lower rates rather than moving into new units at higher rates. Of the new supply that did come online, few entered at entry-level price points due to increases in construction (both raw material and labor) and financing costs. Competition remained steepest for older entry-level housing stock that more closely

aligned with the budgets of households earning between 60-100% AMI.

As homeownership increased in total cost relative to household incomes, renting remained the better economic choice for many households, especially a large cohort of millennials with higher ratios of household debt from college loans. Sharp rental increases during Covid-19 induced the construction of new multi-family housing supply. The addition of new supply helped dampen sharp rent hikes, but rents did continue to increase as new supply was quickly absorbed. As rents continued to outpace household incomes, a record number of households became 'cost burdened', or pay more than 30% of their income in rent. Rent hikes in the market and strong rental demand caused cascading effects in the rental market. Higher income households competed for fewer units, and those on the lower-end of the housing market were pushed out entirely, driving sharp increases in the number of persons experiencing homelessness. The supply of deeply affordable and supportive housing remained limited, straining the resources and capacities of the housing safety net.

The consequences also played out on uneven geographic terrain. Suburban, exurban, and rural areas witnessed stronger demand for housing. The drivers were twofold. First, work-from-home policies enabled more households to trade shorter commutes for more space. In some cases, this meant relocating entirely from expensive regions to less expensive regions. Second, many households were priced out of more expensive urban areas, instead pursuing

locations with more affordable housing and more promising employment opportunities.

Neenah

Neenah's housing market was not buffered from these changes:

- From 2019 to 2021, there was an 8% increase in renters
- Median rent jumped by 27% between 2019 and 2023
- A median home in January 2020 cost \$188,200 compared to \$252,560 in January 2022, a 34% increase
- The ratio of cost burdened households increased from 39% to 42%
- Regional shelters report major upticks in people experiencing homelessness, with recent counts noting a 70% increase in people experiencing homelessness between 2023 and 2024. Shelters remain fully occupied.

The impacts of COVID-19 on the housing market are inseparable from existing market conditions. Throughout, this report seeks to understand those changes, and understand how market turmoil caused during the COVID-19 period continue to shape housing outcomes and needs. Housing strategies directly consider how Neenah can adopt lessons learned from the pandemic to develop more resilience in the case of future disruptions.

INTRODUCTION

Housing Terms

LIHTC – The Low Income Housing Tax Credit (pronounced Li-tec) is a federal program in the United States that awards tax credits to housing developers in exchange for agreeing to reserve a certain fraction of rent-restricted units for lower-income households. Often set at 60% of a region's Area Median Income, LIHTC units can be an important source of newly built, high quality rental housing. LIHTC can be used for single-family homes, multi-family units, and senior households.

AMI – Area Median Income (AMI) is used by the US Department of Housing and Urban Development to determine eligibility for affordable and public subsidized housing. A bit of a misnomer, the Area Median Income is determined by taking the region's median family income, a number which is higher than household or personal incomes.

HUD – HUD stands for the US Department of Housing and Urban Development, the federal agency that provides housing for affordable and subsidized housing projects.

NOAH – Naturally Occurring Affordable Housing refers to non-subsidized rental housing in a community that is affordable to those earning workforce incomes, usually defined as being between 60-120% of AMI. NOAH units tend to be in older (pre-2000), non-subsidized multi-family units.

Workforce Housing – Workforce is a policy term that refers to households earning anywhere from 60-120% AMI. Workforce households often earn too much to live in subsidized housing, but often find a major shortage of housing in the community. Workforce housing is crucial for long-term economic and community health, ensuring more wages can be spent on child care, education, and recreational consumption.

Cost Burdened – A cost-burdened household is spending more than 30% of pre-tax household income on housing related costs (ie: gross rent or mortgage plus taxes and insurance).

Data Sources

ACS – The ACS refers to the American Community Survey. 1% of the US population is surveyed each year. The 5-year ACS survey used in this study aggregated the 5 years prior to create a 5% sample. The 5-year survey is a great source for understanding demographic trends between each decennial census.

BEA – The Bureau of Economic Analysis tracks data on the US economy. Data is often aggregated at the county and metropolitan level. The county level can be used to understand economic trends in a community.

BLS – The Bureau of Labor Statistics tracks labor force statistics, including employment, wages, firm-size, and union status.

LEHD – The Longitudinal Employment-Household Dynamics survey is operated by the Census Bureau and links where people live to where they work, broken down by industry. It is the main source for census tool OnTheMap.

PUMS – The Public Use Microdata Sample contains records about individual people and housing units from the ACS, in both 1-year and 5-year samples.

Costar – Costar is the leading database on commercial properties in the United States. It provides detailed property and market data.

Redfin and Zillow – Redfin and Zillow provide online real estate listings

MSA – Metropolitan Statistical Area, one or more counties that have a combined 100,000 people and an urbanized area of 50,000+. Neenah is part of the Neenah-Oshkosh MSA, that consists of Winnebago County.



02

EXECUTIVE SUMMARY

Key Takeaways 1: Economic Growth Driven by Manufacturing

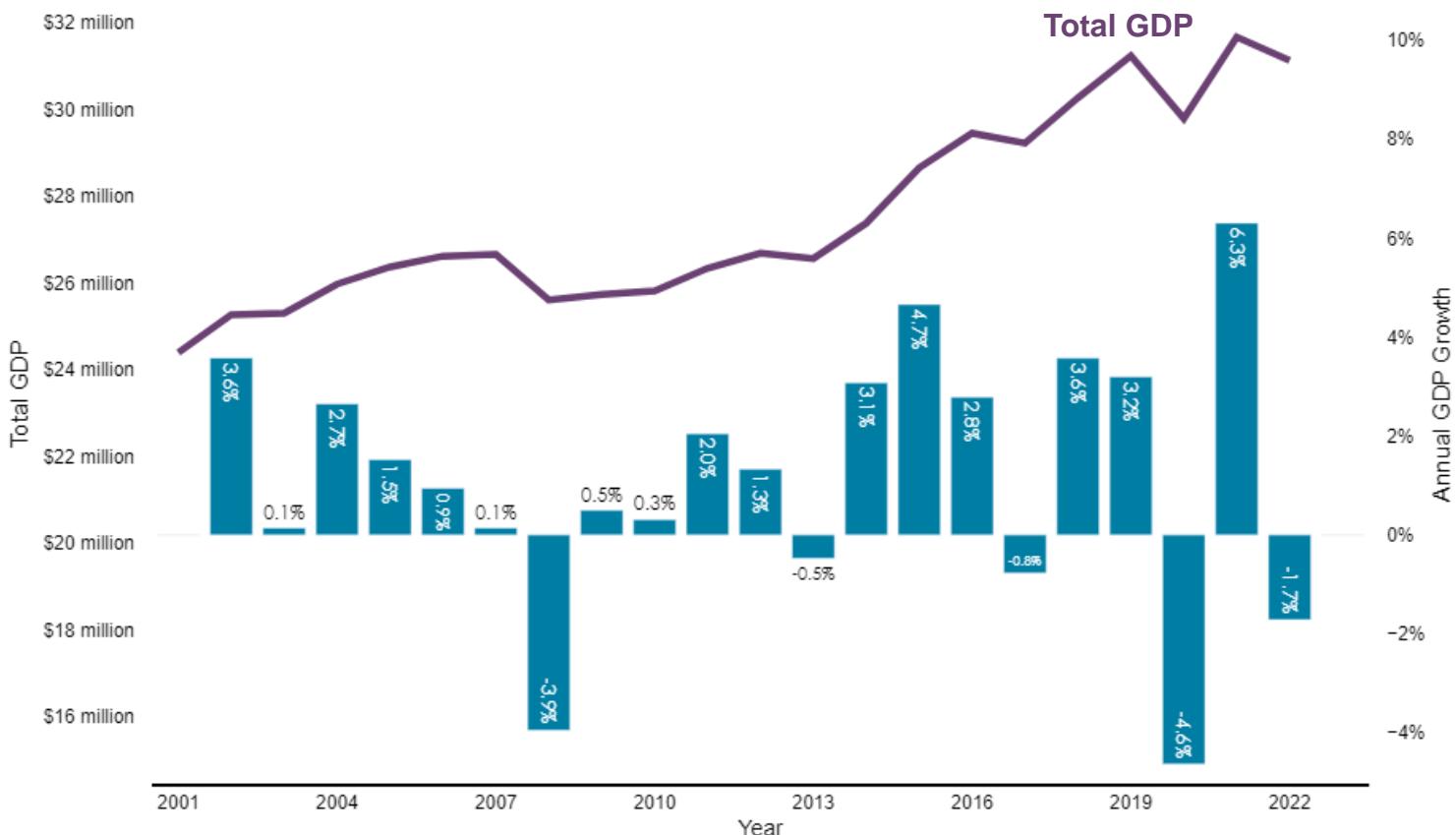
The Fox Cities manufacturing sector continues to drive strong economic growth. Slow growth at the tail end of the Great Recession – typical for manufacturing regions – transitioned into a period of sustained growth. The region's manufacturing base is complemented by a much higher than average concentration of corporate headquarters, leading to a strong mix of middle and upper-middle income occupations.

These trade-oriented sectors provide effective demand for a range of services, including healthcare, food services, retail, and administration. These service sector jobs tend to have lower productivity, thereby are labor and job intensive, leading to these sectors employing a high proportion of Neenah's workforce.

GDP growth has attracted new households to the region, with 15% growth in total households for the Fox Cities region since 2009. The majority of that growth occurred after 2015 when the economy began to strengthen.

Economic growth is likely to be strong, especially as trade policy in the United States shifts towards protectionism. Providing sufficient housing – especially for workforce related occupations – remains crucial for long-term economic competitiveness.

Total GDP Growth and Growth Rate: Appleton-Oshkosh-Neenah CSA

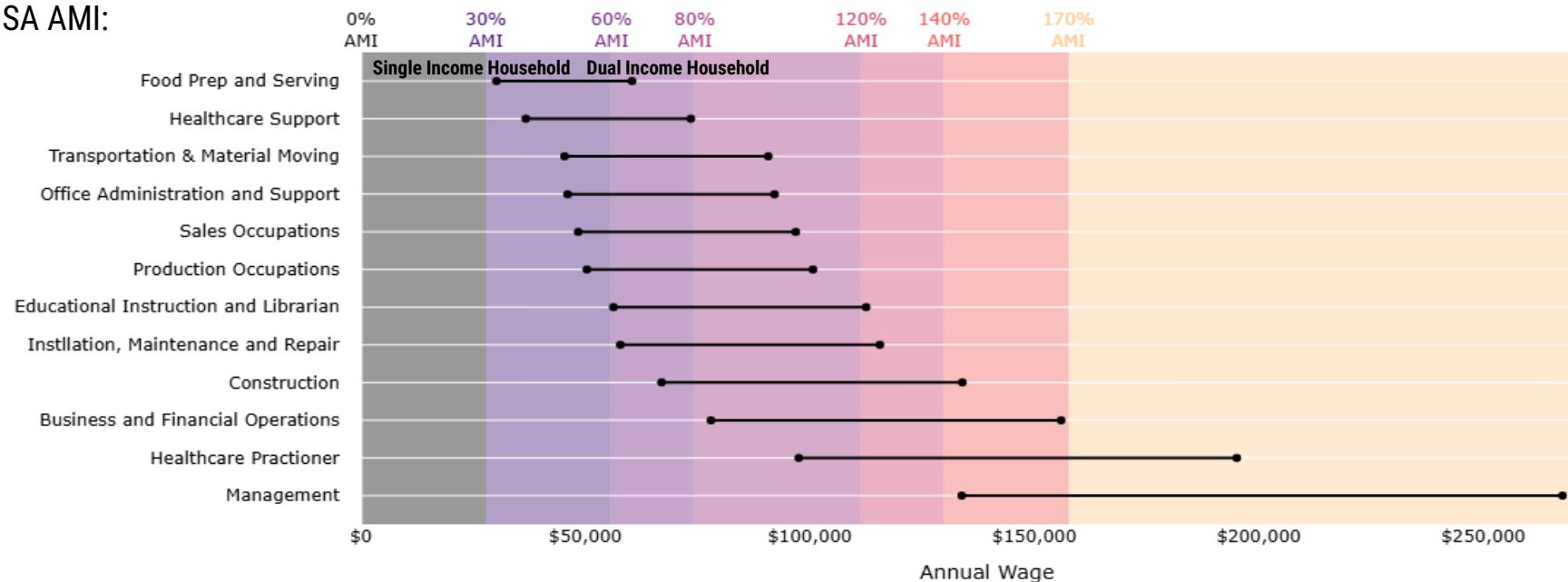


Key Takeaways 2: Many high growth regional occupations fit into affordable or workforce income brackets – especially for single income households.

Housing is qualified as 'affordable' when households earning 60% of the region's Area Median Income (AMI) can afford a unit. Households that qualify for 'affordable' housing are central to the community's vitality and future economic growth. For example, single income households in manufacturing, sales, and service sector jobs would all qualify. Dual income households tend to move in the 80-120% of AMI area and can typically afford ownership housing in the region.

Occupational Income and Housing Affordability

Neenah-Oshkosh MSA AMI:
\$92,769

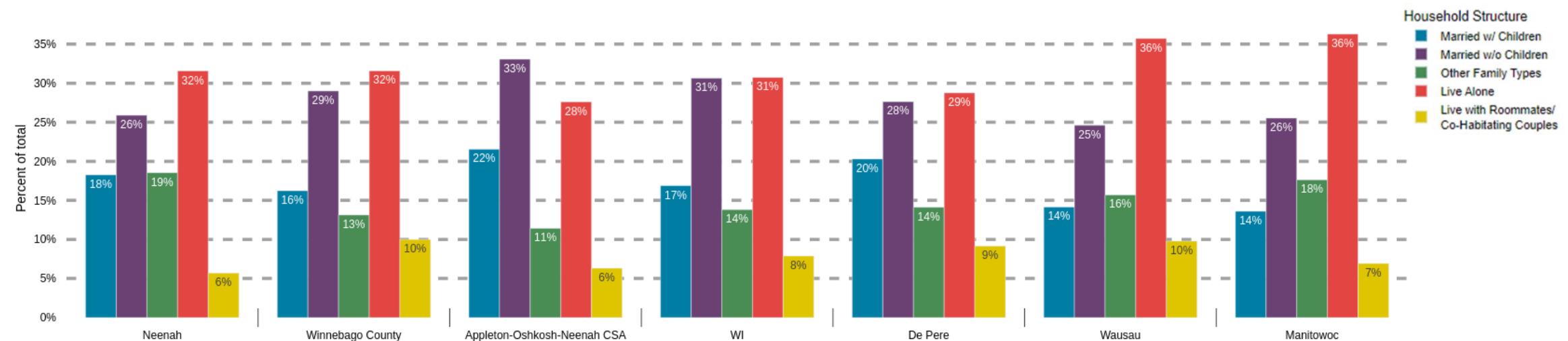


Key Takeaways 3: Neenah's economy is attracting new families, but small households remain most common

After a trend of secular decline in average household size from 3.22 persons in 1970 to 2.3 persons in 2020, Neenah's economic growth is attracting younger households of different family types. After years of a steadily increasing median age, this has started to reverse. Many families are attracted by the lower cost of living and high-quality blue-collar jobs. The number of people aged 10 or below is 20% higher than the Wisconsin average, and between 10-19, 10% higher. This indicates continued strong demand for entry-level single-family housing. Much of Neenah's existing housing stock is single-family housing appropriate for families, but demand will remain strong for new product as well.

At the same time, Neenah has a slightly higher number of 65+ households, many of whom live alone. Many still own a home, but find that it is mismatched relative to the home they need. Seniors were most likely to indicate that they are both looking to move, and unable to find the type of housing they are interested in within the community. Neenah has a strong post-ownership rental market that caters to older communities, but lacks a range of smaller ownership housing units such as townhomes, patio homes, or condominiums that may appeal to this demographic.

Household Structure by Type



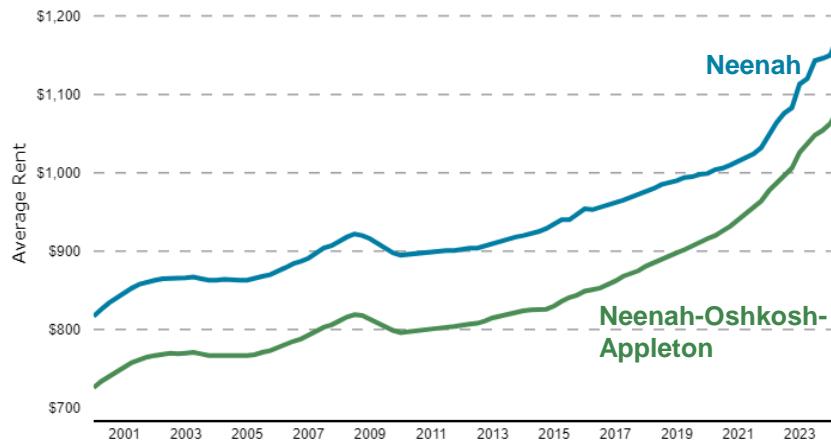
Key Takeaways 4: Rental Demand Remains Strong

The Neenah rental market hovered at around 5% vacancy for much of the 2010s, close to a market equilibrium. However, steady population growth in the tail end of the decade, continued secular growth in rental demand, and Covid-19 market tightness all conspired to increase demand relative to supply, increasing market prices.

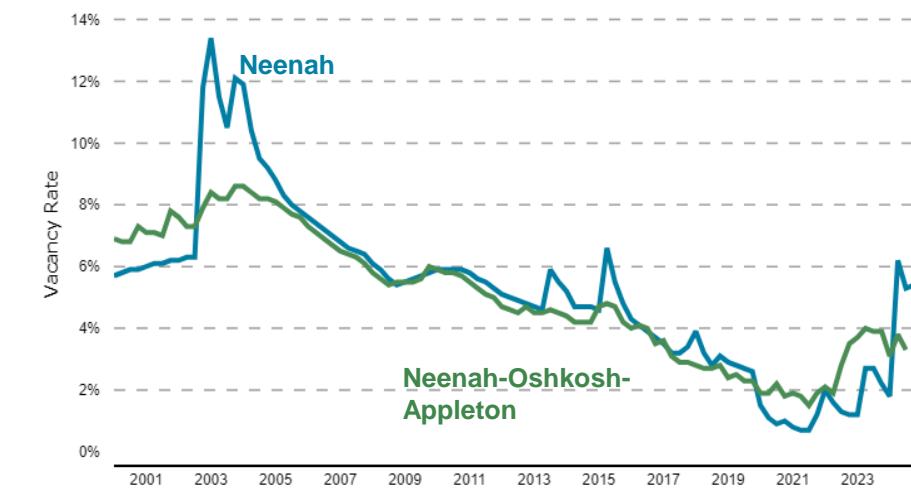
As a result, the number of rent burdened households has increased, and currently sits at 37%. Lower income households are disproportionately cost burdened, with the majority of renters earning \$50,000 and below experiencing some form of cost burden.

Limited supply of rental housing – in particular high quality affordable rentals – pushes out those on the lower rungs of the housing market, increasing rates of homelessness and demand for supportive housing/shelter. This has only increased since Covid-19.

Multi-Family Rent in Neenah Compared to Neenah-Oshkosh-Appleton



Multi-Family Vacancy Rates in Neenah compared to Neenah-Oshkosh-Appleton



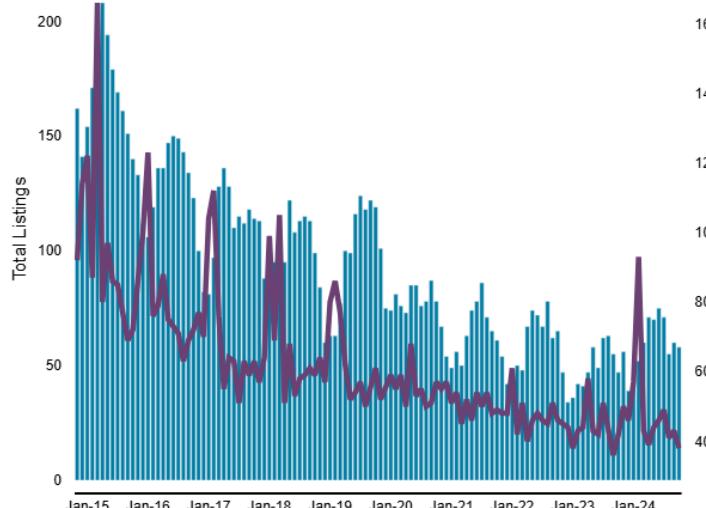
Key Takeaways 5: Entry-Level Single-Family Homes Are in Demand

Neenah's single-family entry-level housing demand remains very much in demand. Home prices across the board have accelerated in price, with the median home increasing by 125% since 2014. There has also been a steady decrease in the number of homes available, with total inventory, and likewise the median days on market, nearly halving.

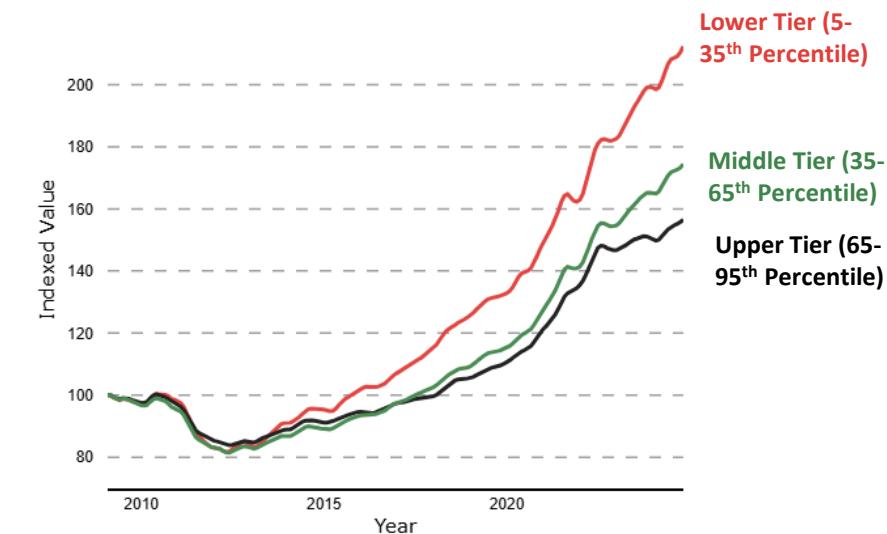
Pricing pressure is most significant for entry-level homes, or homes in the 5-35th percentile. This aligns with new workforce creation, with occupational incomes in the 60-100% of AMI growing at the fastest rate and making up the largest demographic contingent.

With new single-family homes entering the market north of \$350,000 due to high land costs, interest rates, and construction costs, the market is not able to provide new single-family homes at the lower end of that price point, with first time homebuyers instead more likely to buy Neenah's older housing stock.

Inventory Relative to Median Days on Market in Neenah, WI



Home Values (Indexed) Based on Tier: Neenah

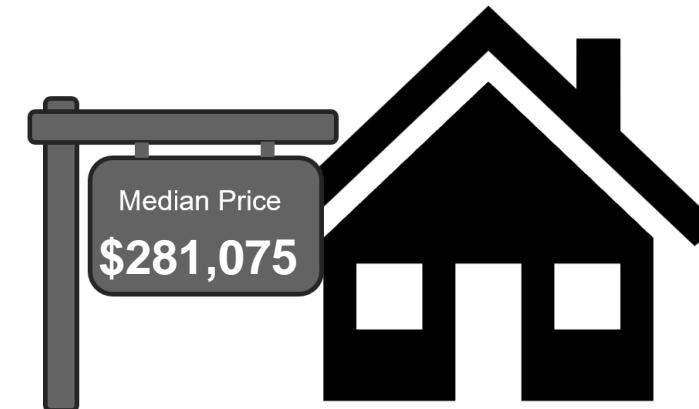


Key Takeaways 6: Costs of New Construction and Ownership Are Rising

New construction is expensive to build. High land costs, sharp increases in construction materials and labor costs, and higher interest rates have all combined to elevate the price of new housing. Entry-level single-family homes are difficult to bring to market at less than \$350,000 – a price point that is expensive relative to area median incomes (AMI). Demand is sufficient to construct single family homes, but efforts should be made to induce the development of new housing types that can more closely meet the demand profile such as middle density housing.

Other factors also contribute to higher costs of ownership, including elevated interest rates. As inflation accelerated in the Covid-19 era, the cost of a new mortgage has increased to north of 6.5%. This increases the income required to purchase the same home by 29%, or \$25,000, from pre-Covid mortgage rates.

Interest Rate Impact



Interest Rate	Mortgage Payment	Est Monthly Ownership Costs	Income Required
3.0%	\$1,066.52	\$1,512.72	\$60,508.81
3.5%	\$1,135.94	\$1,582.14	\$63,285.45
4.0%	\$1,207.71	\$1,653.90	\$66,156.19
4.5%	\$1,281.75	\$1,727.95	\$69,117.93
5.0%	\$1,357.98	\$1,804.18	\$72,167.33
5.5%	\$1,436.32	\$1,882.52	\$75,300.83
6.0%	\$1,516.67	\$1,962.87	\$78,514.68
6.5%	\$1,598.93	\$2,045.13	\$81,805.03
7.0%	\$1,683.00	\$2,129.20	\$85,167.93
7.5%	\$1,768.79	\$2,214.98	\$88,599.38
8.0%	\$1,856.19	\$2,302.39	\$92,095.40

Key Takeaways 7: Forecasted Unit Need

Drawing on historical regional growth rates, estimated developable land remaining within Neenah, current market undersupply in rental and ownership housing, and need for general replacement of demolished housing, Stantec estimates a projected need of 960 housing units in the next decade.

This need is driven both by the undersupply of ownership housing on the market, and general household growth.

Projected 10 Year Target

Vacancy (Ownership)	2.00%	Threshold Market Health	0.42%	Neenah Rate	115	Vacancy Adjustment
Vacancy (Rental)	5.00%	Threshold Market Health	4.88%	Neenah Rate	5	Vacancy Adjustment
Substandard (no plumbing/kitchen)	1.20%	Threshold nat'l avg	1%	Neenah Rate	--	Substandard Adjustment
Overcrowding (>1 occupant/room)	3.35%	Threshold nat'l avg	1.32%	Neenah Rate	--	Overcrowding Adjustment
Replacement (per year)	0.09%	Annual Need	10	Annual Units	100	Replacement Housing
Household Growth					740	Household Growth
10-Year Production Target: 960 Housing Units						

EXECUTIVE SUMMARY

Key Takeaways 8: Unit Demand by Type

The report models household growth by income bracket and tenure, thereby breaking down the total new units required into different groups.

The future demand profile is juxtaposed with the type of housing that can be provided on the market via new construction, and the existing product available based on Neenah's current housing stock. This provides a more grounded portrait of the gap between housing demand and supply, and the type of housing that can help meet future needs.

The quantitative assessment is then contextualized with qualitative data that helped identify needs that are not currently being met in the community.

Income Bracket	Household Income	Max Rent	Rental Demand Totals	Rental Product	New Product?	Max Home Value	Owner Demand Totals	Ownership Product	New Product?
Very Low Income	\$27,803.70	\$695	97	Section-8 Housing Vouchers/Room Shares/Single Occupancy	Vouchers	\$88,500	21	Subsidized home ownership programs	--
Low Income	\$55,607.40	\$1,390	128	LIHTC, Naturally Occurring Affordable Housing	Vouchers & LIHTC	\$187,500	56	Old Single Family	--
Lower Middle Income	\$74,143.20	\$1,854	200	Market Rate Apartments, Townhomes and Homes	LIHTC & Market Rate	\$250,500	155	Older single family homes, townhomes	Split Homes
Middle Income	\$111,214.80	\$2,780	96	Market Rate Apartments and Townhomes	Market Rate	\$386,000	125	Townhomes, condominiums, older single family homes, small new construction	Single Family Homes
Upper Middle Income	\$129,750.60	\$3,244	24	Luxury Market Rate, Single Family Homes	Market Rate	\$456,000	55	Single family homes, new construction	Single Family Homes
High Income	\$157,554.30	\$3,939	0	Luxury Market Rate, Single Family Homes	Market Rate	\$548,000	0	Single Family Homes/New Construction	Large Single Family Homes/Custom Homes
Very High Income	> \$157,544	--	0	Luxury Market Rate, Single Family Homes	Market Rate	--	3	Single Family Homes, New Construction SF Homes	Executive

Key Takeaways 9: Entry level single-family housing, middle density housing, and affordable rental housing are key needs for Neenah



Key Takeaways 10: Housing Strategies

Neenah's has a very strong reputation regionally with housing developers, with developers experiencing the city has active problem solvers that are willing to take innovative steps to get housing built.

Based on identified needs, a menu of strategies were developed based on regional and national best practices to increase housing supply across diverse housing typologies.

Identified Need	Reason	Strategies
Affordable Rental Housing	Renting is increasingly common and many Neenah renter households are cost burdened. Increasing supply of rent-restricted housing can add high-quality, new build construction that ensures available housing for households working in key workforce jobs.	LIHTC Housing Middle Density Housing City Owned Land Review Housing Trust Fund
Housing Diversity	Neenah needs more housing diversity. Recent development has been mostly larger multi-family or single-family detached homes. Middle density housing formats can help provide housing suitable for smaller households, and at more attractive price points.	Zoning Revisions ADUs New Developer Incubator Parking Requirements Financial Tools Infill Redevelopment Grants
Entry Level Ownership	The Fox Cities regional economy is generating growth. Growth will likely be strong in middle-income manufacturing jobs. As home prices increase, home ownership is increasingly hard for those earning at or near median incomes. Neenah needs more entry level homes, and to ensure the homes they do have at those price points are able to be updated and repaired.	Developer and Impact Fees First-Time/Low-Income Home C Middle Density Housing Home Improvement Loans

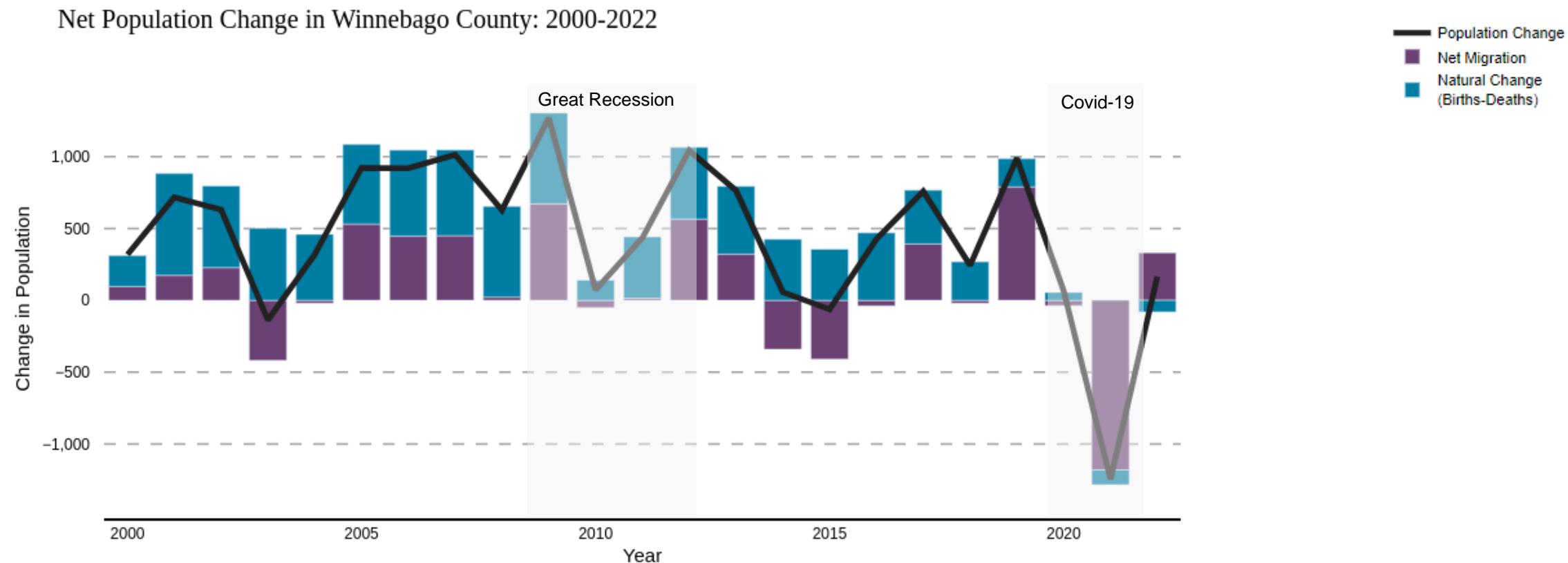


03

DEVELOPMENT DRIVERS

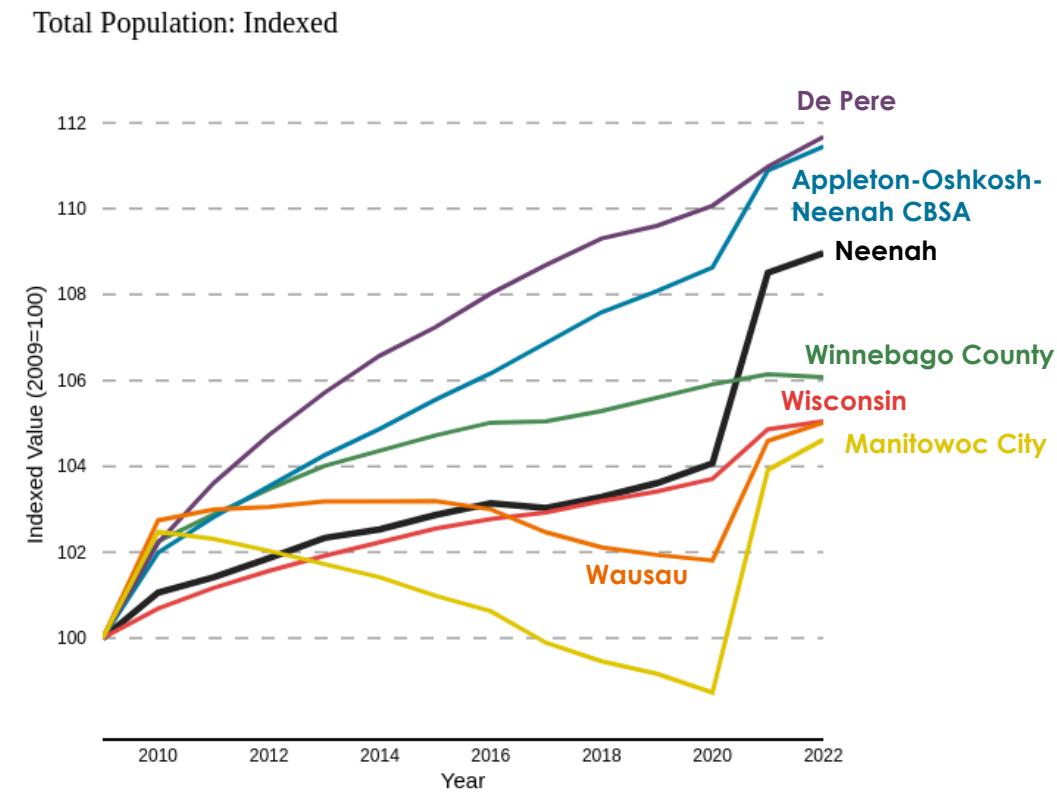
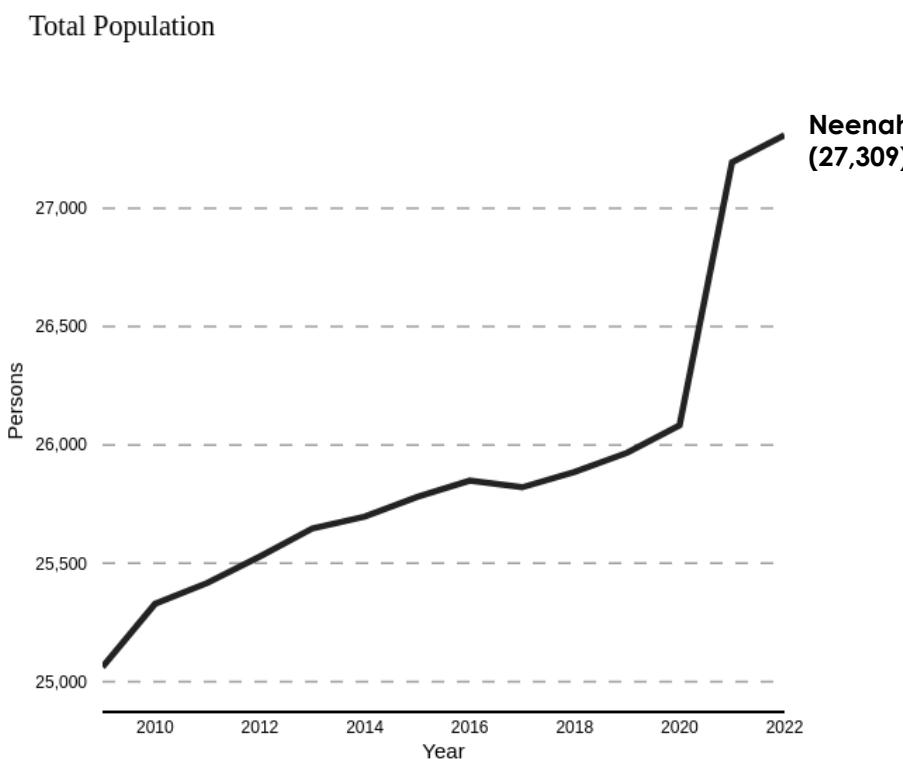
Population pattern in Winnebago County is cyclic and continues to rise and fall

Population growth is driven by both migration and natural change. Birthrates have tended to outpace death rates, driving up natural population increase (save during Covid-19). Migration has largely followed economic performance, with downturn years leading to outmigration, and high growth years driving up in-migration.



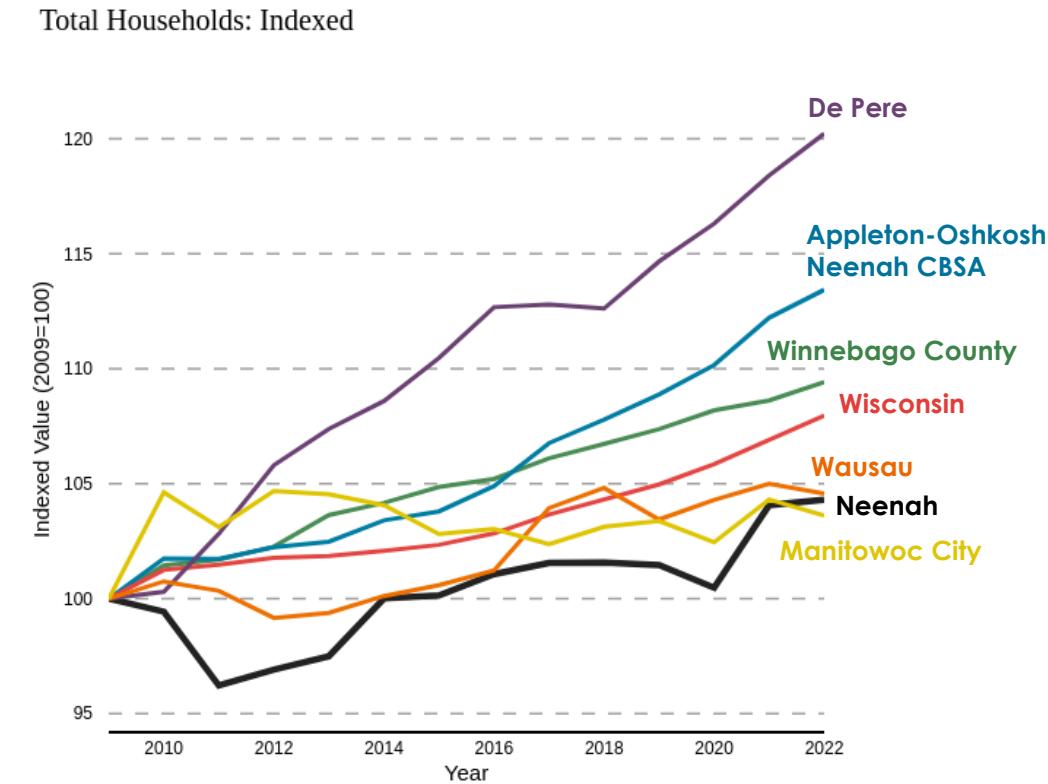
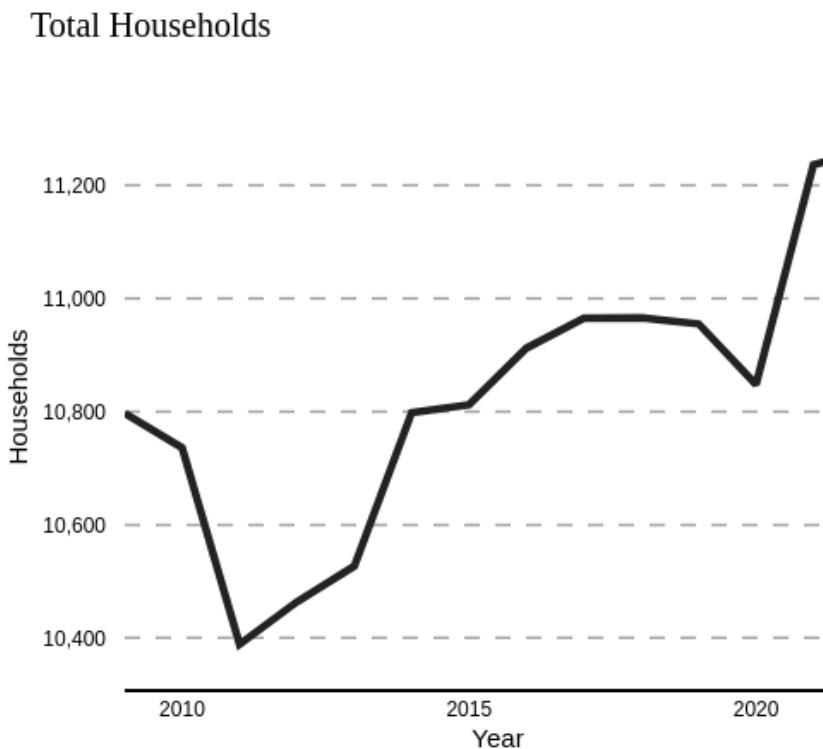
Population in Neenah is continuing to grow

Neenah's population growth remains robust, growing by 9% from 2009-2022. While growth trails the region, it remains higher than the state of Wisconsin overall. New housing units added since 2020 have helped drive new population growth. The metro area has grown by about 11% since 2009, indicating a strong base economy.



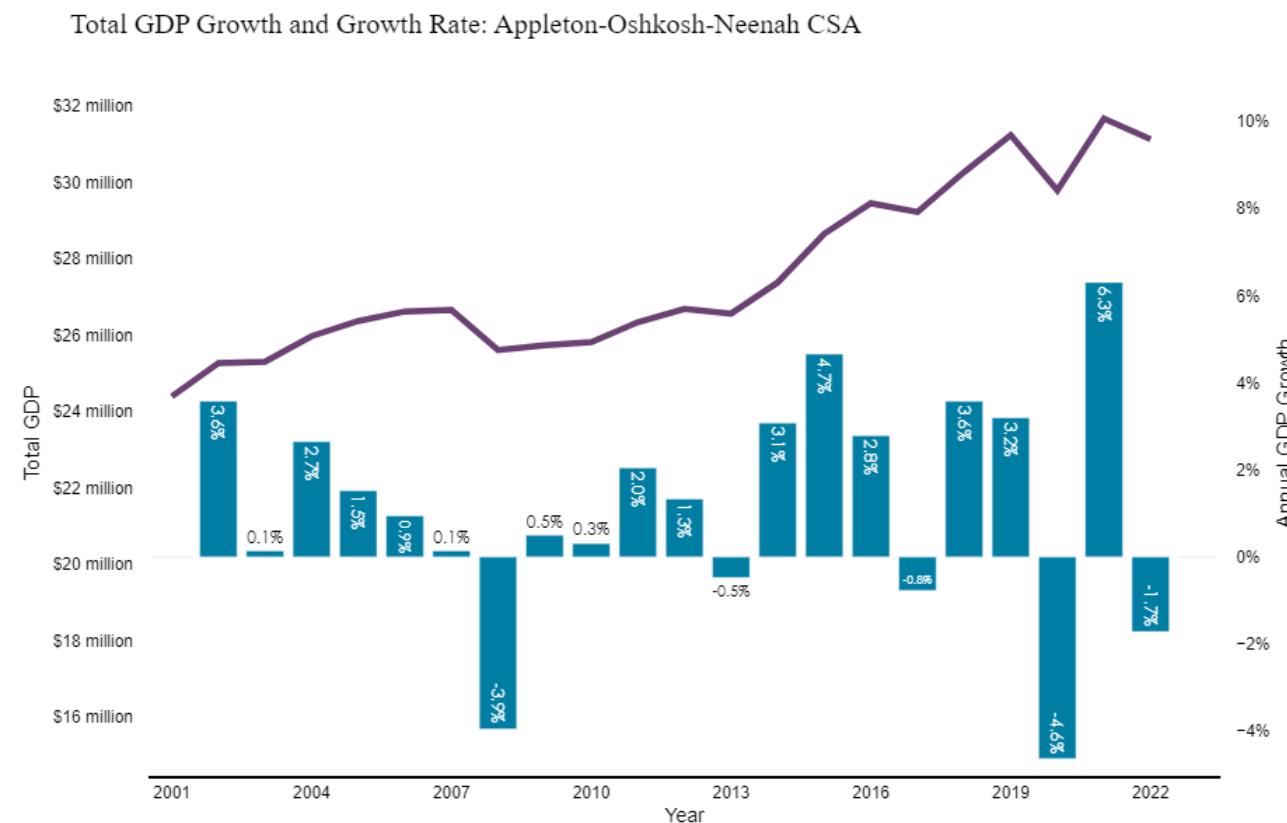
Even as the population grows, household growth remains more muted

Neenah's population growth is driven by family formation and in-migration of households with children – two dynamics that can increase the total population while reducing new household formation. Household growth is still behind the CBSA, County and the State.



After years of declining growth following the entry of China into the WTO, growth has rebounded

GDP growth in the region is heavily driven by manufacturing – a sector with high exposure to globalized trade and wage-based competition. However, since the Great Recession, growth returned strongly as the economy rebounded. Manufacturing growth has remained the major engine of economic development in the region, and favorable policy may further boost growth.



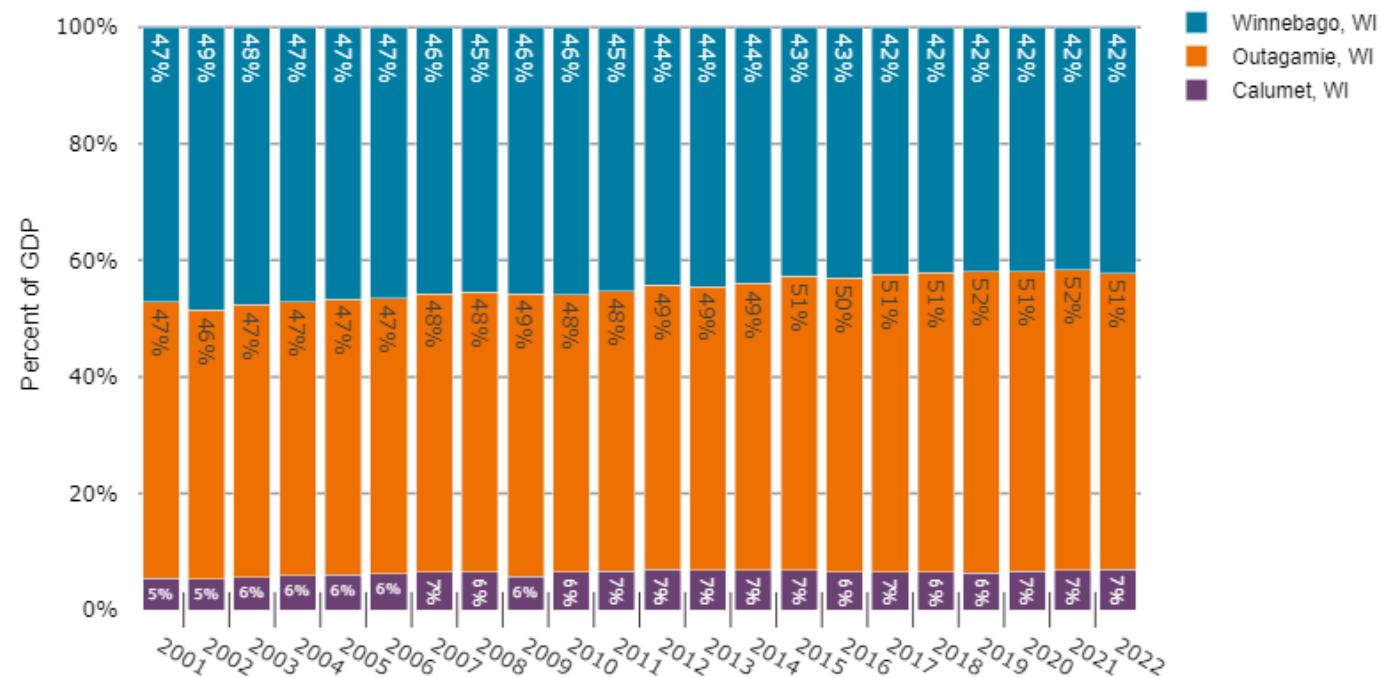
GDP is generally driven by tradeable goods. Tradeable goods include durable manufactured goods and 'knowledge' based services such as corporate management, financial activities, or professional services.

GDP in the Appleton-Oshkosh-Neenah CSA is heavily driven by the manufacturing industry. Management of corporations – often tied to manufacturing industries historically located in the region – are also a major driver of economic activity.

Within the metro, Outagamie County has increased share of total GDP output

Oshkosh's economy has been less robust than Appleton and the Fox River cities. Declining sectoral output and employment in the printing industry, paperboard container manufacturing, and industrial machinery sectors have all contributed to Oshkosh-Neenah's declining share of regional GDP.

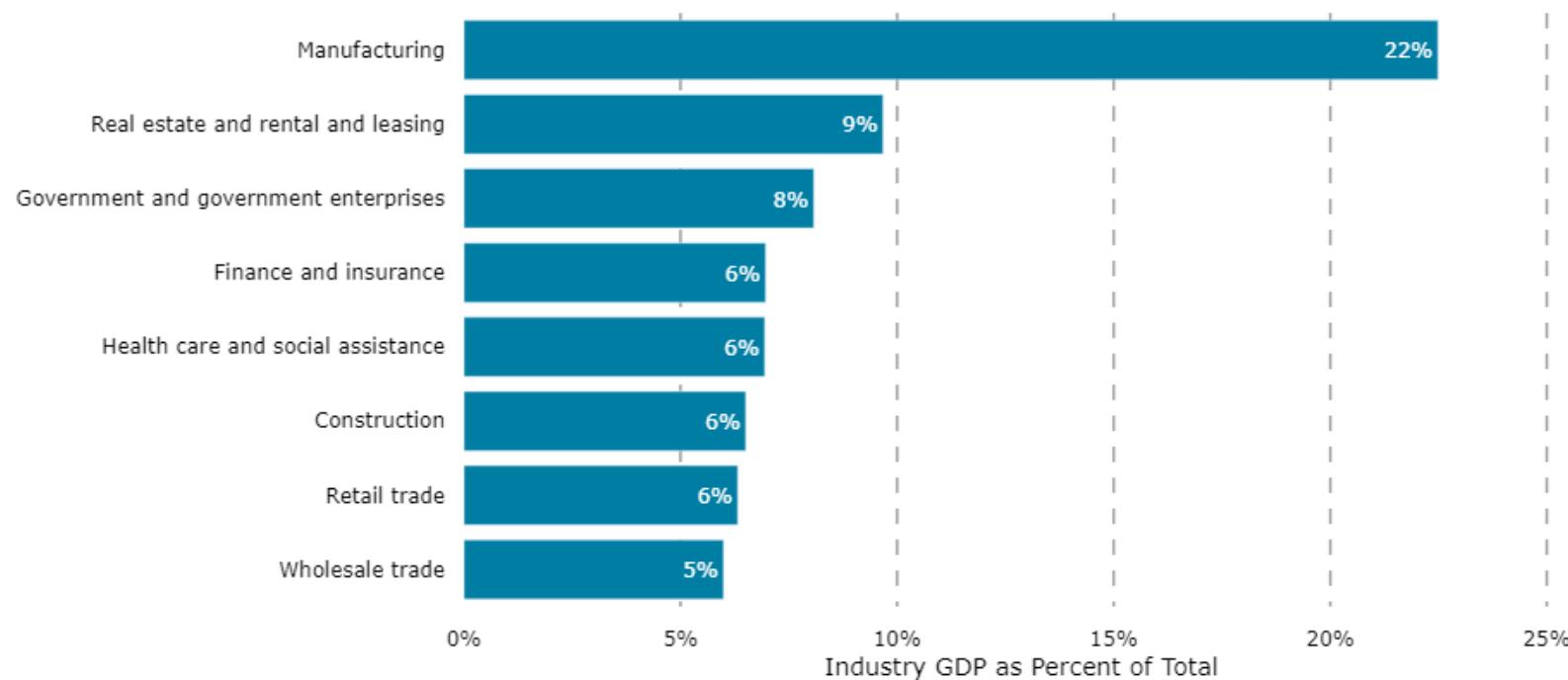
Appleton-Oshkosh-Neenah CSA, Contribution to GDP by County



Manufacturing remains the major driver of growth

Manufacturing remains the major driver of the regional economy. The manufacturing sector generates high amounts of GDP relative to total employment, while also generating effective demand for other services. Management and finance are also crucial drivers of growth, especially related to industries which historically had a higher manufacturing footprint in the region.

Appleton-Oshkosh-Neenah CSA GDP Output by Sector in 2022: Current Dollars



GDP data can be omitted to avoid identification with specific companies or government services. In 2022, industries omitted by county include:

Calumet County

- Educational services, Health Care, Information, Management of companies, other services, professional services, transportation and warehousing.

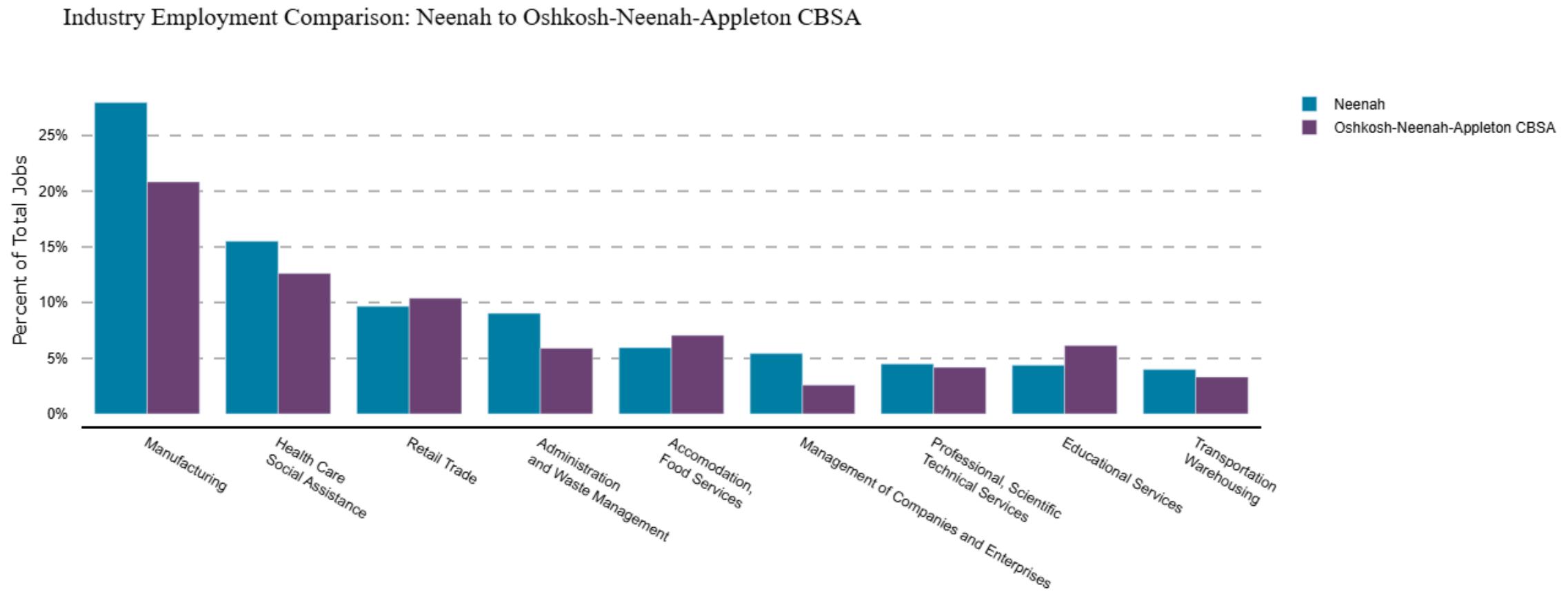
Winnebago County

- Utilities and Wholesale Trade

DEVELOPMENT DRIVERS | INDUSTRY EMPLOYMENT COMPARISON

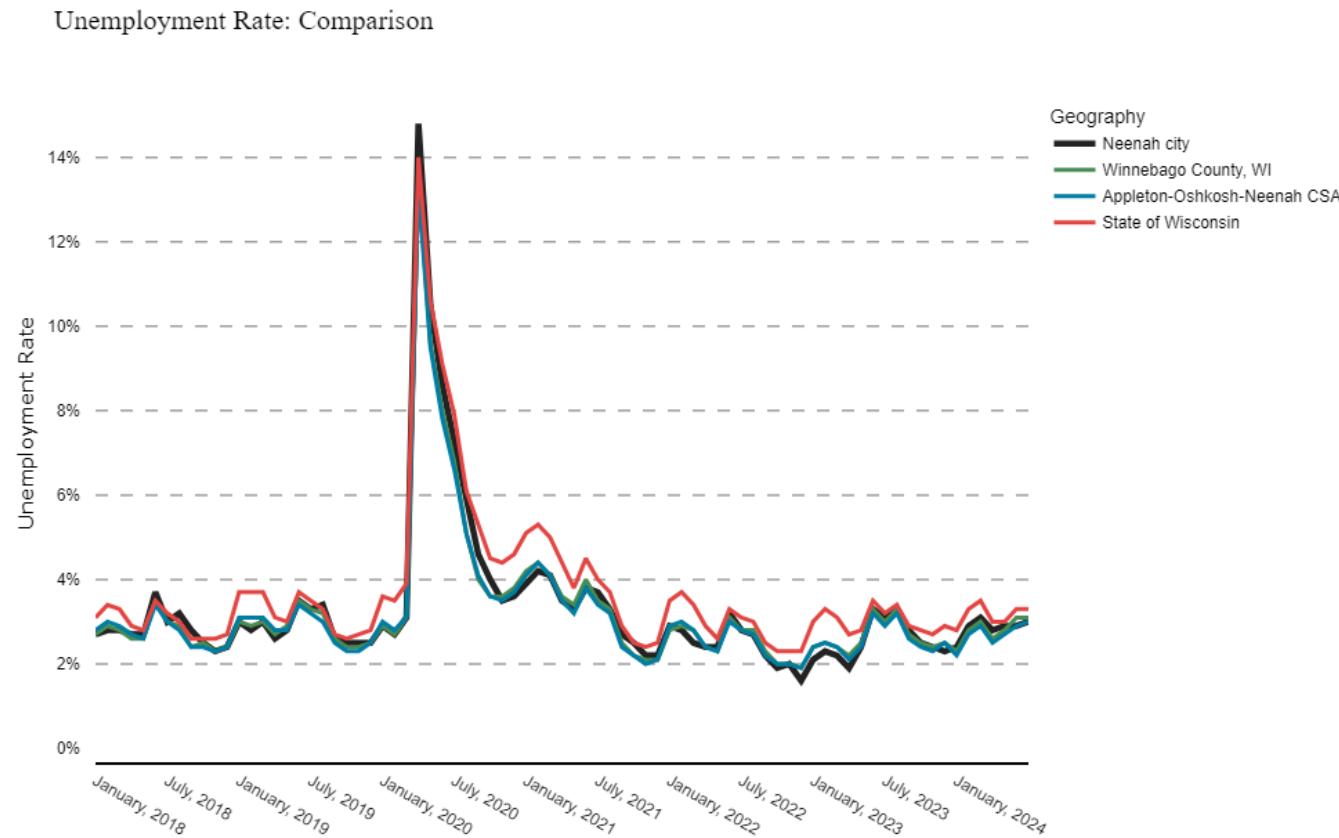
A robust manufacturing sector remains central to Neenah's economy

Within the metro region, manufacturing remains central to Neenah's economy, as does the management of companies and enterprises. Outside of healthcare, services seem to be more highly concentrated in other parts of the metro.



The employment market remains robust, with unemployment sitting at 3%

Tight labor markets have driven up wages. Higher wages, however, have also been met with higher interest rates (impacting home ownership affordability) and inflating rent costs (impacting housing costs as a proportion of household income).



The employment market has been strong since 2018, save the brief impact of the Covid-19 recession in 2021. The Appleton-Oshkosh-Neenah CSA has historically outperformed Wisconsin, however job creation has remained robust region and nationwide.

Tighter labor markets have positively impacted wages – especially for those at the lower end of the labor market who, for fifty years prior, had experienced stagnating wage growth. Recent historic gains in incomes, however, have been less robust relative to inflation since 2022, with prices oftentimes outpacing wage gains.

Situating the New Economy

The New Economy refers to transitions in the North American industrial structure post-globalization and the central drivers of regional economic development.

New Economy High Wage sectors are knowledge-based jobs that remain concentrated in urban centers and are historically less prone to geographical relocation. These industries remain the main catalyst for agglomeration – or spatial concentration – of industries. Knowledge production is a tradeable good that often drives urban development. Wages in these sectors drive effective demand for other service-based industries, medical services, and education.

Blue Collar sectors contain industries historically central to a manufacturing-based economy and contain tradeable goods that benefit from economies of scale. Manufacturing – in particular – is less geographically sticky in an era of globalization. These jobs often have lower educational requirements, but due to higher productivity, skill demands, and union density, wages remain higher than service sector work. They, likewise, are major drivers of regional economic development.

New Economy Low Wage sectors grow in proportion to other regional economic drivers. They are non-tradeable sectors and are ‘geographically sticky.’ Due to lower labor productivity, growth in demand is met with increased labor. Wages remain low, although exceptions exist (such as Wholesale Trade). These are generally non-tradeable goods, but often a sizeable sector in a regional economy.

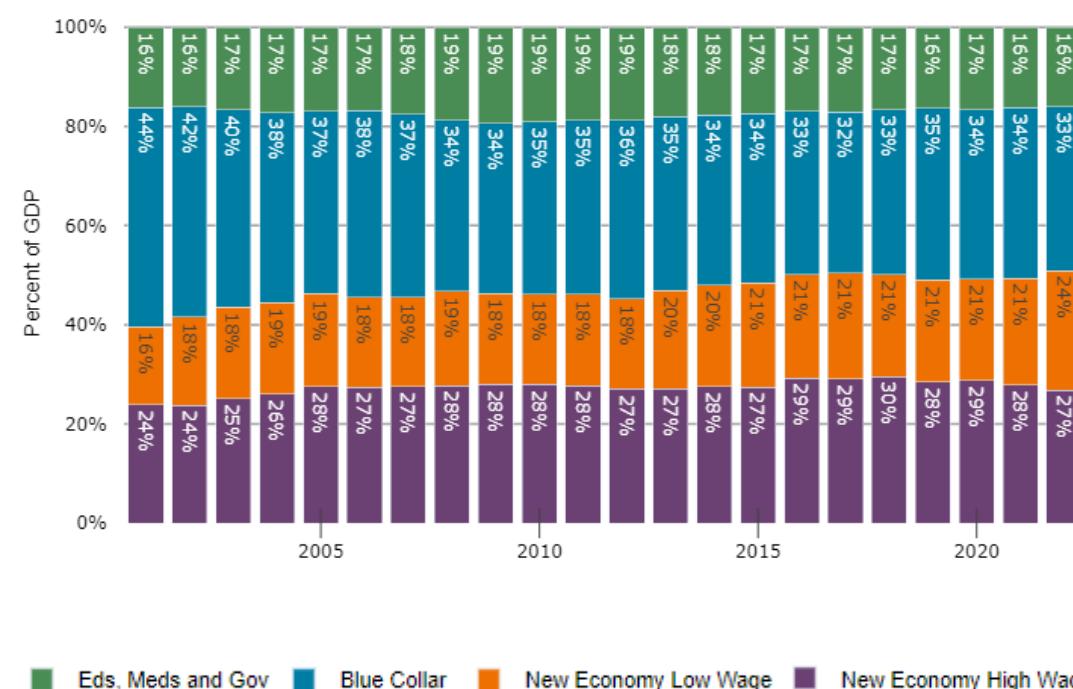
Eds, Meds and Gov contain industries have higher proportions of middle-income wage earners due to educational requirements. These jobs concentrate both in regional hubs driven by New Economy High Wage jobs and in historic regional centers. They are non-tradeable goods and place-bound, but in the case of higher education institutions or sizeable public sector installations (Army Bases or State governance), can drive regional economic development.

Analytical Category	NAICS Sectors
New Economy: High Wage	Finance and Insurance Real Estate and Rental and Leasing Information Management of Corporations Professional and Business Services
New Economy: Low Wage	Transportation and Warehouse Wholesale Trade Retail Trade Arts, Entertainment and Recreation Accommodation and Food Services Other Services
Blue Collar	Construction Manufacturing Utilities Agriculture, Forestry, Fishing and Hunting Mining, Quarrying, and Oil and Gas Extraction
Eds, Meds and Gov	Educational Services Health Care and Social Assistance Public Administration

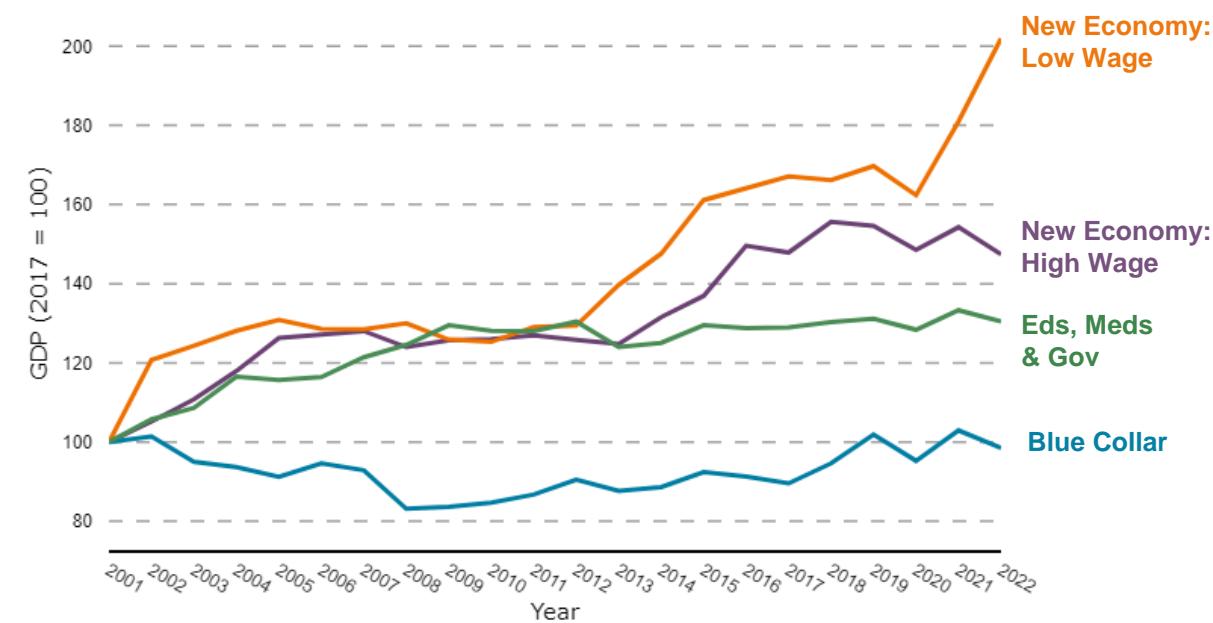
There is a gradual but real shift from a manufacturing-based economy to a New Economy structure

This economic structure includes a shift towards a 'dual economy' structure, with higher proportions of lower-wage service sector jobs and higher proportions of knowledge-based work.

Appleton-Oshkosh-Neenah CSA, GDP by Category Over Time



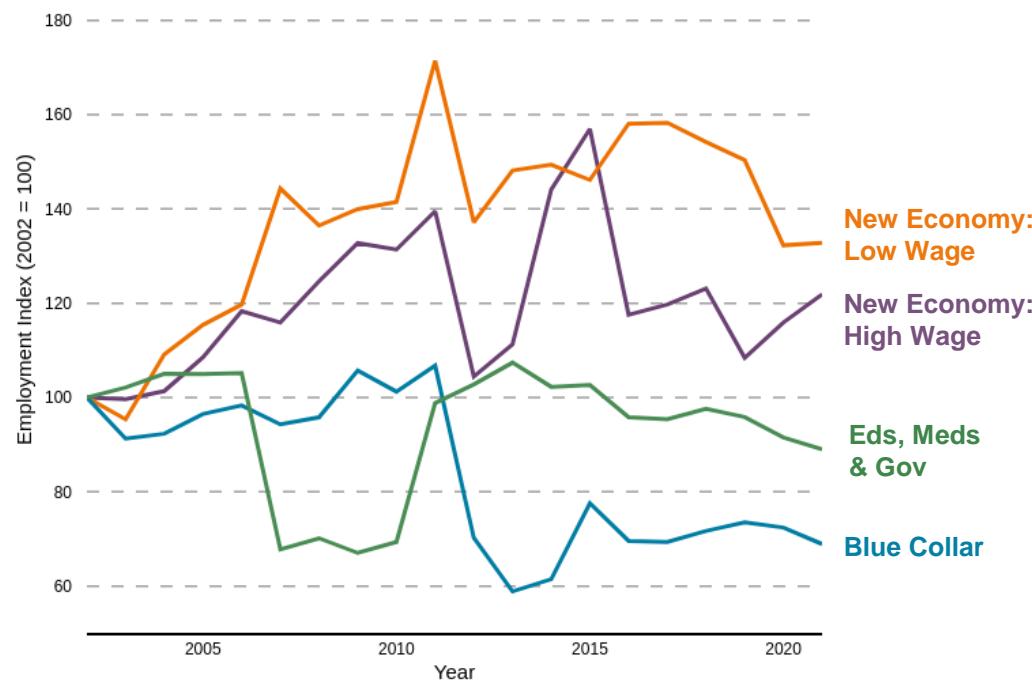
Appleton-Oshkosh-Neenah CSA Indexed Growth by Category



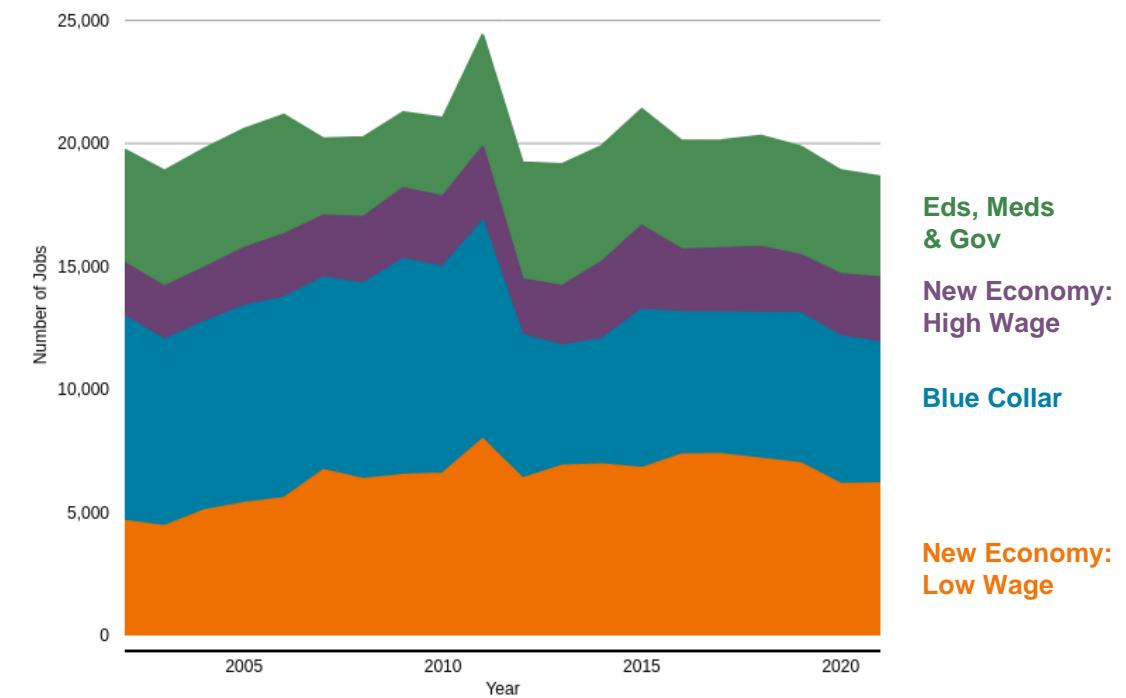
The fastest growing segments in terms of jobs are also in New Economy industries

Manufacturing's declining output is matched by a faster decline in manufacturing jobs. Decline is not disappearance, as Blue-Collar manufacturing jobs remain the largest segment of the local economy. However, the shift is towards adding new households at both the higher end and the lower end of the employment market.

Industrial Composition: Indexed Change



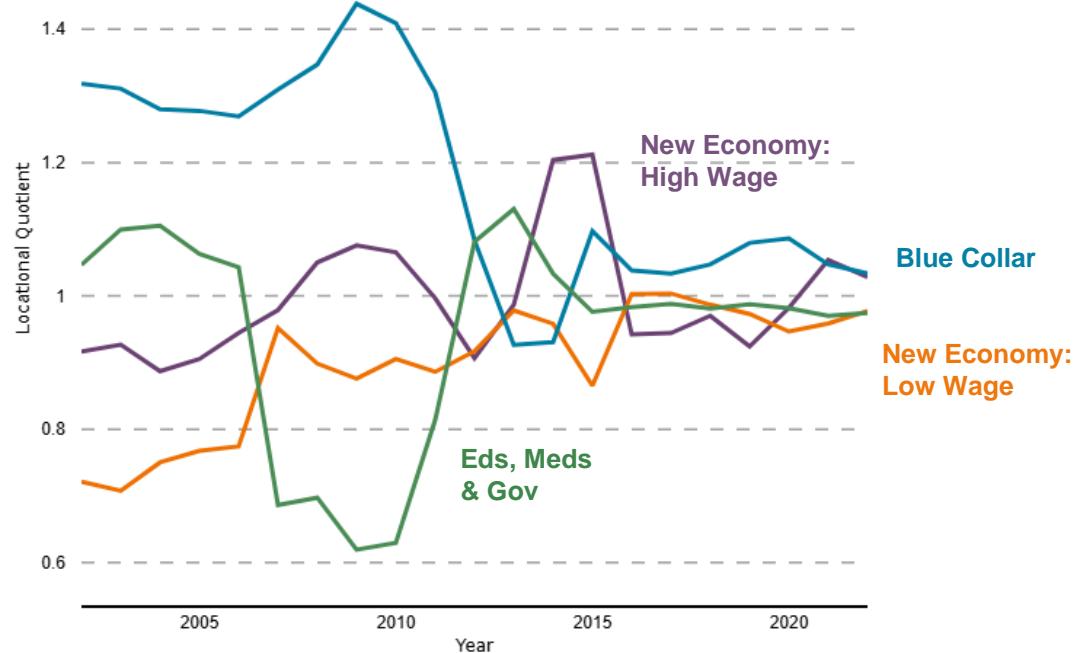
Industrial Composition in Neenah City



Job concentration is increasingly reflective of the metro

In the 2000s, Neenah had a higher proportion of manufacturing jobs and a lower proportion of services. However, as manufacturing jobs have slowly decline and New Economy: Low Wage jobs have increased, the industrial job structure is increasingly more reflective of the metro region.

Neenah Locational Quotient Relative to Oshkosh-Neenah-Appleton CBSA



OnTheMap 2002-2021

A Note on Locational Quotients: Locational quotients are a measure of spatial concentration. It is calculated by taking the ratio of jobs in sector in a sub-area divided by total jobs in the local area (the local ratio), with the local ratio then divided by the same ratio derived for a broader geography. In this case, we are comparing the ratio of jobs in Neenah combined to the Appleton-Oshkosh-Neenah CBSA.

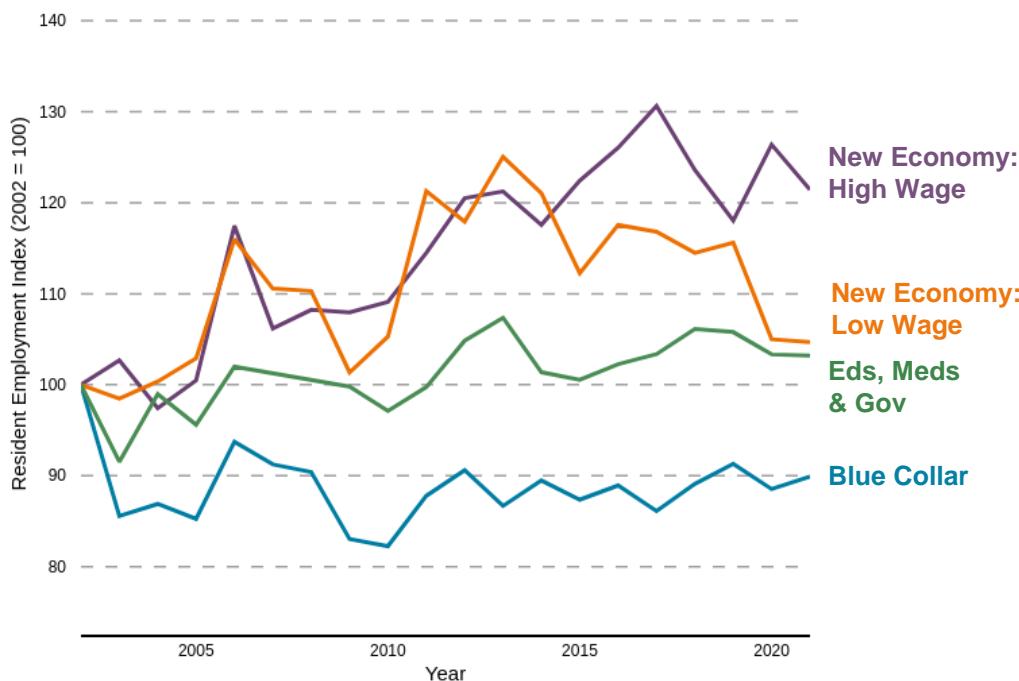
Numbers greater than 1 signify higher concentration, whereas numbers less than 1 signify lower concentrations.

When viewed longitudinally (across time), one can observe if the concentration of those jobs in a place are increasing or decreasing relative to the broader geography, signaling if a set of industries are growing as a spatial cluster, or, if those clusters are being developed elsewhere in the broader region.

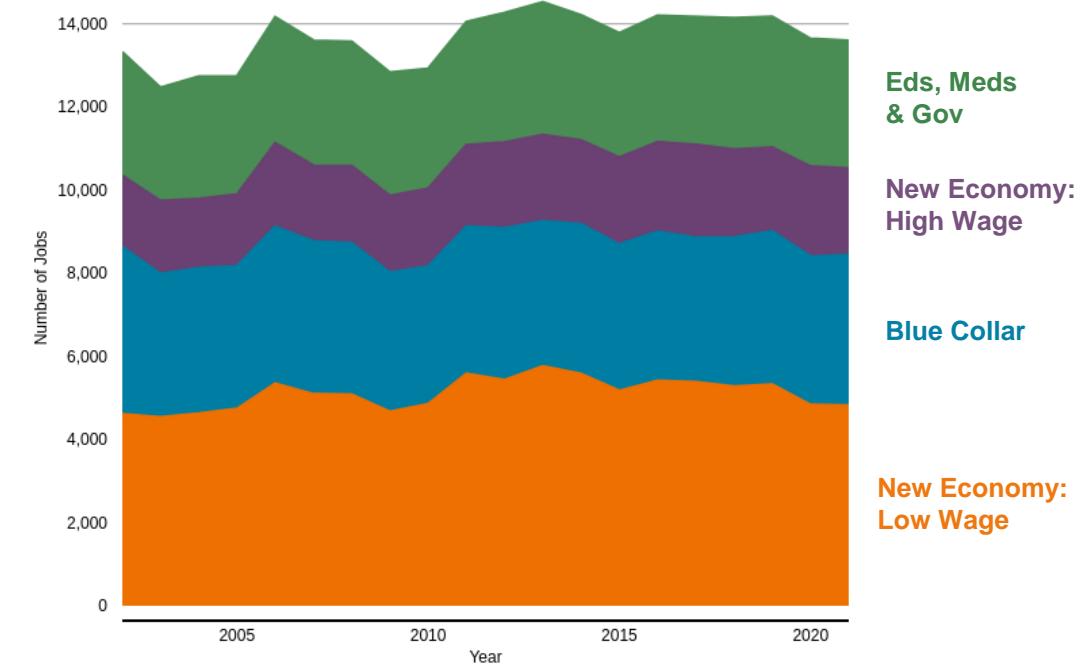
Neenah Residents Are Slowly picking up on high wage jobs

The largest proportions of Neenah residents work on lower wage new economy jobs followed by blue collar and eds, meds and gov jobs.

Neenah City Resident Industry Composition: Indexed

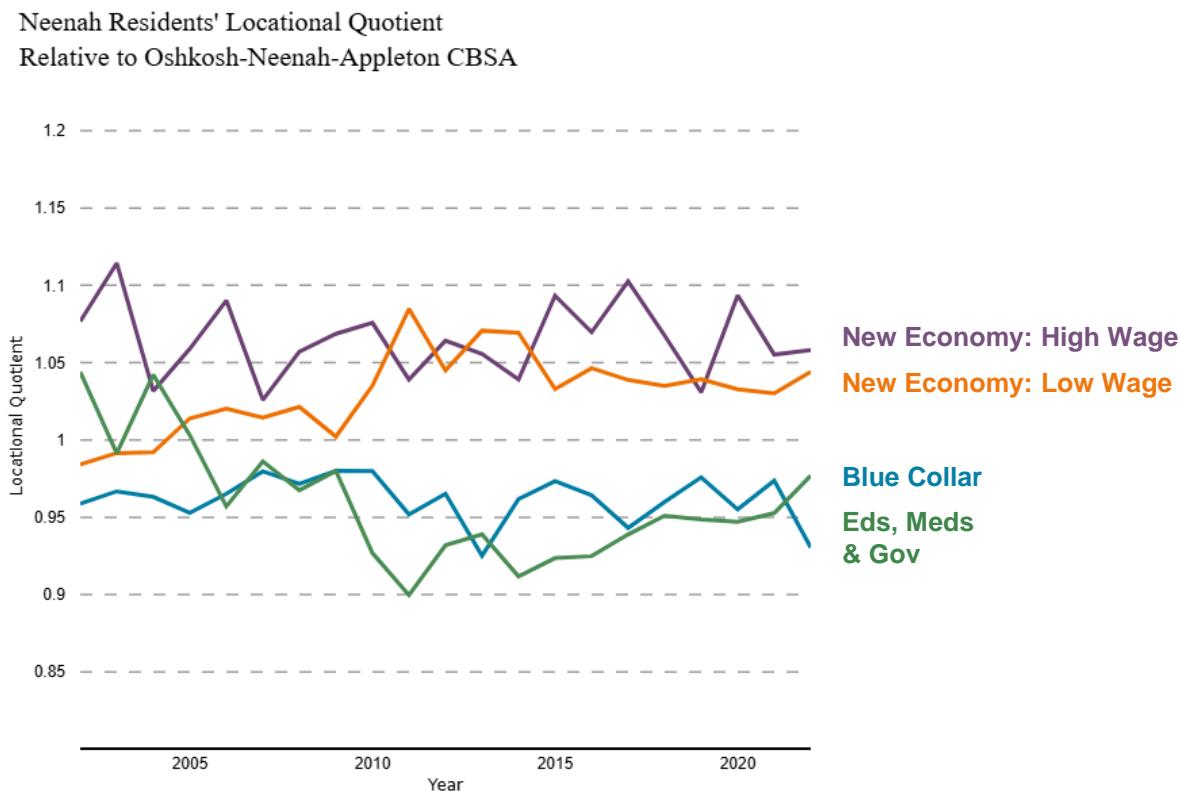


Industrial Composition of Neenah City Residents



Neenah residents are represented across industry spectrums, indicating a balance of housing types

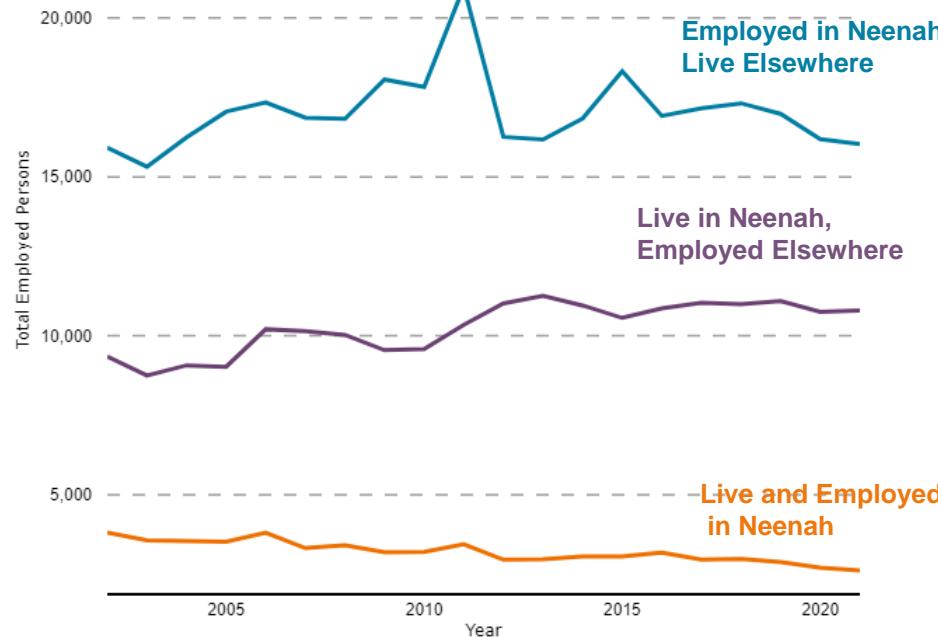
If LQs were more strongly skewed towards higher paying industries or vice versa, it would indicate more housing available to the respective group. For the most part, Neenah contains a good mix of housing, although the slight shift away from the more 'middle industries' towards the more polarized industries indicate a growing bipolarity of housing.



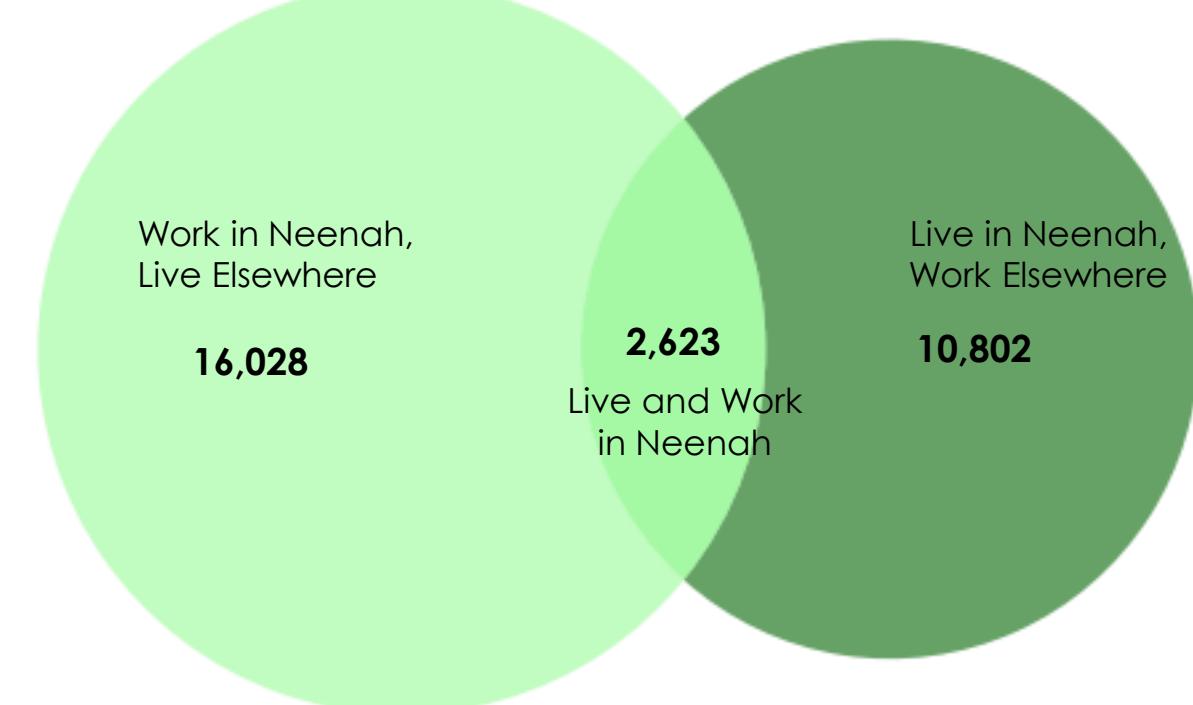
Neenah is tightly integrated into the economic region

Neenah's workforce is not tightly coupled with its employment base. Many who work in Neenah live somewhere else and many who live in Neenah work outside of the city's boundaries. Economic integration has been increasing over the past 20 years at a gradual rate, with fewer households living and work in Neenah.

Commuting Patterns Over Time in Neenah City



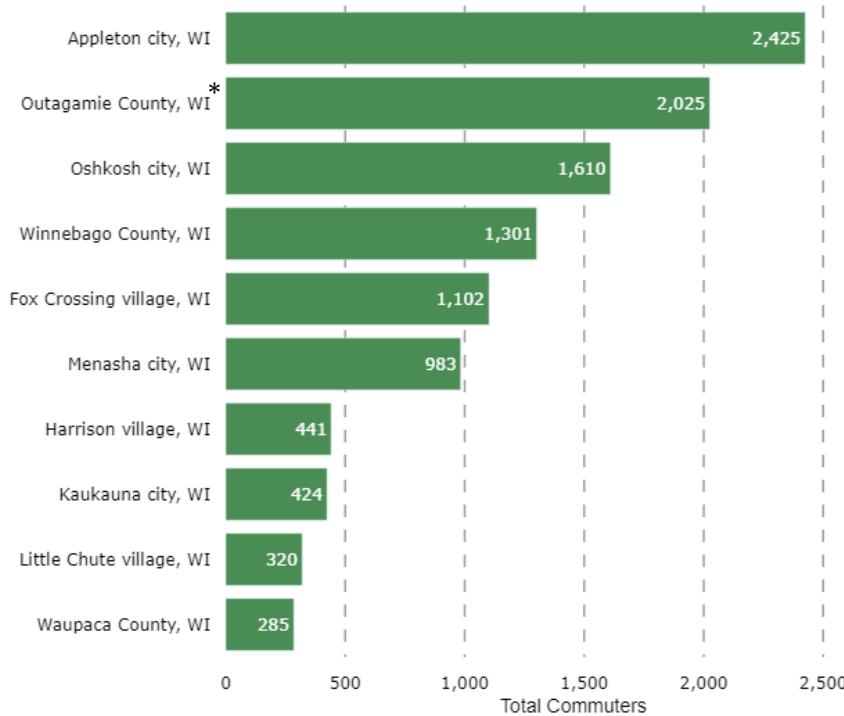
Inflow/Outflow



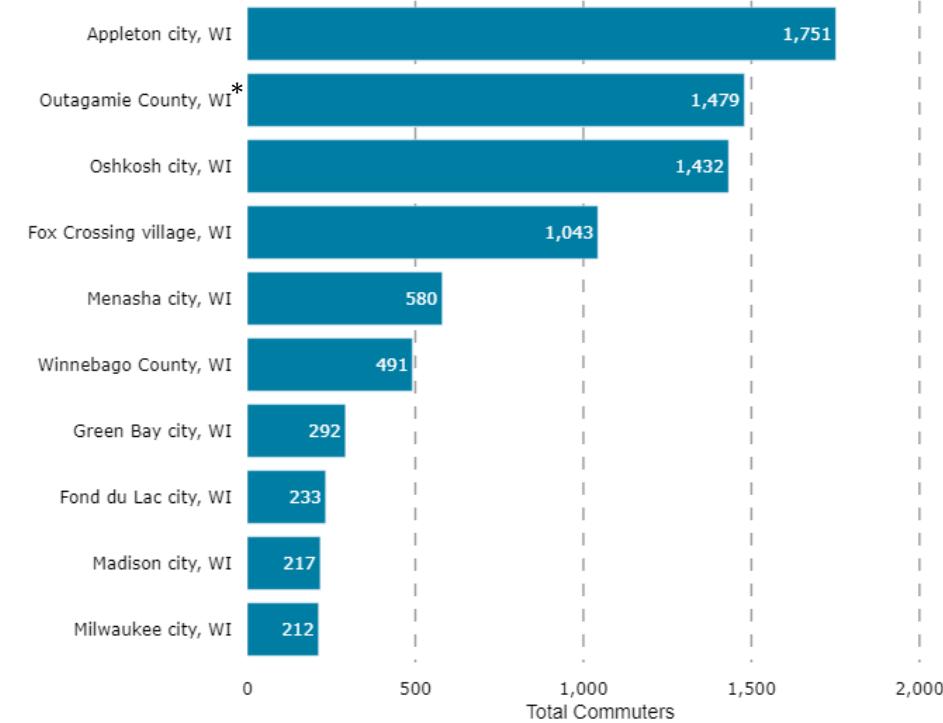
Appleton city, broader unincorporated Outagamie County, and Oshkosh are all tightly networked

The Fox Cities remains the primary source of those who commute to Neenah, as well as the primary destination of those employed. Oshkosh, however, is not far behind.

Origin of Commuters to Neenah: Top 10



Destination of Commuters from Neenah City: Top 10



Shift-Share for Oshkosh-Neenah CSA

The top 20 industrial subsectors are included here, with the total number of jobs mapped by circle size.

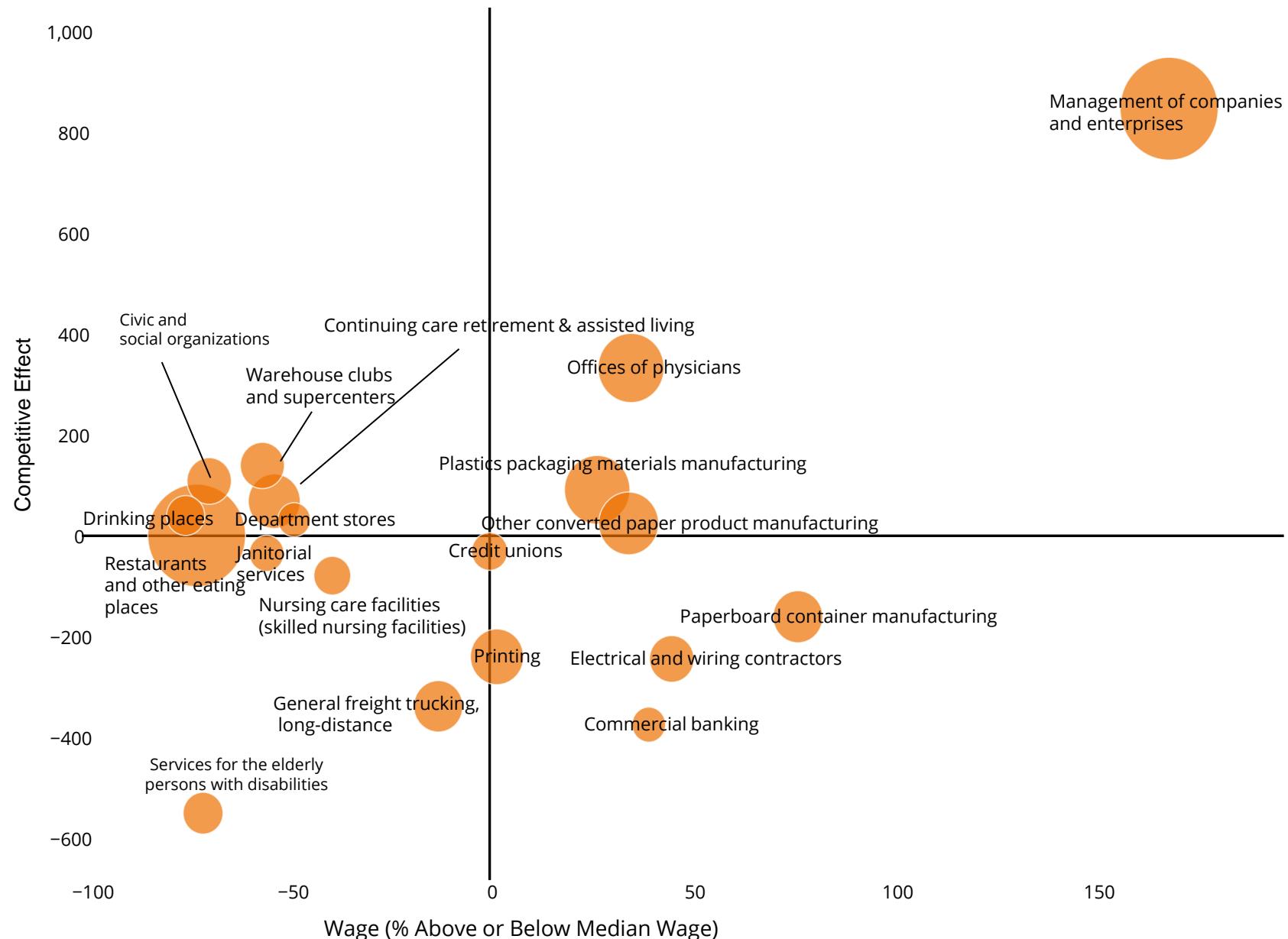
The y-axis maps the competitive effect, or the number of jobs above what would be expected based on national growth trends.

The x-axis maps the average wage in that industry sector relative to the region's median wage.

Viewed together, the top right quadrant would include faster growing, high-paying spatial clusters, whereas lower right quadrant includes shrinking segments.

The Oshkosh-Neenah MSA's strongest regional cluster is in management of companies and enterprises. While a large manufacturing sector exists – especially in packaging, that overall sector is declining faster than general growth nationally, indicating that the industry is weakening relative to growing clusters elsewhere.

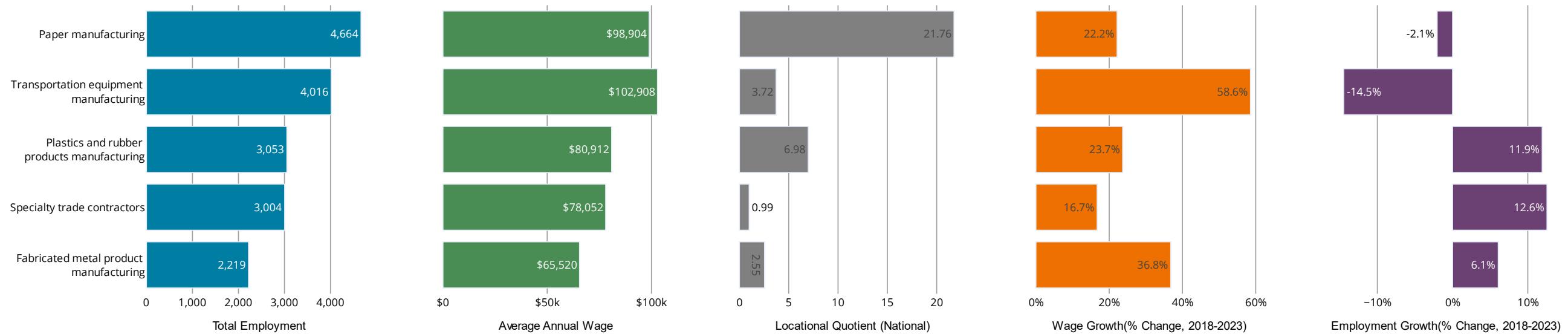
Top 20 Employment Sectors By Competitive Effect and Wage



Manufacturing remains central to the regional economy, and generates high income positions

Manufacturing wages contain a broad range of middle-income positions. Growth, however, in key segments such as transportation equipment manufacturing and paper manufacturing (largely in Oshkosh), has been negative as jobs have relocated to lower-cost manufacturing states. High LQs indicate strong spatial clustering.

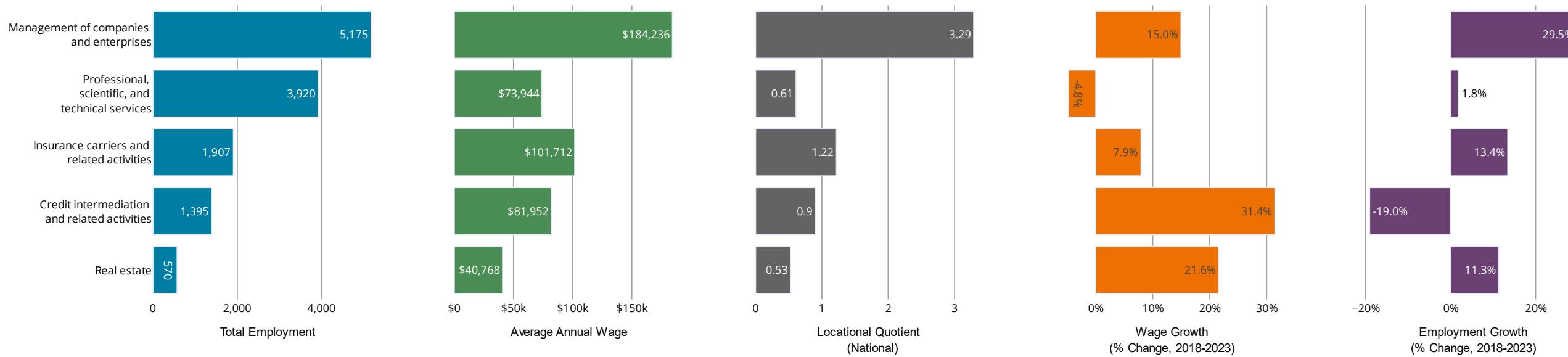
Top 5 Blue Collar Jobs: Oshkosh-Neenah MSA



Corporate management remains key to the region, with legacy firms still entrenched

Management of companies and enterprises generate very high-income jobs. Growth in this segment has been robust, with 30% growth over the recent five-year period, far outpacing national trends.

Top 5 New Economy High Wage Jobs: Oshkosh-Neenah MSA



Service sector jobs are common, with many paying very low wages.

After years of stagnant wages, wage growth on the bottom end of the pay scale has been strong as employers struggled to fill new positions. Strong demand for labor increased the bargaining power of workers, manifest in better pay. Similar to other locations, difficulty in finding adequate labor has likely stymied growth, with the MSA in general having lower proportions than would be expected.

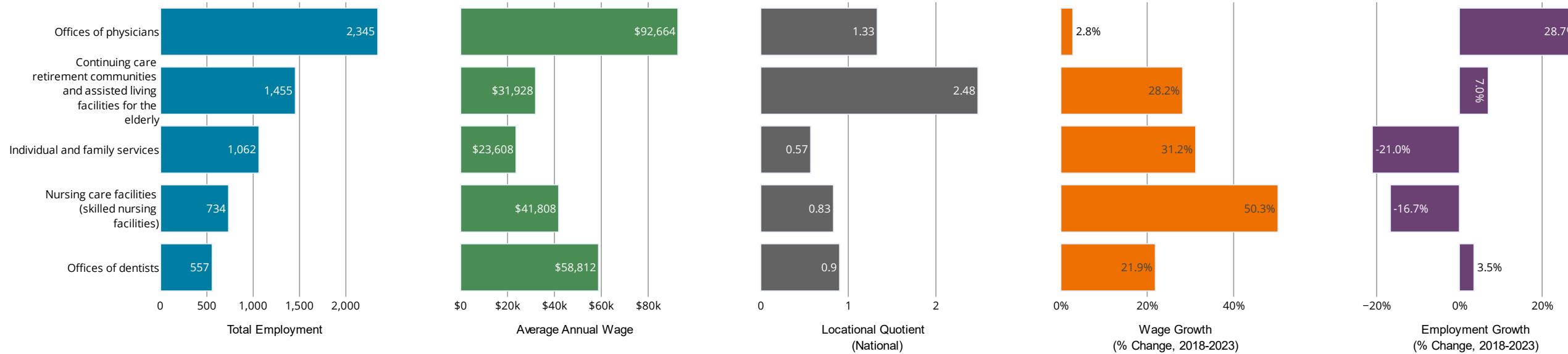
Top 5 New Economy Low Wage Jobs: Oshkosh-Neenah MSA



Medical services, education, and the public sector remain important job segments.

Strong employment in tradeable goods sectors generates effective demand for more labor-intensive healthcare jobs. Interestingly, wage growth has been strongest at the lower end of the employment spectrum, with many nursing and continuing care facilities struggling to fill vacant positions. Occupational pay varies greatly, however there is a higher density of middle-income occupations.

Top 5 Eds, Meds and Gov Jobs: Oshkosh-Neenah MSA



Neenah's economy is mix of having employment in Neenah and elsewhere.

Key Trends

Economic growth is contingent on manufacturing – tradeable goods are the primary driver of the economy, creating effective demand for services. Increased exposure to trade led to slow growth in the era immediately following China's entry into the WTO, but has since rebounded. Tailwinds are strong for continued growth in key industries in the region.

Neenah's economic structure is reflective of the region, driven by manufacturing but also containing a higher ratio of office-related management and finance positions. Co-location of key high services in downtown generate a walkable urban center. Most people commute into Neenah for work rather than live and work in Neenah.

Neenah is integrated into the regional economy. Its residents are representative of the general industrial composition. People commute across the Oshkosh-Neenah-Appleton metro for work.



Housing Market Impacts

Economic growth drives in-migration and new household formation. Manufacturing jobs generate middle-income jobs often sufficient to enter the home-ownership market. Demand will likely continue to be strong for ownership housing.

Higher ratios of professional jobs in downtown Neenah have generated a walkable urban center with a strong retail market and park connectivity. This is reinforced by recent downtown housing development. The strength of this sector is likely to support market-rate multi-family construction.

To help drive economic growth, housing should accommodate households across the industry and occupational spectrum, ensuring competitive wages for regional industries



04 DEMOGRAPHIC TRENDS

Comparison geographies

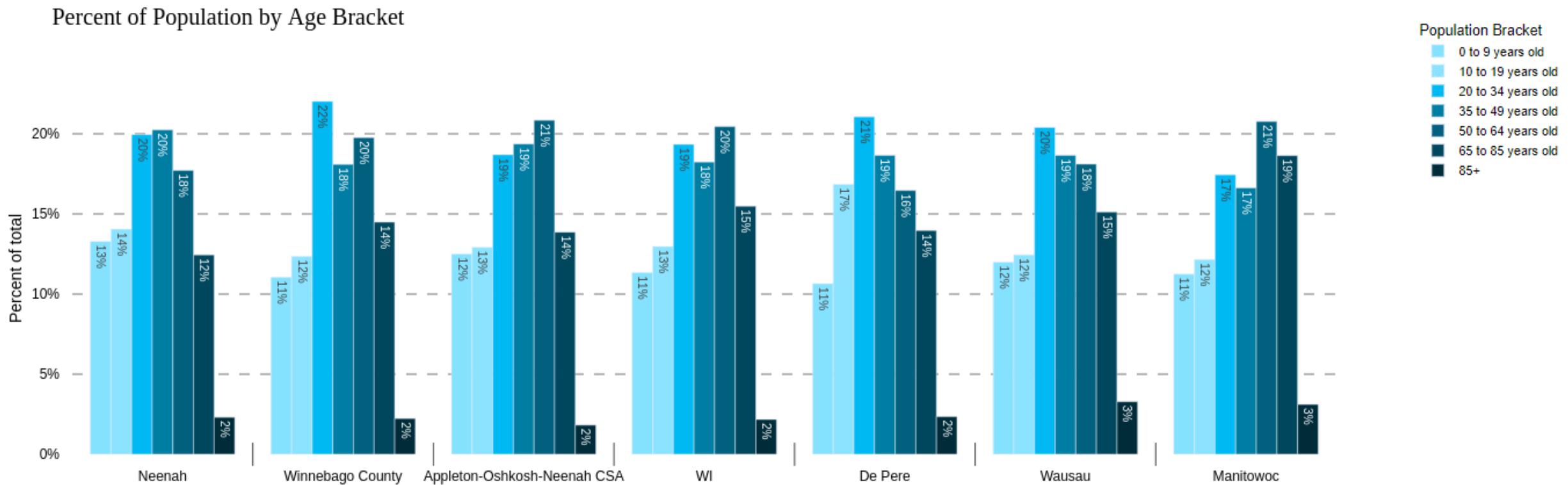
The City of Neenah's demographic and housing market trends are contextualized two ways. The first is via the 'nestled' geographies that contain Neenah. These include Winnebago County (a geography synonymous with the 'Oshkosh-Neenah Metropolitan Statistical Area), the Appleton-Oshkosh-Neenah Core-Based Statistical Area (CSA/CBSA), and the state of Wisconsin. Neenah is also contextualized by 'comparison' locations. These include:

- 1) De Pere – A city of 25,410 people located within the Green Bay metropolitan area. Similar to Neenah, the city contains a higher ratio of college-educated residents, is mostly fully developed, and has integrated multi-family apartments into the existing housing mix.
- 2) Wausau – A city of 39,968 with a strong economic base rooted in the manufacturing sector. Recent growth has stimulated recent development of a mix of housing types, including a higher proportion of multi-family housing and entry-level single family homes.
- 3) Manitowoc – A city of 34,570 with an economic base rooted in the manufacturing sector. Similar to Neenah, the city has undertaken efforts to redevelop its downtown through a mix of market-rate and affordable multi-family housing.

DEMOGRAPHIC TRENDS | POPULATION BY AGE BRACKET

Neenah's population is rooted in workforce aged persons, with fewer seniors

Neenah has one of the lowest rates of 65+ persons in the region, instead with higher proportions between 35-49 years old – peak years for career and raising families.

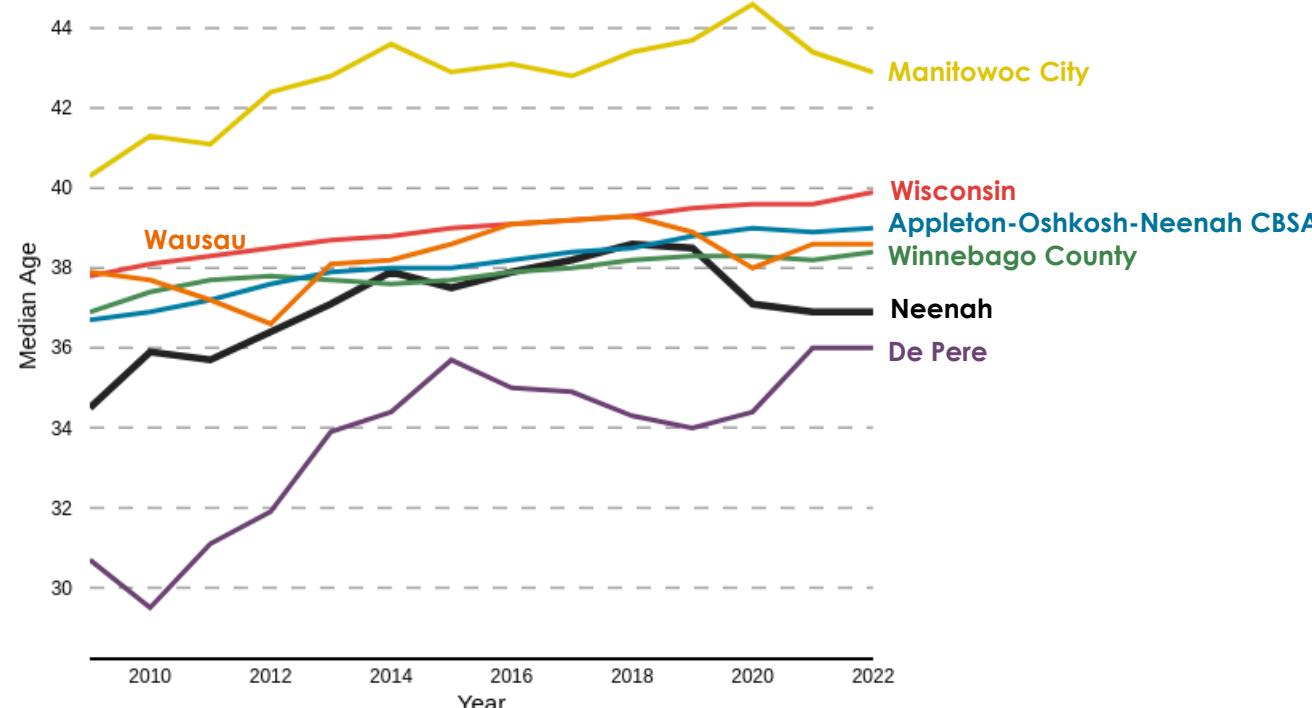


DEMOGRAPHIC TRENDS | POPULATION

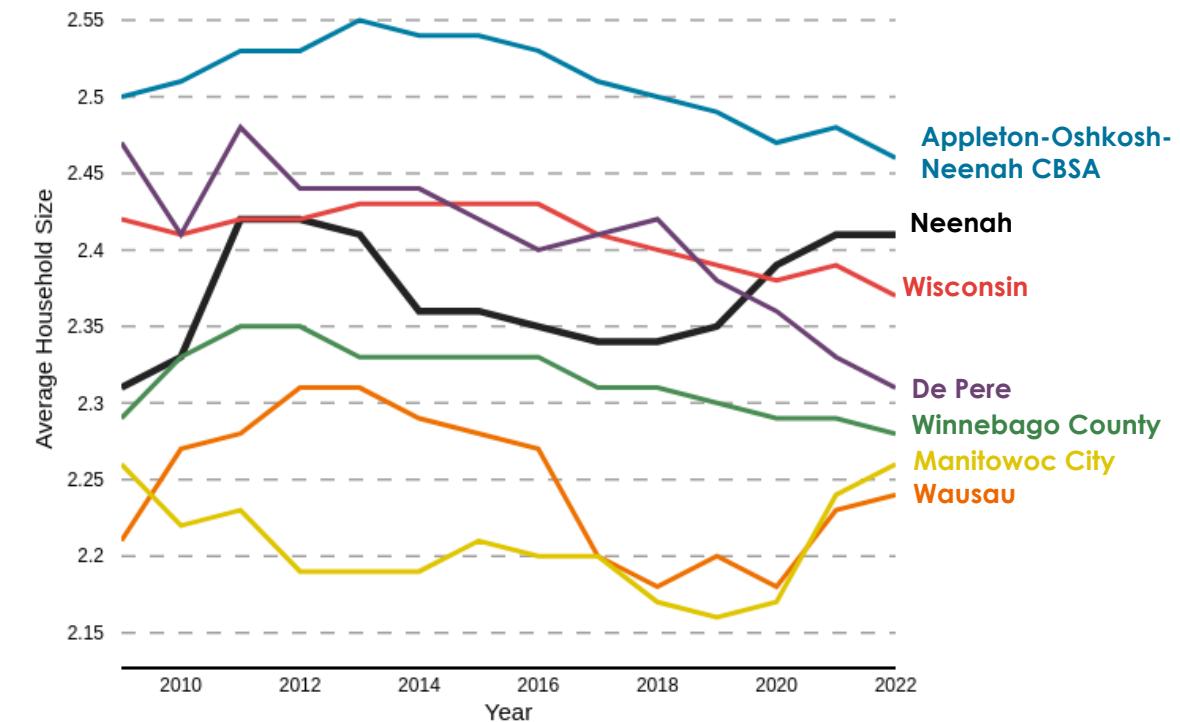
Reversing aging trends, Neenah's median age is getting younger

A declining median age and a corresponding growth in average household size indicate a rise in households in peak family-formation years. This is unique compared to Winnebago County or the metro, but interestingly parallels Wausau and Manitowoc.

Median Age Trends



Average Household Size Trends

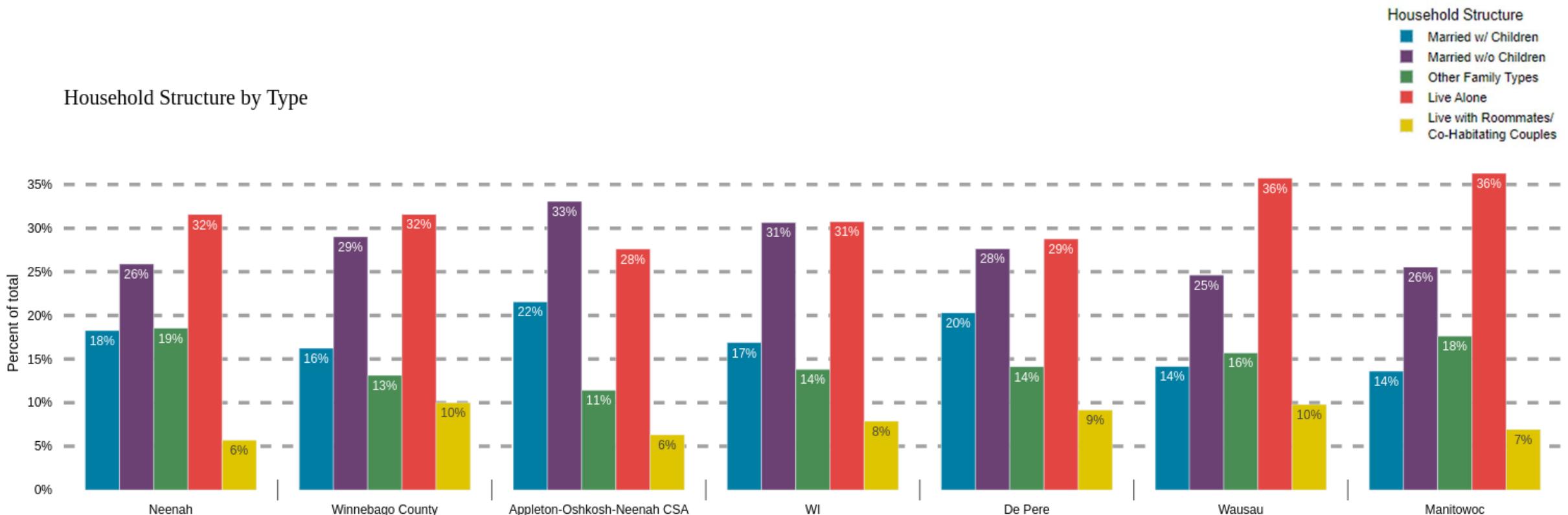


Source(s): ACS, 5 year estimates, 2009-2022

DEMOGRAPHIC TRENDS | HOUSEHOLDS

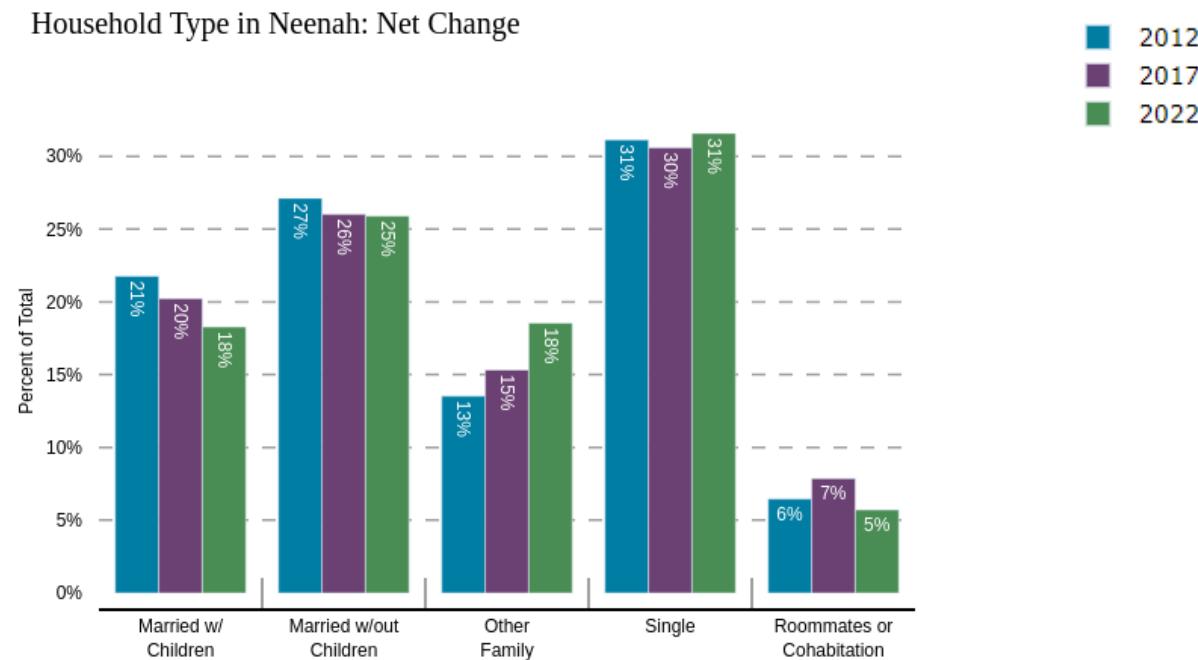
Married with children and other family types (cohabitating couples, single parent households) are common

Interestingly, some of the places that are getting younger – Manitowoc, Wausau, and Neenah – have a growing share of people living alone (usually associated with young adults or seniors), and other family types (single-parent households, cohabitating couples with children, or mixed-generation families).



Other family types are growing faster relative to other household types

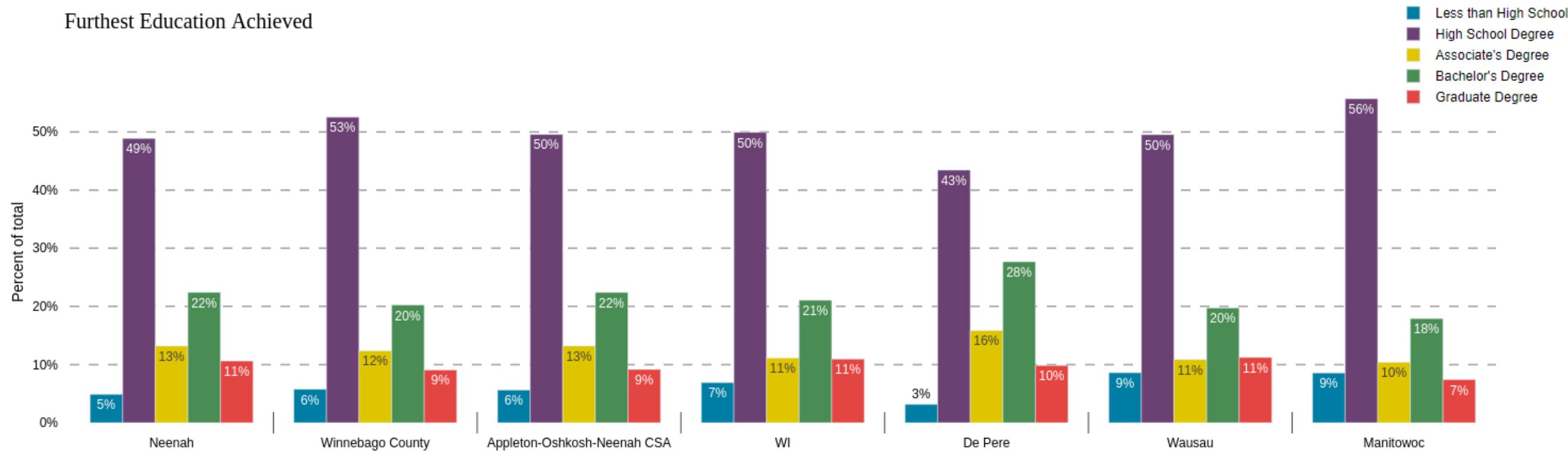
Despite a growing number of children, the proportion of households married is also trending downwards. At the same time, the 'other family' type is increasing its share, indicating a growing proportion of households that have children but are not married. Other household types are 24% more likely to live in a multi-family unit compared to a single-family unit.



33% of Neenah residents have earned a Bachelor's Degree or Higher

This ratio is higher than comparable locations in Wisconsin save De Pere, but lower than the national proportion of 34.6%. This reflects data that a higher proportion of Neenah's residents work in New Economy High Wage jobs that often require a college degree. Education is also tightly correlated with household income.

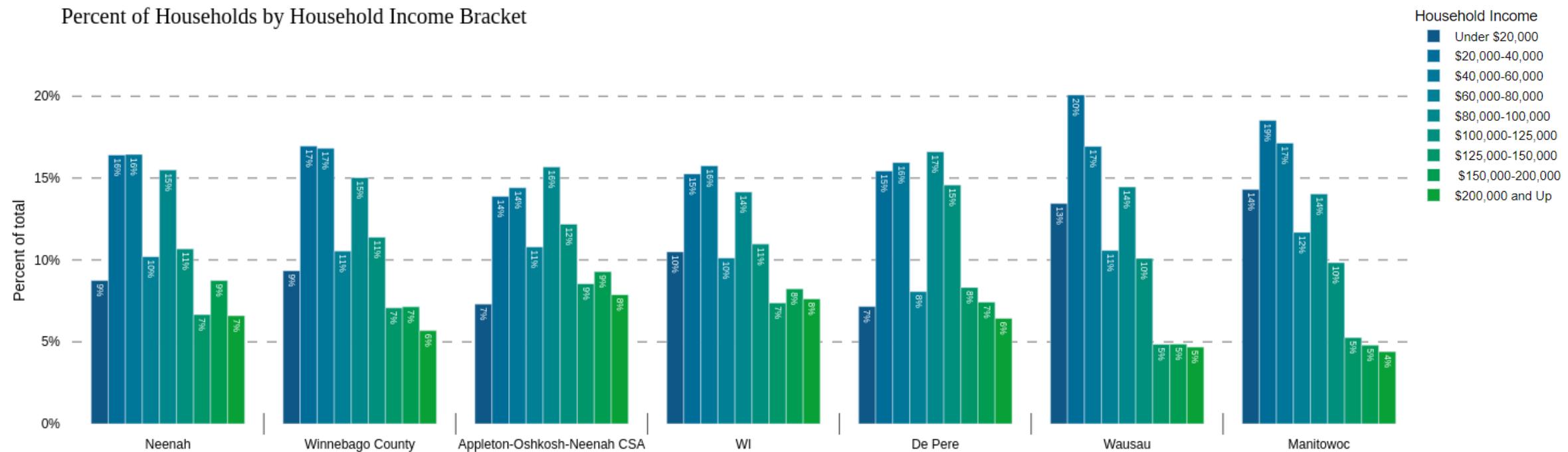
Furthest Education Achieved



DEMOGRAPHIC TRENDS | HOUSEHOLD INCOME

Neenah's income structure is slightly skewed towards lower-income households compared to the CBSA

Again, regions with a growing proportion of households with children and some neighborhood turnover have a higher ratio of lower income residents. Neenah contains a slightly lower proportion of higher income households than the metro.



Income Composition

Neenah's income composition has shifted in two directions. A slight increase in the top earning brackets is juxtaposed by growth in two of the lower household income brackets.

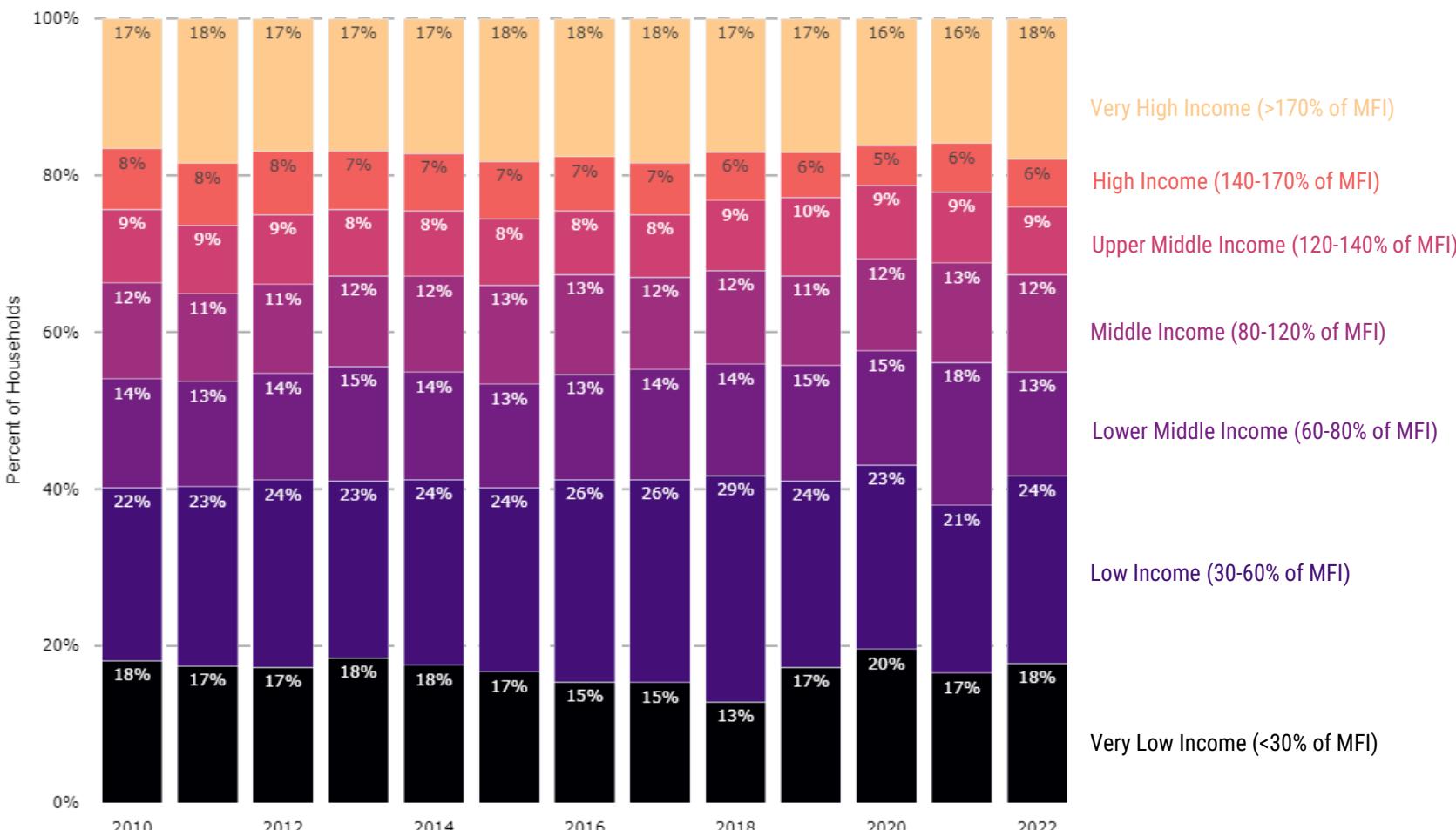
This slight shift is reflected elsewhere in the demographic composition, such as the growth in the proportion of people who work in the service sector as well as the growth of other household types, many of which are single-income earning households.

Neenah's available multi-family housing stock – substantial portions of which are older units – are increasing affordable relative to newer multi-family units in the metro region.

DEMOGRAPHIC TRENDS |

Ratio of Households by Income Composition: Neenah

Neenah-Oshkosh MSA MFI: \$92,769

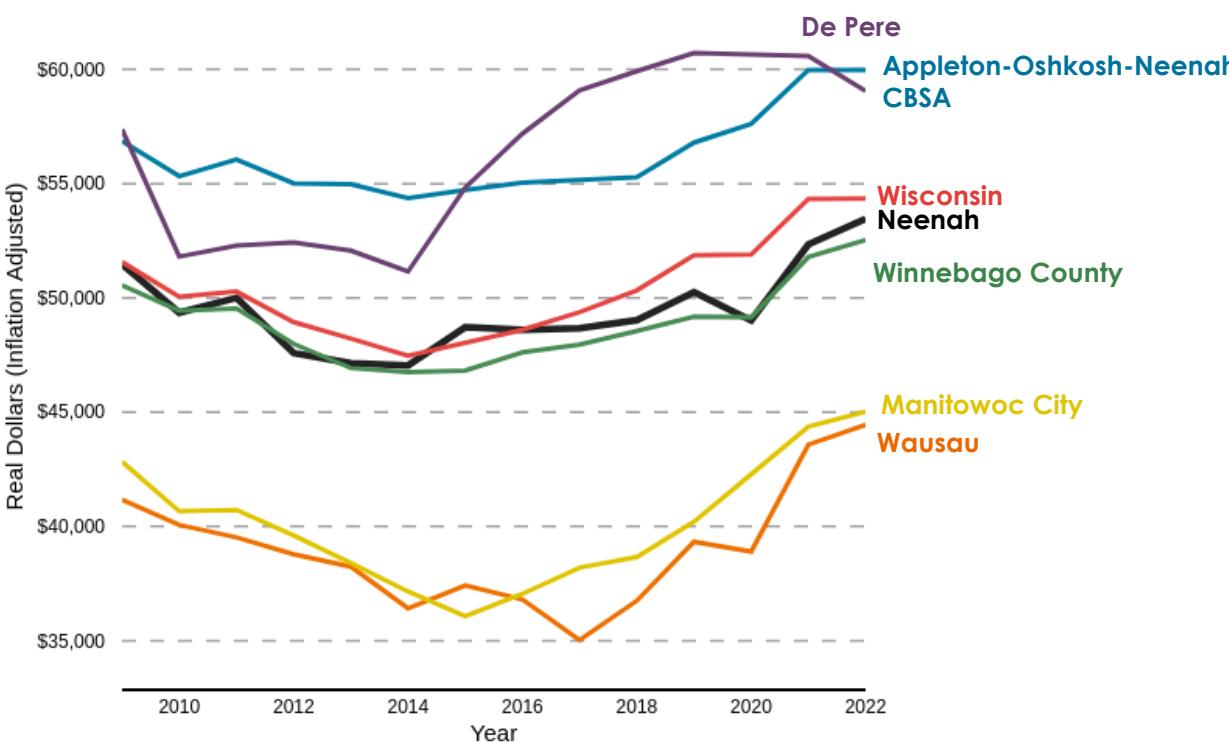


DEMOGRAPHIC TRENDS | HOUSEHOLD INCOME

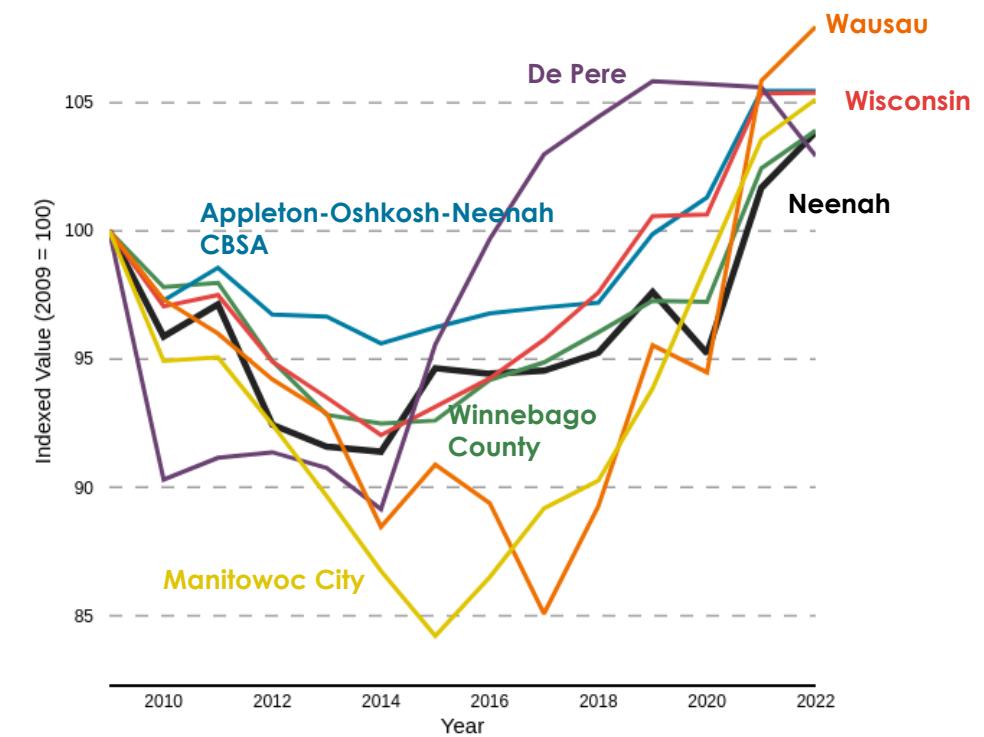
Stagnating or falling real wages in the 2010s started to reverse course in 2016

Neenah's median income sits below the region's median. Wage growth has also been slightly muted relative to comparable locations. Many lower wage service sector jobs have seen the largest wage increases since 2017, whereas wages of college-educated professions have not grown as rapidly (although they started at a much higher absolute number).

Median Household Income



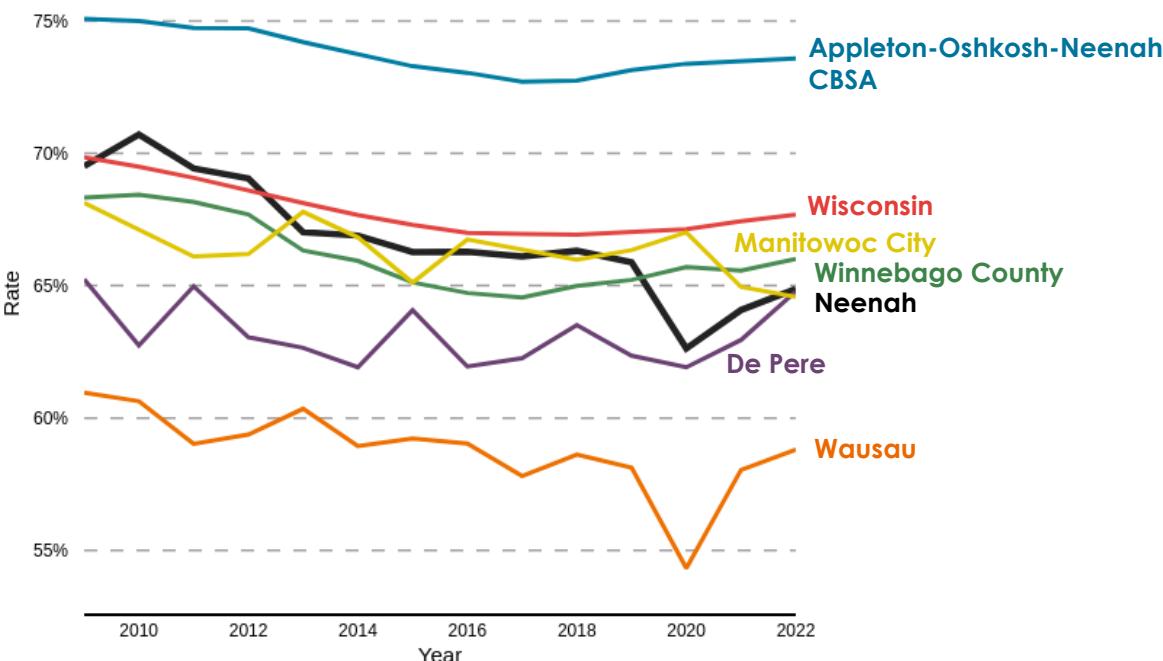
Median Household Income: Indexed



Homeownership rates are falling across the board, with Neenah's settling at 65%.

Homeownership rates are falling faster in communities with higher proportions of lower to lower-middle income households. Decline in homeownership has both structural macroeconomic and demographic drivers, although the downward trajectory may be stalling.

Home Ownership Rate Trends



So why more renters?

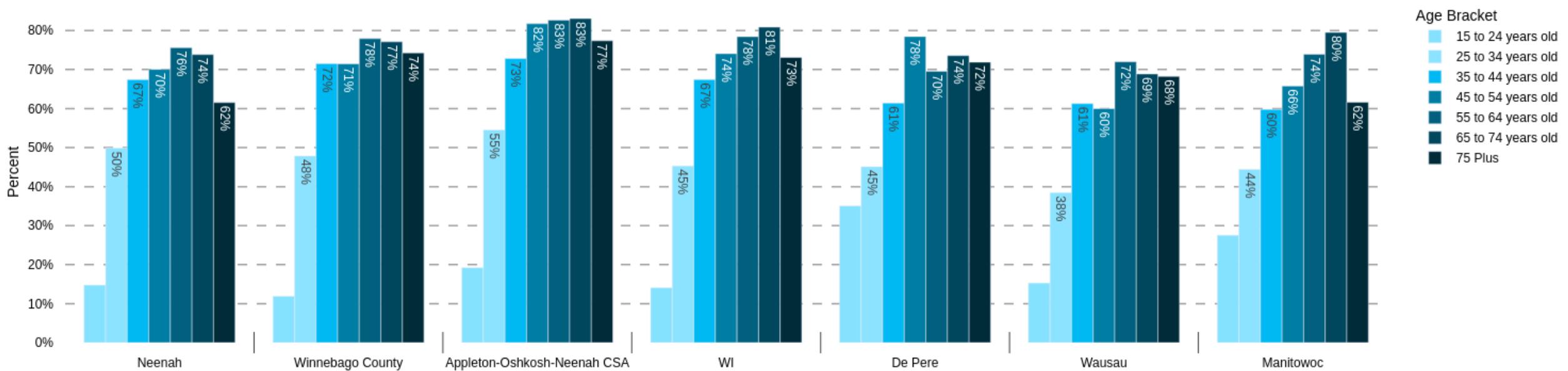
The decline in homeownership is driven by both structural and demographic changes. Since the Great Recession, tighter lending standards to households, higher levels of household debt due to student loans, and raising costs helped limit demand for home ownership. On the supply side, many homebuilders went out of business during the Housing Crisis and structural changes in housing finance put guardrails on speculative construction, lowering the rate of new construction. Multi-family homebuilders also had easier access to low-interest rate capital, helping fuel construction of multi-family housing. New supply, however, has hardly kept up with new demand, driving up rents. Meanwhile, the lack of single-family housing supply has also driven up competition for existing homes, making many homes unaffordable for lower to middle income households, especially those earning single-incomes. Changes in insurance for condominiums in cooperatives have also made insuring HOA's and new condo's prohibitively expensive, effectively capping all growth at the lower end of the multi-family ownership market.

Second, demographic forces are also at play. Many aging baby boomers prefer less home maintenance and are helping drive demand for multi-family housing. Similarly, millennials, the children of the boomers and the current largest generation, were largely in their twenties during the last decade and therefore were earlier in their career. Slower rates of family formation have meant more millennial households choosing to live in and rent smaller units. However, millennials are now entering peak career and family formation periods of life, and again driving demand for larger units, with the generation preferring suburban homes at the same rate as previous generations.

Neenah is starting to shift more towards Wausau and Manitowoc – two places with more multi-family

Neenah's homeownership rate is lower than the metro and County, especially so among 75+ households and younger Gen-Z and Millennial households. First-time homebuyers face significant obstacles, including student debt, high interest rates, and significantly higher home prices.

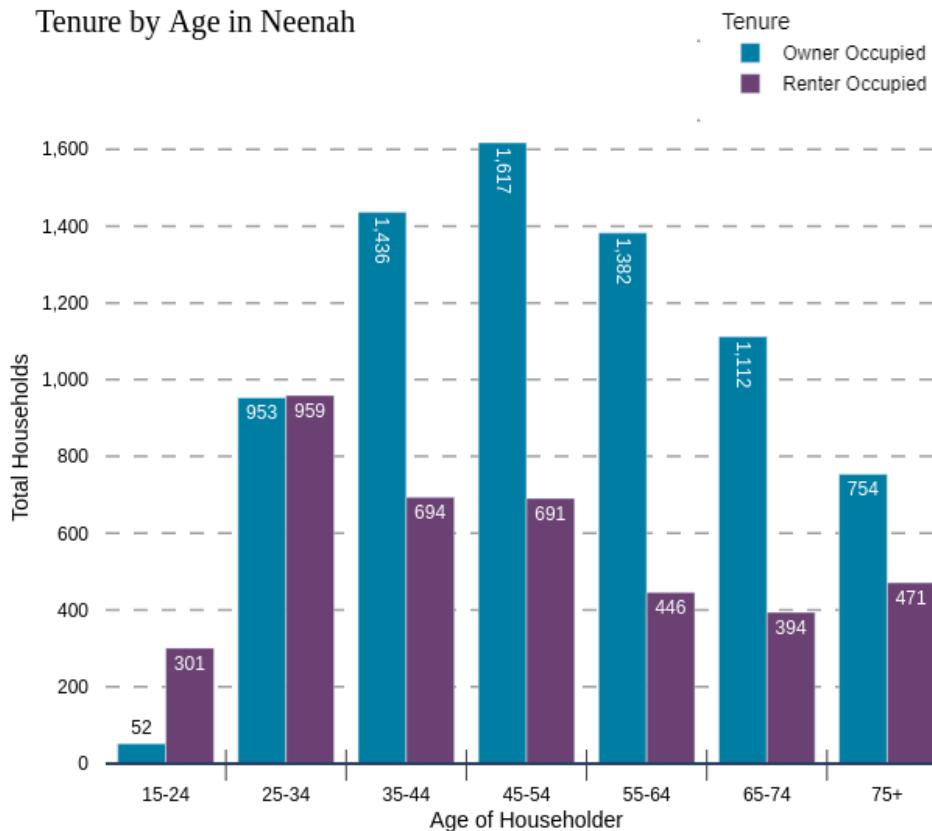
Homeowners as Percent of Total Households in Same Age Bracket



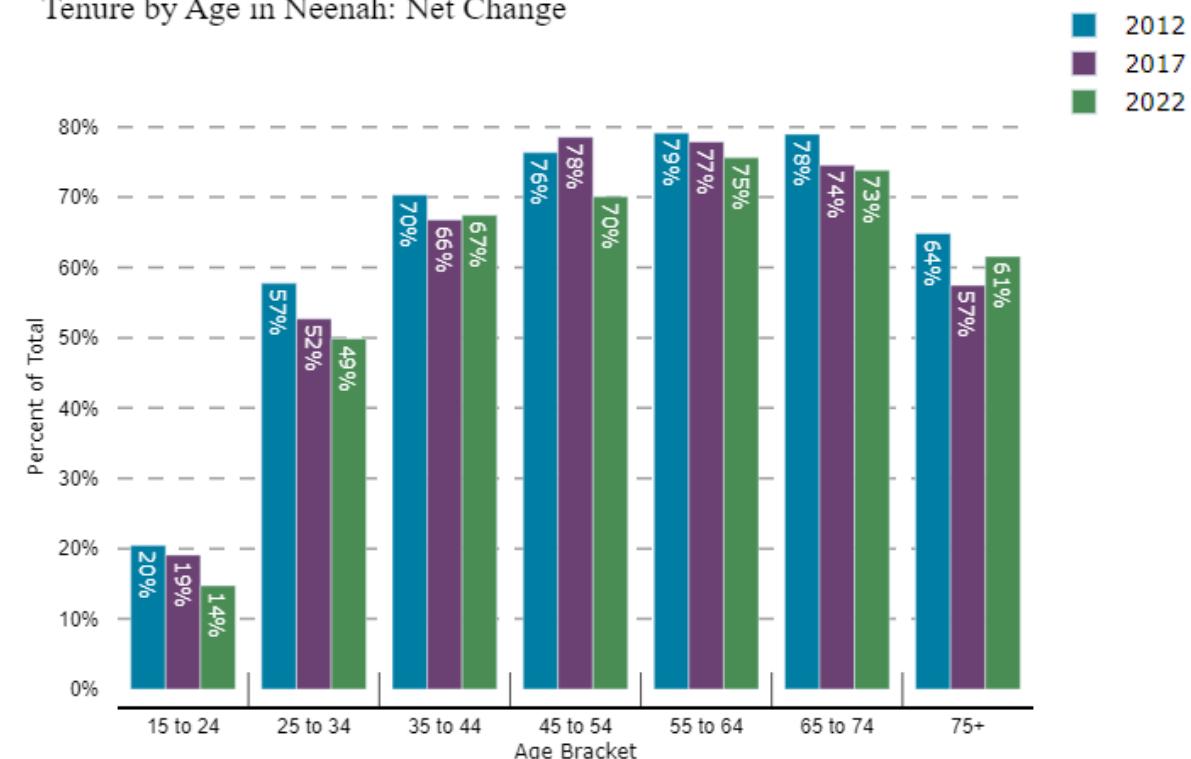
Homeownership rates have been falling gradually across age-brackets in the past decade

Neenah's household tenure generally reflects macro-economic conditions. Tougher lending standards, limited new supply, and then higher interest rates have made homeownership more challenging, especially for those earning less than the median family income. Since new jobs are being created across the income spectrum, a higher proportion of new entrants are likely to rent than has been historically the case.

Tenure by Age in Neenah



Tenure by Age in Neenah: Net Change



Key Trends

Neenah's housing market is attractive to middle-income households in the region, including both knowledge and service sector jobs. However, median household income growth is also slower, potentially a consequence of shifting household types towards more single-income earner households.

Neenah's population is attractive to diverse household types, with its median age actually decreasing over the past decade. Increased households with kids are not just married families, but also a mix of single-parent households.

Homeownership rates are falling and slightly lower in Neenah. This is especially true among younger households that may be first-time homebuyers, and older households that are downsizing out of existing single-family homes

Housing Market Impacts

Housing demand is strongest within the lower and lower-middle segment of the market, where new supply often struggles to meet demand.

Growth in single-income earning households can be an effect of rising home prices in major metros relative to the high occupational opportunity and lower cost of living in Neenah. Renting is more common among single-income earning households.

Rental units remain an important part of the housing stock, providing a range of options for people in different life stages. Even as rental demand increases, rental supply has yet to meet demand, putting upward pressure on rents.



05

MARKET INDICATORS

MARKET INDICATORS | HOUSING SUPPLY

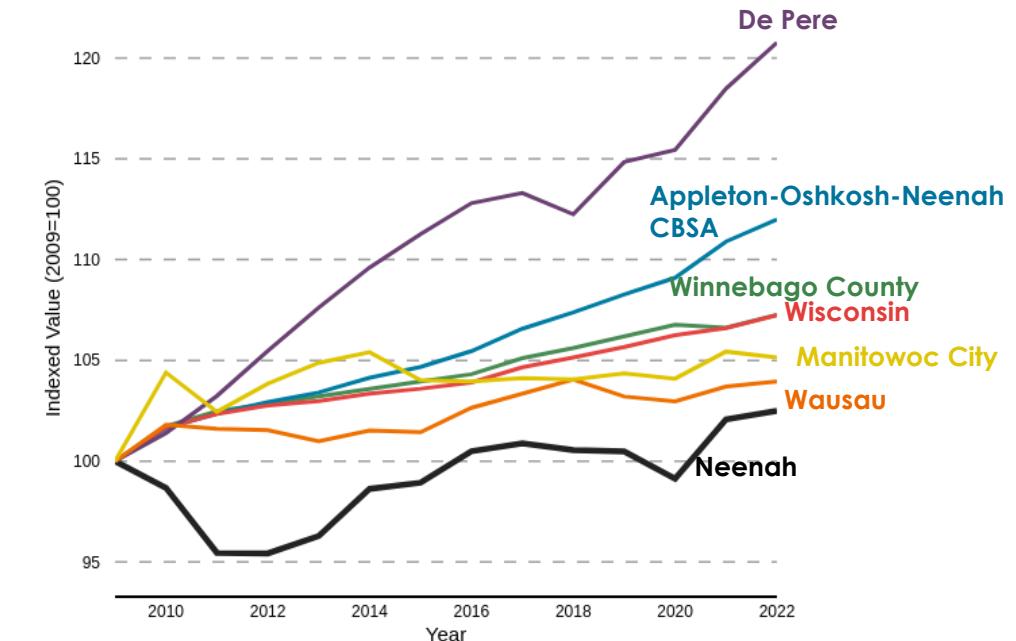
Neenah lost units during the Great Recession, with new construction only recently passing 2009 levels

Neenah's housing supply suffered after the Great Recession, leading to a loss of 500 units. Neenah's housing market was more seriously hit than similar Wisconsin cities. However, recent construction has helped meet growing household demand.

Units Built Since 2009



Change in Units Built Since 2009: Indexed

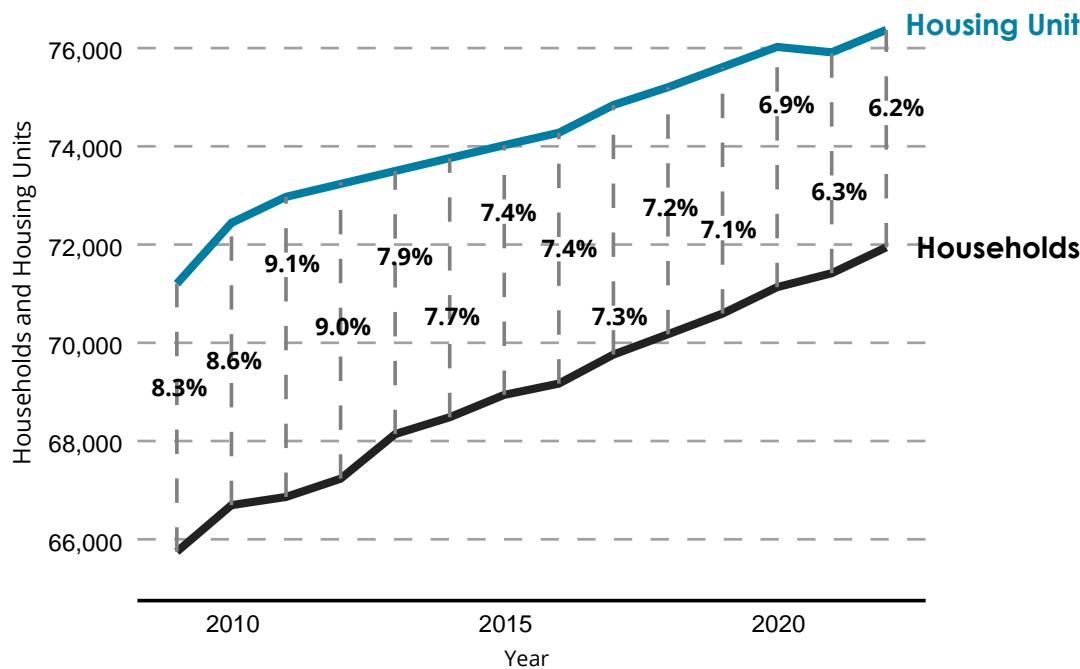


MARKET INDICATORS | HOUSING SUPPLY

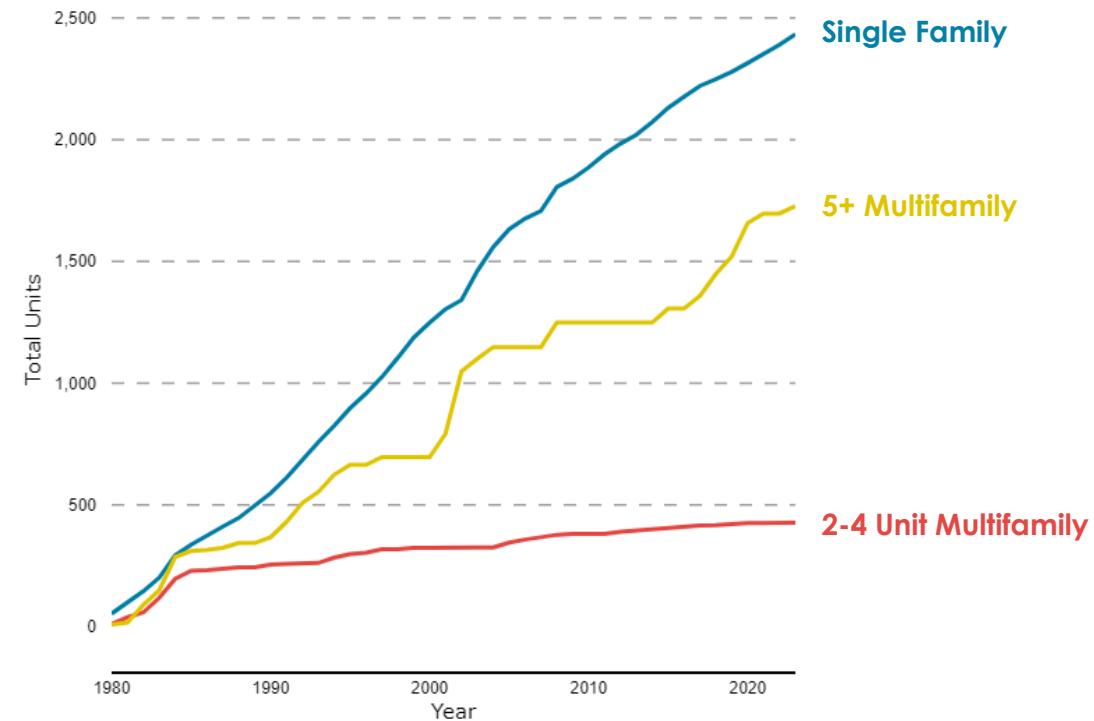
Housing Construction has not kept pace with household growth.

Single-family growth has slowly tapered as developable land shrinks. The housing crisis also impacted the rate of single-family home construction. Multi-family units, on the other hand, stalled since 2000 before accelerating again in the past 10 years. Economic tailwinds have strongly supported multi-family construction.

Total Households by New Housing Units in Winnebago County



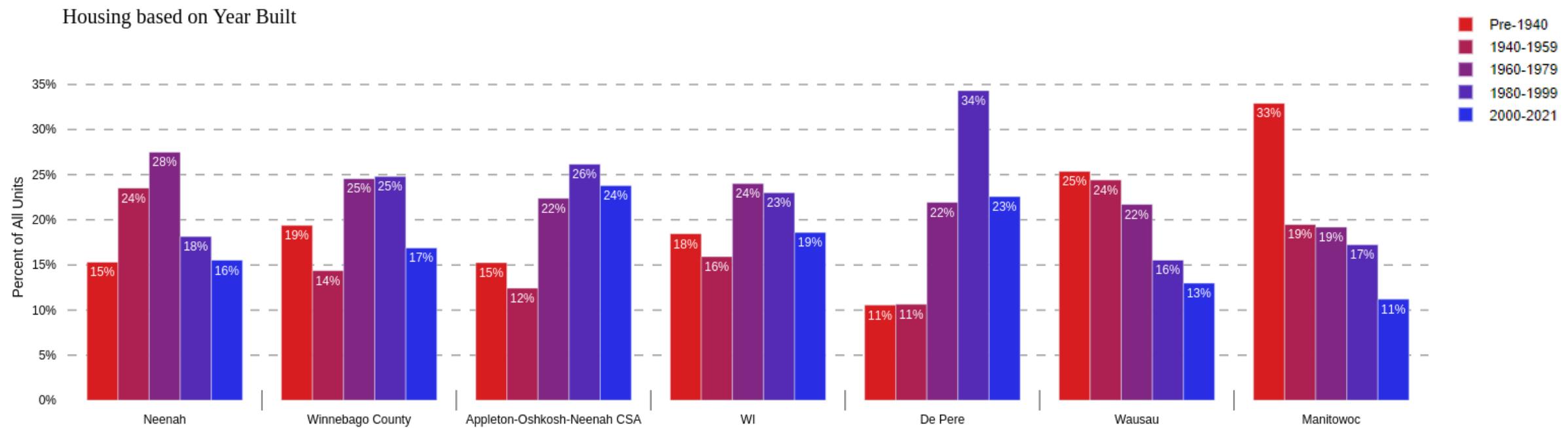
Neenah Housing Units by Type since 1980



MARKET INDICATORS | HOUSING SUPPLY

Neenah's housing

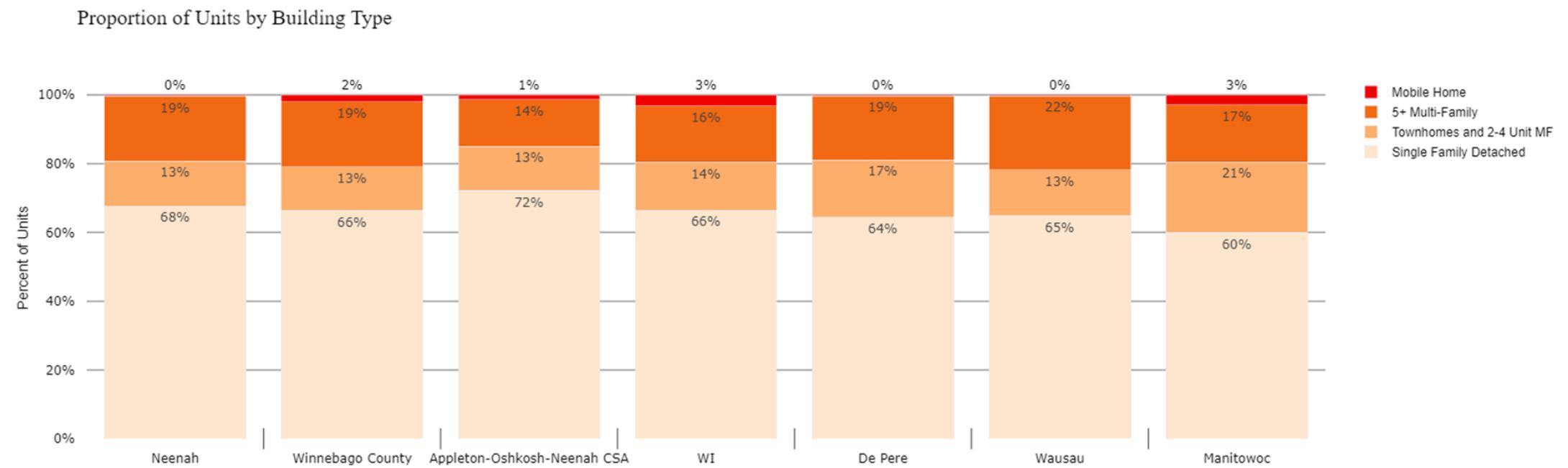
Neenah's housing stock is rooted in the post-war era. With about 52% of its units built between 1940-1980. As new unit production stalled in Neenah, housing unit production has grown in outlying areas in the county and metro region. Incorporation of new space has helped expand developable land for single-family construction, as has building more density.



MARKET INDICATORS | HOUSING SUPPLY

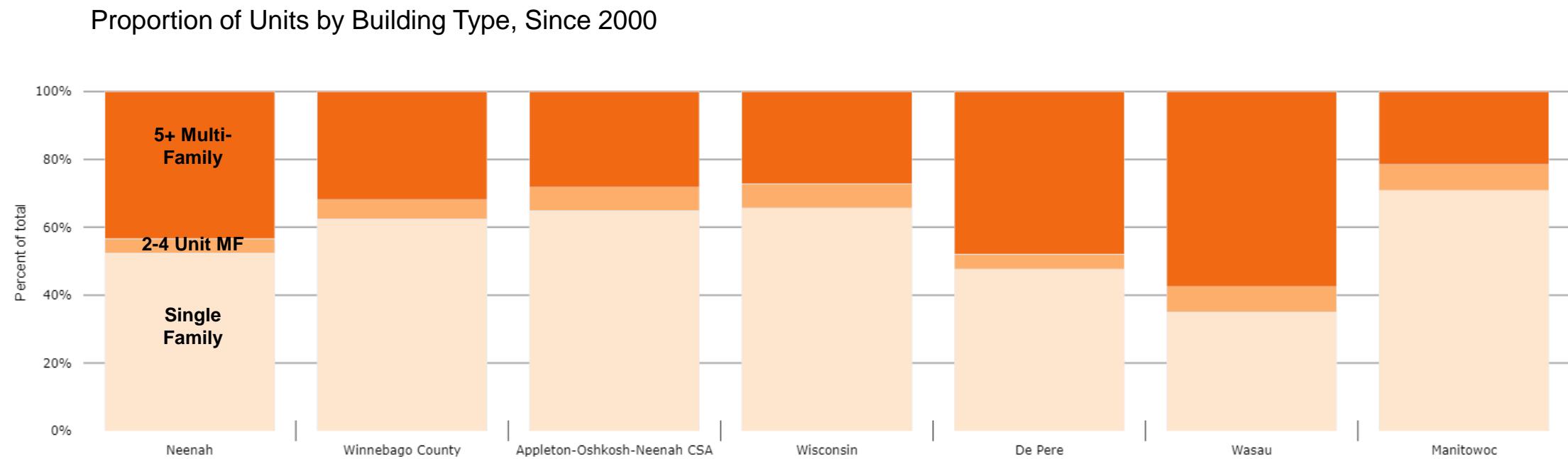
Neenah contains a diverse mix of housing, with 32% some form of multi-family housing

Neenah's unit mix is moving close to regional norms, with a new wave of multi-family housing helping to diversify the community's housing stock.



More recently, however, Neenah has shifted towards more multi-family units

As developable land has become more sparse and economic forces have helped drive demand for multi-family units, new construction is increasingly leaning towards more dense housing types. Meanwhile, lighter density housing has been slow state-wide, with most falling into twin-home style suburban construction. As developable land shrinks, there will be a continued need to build at greater density.

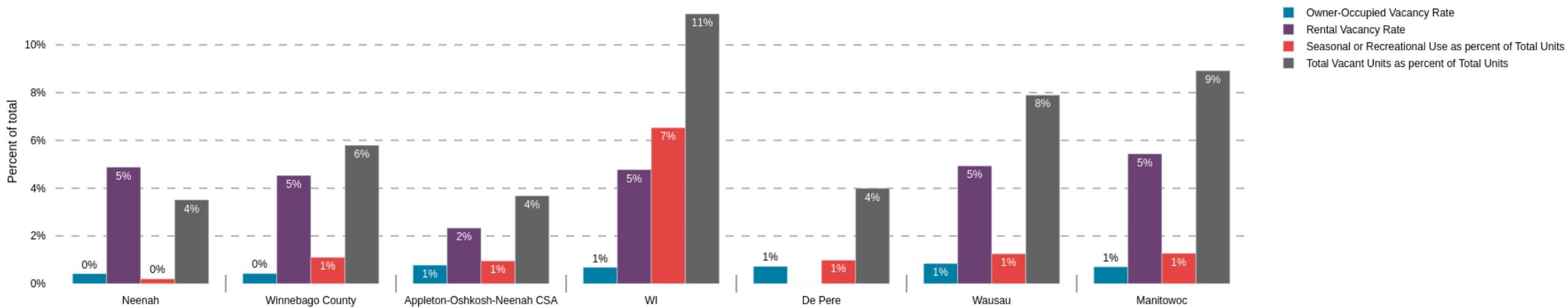


MARKET INDICATORS | GENERAL VACANCY

Vacancy rates are healthy in the rental market, whereas ownership remains heavily constrained

Rental vacancy rates are near 5% in most cities (however 2% in the CSA), whereas the rate of homes for sale (home inventory, or ownership vacancy rate) are low across the board. Inadequate housing inventory drives up competition for homes, increasing home prices.

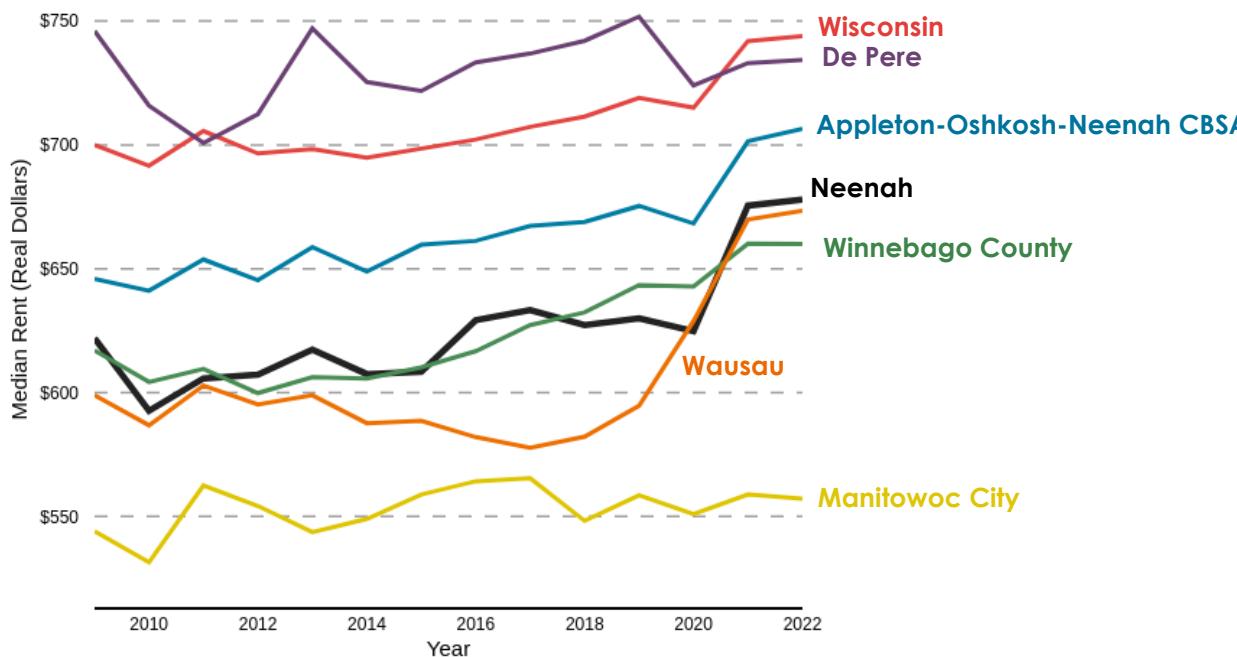
Vacancy Rates by Type



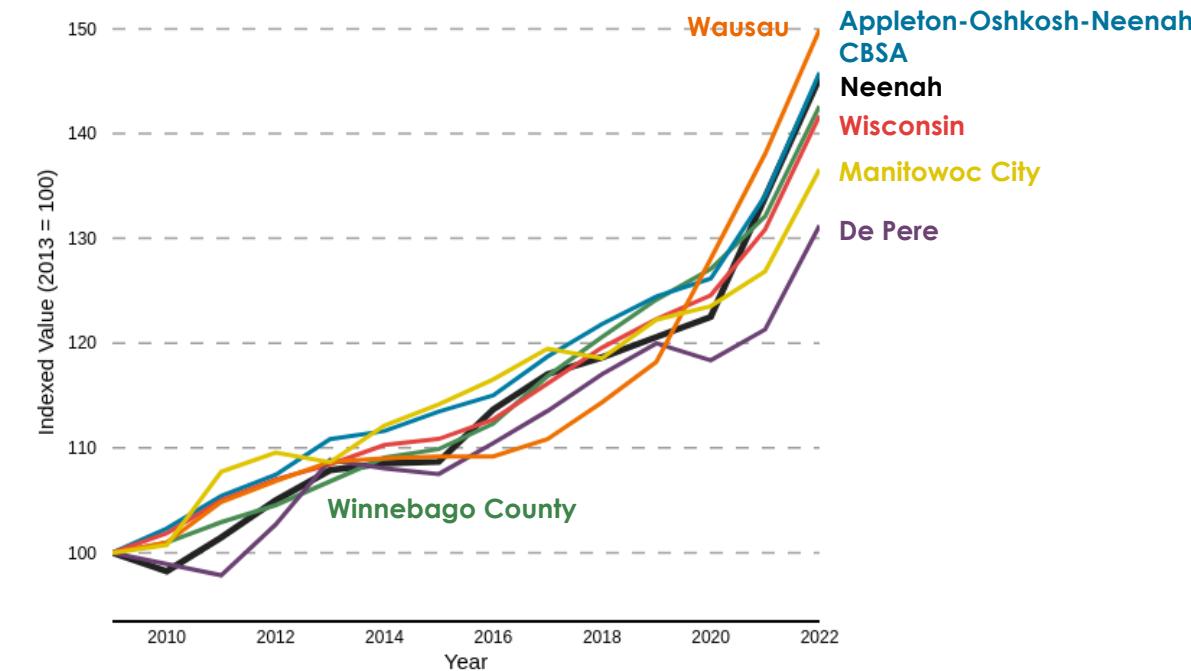
While historically affordable, Neenah's rents have growth pretty rapidly alongside population growth

Neenah's rent is not an outlier in the broader metro – actually offering some more affordable options. Rents across the board grew during Covid-19 as demand for rental units far outpaced new supply. Demand drivers for rental – including high interest rates, high levels of household debt, and high home prices due to housing shortages – continues to reinforce renting in the mid to long-term.

Median Rent: Trends



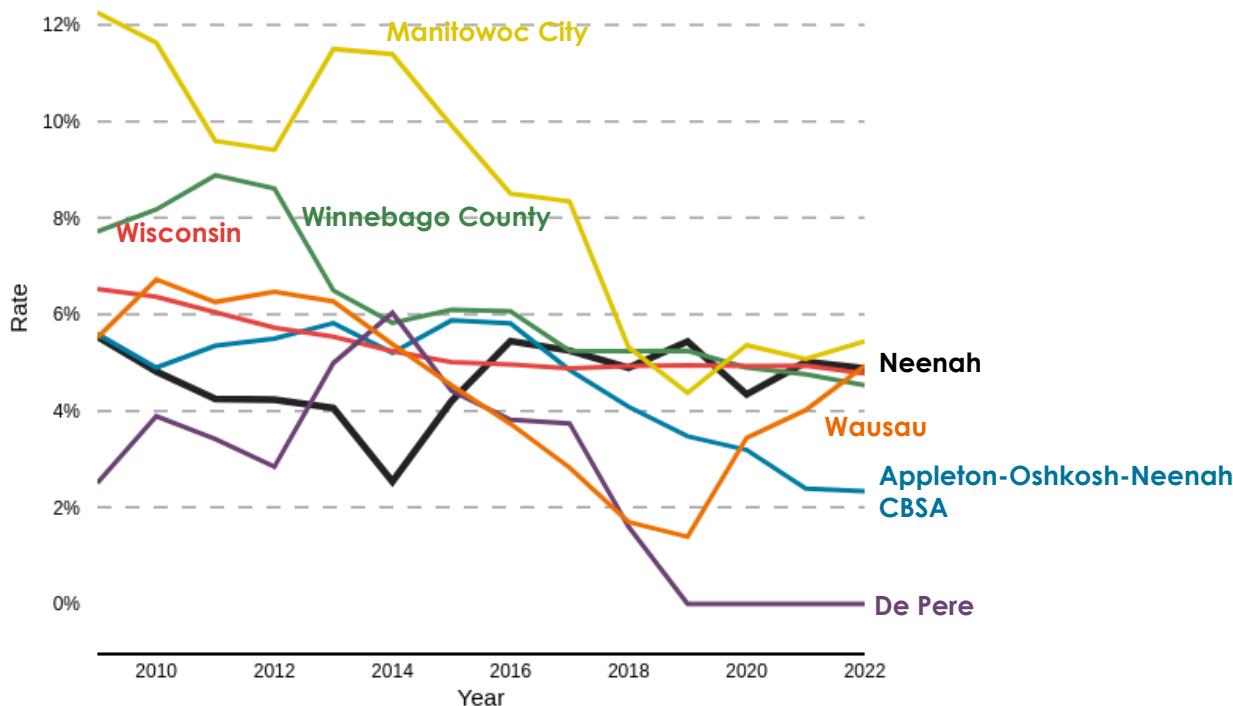
Median Rent, Current Dollars: Indexed



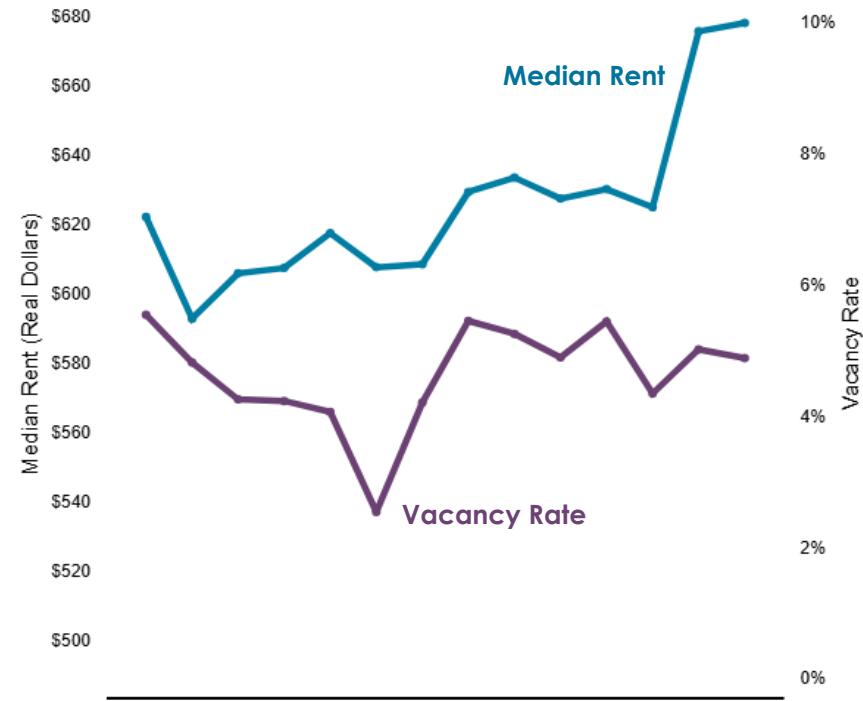
New supply has helped meet demand for rental units

Neenah's rental vacancy rate has hovered near 5%, with a dip after the Great Recession eventually generating sufficient market pressure to add new supply. New supply – often a higher quality rental stock than what exists on the market – has effectively increased rents even as overall vacancy rates remain low.

Rental Vacancy Rate



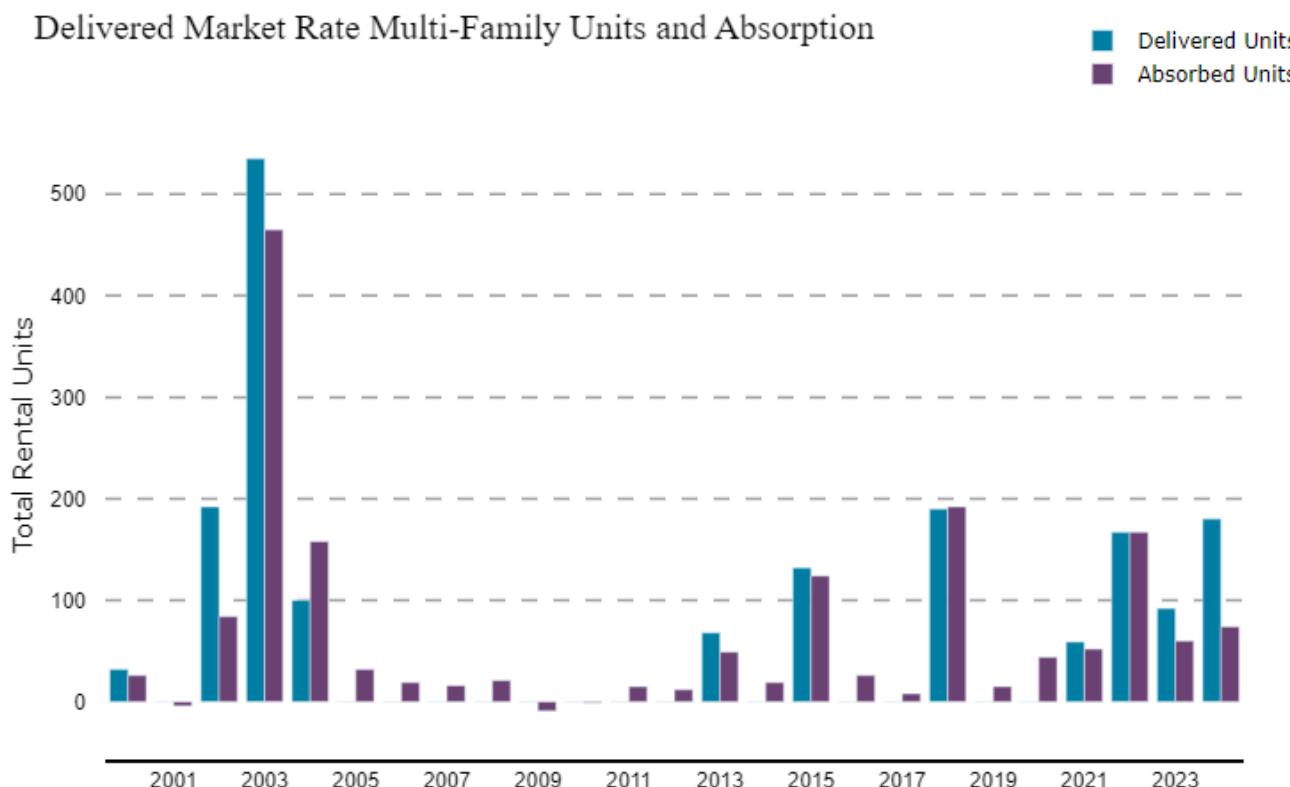
Vacancy Rate Relative to Median Rent



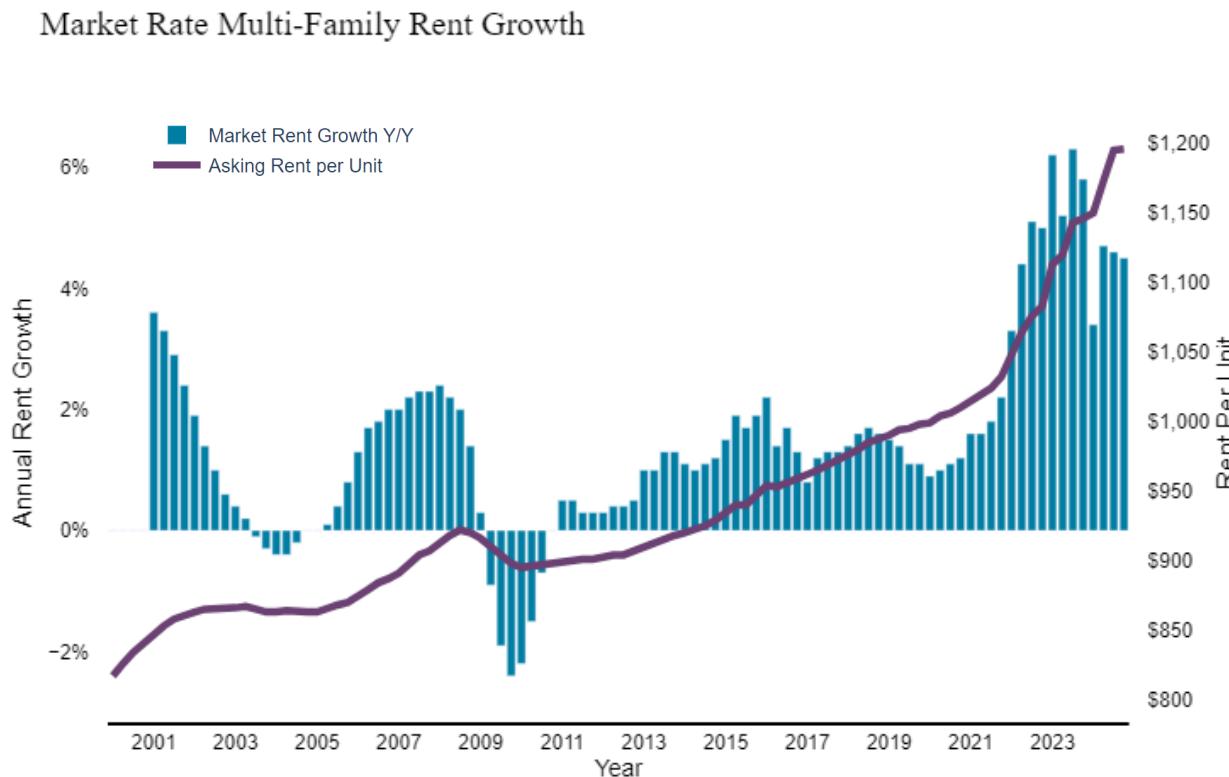
MARKET INDICATORS | MULTI-FAMILY RENTALS

New multi-family inventory continues to be developed

Until recently, new inventory was almost immediately absorbed upon hitting the market. In 2023, more than one-third of the delivered units are yet to be absorbed, and slower absorption rates have continued into 2024. Overall demand has started to slow, although vacancy rates still hover around 5%, indicating general equilibrium. Developers report that some shifts in marketing strategy have helped draw new renters.



Rent growth rapidly accelerated alongside Covid-19, with demand outpacing supply



A note on data triangulation:

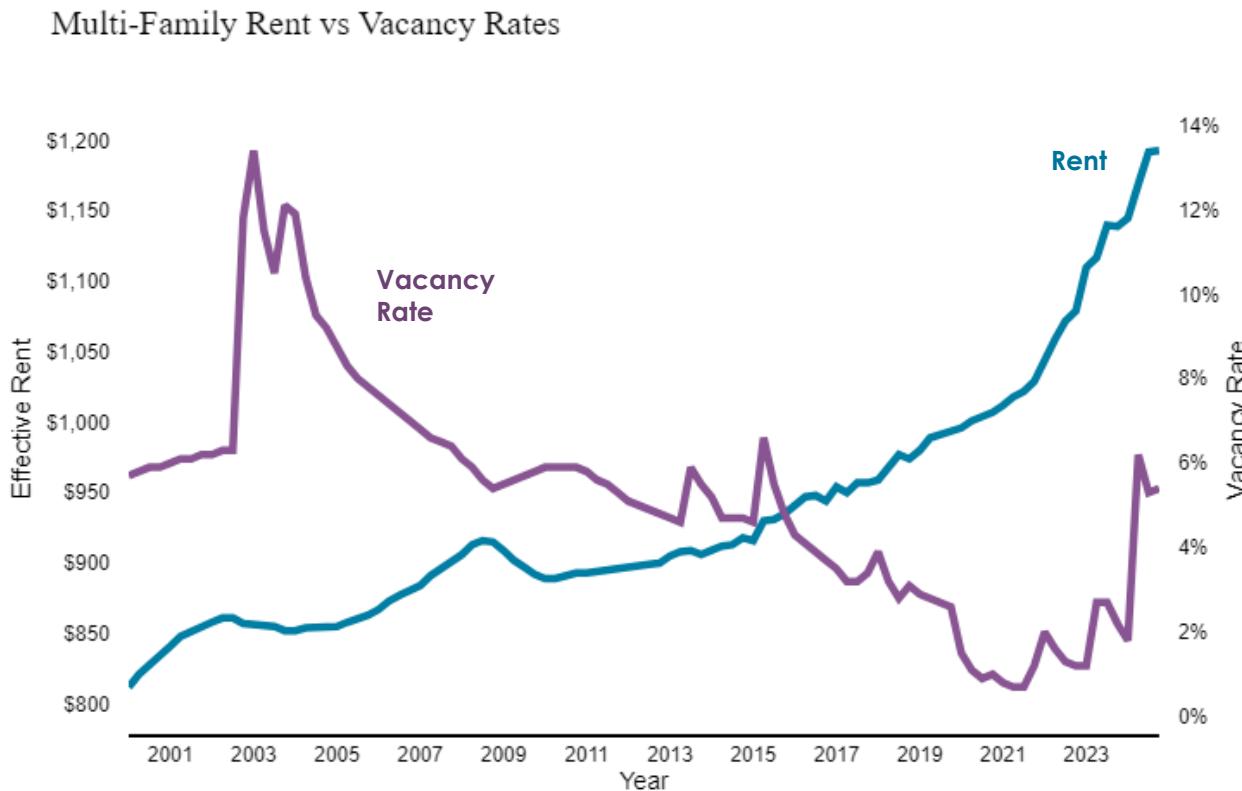
Costar is a comprehensive database of commercial properties. It tracks a range of housing market metrics and commercial descriptors. In the housing market, it is strongest at tracking larger multi-family, market rate rental buildings. It does not track single-family homes for rent, duplexes, triplexes, or smaller/older multi-family complexes. In Neenah, it fails to capture single-family homes, condominiums, or single-family homes for rent.

It is useful to triangulate data from Costar with other data sources to get a more comprehensive understanding of the market.

MARKET INDICATORS | MULTI-FAMILY RENTALS

Since 2015, vacancy rates have favored landlords, inducing new construction

Vacancy rates hovered above 5% following the recession as the economy stalled. Revived growth helped drive in-migration, and Covid-19 drove more people to live alone, increasing demand. Vacancy increased as new supply entered the market, but stabilized vacancy is still below 5%.

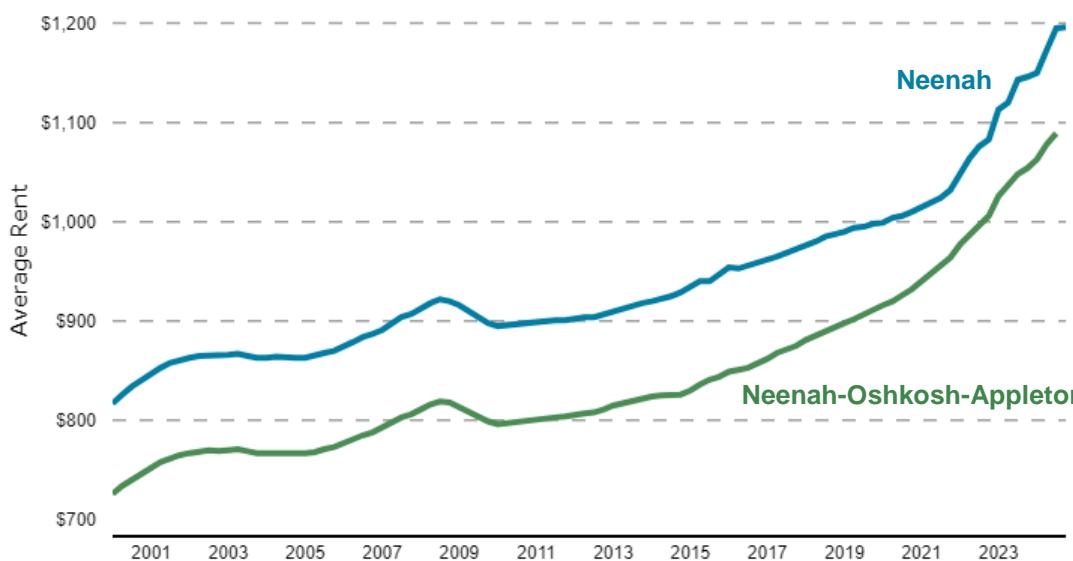


MARKET INDICATORS | MULTI-FAMILY RENTALS

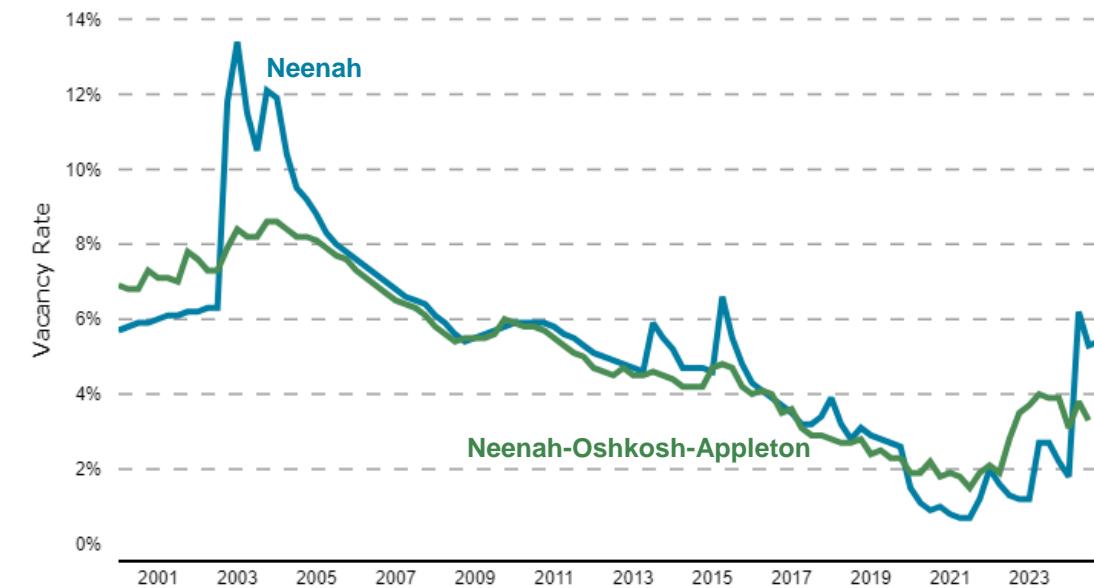
Neenah earns a rent premium on the general market, with rents growing significantly during Covid-19

Rent growth was muted until job growth at the tail end of the 2010s combined with increased demand during Covid-19. The result was sub-2% vacancy rates, putting upward pressure on rents. The vacancy rate increased in 2023 as new inventory entered the market, but absorption of new units has been strong.

Multi-Family Rent in Neenah Compared to Neenah-Oshkosh-Appleton



Multi-Family Vacancy Rates in Neenah compared to Neenah-Oshkosh-Appleton



Single family rentals remain an important part of the housing market

Single Family Rentals

Single family housing is an important source of rental housing, providing a need for larger families not interested in owning, or property owners interested in leasing out a property when selling may not be right.

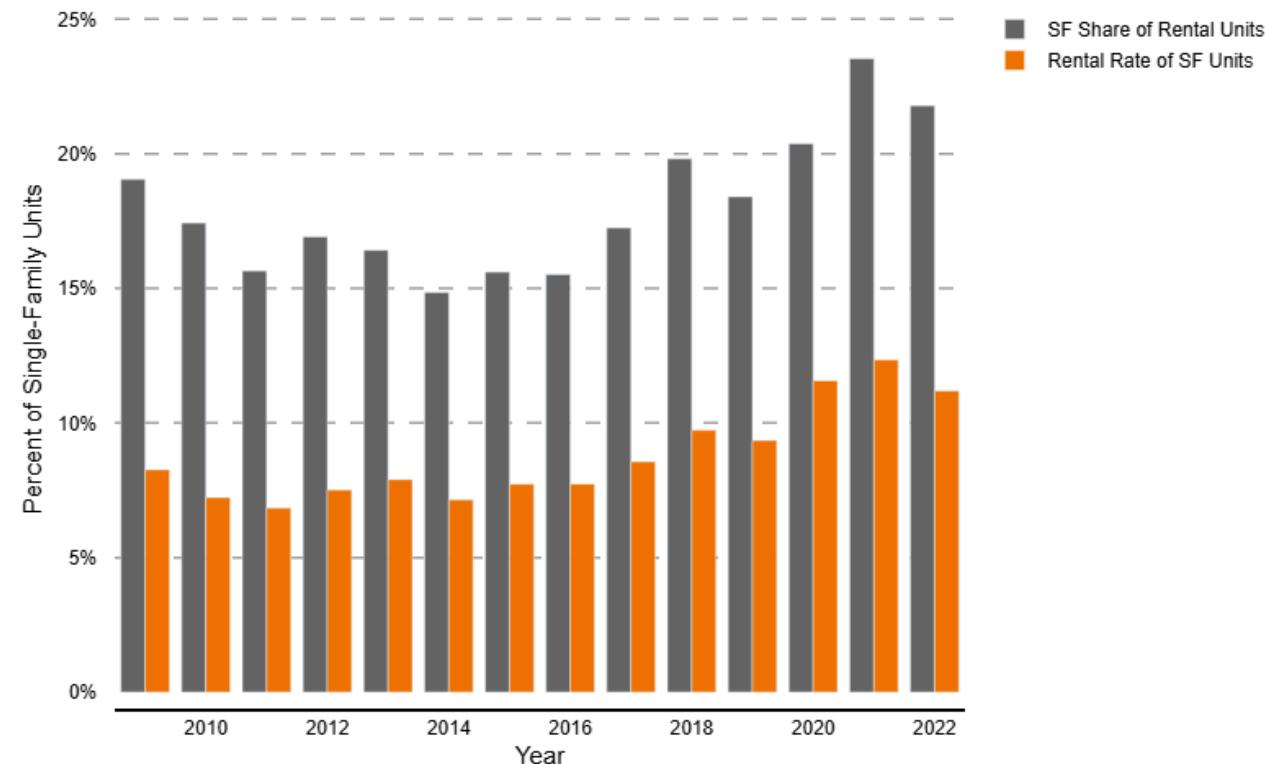
Over the last fifteen years, Neenah averaged 8.8% of all single-family detached units. The proportion of rentals in the market remained relatively consistent throughout the 2010s before increasing at the onset of the pandemic to a high of 12.34% of total single-family units. According to Stantec's estimate derived from the City of Neenah assessment data, the

current rental rate is 10.7% of single-family units.

What is driving growth?

The onset of Covid-19 correlated with growth in single-family rentals nationwide. Doubling down on investment strategies fine-tuned in the decade prior, large private equity firms took advantage of low interest rates to aggressively pursue single family homes for rentals. However, investment by large corporate players remained targeted to several key metropolitan markets – the Fox Cities is not one of them. According to the Winnebago County Assessor data, no large corporate investor is present in the Neenah market.

Single Family Rental Market



Single family rentals remain an important part of housing, but what role do corporate landlords play?

Corporate Investors

If we identify a 'Corporate Investor' as an organization that owns three or more homes in the City of Neenah, is registered as an LLC, and is not a builder/developer of single-family homes, only 32 single family homes of the estimated 866 single family rentals are owned by a 'Corporate Investor.'

Broadening out, LLC – a proxy for investors but not including housing trusts, builders, or non-profits - own 225 total single-family units, or about 26% of single-family rentals, and 2.8% of all single-family homes.

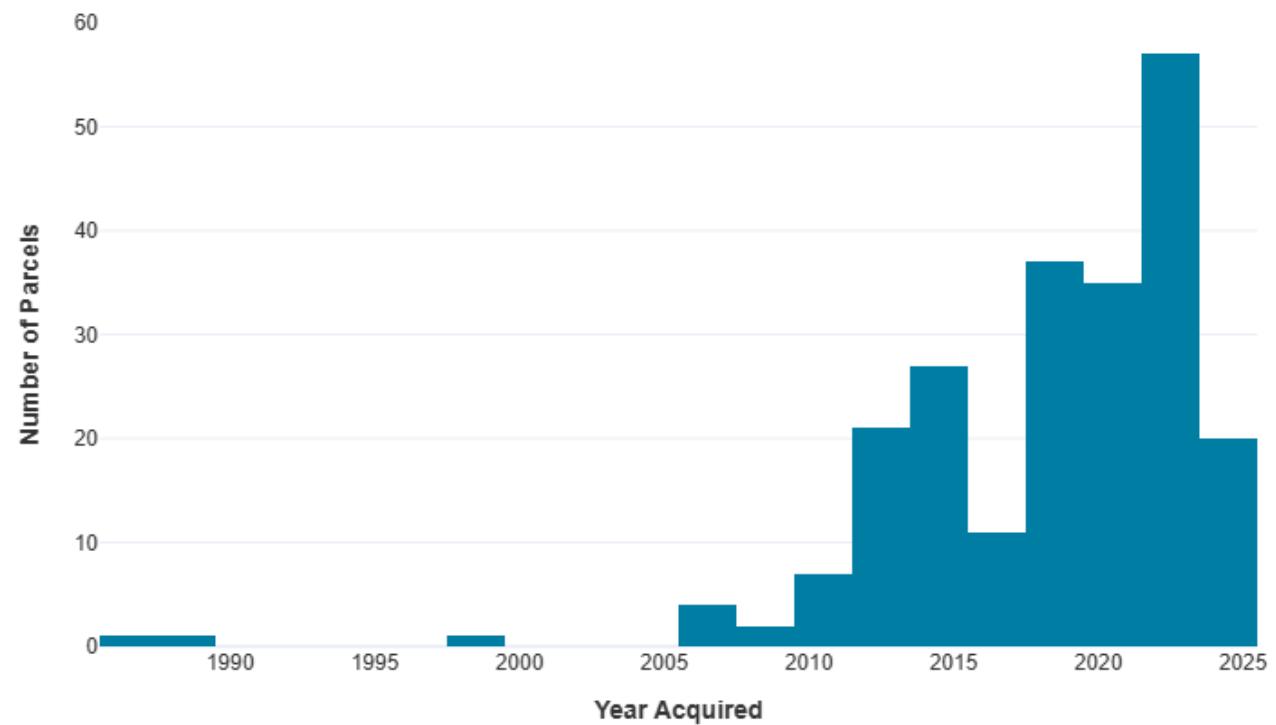
Consequently, about ¾ of single-family rental homes are 'Mom and Pop' owners who choose to rent their home.

However, there is a growth in single-family purchases by LLCs

– mostly local or regional housing investors that are targeting the single-family housing market. Since the beginning of 2021, 5.2% of registered home purchases were by LLCs, doubling the number of homes purchased that during the Great Recession, when many investors purchased distressed assets.

Geography: Mapping LLC owned homes shows low spatial concentration. Older neighborhoods near downtown Neenah and western Doty Island have slightly higher densities of rentals, including LLC rentals. A diversity of tenures can help ensure neighborhood vitality and prevent long-term disinvestment or decline.

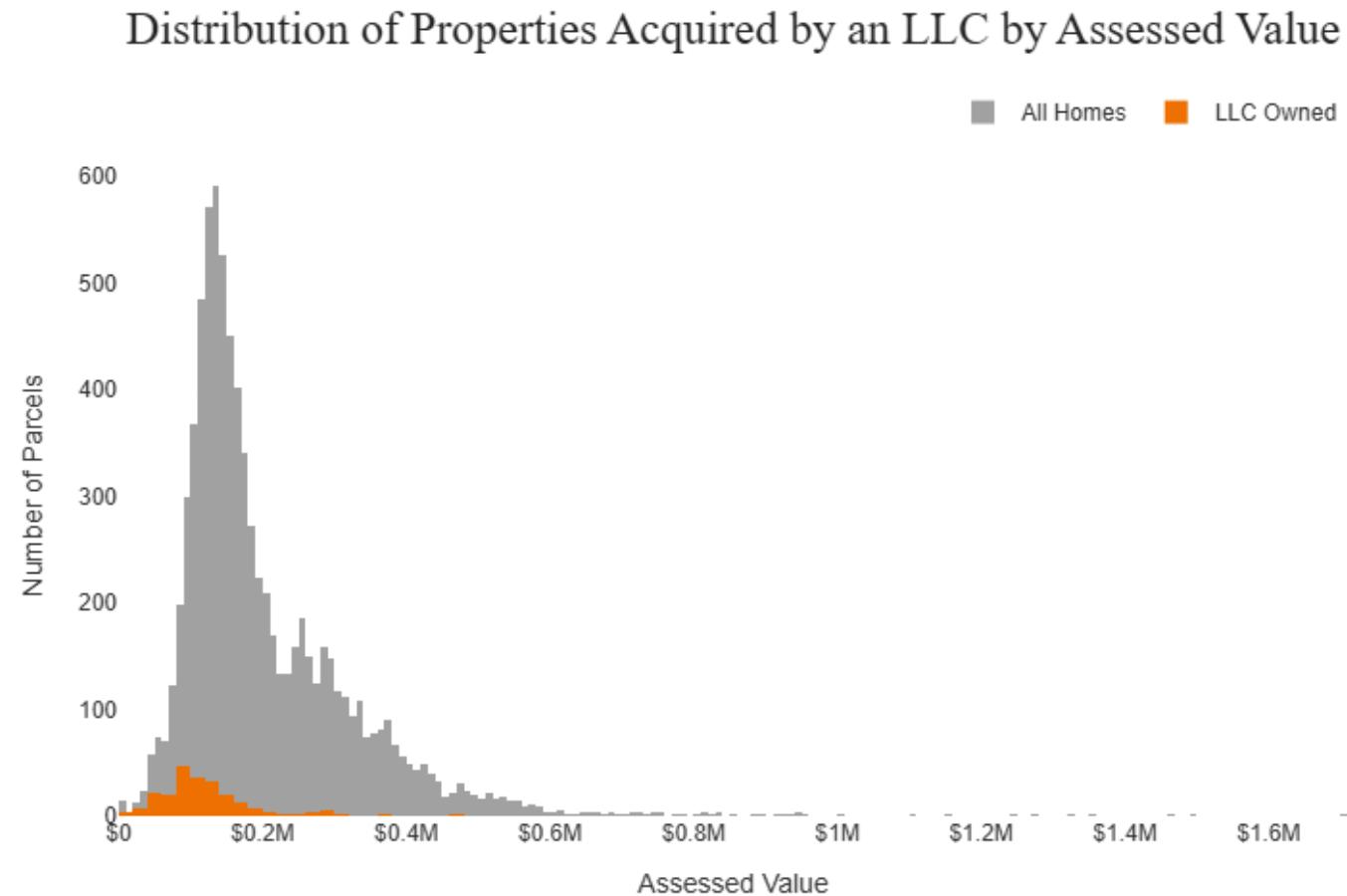
Distribution of Properties Acquired by an LLC by Year



Single family rentals remain an important part of housing, but what role do corporate landlords play?

Houses Targeted: The median and mean assessed value of LLC owned homes is \$105,000 and \$117,147 compared to a median of \$164,500 and mean of \$203,994 of all single-family properties. Most of these are old homes, with the median and average year built of 1940 and 1937, compared to a mean and median of 1961 each for general homes. This behavior is more typical of smaller/regional landlords who typically strategically pursue older homes in disrepair to buy, repair and rent. To the contrary, large corporate investors pursue homes closer to the median/mean of the region, and newer homes that typically require less direct maintenance and repair – processes that can be taxing on large property managers.

Conclusion: Single family homes for rent are responding to market forces: There is an increase of households who are likely to rent, rental needs or preferences can extend beyond multi-family units and are different than historical models of home ownership, and there is limited availability of that housing type on the market. The increase in demand for entry-level priced homes can increase housing prices in that bracket – and indeed that bracket has been appreciating faster than middle-tier or more expensive homes. Markets typically respond by adding more supply of housing, but adding new supply to meet growing demand continues to be an issue, creating a relatively inelastic market.

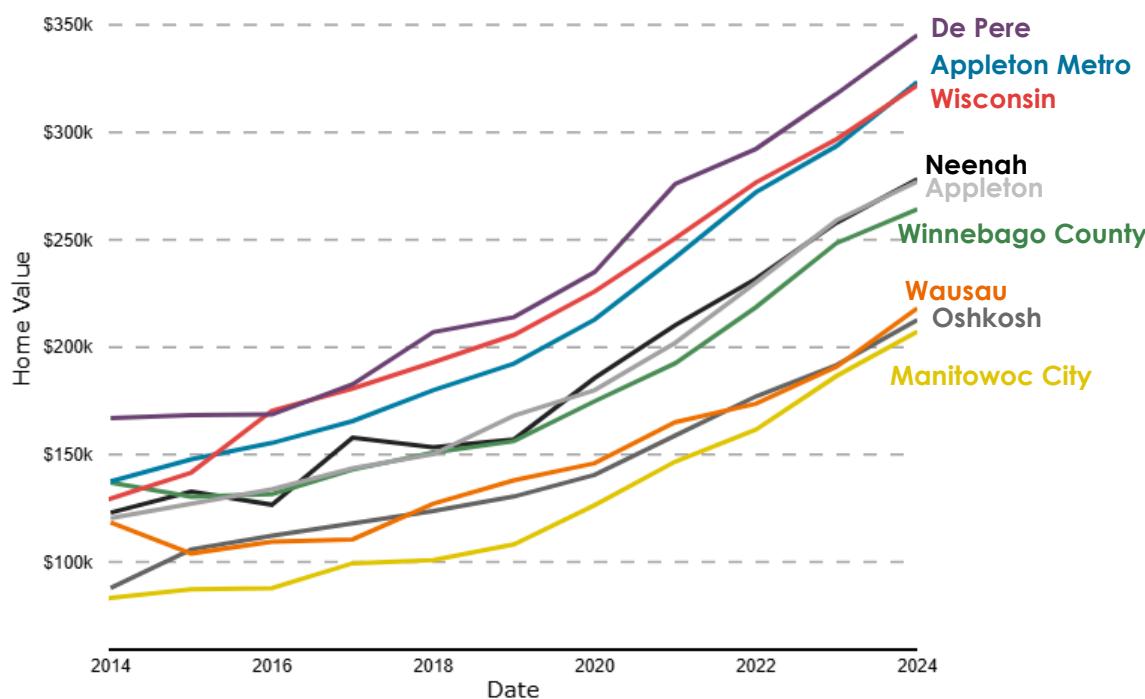


MARKET INDICATORS | OWNERSHIP MARKET

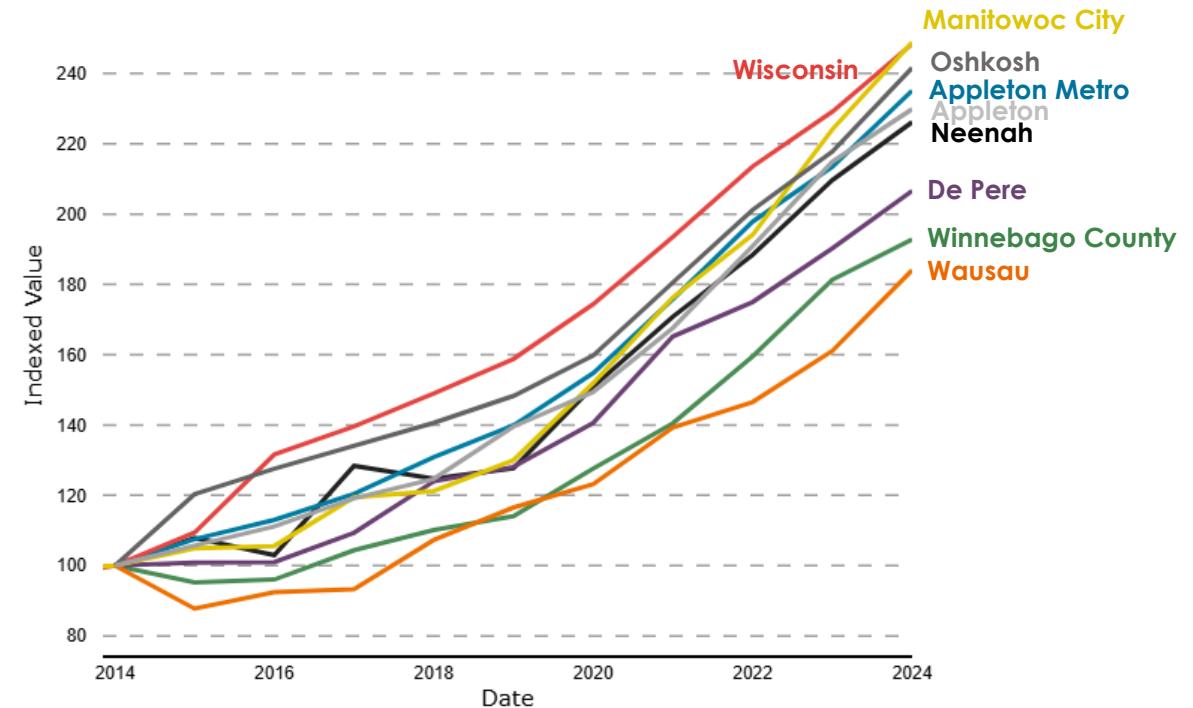
Similar to rental housing, the Great Recession put a chill on new housing supply

With supply stalling in the early to middle part of the decade, the hotter economy in the second half of the decade created new jobs, while increasing local wages, both stimulating demand in the ownership market. Every market has seen near 100% growth since 2014, with Neenah's surpassing 120% growth. Even as interest rates rose, demand for housing remains strong.

Single Family Homes: Median Price



Single Family Homes: Median Price Index (2014 = 100)

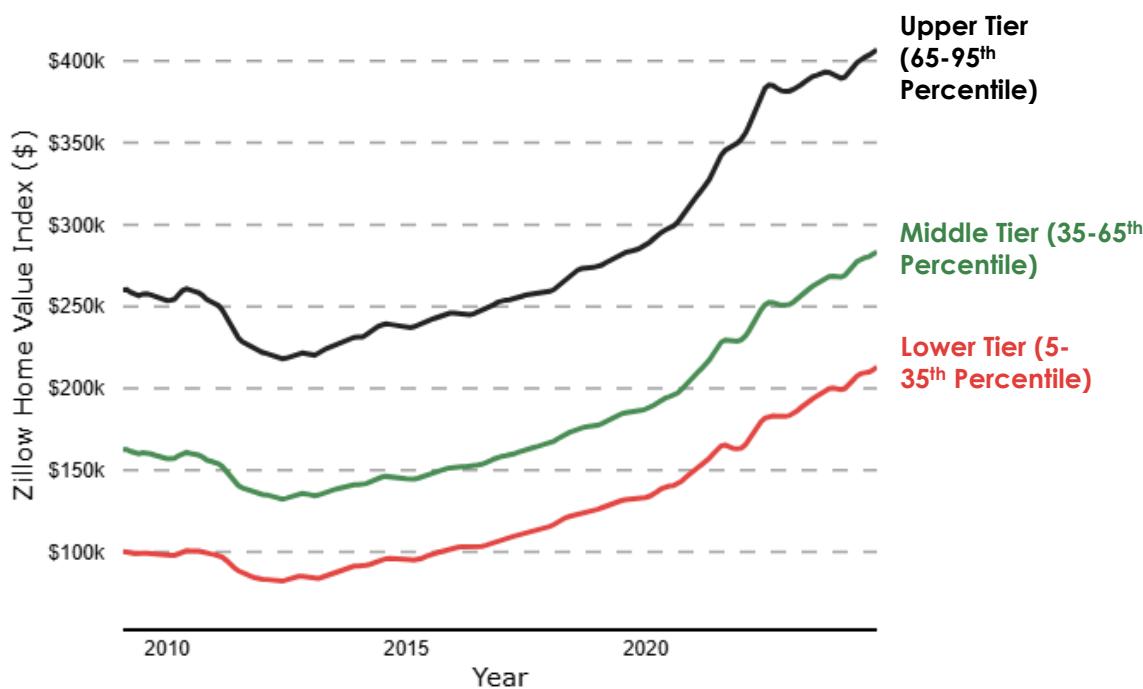


MARKET INDICATORS | OWNERSHIP MARKET

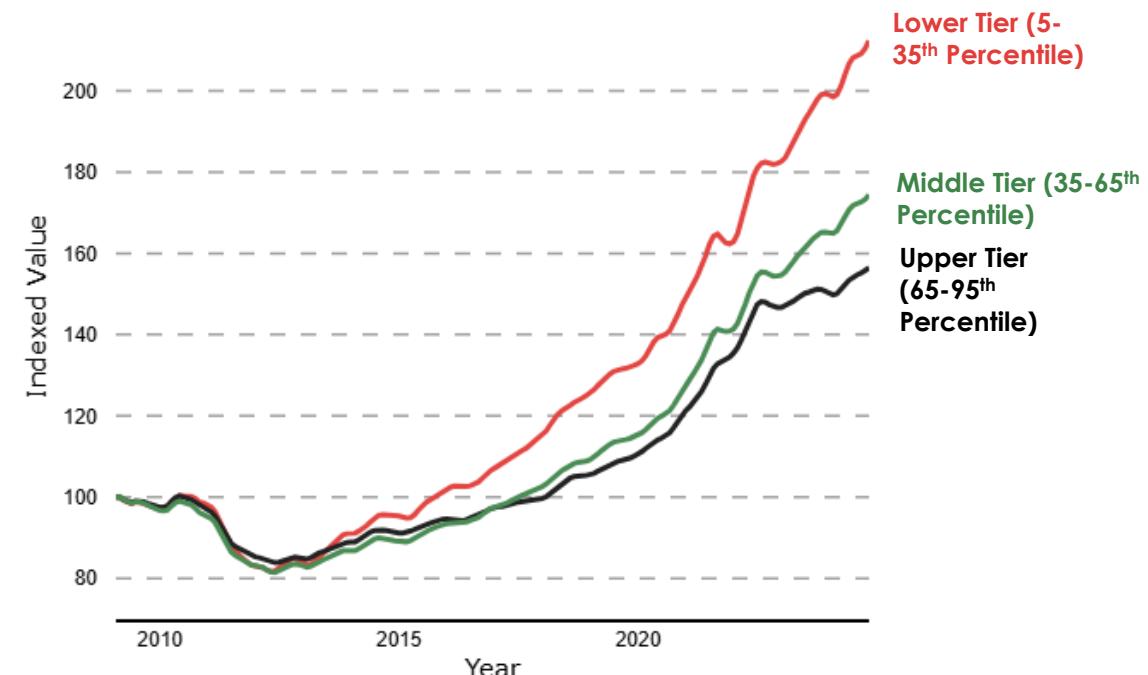
Demand has been strongest on the lower end of the housing market.

Lower priced housing units have seen the strongest pressure, as the number of households on the lower to lower-middle portion of the income spectrum have increased faster than new units in that price range have entered the market. With new construction often priced in the 'upper tier' of the housing market, it is easier for developers to respond to market pressures on that end of the income spectrum.

Home Values Based on Tier: Neenah



Home Values (Indexed) Based on Tier: Neenah

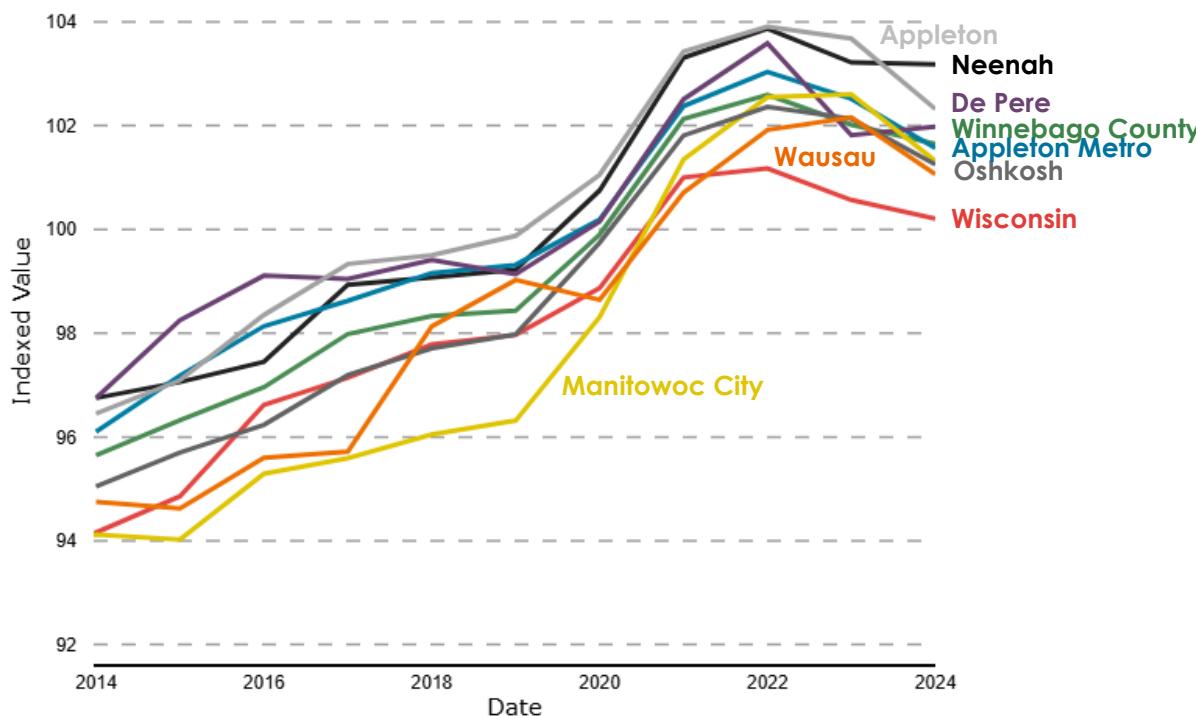


MARKET INDICATORS | OWNERSHIP MARKET

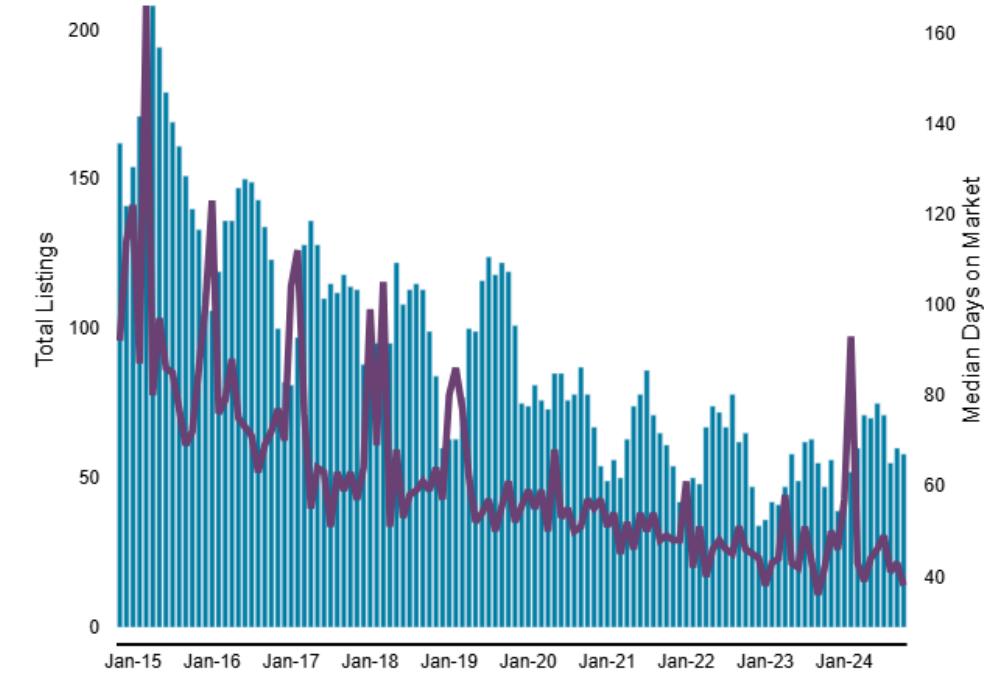
Neenah's housing market is hot. New inventory is low, driving up competition for new homes

Neenah's housing market is one of the hottest in the metro. Median days on market and total listings have plummeted. Hot demand has increased average sale to list price, with Neenah's average sale surpassing its list price since 2019. Low demand is a function both of limited new supply and high demand across the board.

Single Family Homes: Average Sale to List



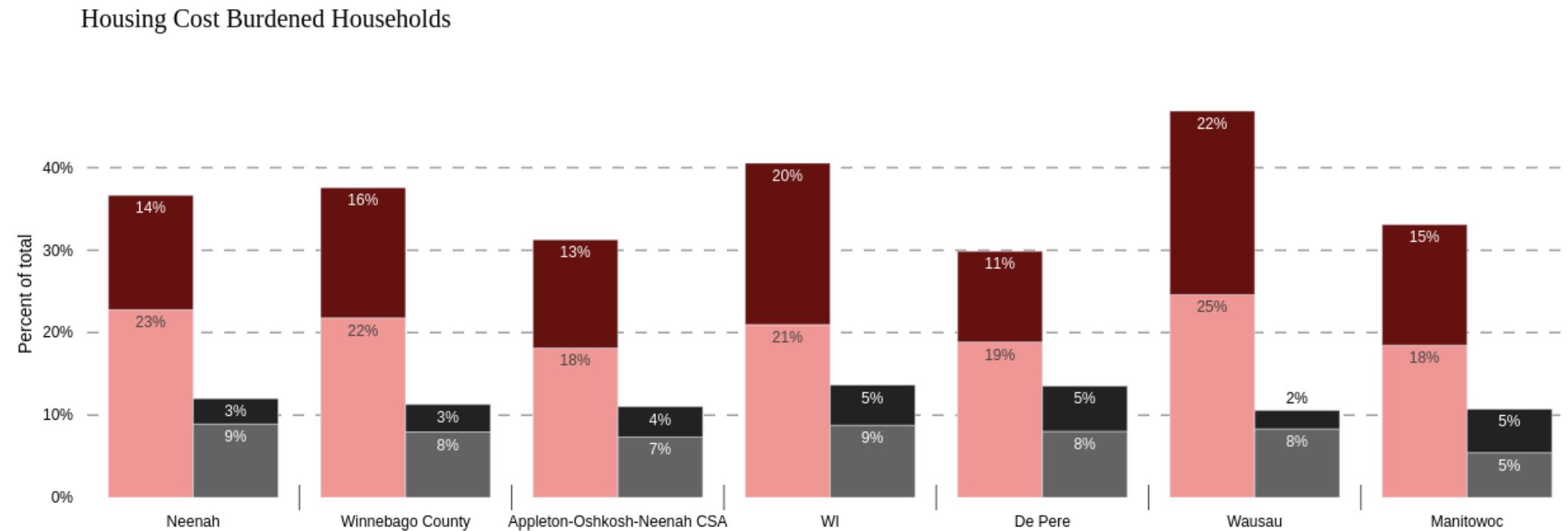
Inventory Relative to Median Days on Market in Neenah, WI



MARKET INDICATORS | HOUSING COSTS RELATIVE TO INCOME

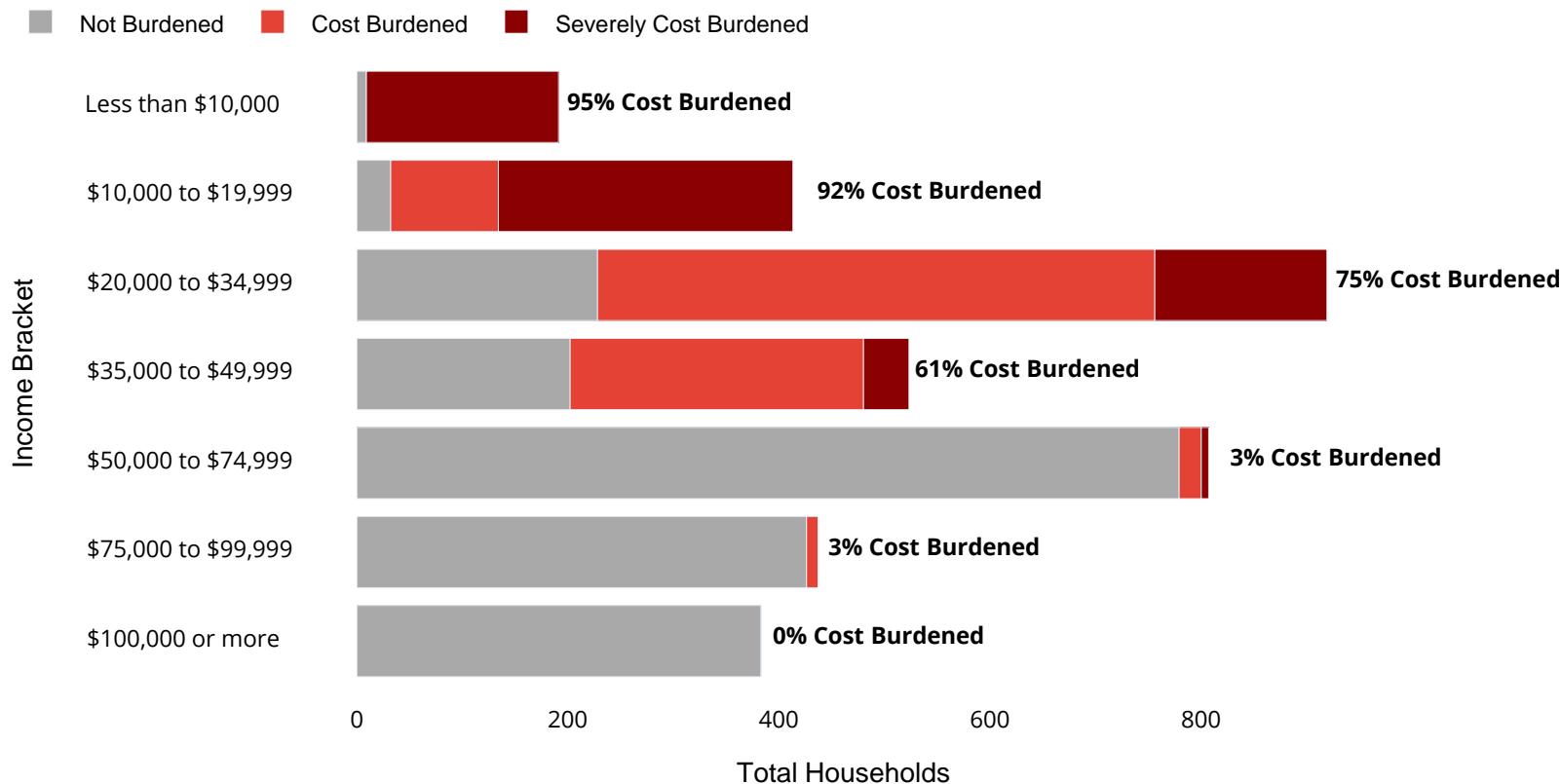
Compared to many metro areas, the proportion of cost-burdened households is relatively low

Nonetheless, the rate of housing cost-burdened households exceeds 37%, with 14% of renter households paying 50% or more of their income to rent. Sharp increases in rents since 2022 have likely increased the number of cost-burdened households. On the ownership side, tighter lending standards have helped lower the proportion of households who are cost burdened.



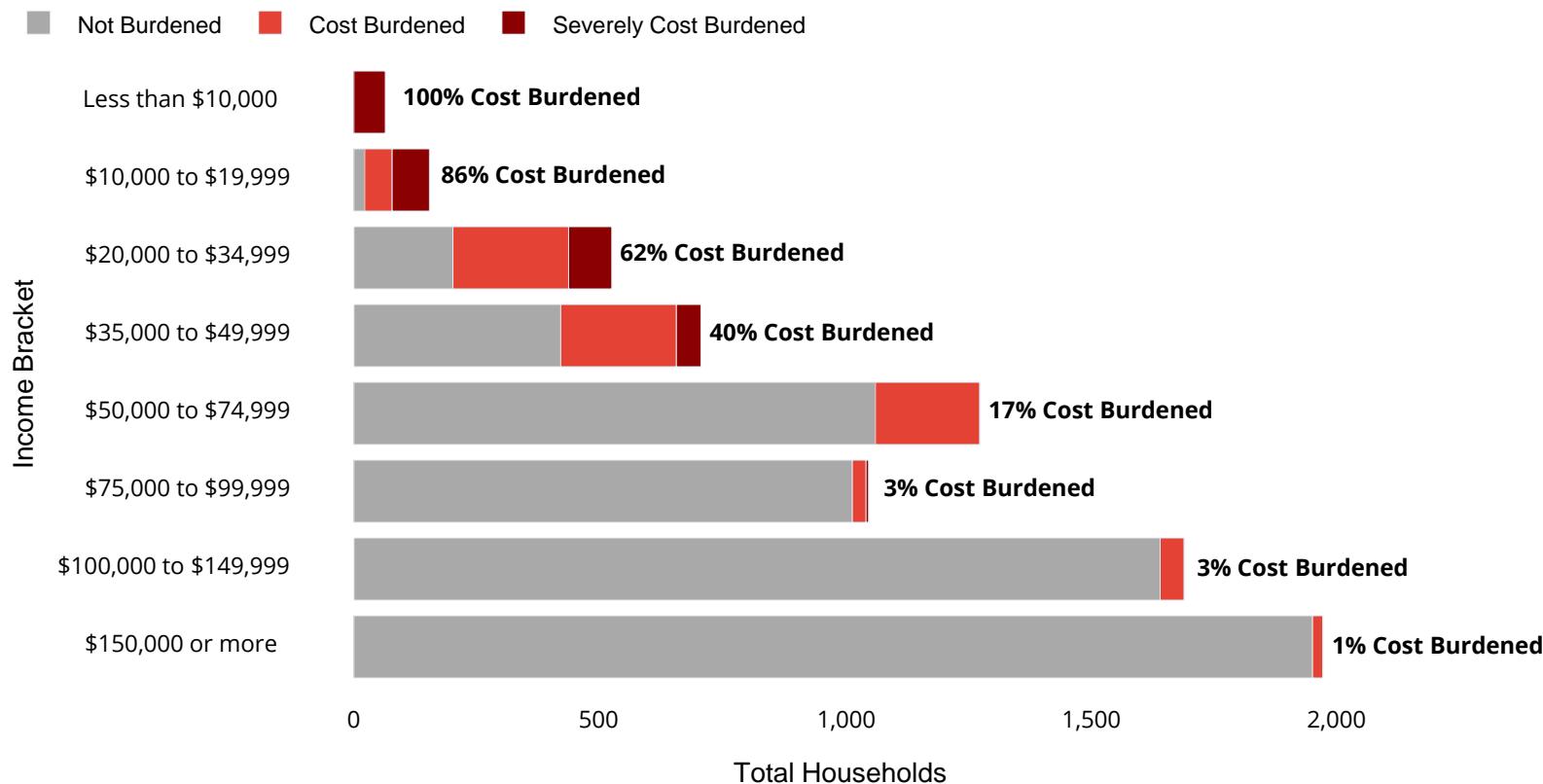
Lower-income residents lack adequate and affordable housing

Cost Burdened Renter Households by Household Income



Cost Burden for Ownership Costs remain high at the lowest level, before quickly leveling out. Households on the lower end are likely to include a higher proportion of fixed income seniors.

Cost Burdened Owner Households by Household Income

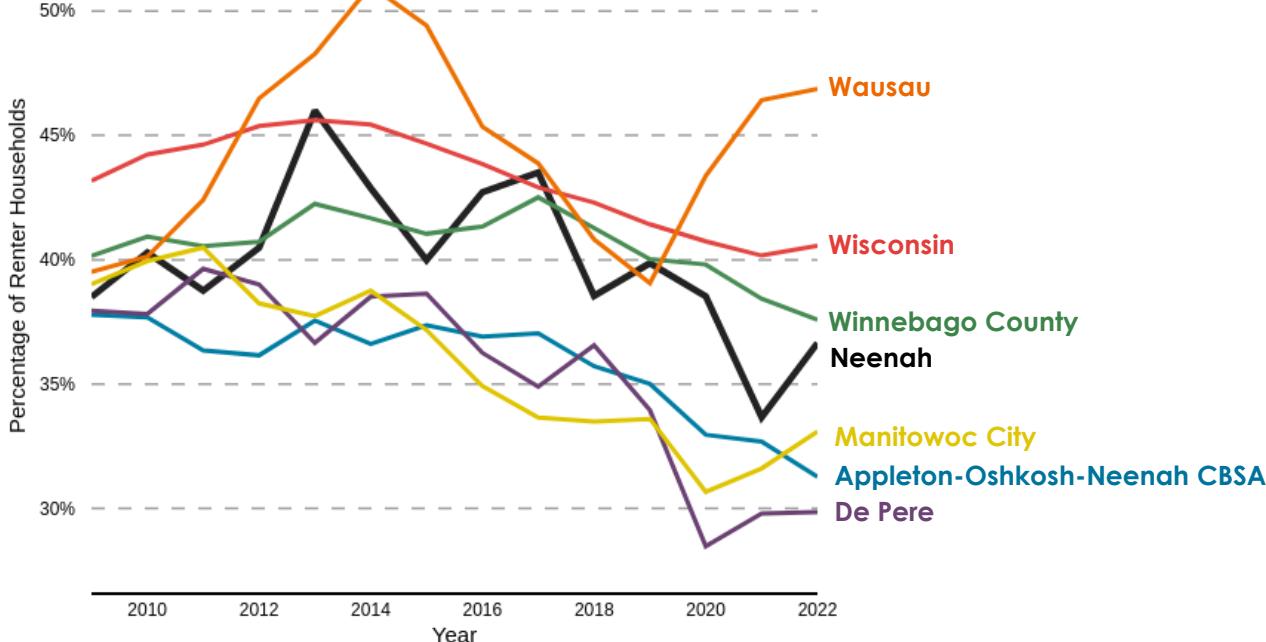


MARKET INDICATORS | HOUSING COSTS RELATIVE TO INCOME

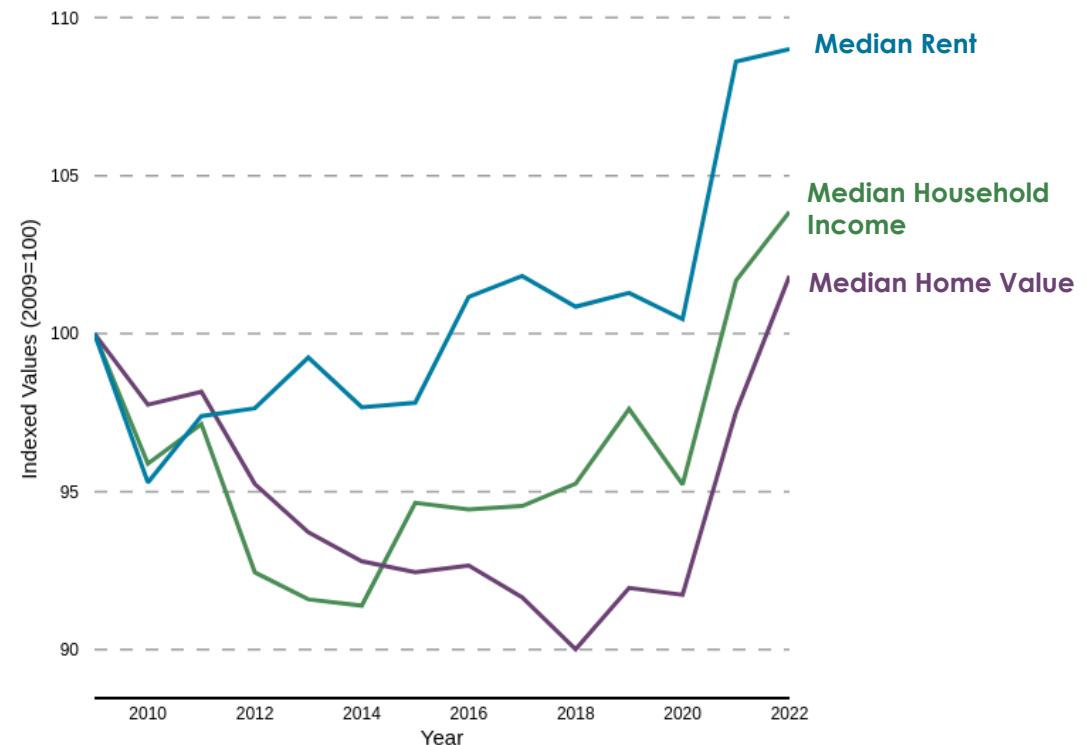
Median rent prices have increased faster than incomes

Almost all fell quite precipitously during the Great Recession in real dollars. Rental pressure remained sustained throughout the decade, only to dramatically increase during Covid. Incomes, however, started to grow faster starting in 2014-2015, lowering rent burdened households. Homes, once more affordable following the crash, have since rebound, but have yet to pass household income.

Percent of Renters Cost Burdened: Trends



Change in Income Relative to Housing Costs



Developer Interviews: Summary of Single-family Home Developers and Builders

Single Family Housing Developers & Builders

A single-family housing developer and a single-family home builder were interviewed to understand the development landscape in Neenah. Both argued that the major limiting factor in the Neenah market is available land at a fair market price. Land is increasingly limited within Neenah, and opportunities to expand are constricted by current land owners who are reluctant to sell to convert farm/open land into new housing. Subdivisions in the broader metro that were started in 2008 but halted due to the financial crisis have largely been completed, therefore requiring new subdivisions to be built.

Region-wide, single family home developers were hit hard by the housing crisis, with many going out of business. Large national builders are focused on more profitable markets. Changes in financing for home construction that sought to limit over-exposure also limited the expansion of builders due to capital constraints. However, experimentation and growth has led to new successful models being developed that focus on using economies of scale in new subdivisions, lowering construction and supplies costs. New construction of single-family homes tend to have smaller but every efficient floorplates, and can be delivered at \$335,000. These houses directly meet growing demand for housing in the region, and sell well. The main limiting factor is finding land with infrastructure at fair prices. Many larger land owners are

holding land and/or demanding high prices that make development unfeasible.

Builders/developers also mentioned the constraints of infill redevelopment. Costs are substantially higher for single-site construction, and often come with higher risk due to uncertainty of existing connections to city infrastructure, or need to update that infrastructure to meet code. Likewise, attempts to build duplexes, triplexes, or quadplexes face significant challenges in terms of finance, construction costs, zoning, and insurance, making them far more challenging and out of the wheelhouse of existing developers. Often the construction costs of a split home or stacked duplex are significantly higher than just building two single family homes side by side. This difficult nut to crack is not unique to this market, but rather quite universal across the US.

Neenah is seen as a great and desirable place to live, both with its revived downtown, great schools, and high density of parks. In regards to potential demand, entry-level single-family homes are seen as the major driver. In places where infrastructure is more burdensome, higher cost executive homes on independent sewer and water are also in demand in the 650-800,000 realm, given the strong managerial class within the Fox Cities. Demand is far less robust in the upper-middle category.

In regards to working with the city, both developers and builders cited that the city staff was excellent, and innovators in the region. Many city administrators are quick to give into NIMBY arguments and are against supply, substantially increasing the risk of acquiring and developing land. Efforts to 'de-risk' investment through flexible strategies like strategic land acquisition, long-term planning to ensure greenfield sites are appropriately zoned for residential units, collaboration with public works to ensure that design/sidewalk/amenities are clearly delineated from the beginning of the development process, and to work proactively with the community to reduce community pushback to new housing supply. TID districts are also cited as key to inducing new development, and are very useful for helping fund costs of new infrastructure development.

Some hurdles identified include covenants or restrictions around lot sizes, with lot requirements often too large relative to the house. This increases the cost of the finished product due to higher land costs per unit, pushing the final product out of the desired price range for the intended entry-level home buyer. Ideal lots are 72-75 feet wide and 120 feet deep. The Shattuck Middle School project also looms large as a project that failed due to NIMBYism, that put off some developers from prospective development opportunities.

Developer Interviews: Multi-family housing

Multi-Family Developers

Downtown Market

Neenah's revitalization of its downtown is seen as a very important step in facilitating market-rate multi-family development into the market. Co-location with the office market, a walkable downtown, and proximity to retail, amenities and trails make the area very desirable for investment.. Downtown Neenah is seen on par with places like De Pere as a community with a higher proportion of people who work in white collar jobs, bringing both higher single incomes and a propensity for living in downtown locations. The strong sense of civic pride and engagement also helps reinforce downtown as a great place to invest and build new housing. Downtown Neenah is more attractive than Appleton for market-rate 'luxury' units.

The target demographic include younger, single professionals who work in the area, and downsizing empty-nesters looking to stay within their community. 1-2 Bedroom units tend to perform better than the 3-unit mix, especially downtown. Some leasing-up was slower than expected, but a shift in marketing strategy quickly helped drive up occupancy and accelerate the lease-up period. Demand is expected to continue to be strong, especially given the strong upward movement of rents and still favorable occupancy. Developers currently see the downtown market as

under-supplied, and could potentially absorb about 30-50 units per year. In general, the most attractive sites for inventory targeting young professionals and empty nesters are south of Wisconsin Ave where walkability is better compared to Doty Island or across the river where current walkability isn't as good.

Recent projects benefited strongly from collaborative city staff who have been very accommodating in de-risking the site, including TID/TIF district support, helping to defray costs and risks of environmental clean-up/brownfield redevelopment, and encouraging public support for the project. That kind of de-risking makes repeat investment more likely, and helps attract more developers to downtown sites.

Even though market-rate developers do not work directly in affordable and LIHTC properties, the Shattuck Middle School property was again mentioned as a bit of a warning sign that units outside of senior and/or higher end market-rate were unwelcome in the community, thus producing substantial risk for a housing type very much in need.

Suburban Multi-Family

The suburban multi-family market-rate luxury housing market originally targeted two main demographics: rentals for the "post-homeownership market," or 55+ residents transitioning

out of home ownership, and 2) Pre-ownership, or those who choose to rent prior to finding and purchasing a home. Developers targeted longer term renters which tends to attract, in the long-run, older tenants, but the units themselves are not age-restricted. Developers argue that the market-rate luxury rental market is nearing a tipping point, as units are not leasing-up at the same rate as historically was the case as new inventory hits the market.

A major issue is the cost of development. Interest rates and construction costs have significantly increased development costs. Demand is strongest at the \$900 range, but current development costs make units below \$1,500 difficult to build without sufficient subsidy. The demand for market-rate units may be near its tipping point. Neenah really needs affordable/LIHTC units to help adjust for high construction costs.

Neenah's city staff, policy environment, and inspectors are considered some of the best in the region, and really work with developers to make projects work, which ultimately benefits renters and citizens in the long run.

Stakeholder Interviews

Business Community

Workforce Housing

During the 2010s, workforce housing was not seen as a major impediment to recruiting and retaining companies or finding adequate workforce. However, as the local economy heated up and Covid-19 reworked housing demand, an adequate supply of workforce housing has become an increasing issue.

According to local employers, the main demand profile missing from the current market are starter single-family homes ideal for a family. Ideally, these homes would be at about a \$300,000 price point, however that price point is very hard to meet through the private market. Apartments – especially more suburban garden style apartments – are seen as less desirable. The business community strongly supports strategies that can help single-family homes become more affordable in the long-run. Townhomes, split-homes, and 'missing middle' housing types are also viewed as a potential option for starter homes, or for smaller households.

Representatives from the business community also argue that economic segregation continues to be an issue, and that building communities that have a mix of housing price-points and housing types can help broader integration that is good for the community.

Employers have taken strides in nearby communities to create that type of housing. In Sheboygan, four major employers fronted \$2 million a piece to acquire land and develop workforce housing. The housing did not have restrictions as to place of employment, but instead required new movers to be actively working the metro.

Likewise, employers point to innovative strategies like in Oshkosh, where the city leveraged Covid-19 money to act as a de facto land developer, helping to install new infrastructure to further derisk new market-rate single-family housing.

Hard to House

Unhoused Community

The rate of unhoused elderly persons and K-12 children has increased since Covid-19, as has the number of persons sleeping in cars or couch-surfing. Point-in-time counts range from 65-70 persons on average, to a high of 148 in July of 2024. Shelters and supportive housing are full, and the Section-8 program that offers deeply affordable rents is over-capacity with waitlists.

Homelessness is a housing issue. The major drivers are the shortage of housing in the Fox Cities region, with the lack of affordable apartments and starter homes having a trickle down impact on the housing market. Those most vulnerable who once occupied units in 'Naturally Occurring Affordable Housing'

are pushed out of the housing market altogether.

Evictions are also a major driver. When a tenant gets evicted, finding the next apartment is more difficult, leading to long-term dependence on the supportive housing continuum. Registered sex offenders also struggle to find adequate housing.

Neenah's anti-camping ordinance is controversial and penalizes those that are unhoused and often require some form of assistance. Penalizing homelessness is known not to address the root cause of homelessness, but rather displace it to less visible locations. The primary solution identified is to increase the supply of housing across the price continuum, including both market rate and tax-credit affordable units (Low Income Housing Tax Credits). Increasing supply across the price spectrum will help relieve pressure across the housing market. Innovative steps also include partnering with charitable organizations such as Churches, many of whom have a mission to help those in need, and have abundant land that can be potentially rezoned into supportive or affordable housing. Continued support for continuum housing through CDBG is also recommended.

06

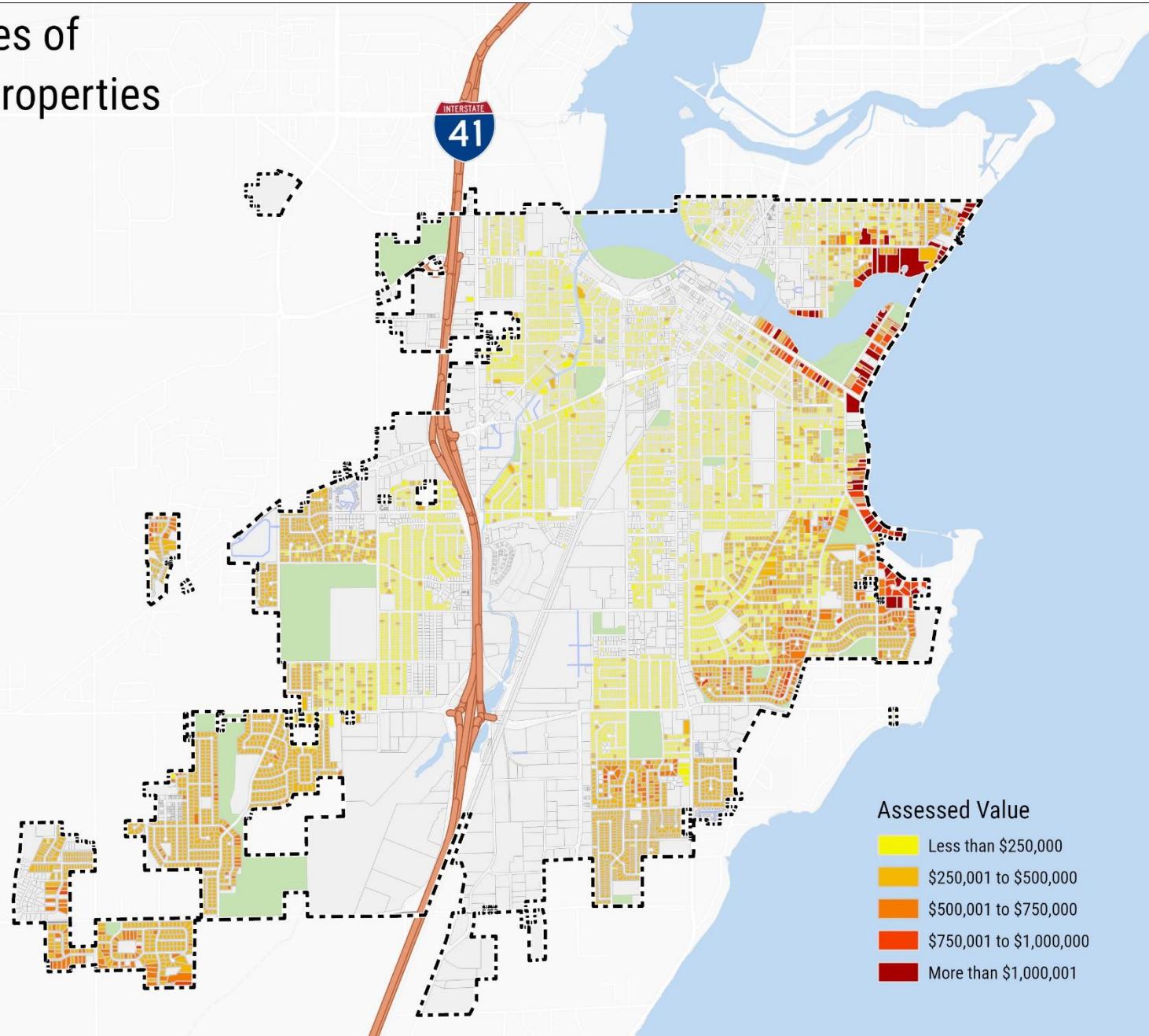
HOUSING INVENTORY

INVENTORY | SINGLE FAMILY

Assessed value tends to follow two main trends. Age of a property and subdivision is strongly correlated with housing value – newer homes have higher values. Second, the highest value homes are along the waterfront.

Older neighborhoods offer a greater range of housing at entry-level home prices. Most first-time homebuyers are likely to enter homeownership through buying an older home, given that newer homes often exceed \$300,000.

Assessed Values of Single-Family Properties



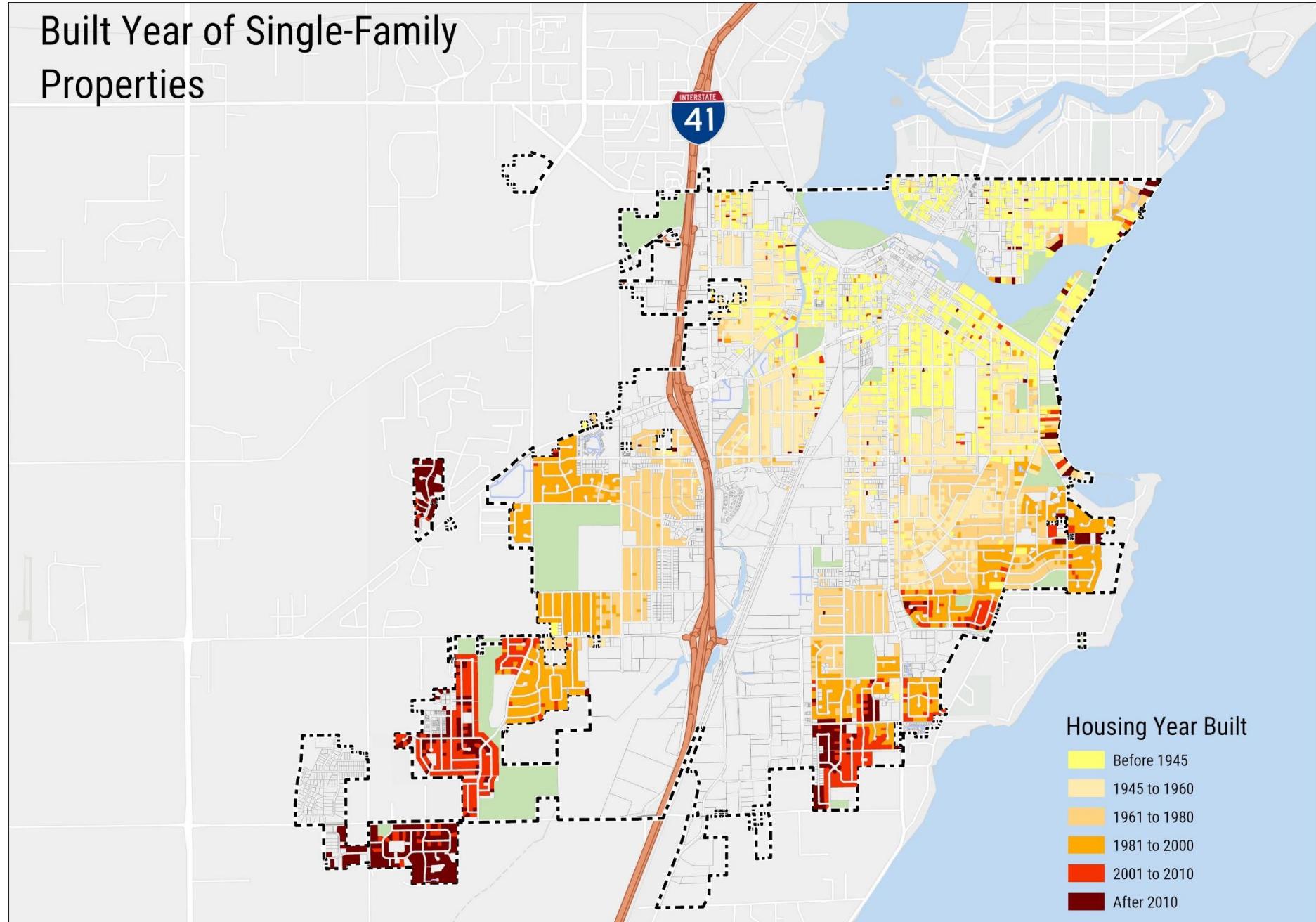
INVENTORY | SINGLE FAMILY

The City of Neenah has expanded southeast from the historic downtown area. Neenah is mostly fully developed. Future growth – a necessity to ensure a growing tax base – can occur through two main avenues.

The first is through urban infill redevelopment, including adding density via multi-family construction or 'middle' density housing options like duplexes, triplexes and quadplexes.

The second option is through annexation of land. Hurdles to annexation continue to exist, including few landowners willing to sell property at prices sensible for development and community resistance to incorporation.

Built Year of Single-Family Properties



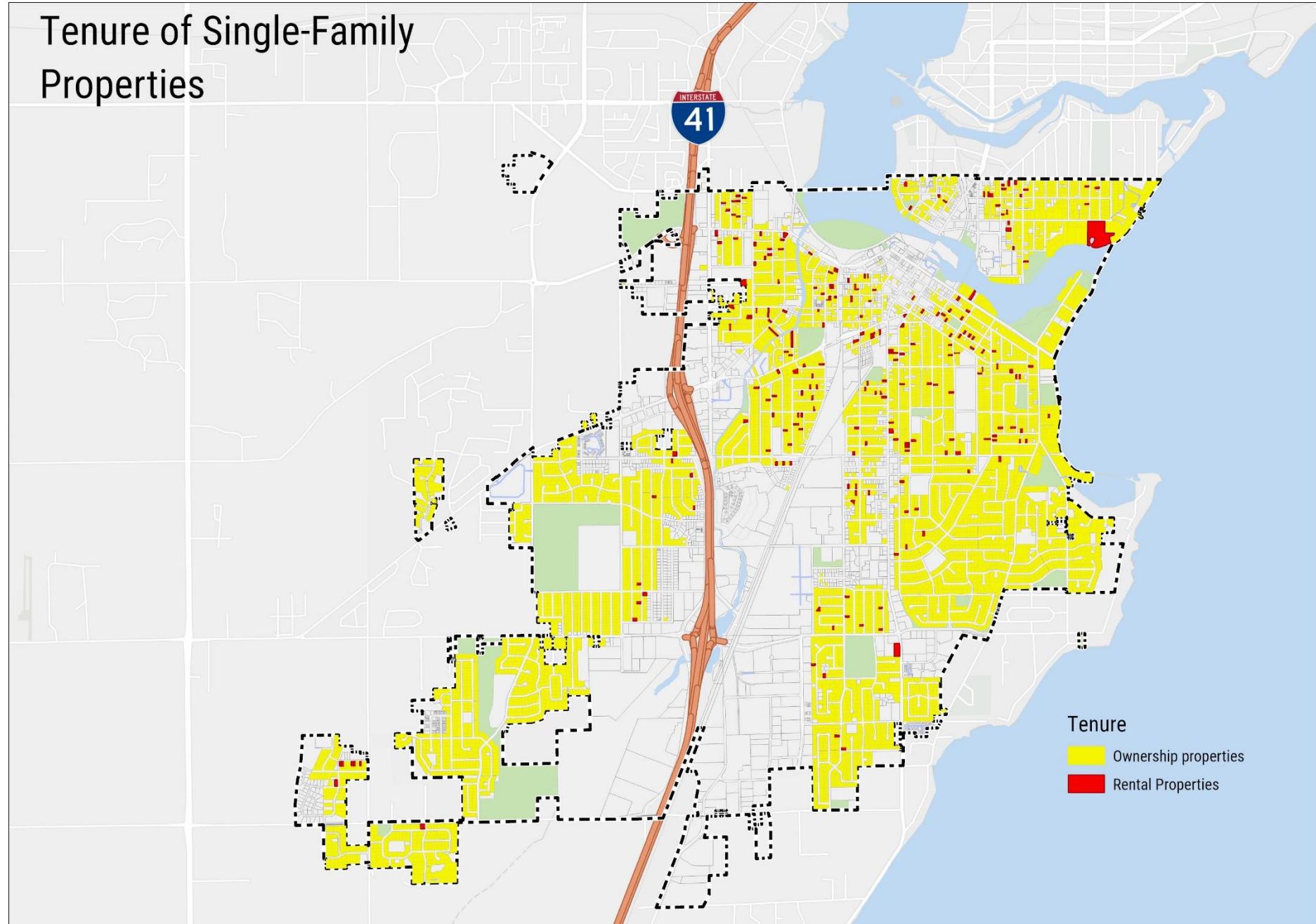
INVENTORY | SINGLE FAMILY

Single family homes make up nearly 20% of total rental units in the community, with an estimated 10-12% of total units estimated to be rentals.

This map includes an estimate of where rental properties are located, using 'address matching' between the site address and the owner address and/or the use of the LLC to own the home (excepting LLCs that are family trusts) to estimate rentals.

Rentals are more heavily concentrated downtown in the historic area. In the prior section, analysis indicated that single family rental firms tend to be smaller operators, and focus on lower value and older properties to lease. Concentration – both spatially and among ownership groups – does not raise any red flags.

Tenure of Single-Family Properties



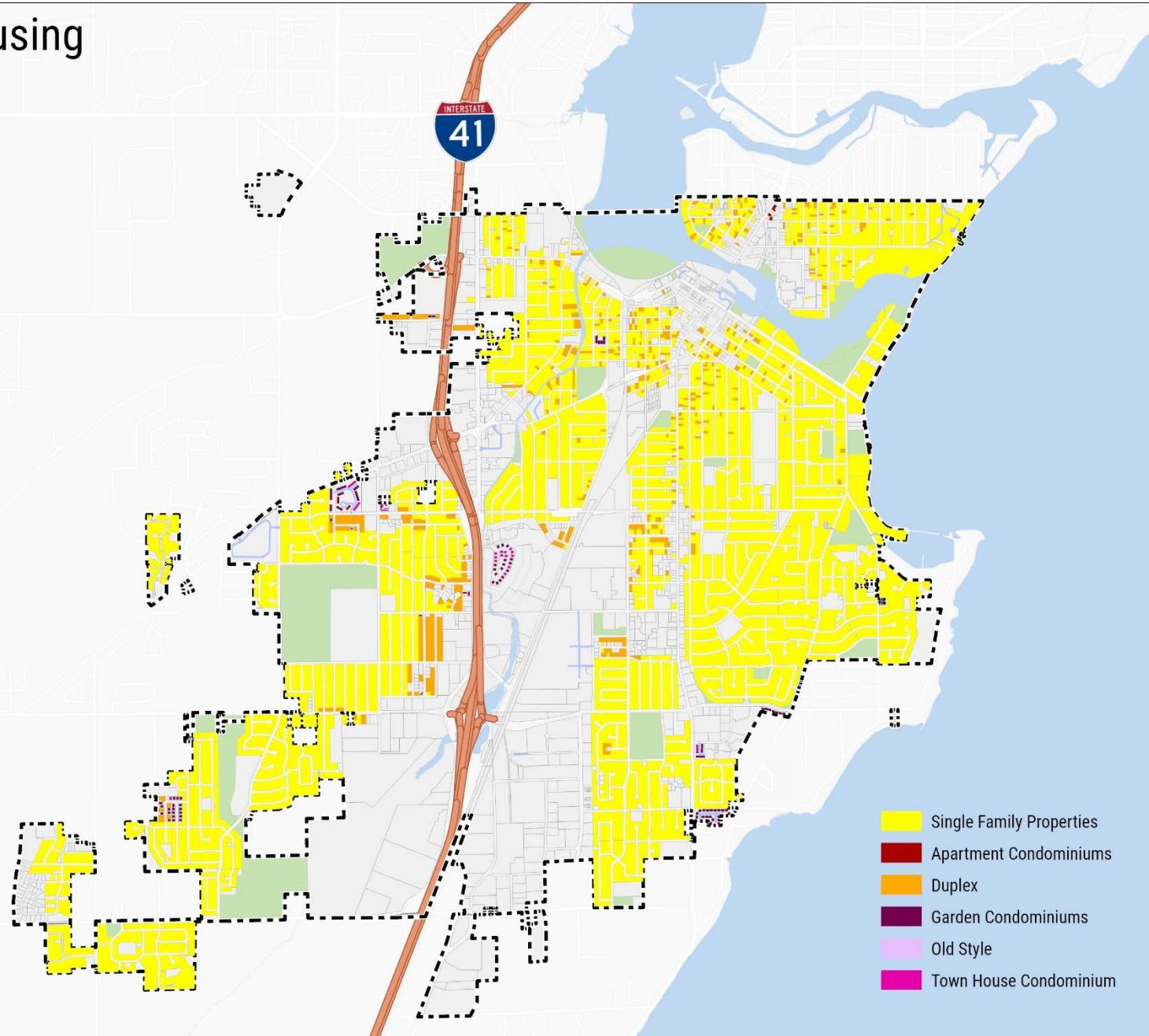
INVENTORY | HOUSING DIVERSITY

'Middle Density' housing types can include single-family attached townhomes, duplexes, triplexes, and small multi-family buildings. These mixed-tenure housing types can – theoretically – help reduce overall housing costs by distributing the 'land' costs across multiple units, increasing affordability.

Despite the promise of higher density, 'middle density' housing types are often called 'missing middle' because they remain very difficult to develop. Zoning and setback laws, overall costs of construction, retrofitting infrastructure, and cost of insurance all remain major hurdles that make middle density challenging, especially at infill redevelopment sites. Accordingly, most middle density housing types are older, with most duplexes built in the pre-War era, and condominiums built in the 1970s/early 1980s during a period of similar high inflation/low affordability.

Cracking the 'missing middle' nut – an obstacle many places are seeking to overcome – could help add a greater density of entry-level ownership product currently missing from the market.

Residential Housing Types

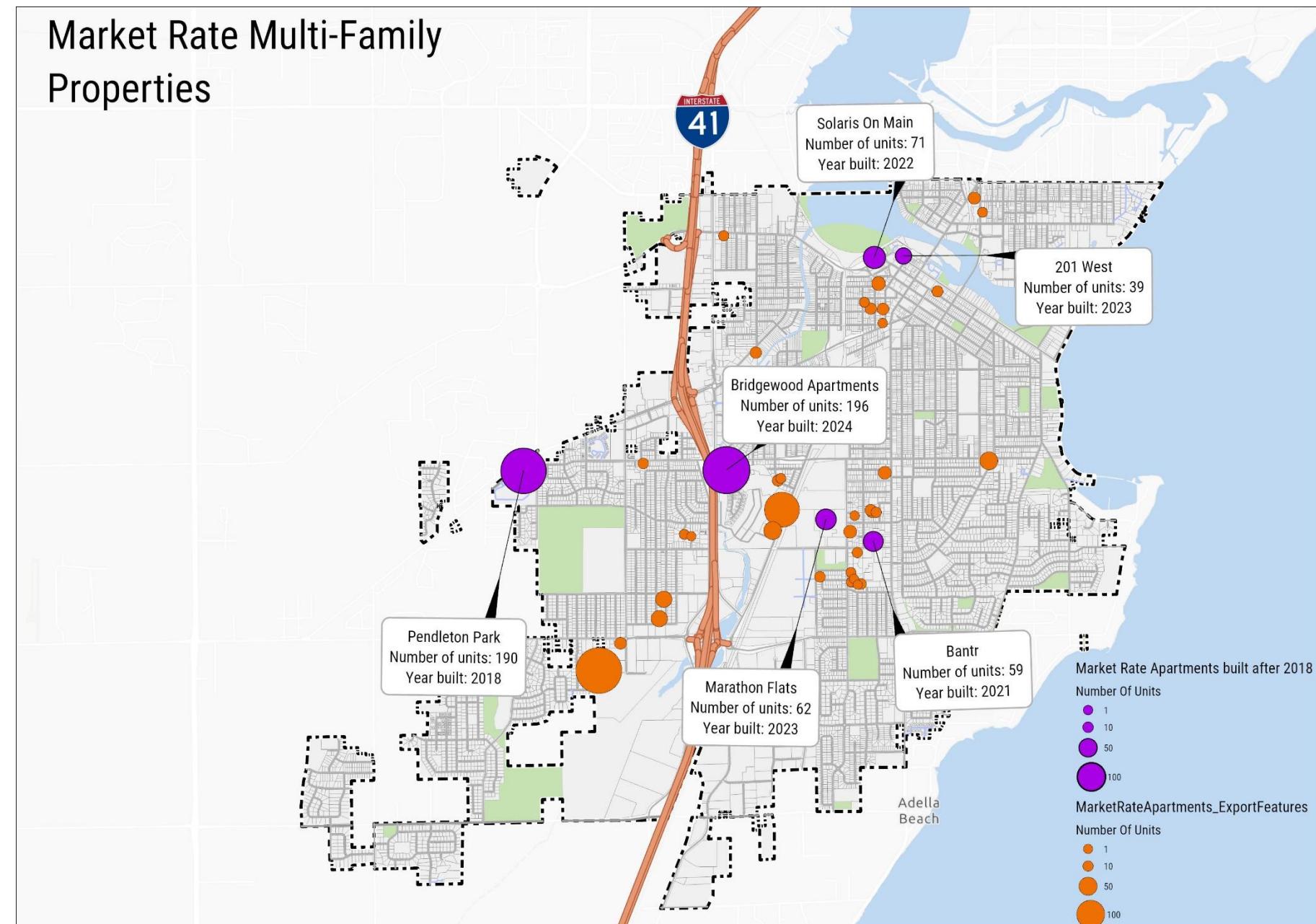


INVENTORY | MULTI-FAMILY

Neenah contains a diverse mix of multi-family units. Recent multi-family developments – here indicated in purple – include new downtown ‘luxury’ apartments and more suburban, lower-density housing options. Current capital markets favor larger multi-family units, maximizing the total number of units that can be financed and developed to help cover higher overhead development costs.

This differs from older multi-family buildings which tend to have fewer units. Many of the older apartment buildings were constructed in the 1970s, a period of similar high inflation and high interest rates that made home ownership challenging. As new inventory gets added to the market, the majority of older apartments are “Naturally Occurring Affordable Housing” or NOAH units. NOAH units are non-subsidized housing that is affordable for households earning 80% or below the region’s median family income. These units are crucial for meeting the housing needs of lower income members of the community. However, when supply of rental housing is low, rents can appreciate quickly despite lower quality or outdated housing.

Market Rate Multi-Family Properties



INVENTORY | MARKET RATE APARTMENTS BUILT/REMODELED SINCE 2010

Project Name	Address	City	Year Built	Total Units	Studio	Units by Type			Monthly Rent		
						1BR	2BR	3BR	Studio	1BR	2BR
Market Rate Apartments											
Bantr	1348-1360 American Dr	Neenah	2023	7		7				\$ 1,600.00	
Bridgewood Golf Estates	1755-1781 Golf Bridge Dr	Neenah	2023	46		7	39			\$ 1,301.00	\$ 1,645.00
Solaris on Main	215 E Main St	Neenah	2022	71	5	15	48	3	\$ 1,318.00	\$ 1,736.00	\$ 2,250.00
Pendleton Park	1000 Pendleton Pky	Neenah	2018	190			190				\$ 1,633.00
201 West	201 W Wisconsin Ave	Neenah	2023	39		15	18	6		\$ 1,575.00	\$ 2,392.00
Marathon Flats	Marathon Flats	Neenah	2023	62	10	29	23		\$995	\$ 1,225.00	\$ 1,425.00
<i>Totals/Averages</i>			2022	415	15	73	318	9		\$ 1,487.40	\$ 1,869.00
											\$ 3,040.50

INVENTORY | NOAH APARTMENTS

As new inventory gets added to the market, the majority of older apartments are “Naturally Occurring Affordable Housing” or NOAH units.

With a median family income (MFI, also can be called Area Median Income, or AMI in the housing finance world) of \$92,769 in 2022 in the Oshkosh-Neenah MSA, the max affordable rent for a household earning 60% of MFI is \$1,390 per month. Most units in Neenah are affordable for households earning between 30-60% AMI. The main issue, however, is the inadequate number of units. 40-44% of Neenah's 11,262 households tend to earn below that threshold, or a total of 4,505-4,955 households, compared to 2,297 units 'affordable' to those households. Consequently, more than half of those earning 60% MFI or less are paying more than 30% of their income in rent (or are “rent burdened”).

Project Name	Address	City	Year Built	Total Units	Studio	Units by Type			Studio	Monthly Rent		
						1BR	2BR	3BR		1BR	2BR	3BR
NOAH												
	205 Adams St	Neenah	1972	18			18				\$ 874.00	
Appleblossom Ridge	1004 Apple Blossom Dr	Neenah	1968	40				9	31		\$ 1,100.00	\$ 1,282.00
Cold Spring Villas	1135 Christopher Dr	Neenah	1998	176			44	132			\$ 865.00	\$ 962.00
Creekside Apartments	1251 Christopher Dr	Neenah		68				68				\$ 1,388.00
	216 Clairmont Ct	Neenah	1973	8			8				\$ 1,025.00	
Doctors Drive	1227 Doctors Dr	Neenah	1978	10			3	7			\$ 584.00	\$ 729.00
	331 First St	Neenah	1982	8				8			\$ 875.00	
Island Manor Apartments	406 First St	Neenah	1983	20				20				\$ 734.00
	1040 Hunt Ave	Neenah	1969	14				10	4			
Joseph Court	212 Joseph Ct	Neenah	1986	8				8				\$ 875.00
	1004 Main St	Neenah	1962	10			10				\$ 565.00	
Westview Apartments	2020-2032 Marathon Ave	Neenah	1962	24			24				\$ 525.00	
	1129 Primrose Ct	Neenah	1980	4				4				
Fleur de Lis	221 Sherry St	Neenah	1970	27	9	9	9					
Breezewood Park Apartments	1415 Tullar Rd	Neenah	2002	192				192				\$ 988.00
Western Apartments	671 S Western Ave	Neenah	1970	16			12	4			\$ 900.00	\$ 1,100.00
Adams Apartments	311 Adams St	Neenah	1971	16			8	8			\$ 561.00	\$ 595.00
	1102 Breezewood Ln	Neenah		18			18					
Cecil Gardens	719 E Cecil St	Neenah	1960	48			35	7	6		\$ 680.00	\$ 780.00
	1052 W Cecil St	Neenah	1961	12			10	2				
	208 Clairmont Ct	Neenah	1977	4			4					
	508-514 Henry St	Neenah	1970	8			8					
	1031 Hunt Ave	Neenah	1970	8			8				\$ 899.00	
	360-364 Stanley Ct	Neenah	1981	12				12				
<i>Totals/Averages</i>				1985	769	9	219	500	41		\$ 759.36	\$ 925.10
												\$ 1,081.00

INVENTORY | AFFORDABLE HOUSING

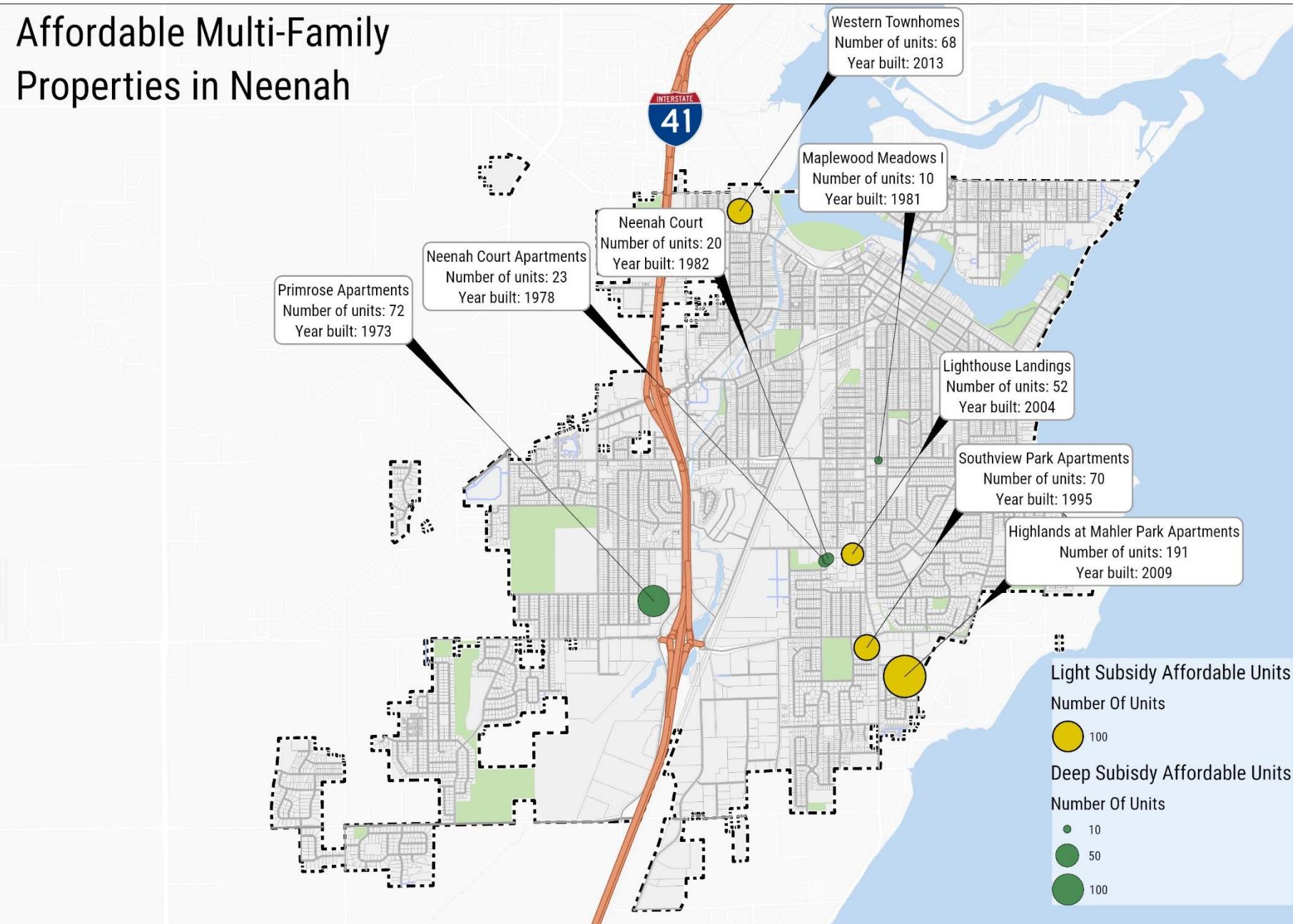
Affordable units include rent subsidized units – or housing that is set at 30% of household income – or LIHTC units. Rent subsidized units are rare due to the brief period of public housing subsidization in the 1960s-1970s.

Today, the main tool for developing 'affordable' units available to private and non-profit developers are Low Income Housing Tax Credits (or LIHTC, pronounced "Ligh-Tech"). Affordable rents are restricted to rates affordable to households earning 60% of MFI. LIHTC units can include a mix of market rate and affordable units. LIHTC units are a key strategy for producing high quality, newly constructed housing units affordable to households in key workforce jobs.

Neenah has one of the lower shares of new LIHTC units relative to existing total households in the Fox Cities metro. Neighborhood opposition to the Shattuck Middle School redevelopment has unfortunately made developing LIHTC units more risky, despite how important they are for the city's housing supply.

Locality	Number of households	Percentage of low income units to household units	Percentage of new low income units to total units (Multi-family developments post 2008)
Appleton	30580	1.72%	0.27%
Neenah	11262	1.64%	0.24%
Oshkosh	16763	1.40%	0.38%

Affordable Multi-Family Properties in Neenah



INVENTORY | AFFORDABLE HOUSING

Below are the count by unit size and type of subsidy for affordable housing units.

The most recent development are the Western Townhomes, built with LIHTC financing in 2013. The high-quality townhomes provide 2 and 3 bedroom units at rents affordable to households earning 60% of MFI.

The deeply affordable housing set rents at 30% of household income, providing a much needed but often inadequate number of deeply affordable housing for vulnerable households.

Project Name	Address	City	Year Built	Units by Type					Monthly Rent				
				Total Units	Studio	1BR	2BR	3BR	Studio	1BR	2BR	3BR	
Income-Restricted (Deep Subsidy)¹													
Maplewood Meadows I	1015 Maple St	Neenah	1981	10			5	5	\$ -	\$ -	\$ -	\$ -	
Neenah Court Apartments	2108 Marathon Ave	Neenah	1978	23			19	4	\$ -	\$ -	\$ 880.00	\$ 1,068.00	
Primrose Apartments	1316 Primrose Ln	Neenah	1973	72			16	56	\$ -	\$ -	\$ 758.00	\$ 967.00	
Neenah Court	2112 Marathon Ave	Neenah	1982	20		20			\$ -	\$ -			
Totals/Averages			1979	125	0	20	40	65	\$ -	\$ -	\$ 546.00	\$ 678.33	
Income-Restricted (Light Subsidy)²													
Southview Park Apartments	128 W Bell St	Neenah	1995	70		29	41				\$ 1,115.00	\$ 1,214.00	
Lighthouse Landings	120 Byrd Ave	Neenah	2004	52	26	26			\$ 908.00	\$ 1,013.00			
Western Townhomes	134 N Western Ave	Neenah	2013	68		4	64				\$ 1,045.00	\$ 1,145.00	
Totals/Averages			2004	190	26	59	105	0	\$ 908.00	\$ 1,057.67	\$ 1,179.50		

¹ Income restrictions typically set at 60% of area median income (AMI) or less; households then pay 30% of their income towards rent

² Income restrictions typically between 50% and 60% AMI; households pay a fixed amount as rent which is typically below the market rates

Less Intensive Care

More Intensive Care



Active Adult

Active adult communities are age-restricted housing. Age restrictions are typically 55+, and housing types can range from single-family homes, to townhomes, to multi-family units, often in the same development. Units and common amenities are designed with an aging community in mind. They can be ownership, rental, or cooperative by tenure. Low Income Housing Tax Credits (LIHTC) can be used for age-restricted housing units. Residents tend to be in their 60s and 70s.

Independent Living with Services

Independent living with services (congregate) offer limited support services such as meals and housekeeping included in rents. A larger share of the building is likely committed to common areas, often with programming targeted towards socialization. Demand for independent living with services tend to be driven by older people (75+).

Assisted Living

Assistive living facilities offer a deeper range of services for older seniors who need more active support to meet everyday needs. Personal and nursing care is often present, and meals/housekeeping are included in the monthly rent. The targeted age range is 80+, and most would require some form of nursing care if assisted living was not present. Staff are present 24 hours a day.

Nursing/Memory Care

Skilled nursing care, or long-term care, provides a living arrangement for people requiring 24-hour care. It is typical for end-of-life care, and enrolment tends to be more short term. Funding for these units can come from Medicare, Medicaid, HMOs, private insurance and/or private funds.

Memory Care are properties designed for those suffering from Alzheimer's Disease or other dementias. Typically, units are single-occupancy bedrooms with larger community areas. Staffing ratios are higher due to more intensive care needs. There is less public funding available for Memory Care units.

INVENTORY | SENIOR HOUSING

Neenah contains a diverse mix of senior housing options, and a greater density of senior housing than surrounding communities. This is reflected in the higher proportion of senior citizens within Neenah that are renters rather than owners.

Interviews with senior housing providers indicate steady demand moving forward and high occupancy. Likewise, interviews with providers of post-ownership rental housing oriented towards seniors point towards saturation in the market.

The survey, however, does point to many seniors who are currently looking to move, but do find that inadequate housing exists in the walkable, service-rich neighborhoods they desire. A mix of housing types – cottage homes, townhomes, condominium style housing, at a range of different tenures beyond just renting, could be an attractive option. This could also help open up existing, larger housing that may be attractive for workforce families moving into the region.

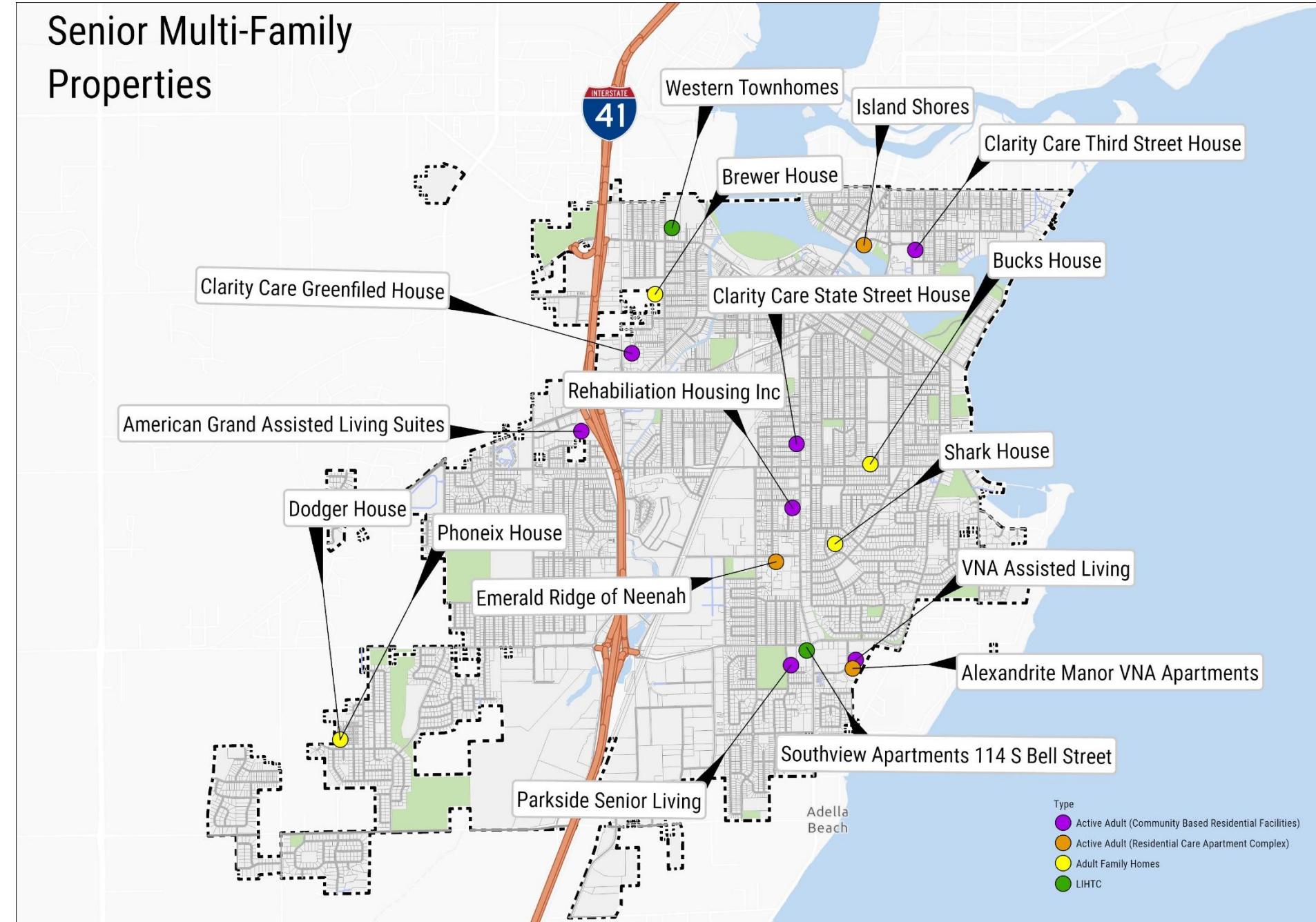
Project Name	Address	City	Year Built	Total Units
Active Adult (Community Based Residential Facilities)				
AMERICAN GRAND ASSISTED LIVING SUITES	900 MEADOW LN	Neenah	2016	
CLARITY CARE GREENFIELD HOUSE	643 GREENFIELD ST	Neenah	1993	
CLARITY CARE STATE STREET HOUSE	105 STATE ST	Neenah	1980	
CLARITY CARE THIRD STREET HOUSE	225 3RD ST	Neenah	1984	
PARKSIDE SENIOR LIVING	2330 BRUCE STREET	Neenah	2019	
REHABILITATION HOUSE INC	107 PROFESSIONAL PLAZA	Neenah	1981	
VNA ASSISTED LIVING	1533 LYON DR	Neenah	1998	
Active Adult (Residential Care Apartment Complex)				
ALEXANDRITE MANOR	1537 LYON DRIVE	Neenah	2002	
VNA APARTMENTS				
EMERALD RIDGE OF NEENAH	130 BYRD AVE	Neenah	2021	
ISLAND SHORES	131 E NORTH WATER ST	Neenah	2021	
Adult Family Homes				
BREWER HOUSE	165 PLUMMER CT	Neenah	2006	
BUCKS HOUSE	600 E CECIL ST	Neenah	2017	
PHOENIX HOUSE	1591 POND VIEW DR	Neenah	2014	
DODGER HOUSE	1589 POND VIEW DR	Neenah	2014	
SHARK HOUSE	321 BELLIN ST	Neenah	2016	
WILSON HOUSE	404 DIEKHOFF	Neenah	2013	
LIHTC Units				
Western Townhomes	134 N Western Avenue	Neenah	2011	68
Southview Apartments	114 S Bell Street	Neenah	1995	71

INVENTORY | SENIOR HOUSING

Neenah's senior housing is largely in more suburban areas rather than in closer proximity to downtown.

In studies of other regions, there is a tight correlation between senior housing and retail, either suburban shopping malls or redeveloped downtown areas. Redevelopment of adjacent areas near downtown to consider housing types across different tenures that may be attractive for empty-nesters would like have sufficient demand.

Senior Multi-Family Properties



Multi-family – A strong mix of housing types for different households

Neenah's multi-family housing stock is increasingly diverse, but lacks sufficient affordable options

Neenah's multi-family housing is increasingly diverse. The most recent multi-family housing cycle includes a mix of downtown units oriented towards those interested in proximity to Neenah's walkable, amenity rich downtown, to new suburban housing targeting the post-home ownership market of 55+ persons. Increases in construction and financing costs, however, makes it challenging to build new units at price-points affordable to many households who are in the rental market.

Instead, older units make up the bulk of naturally occurring affordable housing. Despite a decent density of older apartment units, the number of units affordable to households earning 80% or below of AMI relative to number of households still is disproportionate, leading to higher rates of cost-burdened households.

Efforts to add affordable units through the LIHTC program failed due to community opposition, despite the immense demonstrated need for affordable units to house workers in key manufacturing, service, and public sector positions, and to households living on fixed incomes.

Senior Housing

The Fox Cities has a robust network of senior housing options. This includes a range of care-assisted options, including nursing care and assisted living, a growing number of 'active adult' age restricted communities, and 'naturally occurring' senior housing in the form of larger format luxury suburban rental apartments and townhomes.

In many communities, transition out of single-family homes into alternative post-home ownership living options has occurred slower than expected, gumming up turnover in the

single-family detached housing market. According to developers, demand for post-ownership housing is softening. Nonetheless, Neenah, and its revived downtown, is well positioned to attract regional empty-nesters, with many preferring living arrangements in walkable neighborhoods with close-proximity to services.

A missing housing type is ownership housing oriented towards senior households, including more affordable and smaller size townhomes, condominiums, or patio homes. The survey indicated that this type of housing was missing for many 55+ seniors that were interested in moving in the next 5 years.

Hope that an increase in senior housing will ultimately open additional single-family housing stock appropriate for younger families should be tempered.

Single-family homes remain in demand, but space is limited and costs high

Entry level single-family housing remains the major supply gap

Neenah's growing manufacturing and high-end services economy is generating sufficient demand for entry-level housing. There are a few obstacles, however. The first is that developable space remains limited within Neenah's boundaries. After currently zoned and platted areas are fully developed, new development will likely be infill oriented.

Second, the cost of housing production continues to increase due to cost of materials, labor, and financing costs. It is difficult to meet the lower-middle end of the market with new construction – the exact point where demand is highest. New construction can deliver housing at about \$350,000-375,000 per unit, a price point that can be out of reach for many workforce households, in particular single-income households.

As a result, demand will be strong for older

homes that will continue to function as options for first-time homebuyers. Programs that can continue to support updating and renovating units can ensure that Neenah's older housing is updated for current household needs, and that Neenah's more historic single-family neighborhoods retain their vitality and character.

Outside of entry-level single-family housing, demand is soft for upper-middle housing, but then grows again at the higher end. Built on larger lots either on or off city infrastructure and to custom design, demand will persist for larger homes region wide, however developable space remains limited.

Missing Middle Density Housing

Prior to strict zoning codes, duplexes, triplexes, quadplexes, and attached style townhomes added housing diversity to a community. Neenah's historic neighborhoods still contain a diversity of housing types. As housing costs have

increased and cities turn towards infill development, interest in diversifying housing types to reintroduce 'missing middle' housing types has increased. Despite increased interest, infill redevelopment of 'missing middle' types remains elusive. High costs, difficult insurance structures, and uncertainty in the development process make them often more expensive than building a single-family home on two lots. Opportunity for infill development in and around Neenah's downtown – in particular in converted brownfield sites – can offer an opportunity for increased missing middle construction, especially given the ability to do so at greater scale. Policy changes may also help further induce new development.



07

HOUSING NEEDS

Projected Household Growth and Housing Need

Methods Overview

Forecasting housing need is a combination of understanding the *current need* identified in the housing analysis section, and projected future household need determined by projected household growth. New housing stock should serve overlapping functions: It should address current gaps in the community by ensuring adequate supply that is undersupplied relative to demand, while also ensuring new supply of housing to meet the future needs of the community.

Future Household Growth: Appleton-Oshkosh-Neenah CSA

Future household growth was determined by examining a combination of existing projections from the Wisconsin Department of Administration, historic household formation trends and growth rates specific to the region. Last updated in 2013, the Department of Administration household projection data for the metro region lacked sufficient accuracy to current counts. Instead, growth rates predicted by the Department and actual growth rates were used as a baseline measure. Due to strong economic growth and growing conditions favorable for domestic manufacturing, a similar growth rate since 2012 was used for the metro region to project future household growth.

Future Household Growth: Neenah

Neenah's household growth has been slower than the broader metro, a function of both less developable land and higher land

costs. Infill multi-family development, in particular near downtown, has been crucial for the community's growth. Moving forward, we project continued difficulty in acquiring new space for subdivision development, slowing Neenah's growth rate compared to the metro. Its total 'capture rate,' or share of metro housing within the city's boundaries, is projected to continue to decrease at a slightly faster rate than historical trends. Nonetheless, strong demand for housing across a broad array of types is likely to persist, driving redevelopment of key areas near downtown, and infill development in adjacent neighborhoods with older housing.

New Households by Income

Total household growth is then divvied up by household income based on 'tiers' relative to MFI. These tiers have been historically indexed to understand how they've changed historically, allowing forecasting to help break down the income structure of new households. The model forecast stronger growth in the lower-middle spectrum of the income ladder, driven by growth in manufacturing, service, and health care jobs, while slowing growth in both higher end corporate jobs, and an even lower ability to build the higher-end housing within city limits.

Housing Choice Model

Once households are distributed by income, a housing choice

model is used to determine allocation by tenure and bedroom size. Using census microdata collected by the IPUMS center, the model examines the behavior of households who have moved in the past 4 years. Households are bracketed by income, tenure, and size of home, illuminating the expressed preference of households. To assure an adequate sample size, the model is based on the expressed preference of households from lower density metropolitan areas of the East North Central Division of the census, which include Illinois, Indiana, Michigan, Ohio and Wisconsin. The sample then breaks groups down into similar income groups to break down the proportion of people by income bracket who rent or own, and the size of the unit they choose to occupy. In general, this model predicts that lower incomes are likely to rent, and more likely to have smaller units due to both smaller household sizes (single incomes) and income restraints. As incomes increase, households are more likely to pursue ownership housing and larger units. Using this model, future households are apportioned by expected tenure and bedroom size.

Future housing need

Using 30% of incomes as the maximum affordable monthly cost, housing typologies are determined that could help meet projected need. This estimate is then combined with existing needs to determine a future housing needs by tenure, size, and price range.

Owners

*assumptions: 7% interest rate, 10% down, 30-year term, 15% of monthly payments for T&I

Household Income Range	Affordable Range for Owner Units	# of HHs	% of Owners HHs	Ownership Units	Owner Gap
\$0-\$24,999	<\$101,000	361	5%	589	228
\$25,000-\$34,999	\$101,000-\$142,000	426	6%	1,630	1,204
\$35,000-\$49,999	\$142,000-\$202,000	708	9%	1,984	1,276
\$50,000-\$74,999	\$202,000-\$303,000	1,277	17%	1,941	664
\$75,000-\$99,999	\$303,000-\$404,000	1,050	14%	702	-348
\$100,000-\$149,999	\$404,000-\$605,000	1,694	23%	542	-1,152
>\$150,000	>\$605,000	1,977	26%	105	-1,872

Renters

Household Income Range	Affordable Range for Renter Units	# of HHs	% of Renter HHs	Renter Units	Renter Gap
\$0-\$24,999	<\$625	813	21%	490	-323
\$25,000-\$34,999	\$625-\$875	762	20%	1,385	623
\$35,000-\$49,999	\$875-\$1,250	555	15%	1,382	827
\$50,000-\$74,999	\$1,250-\$1,875	807	21%	319	-488
\$75,000-\$99,999	\$1,875-\$2,500	448	12%	7	-441
\$100,000-\$149,999	\$2,500-\$3,750	284	7%	105	-179
>\$150,000	>\$3,750	135	4%	0	-135

Total Households

Household Income Range	Affordable Range	# of HHs	% of All HHs	Housing Units	Unit Gap
\$0-\$24,999	--	1,174	10%	1,079	-95
\$25,000-\$34,999	--	1,188	11%	3,015	1,827
\$35,000-\$49,999	--	1,263	11%	3,366	2,103
\$50,000-\$74,999	--	2,084	18%	2,260	176
\$75,000-\$99,999	--	1,498	13%	709	-789
\$100,000-\$149,999	--	1,978	18%	647	-1,331
>\$150,000	--	2,112	19%	105	-2,007

Observations

As household income has become increasingly polarized, the housing market remains targeted towards a period with a larger 'middle.' Need remains pronounced at the lower end of the market, but also, this does indicate that many households may significantly less than 30% of their income in housing, especially when earning above regional AMI.

Notes

This gap method provides one window into the market, looking at households by income, and the availability of housing by cost. It does not take into account that many homes were bought at lower prices, at more favorable terms, or are owned outright. So many homeowners likely have lower costs. Likewise, values for both rents and values are self-reported. Market values derived from up-to-date sources indicate that the ACS undervalues both rents and homes.

Second, a 'gap' can help indicate need, but is not useful for 'targets'. This is not measure of demand, but rather paints a broader brush towards need. Furthermore, even if need is pronounced, the housing development landscape, as currently organized, cannot necessarily meet this need directly – especially on the affordability side.

Growth is projected to continue due to strong economic fundamentals

Households: Projected Growth

		Appleton-Oshkosh-Neenah CBSA			Neenah				
		Year	Total Households	Annual Change	5-Year Rolling CAGR	Total Households	Capture Rate	5-Year Rolling CAGR	
10-Year Forecasted Horizon	Second 5-Year Horizon	2034	111,015	0.98%	0.99%	12,158	10.95%	0.60%	
		2033	109,943	0.98%	1.00%	12,087	10.99%	0.60%	
		2032	108,871	0.99%	1.04%	12,015	11.04%	0.62%	
		2031	107,798	1.00%	1.08%	11,944	11.08%	0.63%	
		2030	106,726	1.01%	1.12%	11,872	11.12%	0.65%	
	Short-term time horizon	2029	105,654	1.03%	1.15%	11,801	11.17%	0.66%	
		2028	104,581	1.16%	1.19%	11,729	11.22%	0.68%	
		2027	103,378	1.18%	1.21%	11,651	11.27%	0.68%	
		2026	102,174	1.19%	1.19%	11,574	11.33%	0.59%	
		2025	100,970	1.21%	1.32%	11,496	11.39%	1.17%	
		2024	99,766	1.22%	1.32%	11,418	11.44%	0.83%	
Estimate		2023	98,562	1.24%	1.27%	11,340	11.51%	0.67%	
Historical Trend Data		2022	97,358	1.08%	1.22%	11,262	11.57%	0.54%	
		2021	96,314	1.87%	1.36%	11,236	11.67%	0.59%	
		2020	94,548	1.17%	1.20%	10,848	11.47%	0.07%	
		2019	93,455	1.02%	1.04%	10,955	11.72%	0.29%	
		2018	92,514	0.96%	1.02%	10,966	11.85%	0.82%	
		2017	91,633	1.78%	0.87%	10,965	11.97%	0.94%	
		2016	90,033	1.06%	0.61%	10,912	12.12%	0.99%	
		2015	89,088	0.38%	0.40%	10,812	12.14%	0.14%	
		2014	88,750	0.91%	--	10,798	12.17%	--	
		2013	87,953	0.24%	--	10,527	11.97%	--	
		2012	87,746	0.49%	--	10,464	11.93%	--	

CAGR is short for the Compound Annual Growth Rate, a metric used to calculate average annual growth rates.

Capture rates are falling as the pace of new housing development is accelerating outside Neenah, WI in the broader metro. As Neenah's developable space declines, housing will shift towards more infill redevelopment and higher density housing options.

Assumptions	CBSA	Neenah
	Historical CAGR	
5 year rate	1.22%	0.54%
	10 year rate	1.04% 0.74%
Projected CAGR		
	2024-2029	1.03% 0.66%
Percent Change		
	2012-2022	10.95% 7.0%
	2024-2034	11.3% 6.5%

Results	CBSA	Neenah
10-Year Household Change	11,250	740

Projected Demographic Growth: 740 Households

HOUSING NEEDS | HOUSING NEED, AMENDMENTS

Amendments are oriented towards increasing supply of rental housing due to historically low vacancy rates

The methods here are adopted from the state of California's Regional Housing Needs Assessment methodology and has been subject to academic and political scrutiny. These adjustments account for achieving market equilibrium in the rental and ownership market, to correct for substandard housing, to adjust for current overcrowding, and to replace lost units.

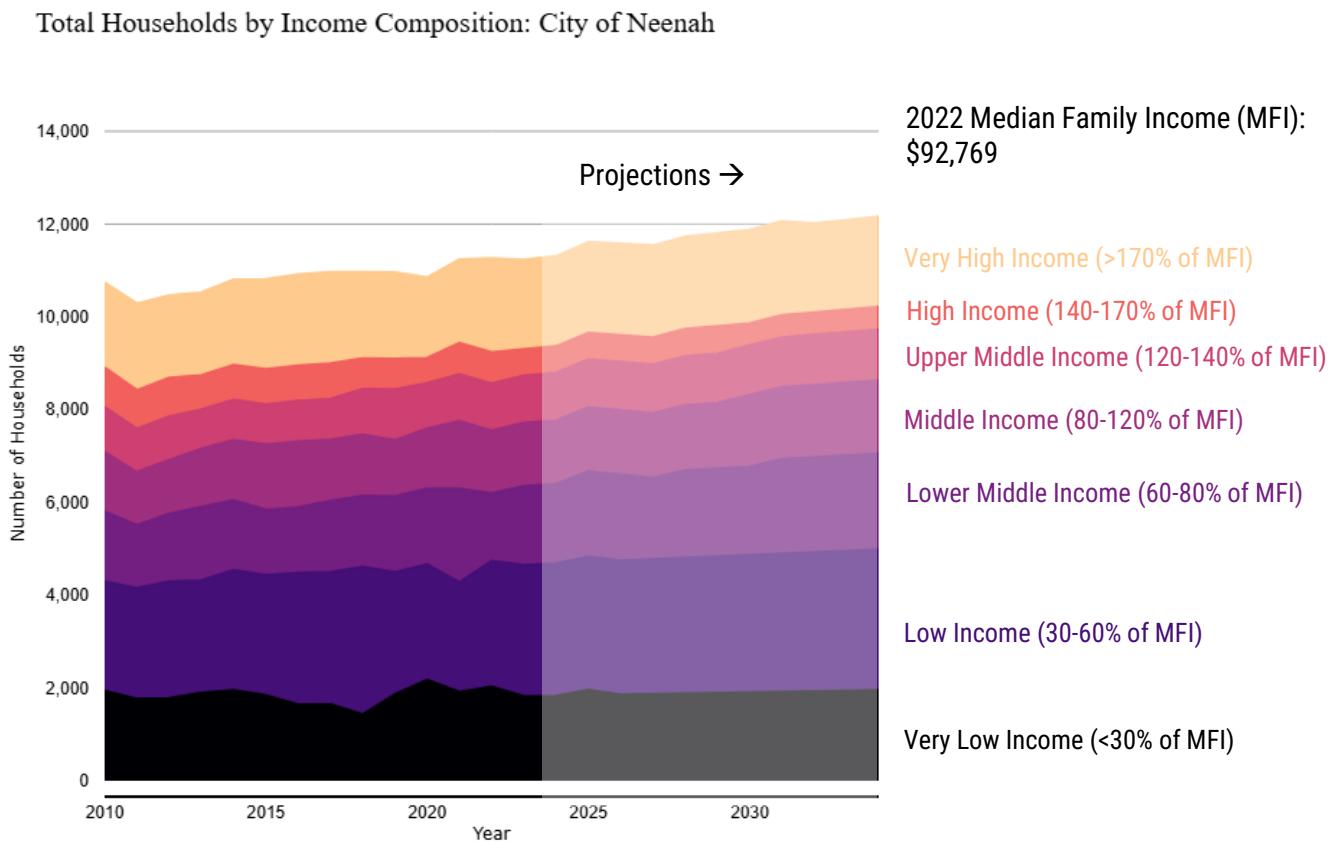
Vacancy (Ownership)	2.00%	Threshold Market Health	0.42%	Neenah Rate	115	Vacancy Adjustment
Vacancy (Rental)	5.00%	Threshold Market Health	4.88%	Neenah Rate	5	Vacancy Adjustment
Substandard (no plumbing/kitchen)	1.20%	Threshold nat'l avg	1%	Neenah Rate	--	Substandard Adjustment
Overcrowding (>1 occupant/room)	3.35%	Threshold nat'l avg	1.32%	Neenah Rate	--	Overcrowding Adjustment
Replacement (per year)	0.09%	Annual Need	10	Annual Units	100	Replacement Housing
Household Growth				740	Household Growth	
10-Year Production Target: 960 Housing Units						

Total New Housing: 960 Units

Additional amendments are made to total unit demand based on the need to add supply to meet market equilibrium thresholds. These include adjustments of the rental market to move the market towards greater equilibrium, commonly held at 5% - Neenah's market is very close, so a smaller adjustment of 5 units is included here. The larger immediate adjustment is to help bring the ownership market into equilibrium, including the adding 115 ownership units. Additionally, an adjustment is made for replacing demolished homes. The replacement rate is a national average used for HUD housing studies. No adjustments are necessary to meet overcrowding thresholds or to adjust for substandard housing (defined as no plumbing or kitchen facilities). These amendments are added on to total units required to meet additional household growth from in-migration and demographics.

Projected Household Growth for Neenah remains moderate

The projected future housing need is then distributed by income bracket to understand growth in particular market sectors based on new household additions.



Methods

To account for inflation, brackets were determined based on the median income for each year. Existing brackets pose challenges for forecasting – general wage inflation means fewer households are within lower income brackets, whereas the proportion in higher income brackets tends to rise. This method helps to account for inflation. Using the most detailed ACS income brackets, households are apportioned into each bracket for that year. Using the historic proportions and trends, a linear regression model is used as a baseline for future growth and is then modulated based on judgment.

Projected growth trends lean towards the addition of new households between 60-140% of the region's Median Family Income. Given continued growth of the manufacturing sector, growth in 'middle income' positions across the manufacturing division of labor are sensible. Both the high and low end of the income spectrum are expected to remain relatively constant.

HOUSING NEEDS | HOUSING NEED PROJECTIONS

Household Demand is strongest for larger ownership units and affordable rental housing.

Income Bracket	Rent				Own			
	1BR	2BR	3BR	4+ BR	1BR	2BR	3BR	4+BR
Very Low Income	5.3%	28.0%	31.8%	17.1%	0.2%	1.0%	6.5%	10.1%
Low Income	3.1%	18.9%	31.0%	16.4%	0.1%	1.0%	9.8%	19.7%
Lower Middle Income	1.6%	12.4%	26.8%	15.4%	0.1%	0.9%	11.0%	31.9%
Middle Income	0.9%	7.7%	20.2%	14.5%	0.1%	0.6%	10.1%	45.9%
Upper Middle Income	0.5%	3.8%	14.4%	11.8%	0.1%	0.5%	8.8%	60.0%
High Income	0.4%	2.7%	10.5%	9.9%	0.1%	0.3%	8.0%	67.9%
Very High Income	0.2%	2.1%	7.1%	7.3%	0.1%	0.4%	5.6%	77.1%

The odds here are determined based on the expressed preference of households in lower and middle density urban areas in the midwest. In general, the relationship between household income and bedroom size and tenure is proportional. Lower income households are more likely to rent and occupy smaller units, whereas higher income households are more likely to own and occupy larger units.

The 431 projected housing unit need are then apportioned based on the proportions at left to get an estimate of distribution of future household demand by tenure, bedroom size, and cost range. Note that in the past 5 years, a higher proportion of households are choosing to rent than is historically the case. Renting is increasingly common due to a range of macroeconomic factors.

Income Bracket	Definition	Max Affordable Monthly Housing Costs	Rent				Own				Sum Totals			
			1BR	2BR	3BR	4+ BR	1BR	2BR	3BR	4+BR	Rent	Own	Combined	
Very Low Income	<30% MHI	\$695	6	33	38	20	0	1	8	12	97	21	118	
Low Income	30-60% MHI	\$1,390	6	35	57	30	0	2	18	36	128	56	184	
Lower Middle Income	60-80% MHI	\$1,854	6	44	95	55	0	3	39	113	200	155	355	
Middle Income	80%-120% MHI	\$2,780	2	17	45	32	0	1	22	102	96	125	221	
Upper Middle Income	120%-140% MHI	\$3,244	0	3	12	9	0	0	7	48	24	55	79	
High Income	140-170% AMI	\$3,939	0	0	0	0	0	0	0	0	0	0	0	
Very High Income	>170% MHI	--	0	0	0	0	0	0	0	3	0	3	3	
Median Family Income (MFI): \$92,679			sums	20	132	247	146	0	7	94	314	545	415	960

Maximum affordable monthly housing costs are determined by 30% of household income based on the MFI of \$92,679 for the Oshkosh-Neenah MSA. This estimate is based on 2022 median incomes- the most readily available median income data.

HOUSING NEEDS | HOUSING TYPES

The Challenge of High Housing Costs:

The cost of new construction poses distinct challenges for providing attainable housing across the income spectrum. For lower-middle to middle income renters, new market-rate apartments can meet demand. This alleviates some pressure at the bottom end of the market, helping to increase the supply of affordable older units. New LIHTC units are also an important source of new affordable supply, and can help create mixed-income communities, especially in and near downtown.

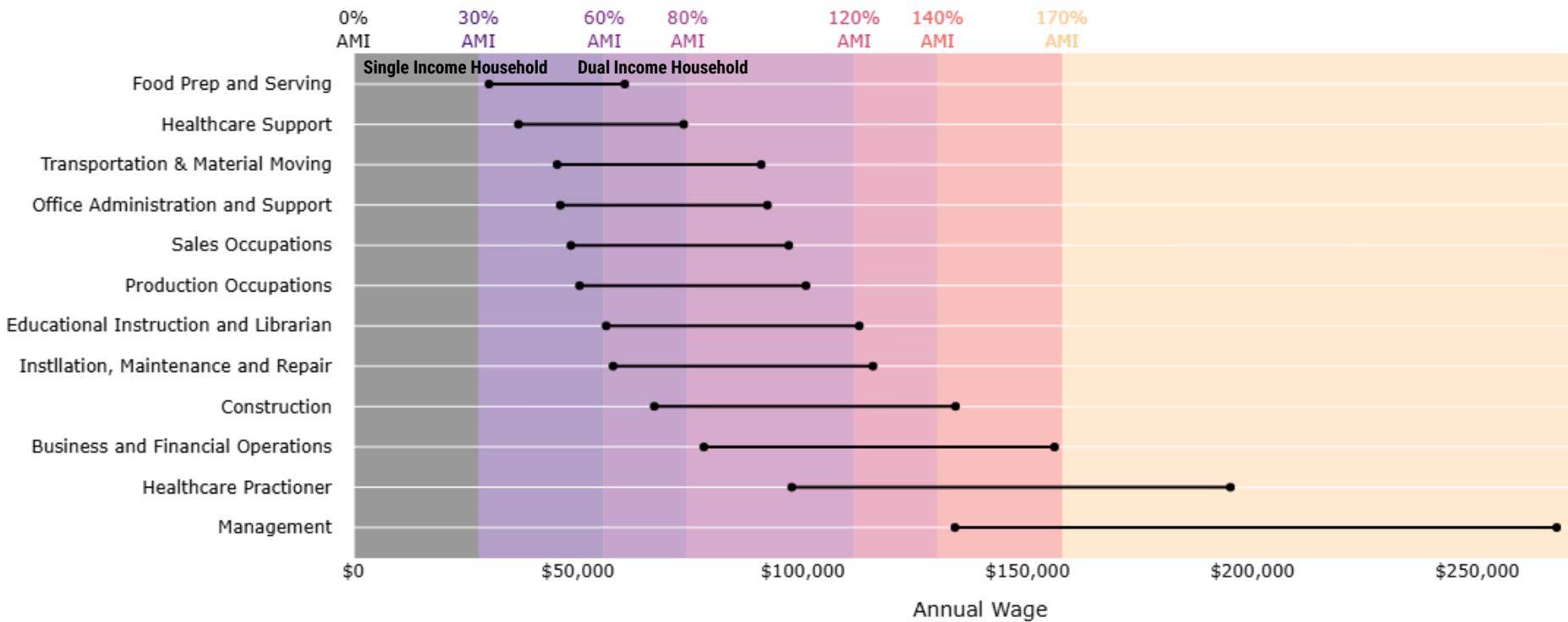
On the ownership side, new single-family homes start at a base of \$340,000, with very strong demand for new units. These housing prices are affordable for the large segment of middle-income households. New production of single-family homes can also lower the pricing power in the middle segment. New innovation to drive down home ownership prices – whether that be in higher density townhomes or condominiums or through means of public subsidy – could help meet ownership demand in the Lower-Middle Income bracket.

Income Bracket	Household Income	Max Rent	Rental Demand Totals	Rental Product	New Product?	Max Home Value	Owner Demand Totals	Ownership Product	New Product?
Very Low Income	\$27,803.70	\$695	97	Section-8 Housing Vouchers/Room Shares/Single Occupancy	Vouchers	\$88,500	21	Subsidized home ownership programs	--
Low Income	\$55,607.40	\$1,390	128	LIHTC, Naturally Occurring Affordable Housing	Vouchers & LIHTC	\$187,500	56	Old Single Family	--
Lower Middle Income	\$74,143.20	\$1,854	200	Market Rate Apartments, Townhomes and Homes	LIHTC & Market Rate	\$250,500	155	Older single family homes, townhomes	Split Homes
Middle Income	\$111,214.80	\$2,780	96	Market Rate Apartments and Townhomes	Market Rate	\$386,000	125	Townhomes, condominiums, older single family homes, small new construction	Single Family Homes
Upper Middle Income	\$129,750.60	\$3,244	24	Luxury Market Rate, Single Family Homes	Market Rate	\$456,000	55	Single family homes, new construction	Single Family Homes
High Income	\$157,554.30	\$3,939	0	Luxury Market Rate, Single Family Homes	Market Rate	\$548,000	0	Single Family Homes/New Construction	Large Single Family Homes/Custom Homes
Very High Income	> \$157,544	--	0	Luxury Market Rate, Single Family Homes	Market Rate	--	3	Single Family Homes, New Construction SF Homes	Executive

HOUSING NEEDS | HOUSING TYPES BY OCCUPATION

Occupational Income and Housing Affordability

Neenah-Oshkosh MSA AMI: \$92,769



	0-30% AMI		30-60% AMI		60-80% AMI		80-120% AMI		120-140% AMI		140-170% AMI		>170% AMI	
	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own	Rent	Own
Max Affordable Cost	\$695	\$88,500	\$1,390	\$187,500	\$1,854	\$250,500	\$2,780	\$386,000	\$3,244	\$456,000	\$3,939	\$548,000	>\$ 3,939	> \$548,000
Existing Housing Stock	Section-8 Housing Vouchers/Room Shares/Single Occupancy	Subsidized home ownership programs	LIHTC, Naturally Occuring Affordable Housing	Old Single Family	Market Rate Apartments, Townhomes and Homes	Older single family homes, townhomes	Market Rate Apartments and Townhomes	Townhomes, condominiums, older single family homes, small new construction	Luxury Market Rate, Single Family Homes	Single family homes, new construction	Market Rate	Top 3/4 of market	Market Rate	Most Housing
New Build	N/A	N/A	Vouchers & LIHTC	N/A	LIHTC & Market Rate	Split Homes	Market Rate	New SF	Market Rate	New SF, Custom SF	Market Rate	Family (limited market)	Market Rate	Custom

Future housing need relative to existing demand – a balancing act.

Blending Forecasted Need with Existing Need: An overview

Balancing future need for projected household growth relative to existing need is a balancing act. Housing markets are complex; movement across housing types can have ripple effects on the housing market. Adding new supply plays into this complex ecology. When recommending a housing strategy to meet present unmet needs and future needs, it is essential to consider *what* housing can be added to the market given current market conditions, and the *cascading impact* of that housing on the overall market.

It is clear that Neenah has additional and future need for three main housing types: 1) Affordable rental housing for a broader range of households that are now, and will likely continue to be, renters in the long term, 2) Affordable entry-level housing for two-income households earning between 80-120% of AMI, and 3) A diversity of housing types near downtown that can continue to add value, restore neighborhoods, and increase housing choice.

Providing this housing, however, has constraints. Given current development, construction, and financing costs, adding affordable rental product or affordable entry-level ownership single family homes is impossible. Instead, the market is capable of delivery market-rate rental product affordable for households earning 80% of AMI or more. Adding this type of

rental housing, however, can have a cascading impact on rents. Increasing supply can help meet new demand, and older units will become more affordable as new supply enters the market and households 'move up' to better/newer housing. Therefore adding market-rate apartments, while not directly building housing for households earning 60% AMI or below, can create more affordable housing for those groups.

New market rate apartments, however, should be complemented by an aggressive strategy to add LIHTC affordable units. These units provide high quality new housing for a diverse range of households working in 'essential' positions, ranging from manufacturing, entry-level healthcare, teaching or public safety, to retail/home-care providers, and hospitality workers. This is necessary housing that helps the community meet the needs of all its members, and helps ensure that employers are able to find and retain workers at reasonable wages.

Second, Neenah can continue to add homes in the \$340,000-375,000 range, but is ultimately constrained by developable land. While this housing can be out of reach for many households earning below the region's AMI, it nonetheless can help meet the heavily constrained market for new ownership housing. This can open up older housing, relieving some pressure in the middle and lower end of the market that are currently driving up prices across the board.

Finally, given that much development will likely be infill redevelopment, increasing the availability of 'middle density' housing types across different ownership classes can help generate market turnover. According to the survey and the expressed preference of seniors in Neenah and in other communities, many older households in the community are likely to move soon, prefer more 'downtown' living, but want greater options in terms of community and ownership type: Renting apartments or townhomes may not be right for everyone. New infill development should consider ways to increase the diversity of ownership and rental housing while adding additional density that can further support downtown redevelopment, and, potentially, lower housing costs as land is more efficiently utilized.

HOUSING NEEDS | DEMAND DRIVERS AND SUPPLY SOLUTIONS

Demand Driver 1

Demand entry-level ownership housing



Supply Solution

New ownership housing, fostering and encouraging experimentation with higher density ownership housing



Cascading Impact

Existing older homes will become more affordable as inventory meets demand. Older housing remains a key entry point into the ownership housing market for first-time homebuyers

Demand Driver 2

Demand for affordable rental housing options for lower-income households



Supply Solution

LIHTC projects would be met with very strong demand from single-income households in typical workforce jobs and dual-income households in lower wage jobs



Cascading Impact

LIHTC construction can help meet the needs of lower-income households, while putting pressure on existing naturally occurring affordable housing to improve quality of housing

Demand Driver 3

Demand for more diverse senior/post-ownership housing



Supply Solution

Senior rental options are saturated, but many also still prefer to own. Middle density housing options close to downtown could provide more options



Cascading Impact

Middle density housing options for ownership and rental can help create new in demand housing types for empty nesters. This can open up single family homes for families.



07 HOUSING STRATEGIES

STRATEGIES | STRATEGIES MENU

Identified Need	Reason	Strategies
Affordable Rental Housing	Renting is increasingly common and many Neenah renter households are cost burdened. Increasing supply of rent-restricted housing can add high-quality, new build construction that ensures available housing for households working in key workforce jobs.	LIHTC Housing Middle Density Housing City Owned Land Review Housing Trust Fund
Housing Diversity	Neenah needs more housing diversity. Recent development has been mostly larger multi-family or single-family detached homes. Middle density housing formats can help provide housing suitable for smaller households, and at more attractive price points.	Zoning Revisions ADUs New Developer Incubator Parking Requirements Financial Tools Infill Redevelopment Grants
Entry Level Ownership	The Fox Cities regional economy is generating growth. Growth will likely be strong in middle-income manufacturing jobs. As home prices increase, home ownership is increasingly hard for those earning at or near median incomes. Neenah needs more entry level homes, and to ensure the homes they do have at those price points are able to be updated and repaired.	Developer and Impact Fees First-Time/Low-Income Home Owners Middle Density Housing Home Improvement Loans

Review of Existing Programs

The city of Neenah's office of Community Development contains three main housing programs.

Houses into Homes Program: The housing into homes program is an initiative aimed at helping residents improve single and two-family properties and is available as grants or loans. The overall program contains two components and is available for properties with assessed values at \$211,00 or below (single unit), and \$270,000 or below (two-units). The first is the Curb Appeal Program that provides eligible projects with a grant to reimburse up to 50% of project costs for owner-occupied properties, and up to 25% of costs for investment properties. Curb Appeal Program is oriented towards outdoor improvement. The maximum grant size is \$5,000, with a minimum grant match of \$500. The second is the Refresh and Renew Program provides eligible projects with 0% interest, deferred mortgage loans for up to 50% of project costs, and 25% of project costs to investment properties. It focuses on both internal and external rehabilitation and home improvement projects. In 2024 – the first year of the program – 16 Curb Appeal projects and 4 Refresh and Renew projects were completed. The first year of this program was intended as a demonstration year and was only available to properties on Doty Island. In 2025, the program will be open to any qualifying property city-wide.

Neenah Housing Rehabilitation Program: The Neenah Housing Rehabilitation Program allows for basic structural and mechanical repairs for owner occupied housing for low-income households. Deferred mortgage loans are available for all households, whereas grants are available for those aged 62+ or disabled. \$3,600 is the maximum size of the grant.

Community Development Block Grant: The city is a recipient of federal Community Development Block Grant dollars, and contains the smallest entitlement in the state of Wisconsin. The city received \$200,000 in 2025, with \$30,000 available for projects outside currently utilized programs. CDBG funds are used for a range of services, including homeless shelters, staff, and assistance to low-income homeowners and renters.

Affordable Multi-Family Housing

Demand remains high for affordable multi-family housing. Strategies should be pursued to help ensure its development.

Purpose

The need for affordable multi-family housing remains robust. Trends towards increased renting among workforce housing households persists. Demand will remain high, but supply is limited, especially of high-quality new construction. Neenah undersupplies Low Income Housing Tax Credit (LIHTC) units relative to neighboring municipalities.

Strategies

LIHTC

Low Income Housing Tax Credits remains the most dependable path to creating affordable multi-family rental housing. The program contains two types of credits, 9% credits that bring more resources into a project and his highly competitive, with building sizes ranging from 40-60 units, to 4% tax credits that bring a lower level of support, and often are built in mixed income communities with

total units ranging from 100-200 total units.

Community Engagement

The development of a mixed-income mixed housing type neighborhood at the former Shattuck Middle School site that included LIHTC units was rejected due to neighborhood resistance. Community engagement can be crucial to build neighborhood support for multi-family affordable housing. Identifying the beneficiaries of such a program and its importance in supporting economic development remains crucial.

While affordable housing restricted to seniors often receives more public support, there is demonstrated need for affordable housing units across all households. Ideally, new projects should be open to all family households.

Additional Strategies for Deeper Affordability

Deeper levels of affordability can be achieved through various mechanisms, including bridging funding gaps, using city owned land, or lowering or limiting development fees. The city could proactively support LIHTC development by identifying potential parcels suitable for development and building relationships with LIHTC developers. Some proactive work from both city staff and city council is probably necessary to derisk future projects, given previous issues with affordable housing in the past.



STRATEGIES | HOUSING TRUST FUND

Local Housing Trust Funds

LHTFs are a housing swiss army knife – a flexible tool for channeling housing funds into diverse projects.

Purpose

Develop flexible finance tools that can be used to help drive development of needed housing types and affordability levels in Neenah.

Strategy

Local Housing Trust Fund (LHTFs) are funds established by a local government used to fund housing projects. Funding sources are diverse, ranging from one-time matching funds from state policy, to recurring contributions from income-generating properties, allocations from TIF pools, CDBG money, or housing specific levies. They are a flexible resource for housing within a local jurisdiction that can be applied to a range of uses (see right).

Several cities in Wisconsin have adopted

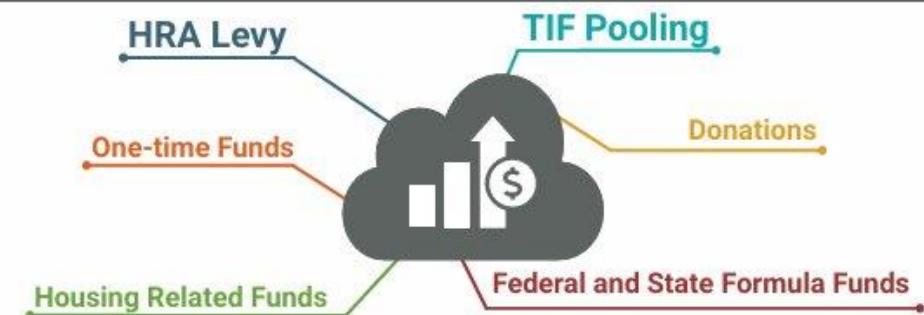
LHTF tools, including the city of [La Crosse](#). La Crosse uses its LHTF, currently capitalized at \$1.225 million to gap finance or renovate affordable housing through low interest loans.

In Minnesota, [LHTF's are strongly supported by state-level policy](#), with flexible guidelines for how they can be applied. Uses range from homebuyer assistance, to naturally occurring affordable housing preservation, to rent support for low-income households. In Neenah, they could be used to support land acquisition for affordable housing development, gap financing for new housing types, support for first-time homebuyers, among others.

Common Uses For LHTFs



Common Funding Sources For LHTFs

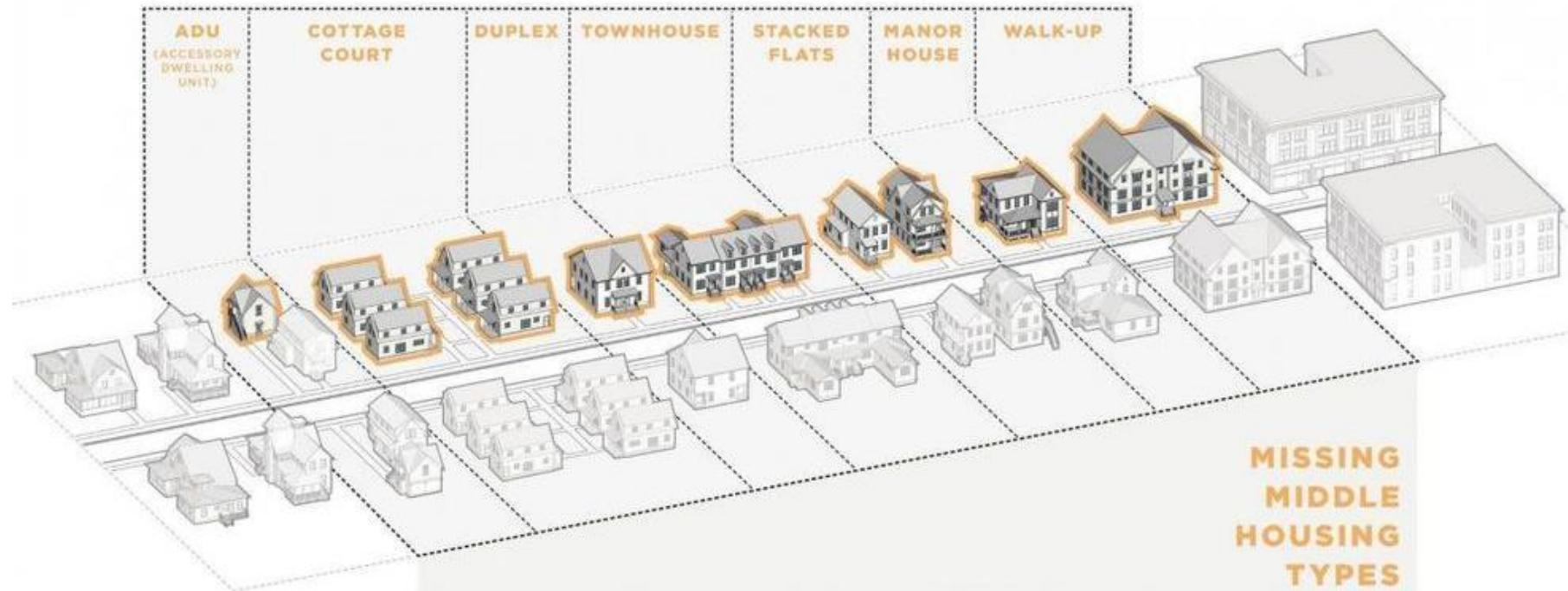


Missing Middle

Middle density housing contains a wide mix of housing types, including Accessory Dwelling Units (ADUs), cottage courts, duplexes, townhouses, and small multi-family formats of 3-10 units including stacked flats, manor houses, or walk-ups.

These housing types were common in neighborhoods prior to 1950's zoning laws that standardize use types and neighborhood typologies. With their disappearance, so too has gone a range of housing types that people desire, including a range of smaller formats appropriate for smaller household sizes increasingly typical. In Neenah, middle density housing can create more affordable entry-level homes, affordable ownership homes for seniors looking to downsize from single family homes but not yet ready for assisted living, or mixed tenure homes that allow for additional income streams.

Despite desire for more diverse housing, cities have to 'relearn' how to build this housing type, and to support it through zoning reform and/or other policy choices.



Middle density housing remains elusive. Policy can help.

Building middle density housing can help meet key housing needs for the city. Support is likely in the short-term.

Purpose

Create conditions to support middle density housing in Neenah, creating a range of housing types attractive to first-time homebuyers, smaller households, and seniors looking for smaller footprints.

Strategies

Zoning

Zoning remains a key first-step in inducing middle density housing, especially infill redevelopment. Removal of single-family zoning in key redevelopment districts to allow the permitting of more dense housing types is recommended. This includes adjusting rules for set-backs, off-street parking. A model zoning ordinance for missing middle housing is the [User Guide for Middle Housing Model Ordinances](#) developed by Washington State Department of Commerce. A similar guide for zoning reform to induce middle

density housing is the League of Wisconsin Municipalities' [Enabling Better Places: A user's guide to Neighborhood Affordability](#). The city of Neenah should encourage the use of **Traditional Neighborhood Development (TND)** patterns in its historic neighborhoods that replicate pre-1950s zoning codes. TND will reinforce downtown's vibrancy while helping induce infill development.

Parking

Parking requirements can increase land requirements for new development, limiting the density, and ultimately the affordability, of units. Many cities have reduced, or fully removed, parking minimums, including La Crosse, Gilman, and West Allis.

Financial Tools

Developers of workforce and missing middle housing in Spokane, WA have identified shifts in

housing finance, including shifts from Loan-to-Value to Loan-to-Cost funding, that have substantially increased developer equity requirements. This makes it difficult for small developers – or developers who build less than 8 units a year and who historically built more than 60% of US housing prior to 2008 – to build more housing. To remedy this, a 'gap fund' was developed to bridge the finance gap for missing middle housing, with bridge gap recipients bound by affordability requirements. New cottage and townhome units are brought to market for less than \$250,000, a key price point for entry level homes.

New Housing Developer Incubator

Home builders were wiped out during the Housing Crisis of 2008. Few developers have expertise at middle density infill redevelopment. Active cultivation can help.

Purpose

Small homebuilders historically are the backbone for new housing development in small to mid-size cities. Neenah does not have the size to attract the national homebuilders who specialize in subdivisions. The Fox Cities region has gained developer specialists in large multi-family housing, single-family subdivisions, and low-density split homes, but it lacks an entire development tier that specializes in middle density housing and lower density multi-family.

Strategy

This lack of specialization into diverse housing types is not unique to Neenah. To address this issue, cities, non-profits, and housing agencies have recognized the need

to incubate and support emerging developers. Minnesota has some leading programs, with the Greater Minnesota Housing Fund, the city of St Paul, the County of Ramsey County, among others, developing Emerging Developer programs that support new developers with technical assistance, flexible project financing options, grant funding opportunities, and training resources. In some places, this extends to low-cost city or county-owned land. Some projects have requirements for affordability or housing type.

It may be challenging for a smaller municipality, but may be possible as a regional program across the Fox Cities area. Cities and counties in the region have all identified housing diversity as a key need, but the market is not creating this housing type

due to a lack of experienced developers who know how to build the product.



Accessory Dwelling Units (ADUs)

Accessory Dwelling Units meet diverse family needs. It can also add some affordable rental supply.

Purpose

Accessory dwelling units (ADUs) can meet community needs by increasing the supply and variety of housing. They create an important additional income stream for some, and for others they may meet family needs related to caring for family members.

They are smaller housing units that are on the same lot as an existing home and owned by that homeowner. They may be built as an attachment to the primary home or as a separate structure.

They are an efficient use of public infrastructure because they introduce a new housing unit where there are existing utilities. The property manager, being the resident of the primary home, is close at hand, which usually ensures good management and responsive attention to issues that arise.

Strategy

Current zoning districts do not allow for more than one dwelling on a lot, precluding detached ADUs. Likewise, large front and back setback requirements prevent home additions and construction of detached ADUs. Minimum dwelling width in R1 and R2 neighborhoods also are too large for most ADU types.

Zoning should allow for ADUs in R-1 as a permitted use, and other zoning changes made on setbacks to make ADUs a viable option in residential neighborhoods.

Other options include allowing ADUs as an attachment to or within an existing primary home, or requiring an application to apply for and obtain approval for a conditional use permit.

Examples

ADUs are allowed as an accessory use in all residential zoning districts, and in Oshkosh, they

are allowed as an accessory use in all single- and two-family zoning districts.



City-Owned Land Inventory and Development

The city owns diverse parcels across the city. Cities nationwide have taken more proactive steps to turn city-owned parcels or land into needed housing.

Purpose

City owned land can be leveraged to induce new supply of needed housing that the market is not providing. It can also be used to add supply of affordable housing.

Strategies

During the Covid pandemic, the city of Neenah executed a plan to use access to low-interest capital to secure land for new subdivision development, holding and reselling the land to the chosen land developer, helping to lower developer cost burden and ensuring the project got completed.

Land inventory

The city of Neenah has acquired land from a range of remnant projects, some with well-defined parcels, and others without. The city of Neenah should conduct an inventory of city-owned land to determine redevelopment potential, as well as existing vacant

lots within the community.

Land Banks

Land banks are employed by Cities or non-profits to acquire and prepare land for redevelopment. A property acquisition fund can be utilized by the land bank to acquire land to either be held by the land bank until appropriate or to prepare it for development.

Partnering with New Developers

Cities looking to increase housing supply needs home builders. The region has a growing number of local single-family builders, but not many with a focus or expertise in middle density housing types. City-owned land can be an opportunity to partner with new or emerging developers to pioneer new housing types, including plexes or cottage-style homes. The city can sell or grant the land, lowering the cost for homebuilders. Existing programs for this include the Ramsey County Emerging Developers program that

sells County-owned land to members or graduates of its new and emerging developers program, with the condition that homes are affordable for those earning 80% AMI, or are developing mixed-tenure small multi-family.

Affordability or Housing Type Requirements

As noted above, cities of various size grant or sell at below-market rates land for new development that also helps address needs for incubating a new class of small housing developers, targeting pioneering housing types that may be missing in the community or lack experienced builders/developers, or affordability requirements (or a combination of the three). Reliant on regional and local housing developers, Neenah should target using city-owned land for affordable mixed-tenure or cottage style homes that are currently missing in the market, helping to fine-tune the product and proving the market.

Vacant or Dilapidated Lots: Infill Redevelopment

Many first-time homebuyers in workforce jobs feel squeezed out of the housing market. This can help them acquire a home.

Purpose

As neighborhoods age, replacing dilapidated or vacant lots with new housing can help stabilize home values and attract new investment. No new infrastructure is required, saving the city money.

Strategy

Municipalities can adopt strategies to increase infill redevelopment, including changing zoning codes to attract a mix of housing that matches historic character, or adding financial incentives to redevelop identified substandard housing or vacant lots.

Example

To incentivize infill development of lots with substandard housing, the City of Richfield

applies the [*Richfield Rediscovered Credit Program*](#) that offers a \$50,000 credit for any private sector developer that acquires a third-party identified substandard parcel or building, demolishes the property, and rebuilds an owner-occupied home. Embedded in existing single-family neighborhoods, the Richfield program adopts some stringent criteria on size, design, and owner-occupation.

Richfield Rediscovered also has a lot sale program that sells lots owned by the Richfield HRA at below-market rates that is prepared for new construction. Some design guidelines exist, as do incentives for building to 'green' certifications.



First-Time Homebuyers Program

Many first-time homebuyers in workforce jobs feel squeezed out of the housing market. This can help them acquire a home.

Purpose

Increase opportunities for home ownership within Neenah by offering support to first-time or low-income homebuyers. Homebuyer programs help individuals or families achieve homeownership, which can increase community stability.

Strategy

First-time or low-income home ownership support programs offer grants, low interest loans, or second mortgages to first-time homeowners to help cover closing costs, or to assist with down payments.

Oshkosh, WI runs a '[Sold on Oshkosh](#)' program demonstrating unique ways homebuyer programs can be incorporated to meet community housing needs. The Sold on

Oshkosh program provides up to a \$7,500 forgivable loan for single-family or duplex purchases in designated neighborhoods for households earning 150% of AMI or less who intend to occupy the house. An additional \$5,000 incentive is available for households who convert duplexes into single-occupancy homes.

A Note

These programs are historically abundant nationwide as they help subsidize demand for housing without impacting local supply. They are popular in communities averse to new development - an orientation to housing that has limited supply and increased home prices. Forward-looking municipalities at all scales are switching to supply-side policies to address community housing needs.



Home Improvement Loans

Entry level homes will not be new-build homes, and many are likely to require substantial reinvestment.

Purpose

As the cost of new build housing increasingly pushes single family detached homes outside of affordability levels for many workforce households, many will likely buy Neenah's older housing stock that can be found at more entry-level prices. Home improvement programs can ensure that the inside and outside of these houses are brought up to modern standards, helping increase neighborhood vitality

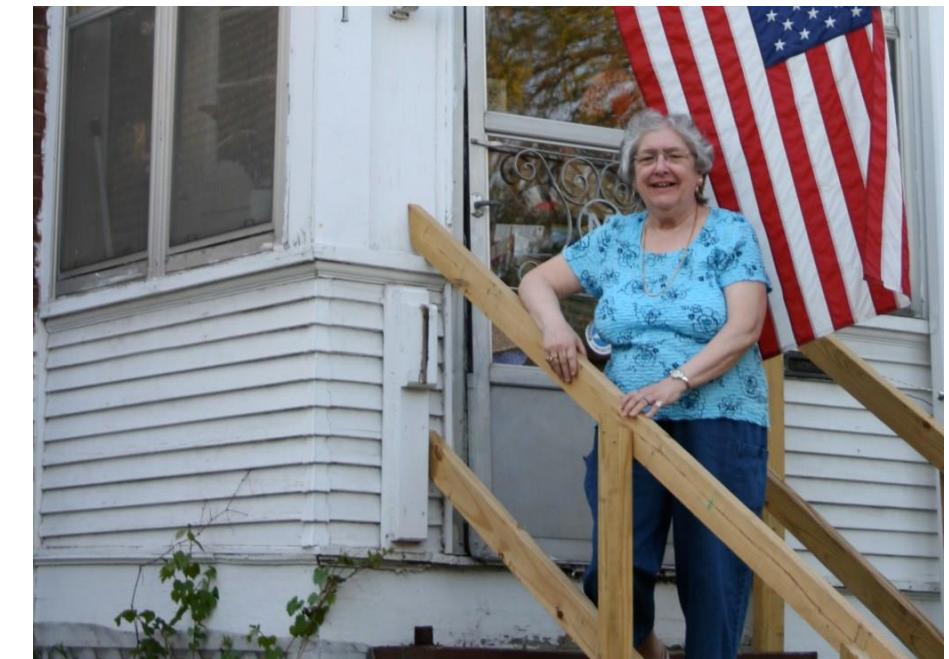
Strategy

Neenah has a full suite of existing policies to support home improvement. These include grants for internal and external improvements.

Reviewing these programs to ensure that

their size and intended audience are being met may be a worthwhile exercise, particularly clauses that support home improvements for middle income residents or units that will not be owner-occupied, as there is an opportunity cost of not using those funds for other programs.

The current Houses into Homes program is funded through the TIF Affordable Housing extension which allows a TIF to remain open for an additional year and the tax increment collected in that additional year to be used for affordable housing. As TIF districts close in the future, the city should continue to initiate the Affordable Housing extension to fund the Houses into Homes program or new affordable housing programs.



Development Cost Study

How does Neenah compare to regional cities in terms of cost of development? How do other cities structure development fees?

Purpose

Development costs refer to the expenses incurred in the process of developing new real estate projects. Municipalities can impose a range of fees to help support the provision of infrastructure, including roads, parks, land preparation, wastewater, water, fire protection, and law enforcement. While holding a favorable view of Neenah's development environment, land developers also noted that more transparency and consistency in development costs and impact fees helps de-risk projects.

These fees can be a substantial portion of land development costs and are often not transparent, creating risk for developers, while also potentially not generating sufficient revenue for new project development, imposing those costs disproportionately on existing tax payers or overburdening municipal finance. Finding the right

balance is important.

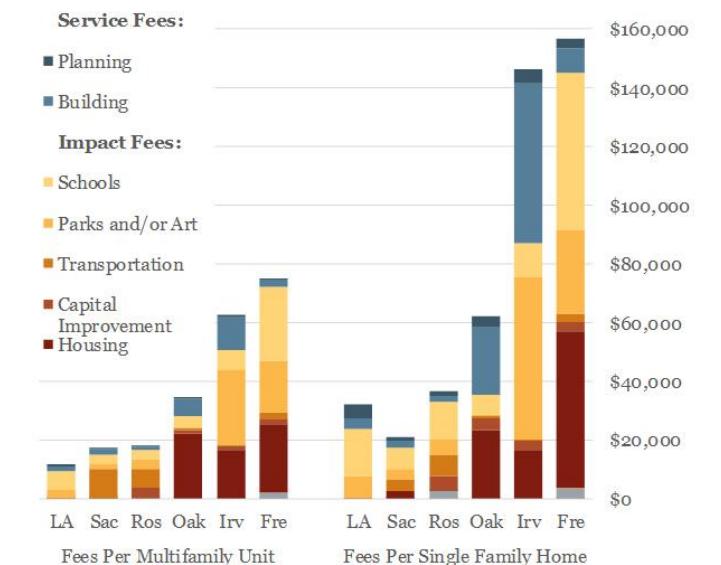
Conducting an assessment of development fees of regional comparison cities can help Neenah develop a more informed strategy to help balance the costs of new development with the need to minimize risk for developers in the development process and not cause housing prices to increase due to excess fees.

Strategy

Conduct a study of best practices and an inventory of regional development fees to determine a strategy for the city of Neenah that balances economic competitiveness and sufficient revenue to provide high quality infrastructure that improves the resilience, vitality and quality of life of the community. Creating clear and transparent rules is an important part of derisking. A [recent study](#) was

conducted by APA-WI on the do's and do nots of impact fees, and the [village of Jackson, WI](#) and [Franklin, WI](#) have each conducted similar studies.

Example of Impact Fee Study conducted in the Bay Area by The Terner Center



Land Suitability Study

A proactive approach to land development can accelerate new housing construction.

Purpose

Land development is a key component of new housing construction. The review of development plans can be lengthy and risky for a developer, thereby increasing project costs and ultimately housing costs. Cities can take a more active approach to land development, helping to develop neighborhood plans and reduce review time. This can be advantageous for the City by securing some assurances on the City's infrastructure needs and the planning required to provide it.

Land development tasks include identifying land suitable for development, determining appropriate land use, updating zoning maps or comprehensive plans, developing neighborhood plans for larger tracts, environment reviews, and site preparation.

The City can absorb a greater role of site preparation to derisk development. Undertaking a greater role in identifying and preparing a site and preparing the land for development can help a partner developer reduce their risk in the development, ultimately accelerating new development.

Forward-thinking planning and pre-development preparation can include identifying if land is inside or outside of city limits, conducting phase 1 or phase 2 environmental reviews to identify potential land remediation issues, envision neighborhood land use types and zone them preemptively. This can save a developer significant time, while also helping ensure that the development will not be rejected by city council, community members, or code enforcement.



Strategy

Covid-19 Stressed Housing Markets

Neenah should continue to identify strategies and built a network of community partners to ensure that those most impacted and vulnerable remain housed.

Purpose

Covid-19 deeply strained housing resources, with impacts unevenly felt. Housing stability and safety were prioritized by Federal agencies, but required strong coordination with regional and local governments, non-profit housing providers, and homeless shelters.

Strategies

Strategies by the Federal Government included general cash stimulus to households, unemployment insurance for households that lost work, forbearance on mortgage payments for homeowners, an eviction moratorium for renters who could not meet rent obligations, and emergency rental assistance. Renters were disproportionately impacted due to significantly fewer assets, high levels of cost burden, and deeper exposure to

unemployment.

Renter Safety Net

[Retrospective studies](#) identified that emergency rental assistance and eviction moratoriums policies helped keep renters in their home during the crisis. Recommendations include the need for a deeper and more permanent safety net for renters given high levels of rent burden and significantly lower assets.

Increasing Housing Supply

Strategies to increase housing supply are also crucial. Inadequate supply continues to strain the housing market. Inadequate deeply affordable housing continues to keep many renters precarious. As a result, increases in housing demand with lacking supply pushes those on the bottom of the market into homelessness. Developing pro-supply

policies can help ensure that adequate housing is available.

Invest in Non-Profit Partnerships

Cities can partner with housing non-profits through [numerous strategies](#), including collaborative planning exercises that develop crisis preparedness plans; resource sharing to better solve existing and identified problems; increase monitoring and knowledge of the rental housing market, including those experiencing homelessness or those that are hard to house; or training and capacity building to help non-profits better respond to emergencies. Identifying non-congregate housing for those experiencing homelessness such as motels can advance a housing first solution.

Public-Private-Nonprofit Partnerships

As housing has become more expensive and the need for a more robust housing safety net grows, partnerships with private sector and nonprofit agencies can help meet community housing needs.

Purpose

Nonprofit housing development organizations continue to increase single-family capacity to help solve regional housing issues. Nonprofits can also help combined public and private resources to fund affordable housing development.

Strategies and Examples

NeighborWorks Green Bay

NeighborWorks Green Bay is a Community Housing Development Organization that provides a range of solutions to housing problems. They provide home ownership counseling, actively develop affordable housing, implement home ownership programs, and catalyze innovative affordability solutions such as community land trusts. NeighborWorks Green Bay is

expanding into the Fox Valley region when it acquired the nonprofit Neighborhood Partners in 2021. Actively cultivating a relationship with organizations like NeighborWorks can help pool together public resources like land with private resources such as charitable capital to expand community outcomes.

The Forward Fund

The Forward Fund is an innovative program between the Sheboygan County Economic Development Corporation (SCEDC) and four private companies – Kolher Inc, Sargent, Masters Gallery Foods, and Johnsonville – to create 400-500 entry-level single-family homes. Home development will be driven through a \$10 million fund seeded by the companies and \$2 million in American Rescue Plan Act funds, helping to ensure entry-level homes exist for their

growing workforce. The SCEDC partners with the fund by playing the role of land developer and project manager, lowering infrastructure costs for the Forward Fund developments. Due to the fund, new homes are brought to market at a price point of about \$250,000, or about 25-33% less than homes without the fund's support. Deeds on the home are restricted to households who plan to be the primary resident and who will live in the home for a minimum of five years.

These partnerships are innovative strategies public, private, and nonprofits agencies have implemented to address regional housing needs. With public funds limited but housing need so acute, public-sector actors nationwide are taking more active roles as land and housing developers, or more aggressively using assets and partnerships to bring affordable housing to market.

Purpose

Stantec conducted a detailed review of Neenah's zoning code and recommend changes that can address housing supply issues in the community identified in the report.

The recommendations in the ensuing slides identify particular issues and provide recommendations for zoning code reform.

Issue	Recommendation
Large minimum lot sizes and widths required in R-1	<p>Create a new residential zoning district primarily for detached (single-family) dwellings on smaller, narrower lots (see below recommendation for R-2). The minimum lot size for this district should be such that would allow for lot splits to create new buildable lots.</p> <p>OR</p> <p>Reduce minimum lot size and width in R-1 district, including allowing zero lot-line development.</p>
R-2 District allows duplexes, but is otherwise has the same requirements as R-1	<p>Consider repurposing the R-2 district for not only duplexes but also smaller-lot detached homes (new district described above). Reduce minimum lot size and width to allow smaller lots than R-1.</p>
Large minimum dwelling width	<p>Remove minimum dwelling width in R-1 and R-2, allowing for a wider variety of homes to be built.</p>
Large front and rear setbacks	<p>Reduce rear setback in R-1 district to 25 feet (similar to Appleton, WI). Consider similar reduction in the R-2 district (to 20 feet) or new residential zoning district described above.</p>
Only one dwelling unit per-lot allowed in R-1	<p>Allow ADUs as a permitted use in the R-1 district; this district has the most potential for constructing detached ADUs due to larger lot sizes. Additional standards, to be reviewed administratively, can also be included without requiring a Special Use Permit/public hearing.</p>

STRATEGIES | ZONING REVIEW

Issue	Recommendation	Issue	Recommendation
Side setbacks prevent additions to existing homes	Remove aggregate minimum setback and establish a single minimum setback of 5-6 feet.	Non-conforming homes in commercial districts	Add single-family detached homes (or other housing types) constructed before the date of the ordinance to the list of permitted uses in commercial districts in question. This captures existing homes and allows them as permitted uses, so they are no longer non-conforming. This also maintains the integrity of the strictly commercial districts by not allowing new residential construction.
Neighborhood resistance to development of attached housing types.	<p>Create design standards for the R-1 and R-2 districts that regulate the bulk of attached dwelling structures. The standards should ensure that the maximum size of such attached buildings (duplex, triplex, quad) is similar to the maximum size of a single-family dwelling.</p> <p>Include graphics to demonstrate that bulk standards (setbacks, height) will result in structures that are compatible throughout a neighborhood.</p> <p>Create minimum off-street parking standards for ADUs in the R-1 district, to allay fears of too much street parking with increased density.</p>		
Lack of flexibility from zoning standards	<p>Review the zoning map and identify locations where duplex, triplex, and quad units would be acceptable. Then edit the text of existing residential districts (as described above) to allow those housing types OR rezone areas to other districts which allow them.</p>	Impact fees – none currently required	Consider modernizing impact fees for new residential development to help offset the costs to providing services (parks, water mains, sanitary sewer, etc.).
	<p>Create a section under Article 2 that allows Administrative Adjustments of 10-20% of zoning standards. This should accompany criteria for staff review of adjustment requests.</p> <p>OR</p> <p>Create provisions for administrative adjustments under certain sections of the ordinance (i.e. parking, setbacks).</p>	Streamline Regulations for moving Residential Buildings	Review should look at streamlining the process by reducing the review authority and eliminating architectural review neighborhood notices.



APX 1 HOUSING SURVEY



- The Neenah housing survey was launched on October 24, 2024, and collected 350 unique responses.

Quick Facts

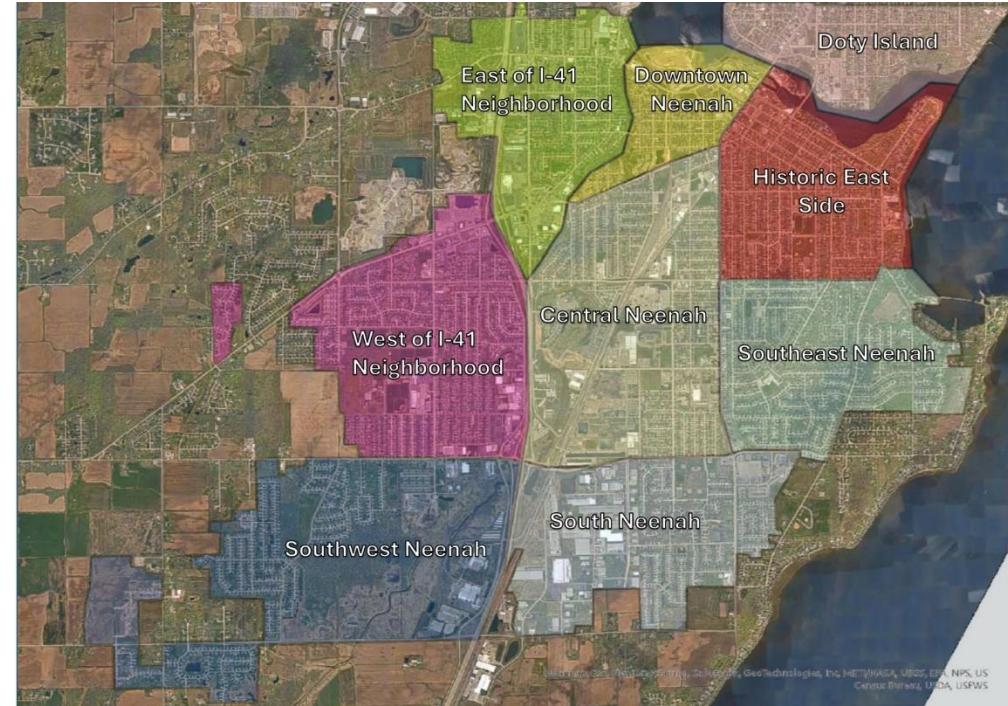
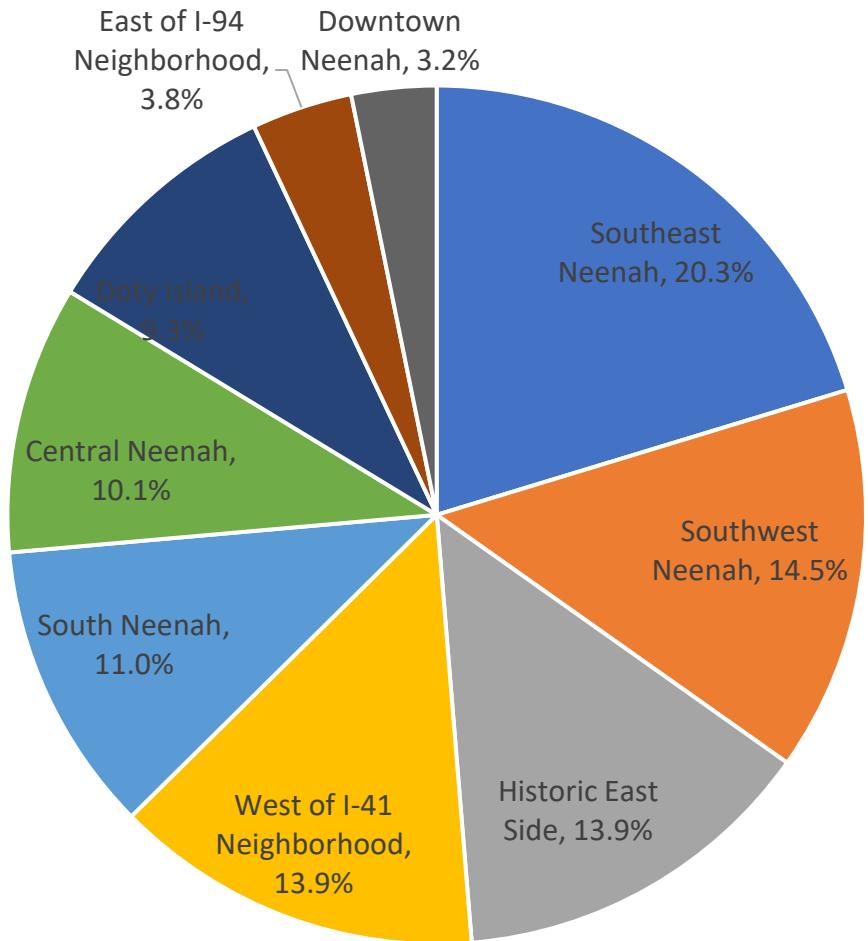
350

Total Survey Responses

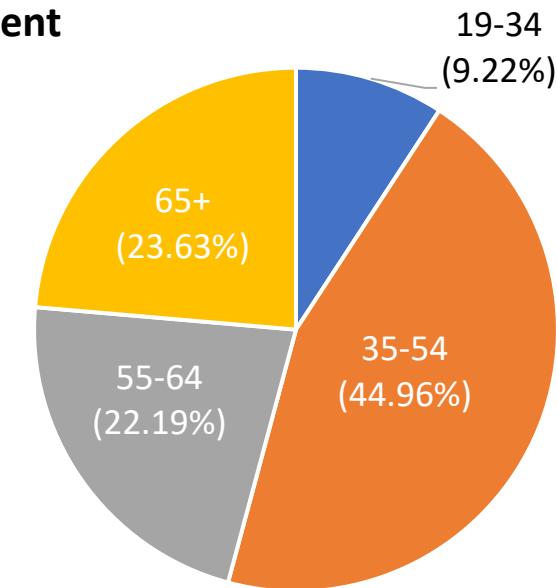


- Who were the respondents?

Location of Respondent



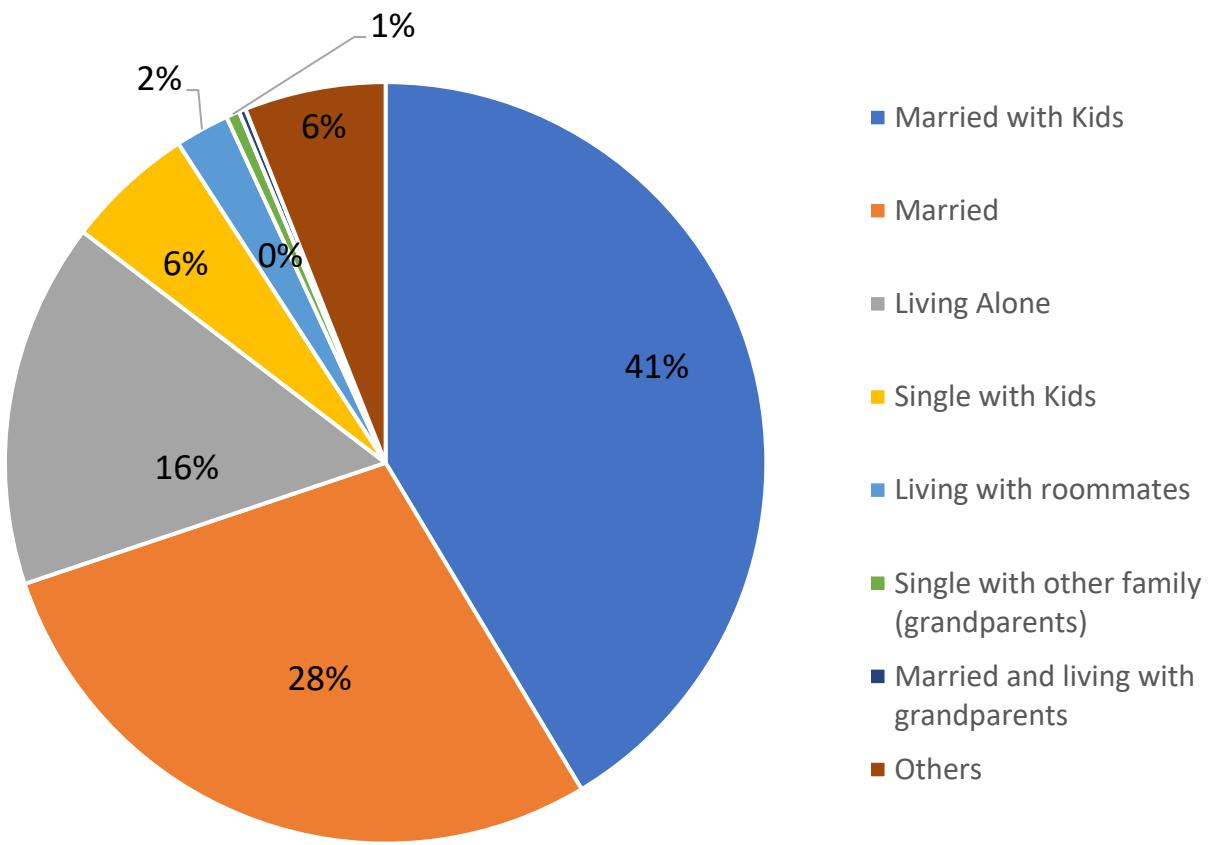
Age of Respondent



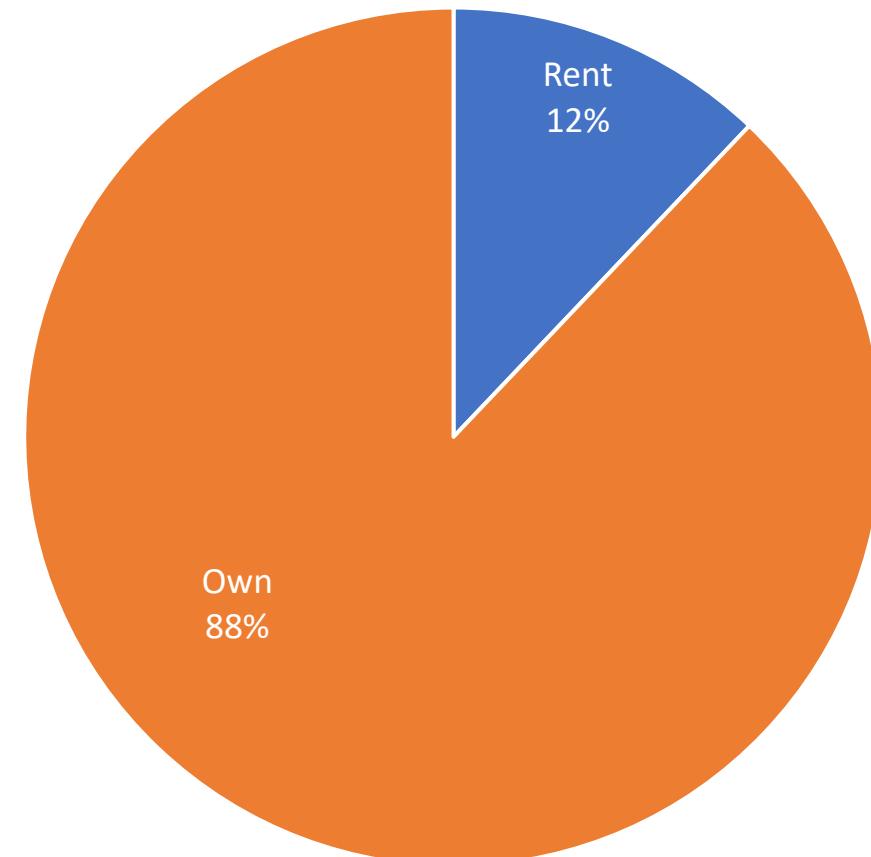


- Who were the respondents?

Household Structure of Respondent



Own or Rent

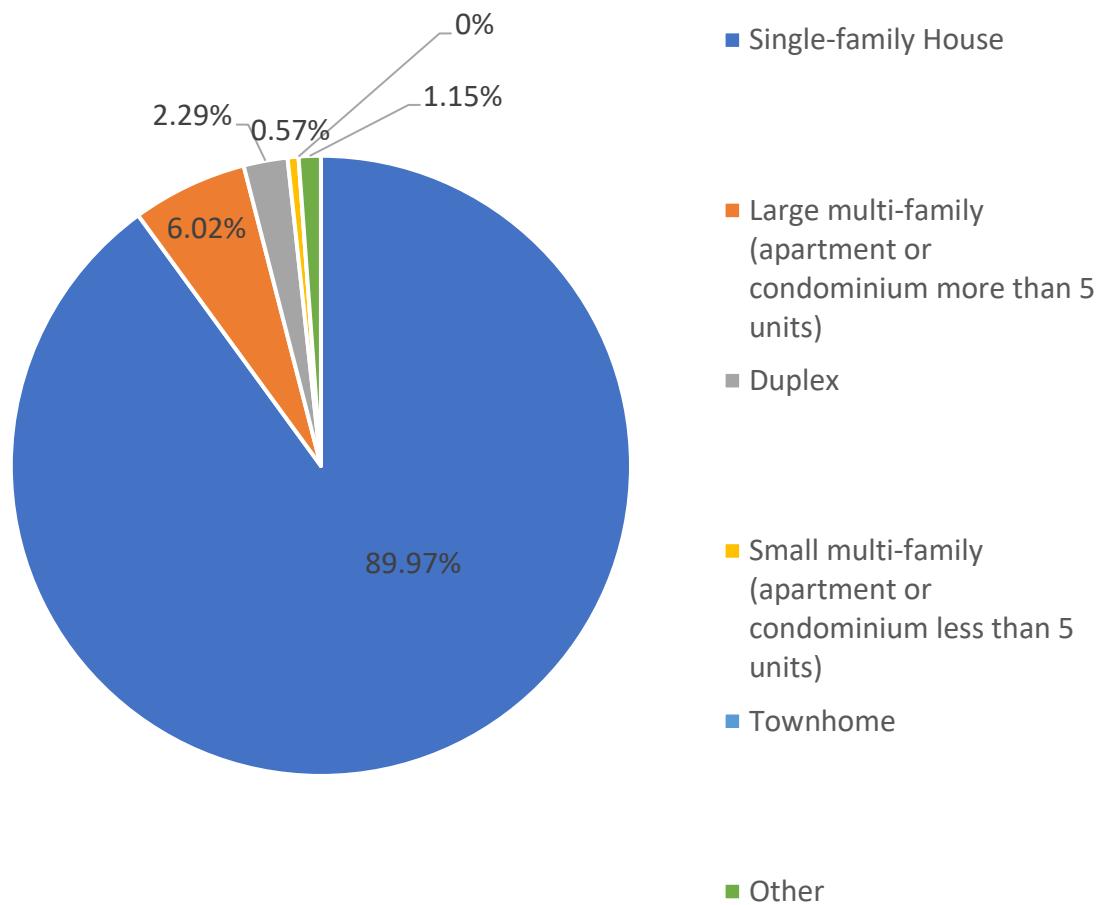


Most common other types include living with partner, fiance or boyfriend



- Who were the respondents?

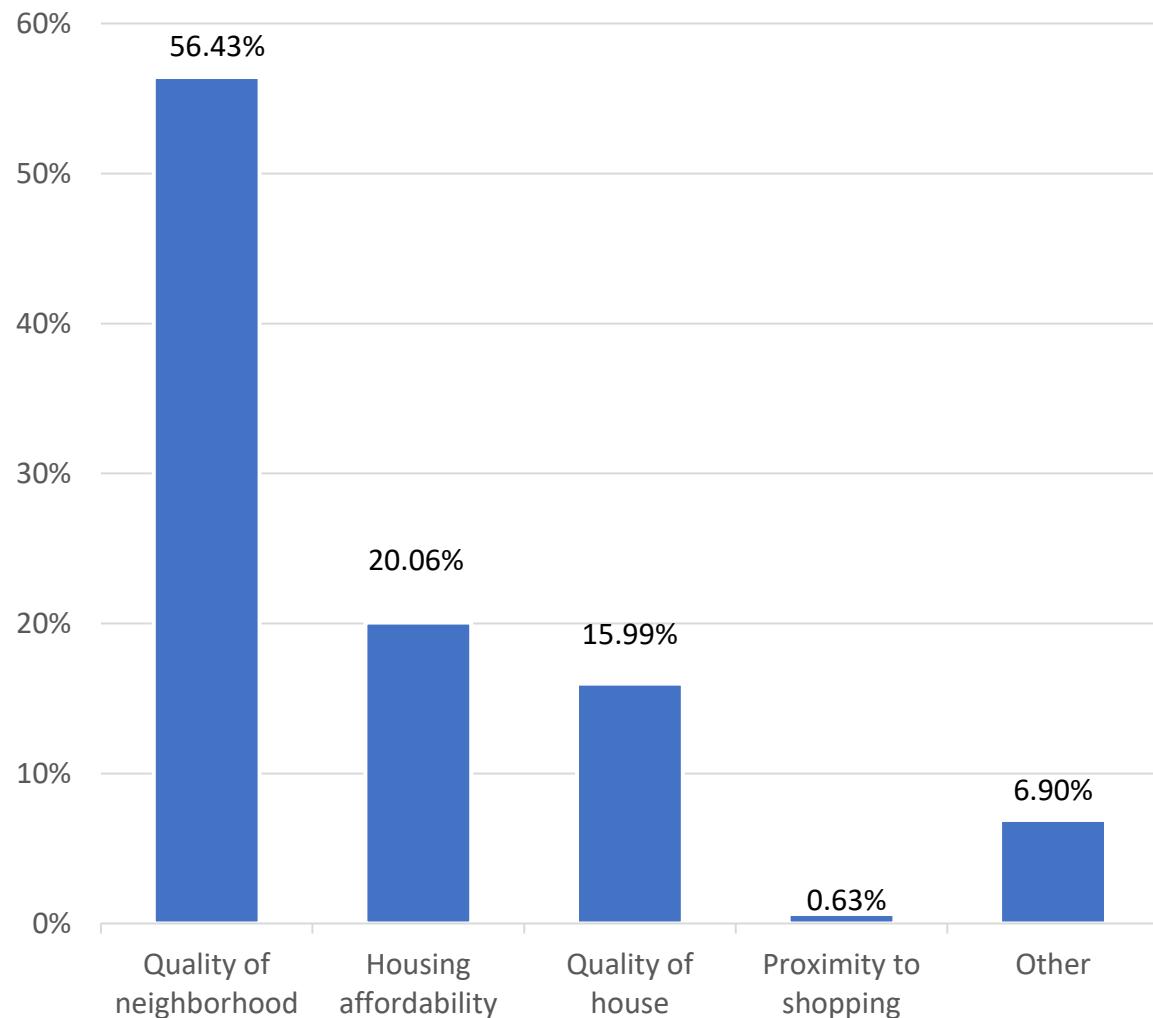
Housing Types



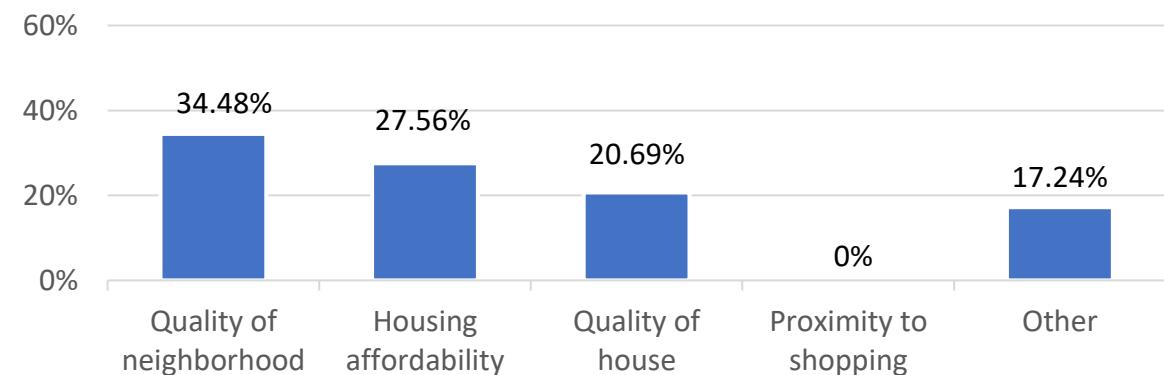


- What matters the most in where you choose to live?

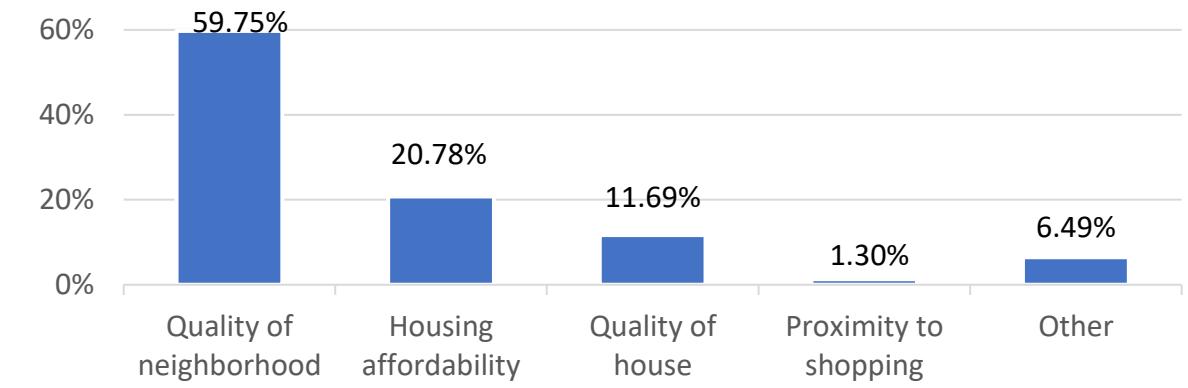
Preferences of Respondent



Age 19 to 34

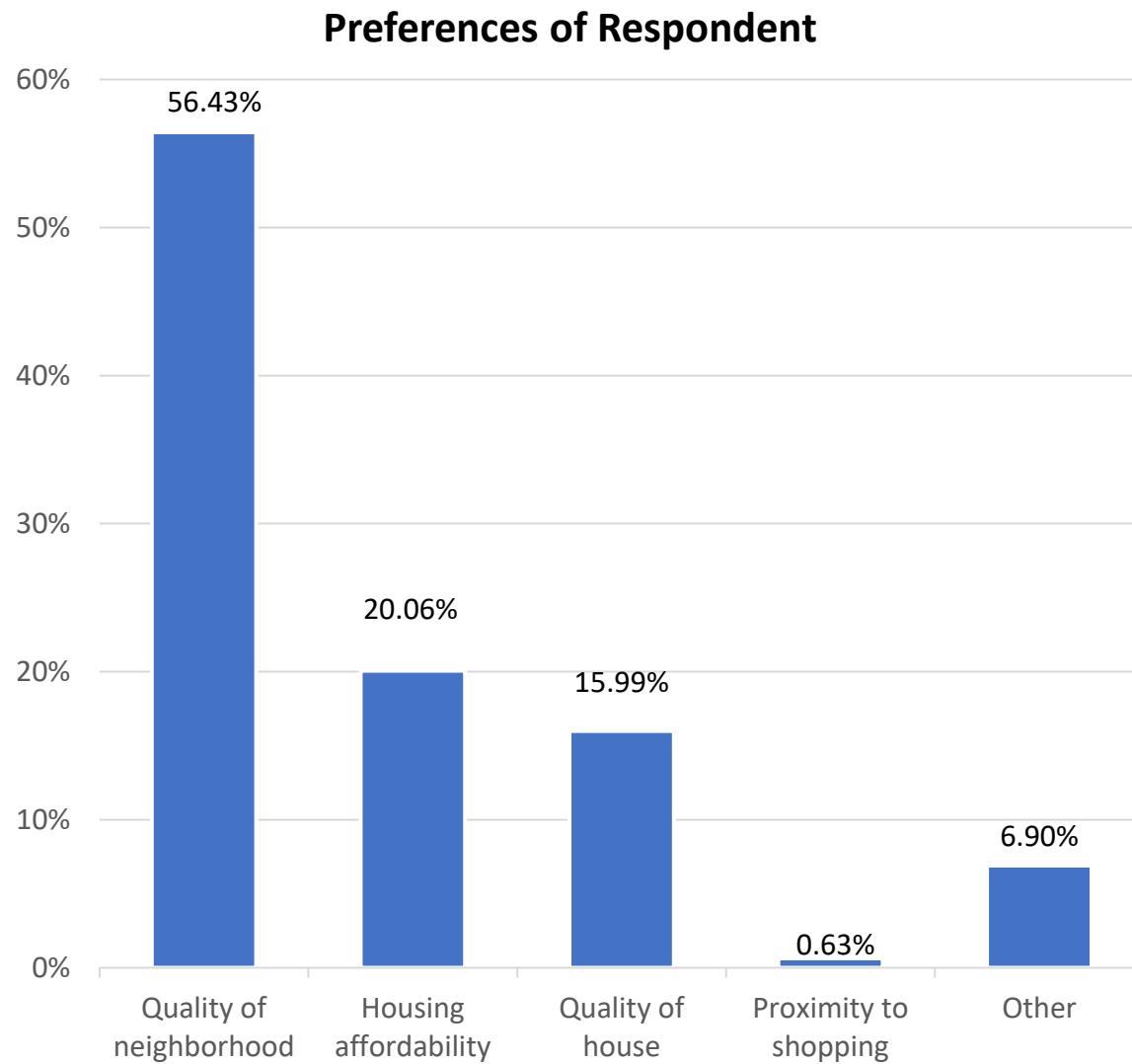


Age 65+





- What matters the most in where you choose to live?



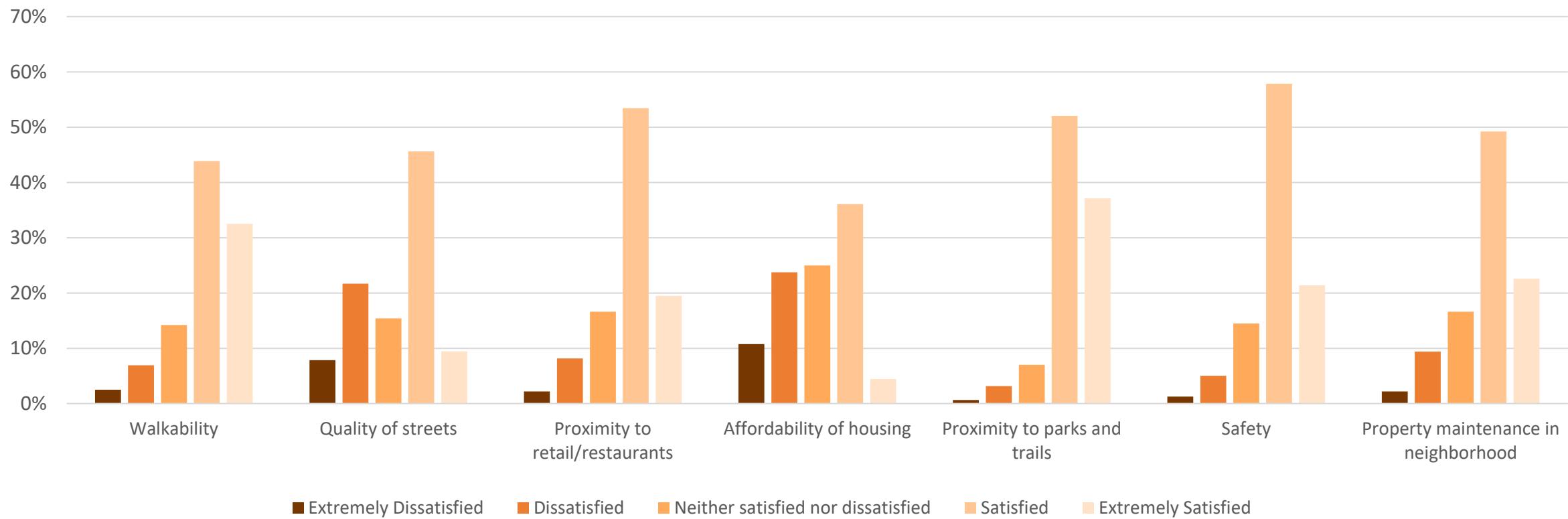
Other preferences include

- Proximity to parks
- Proximity to work
- Proximity to schools
- Proximity to waterfront
- Proximity to highway
- Proximity to roads that are pedestrian friendly.



- How satisfied are you with the following neighborhood amenities

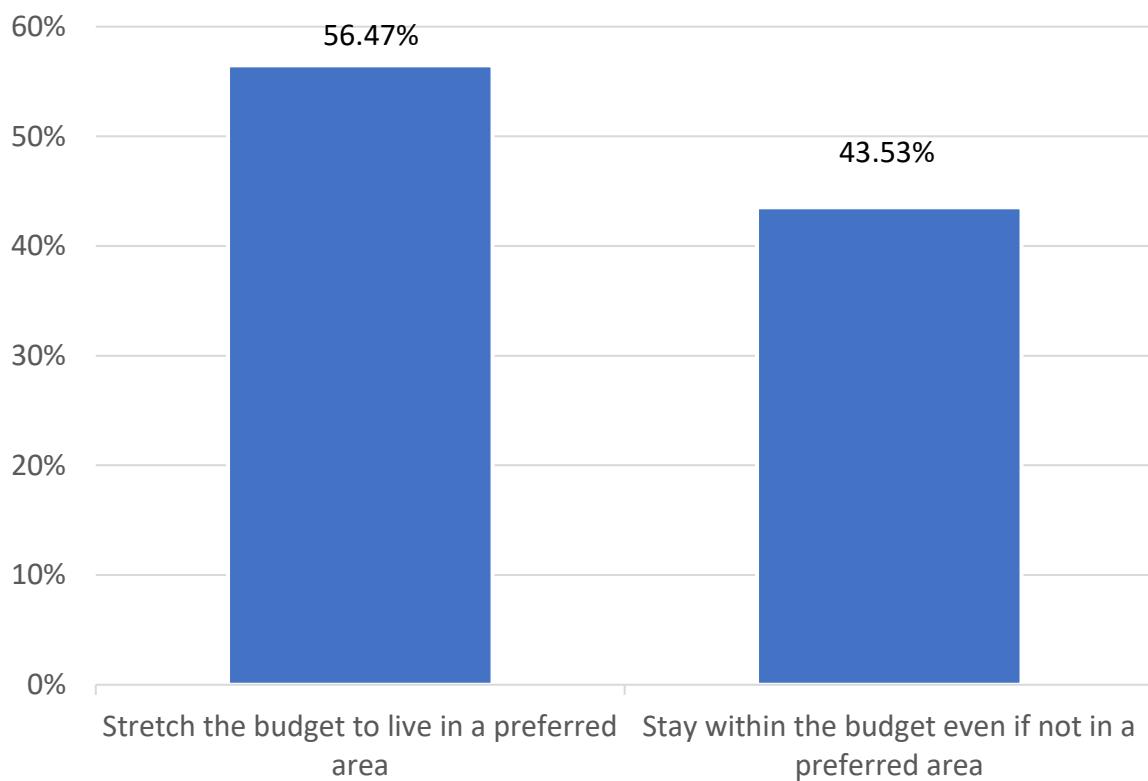
All Responses



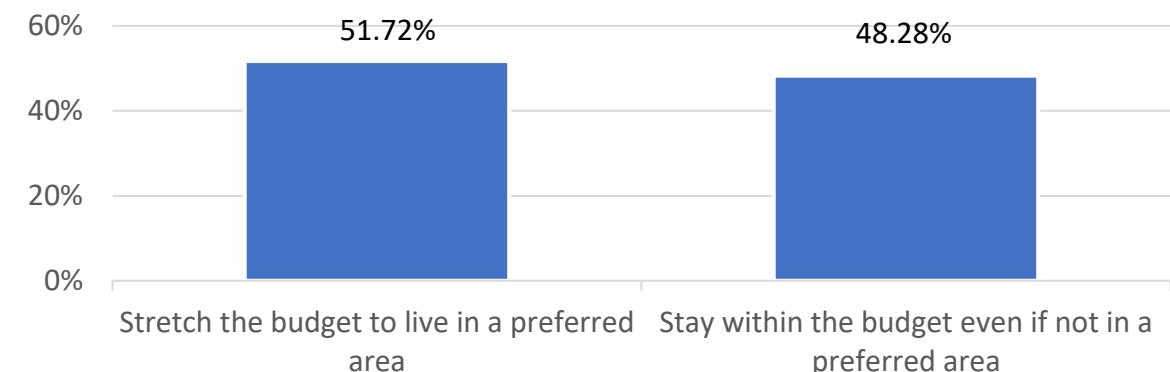


- If you had to purchase a home, choose the one that applies the most to you.

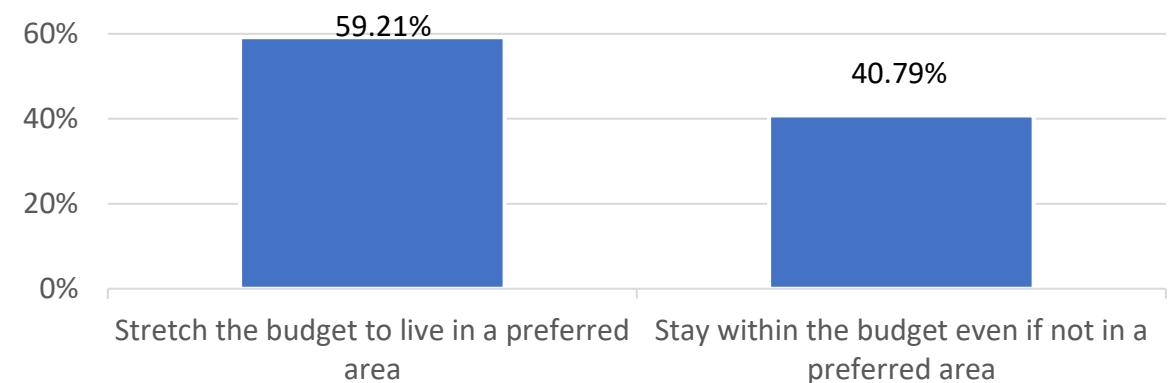
All Responses



Ages 19-34



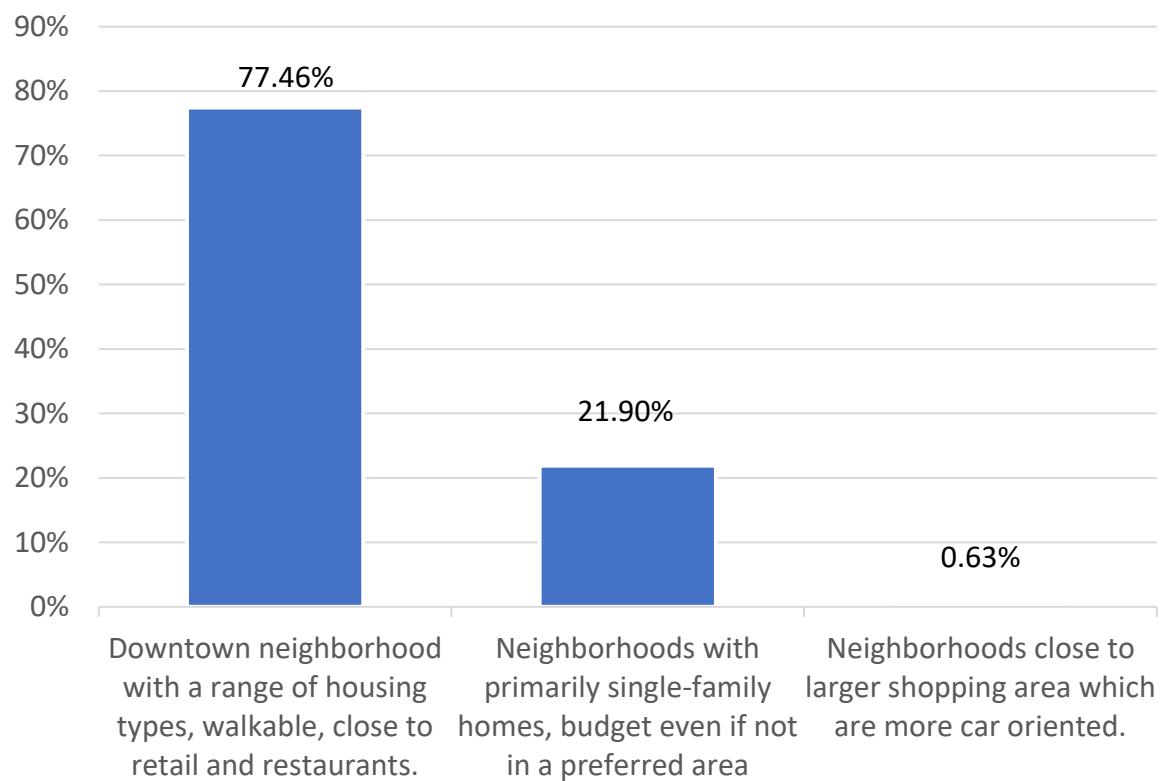
Ages 65 and above



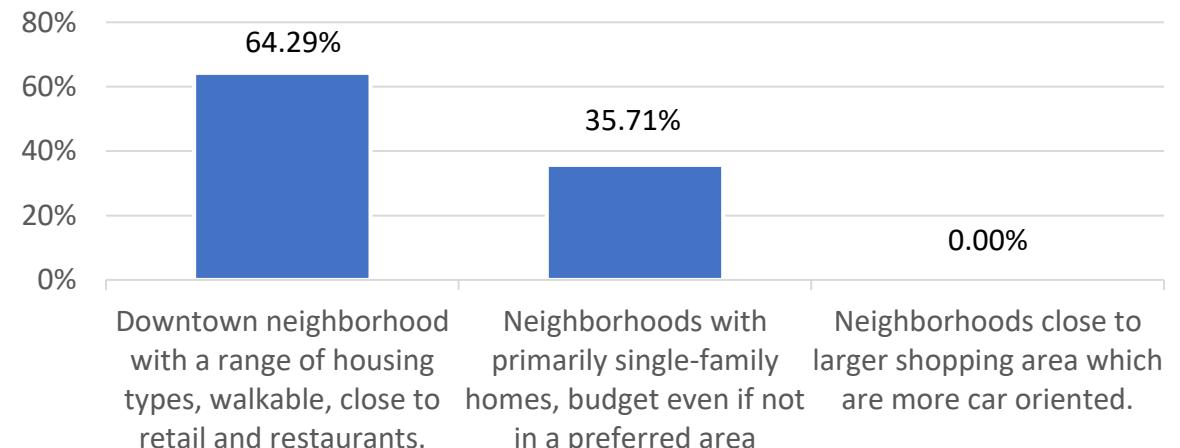


- What neighborhood appeals the most to you?

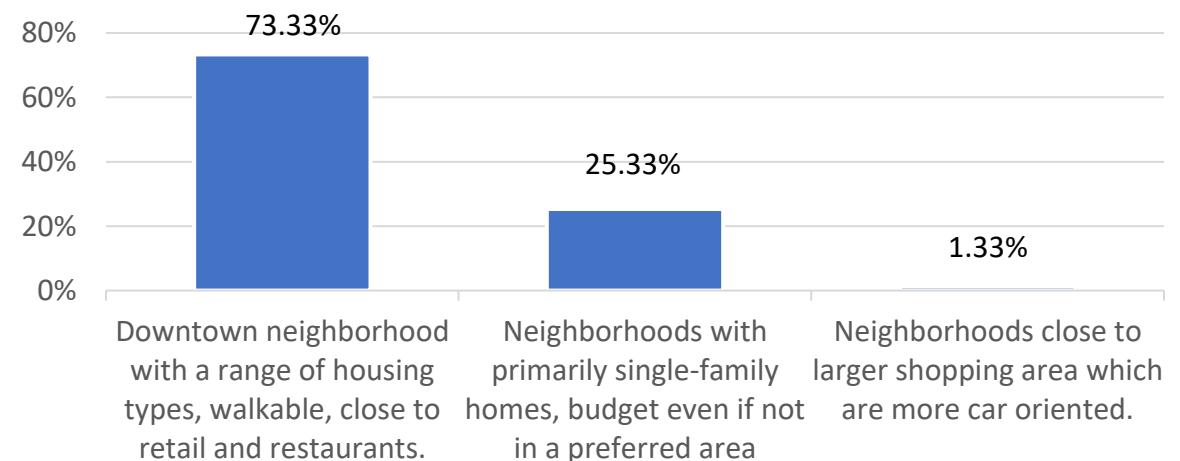
All Responses



Ages 19-34



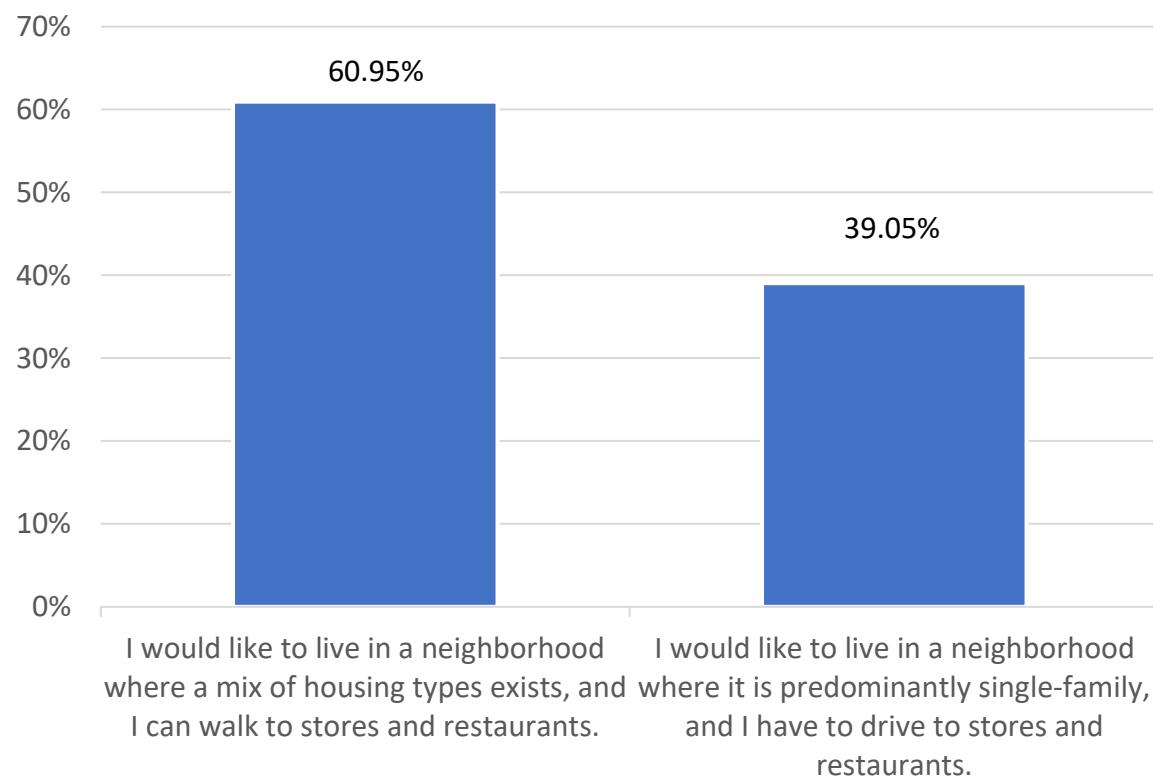
Ages 65 and above



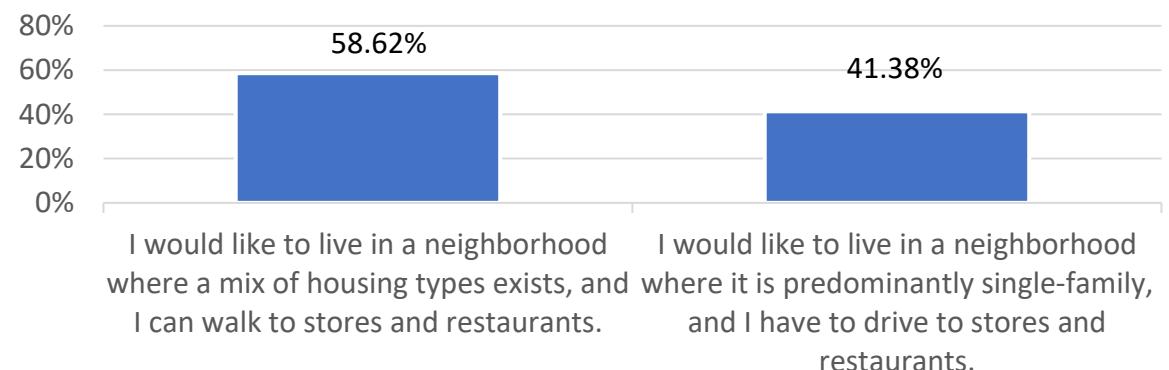


- With respect to walkability, please let us know your reference

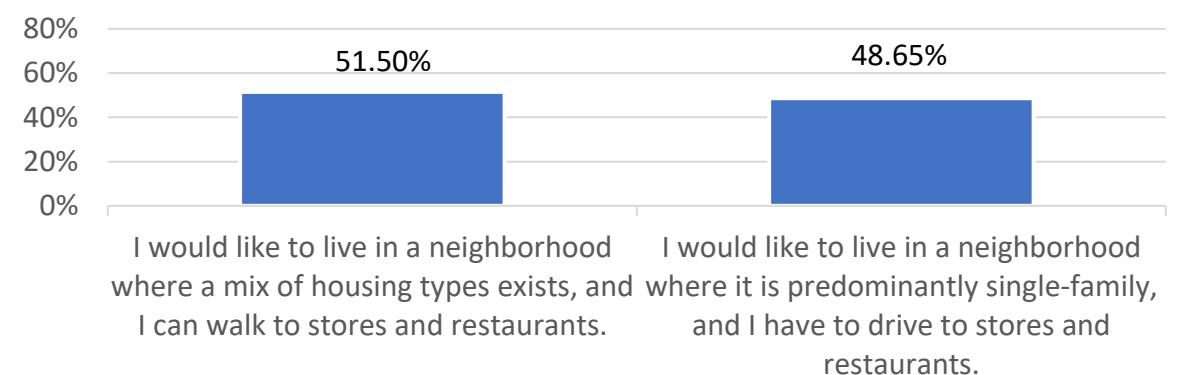
All Responses



Ages 19-34



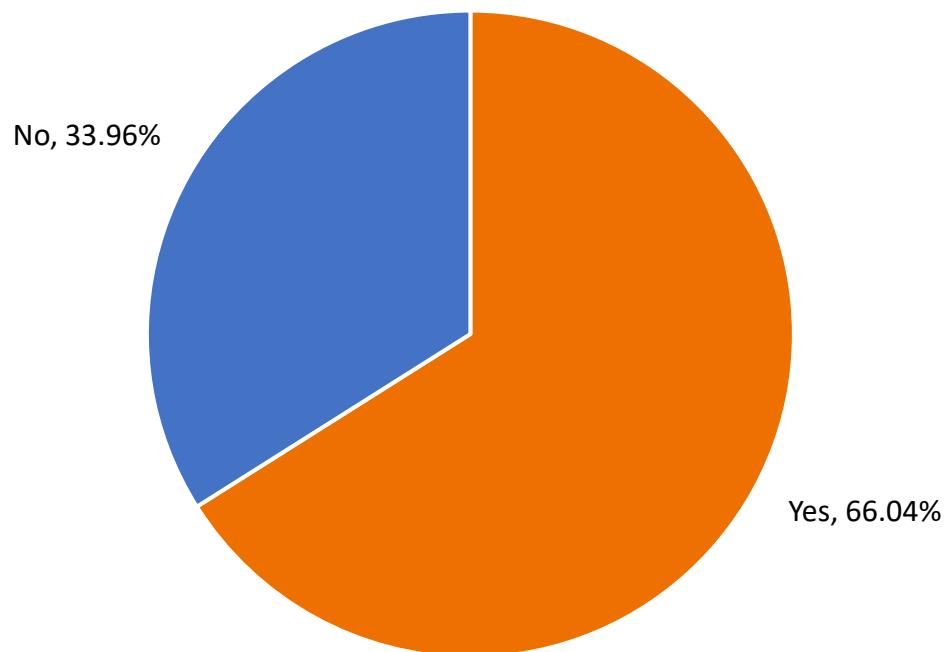
Ages 65 and above



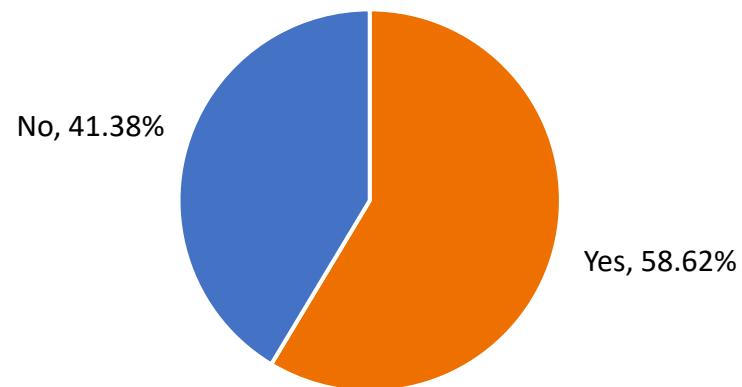


- Do you plan to move in the next 5-years?

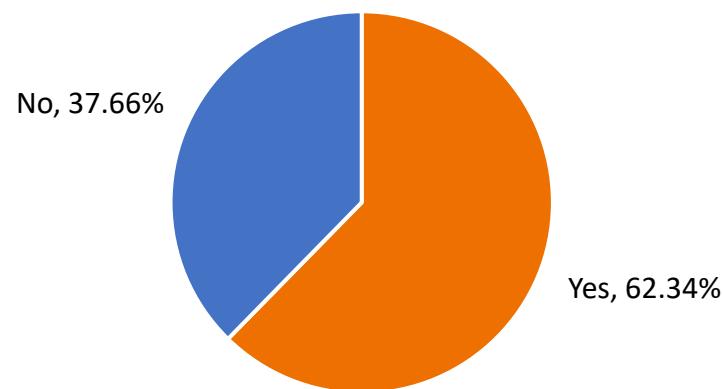
All Responses



Ages 19-34



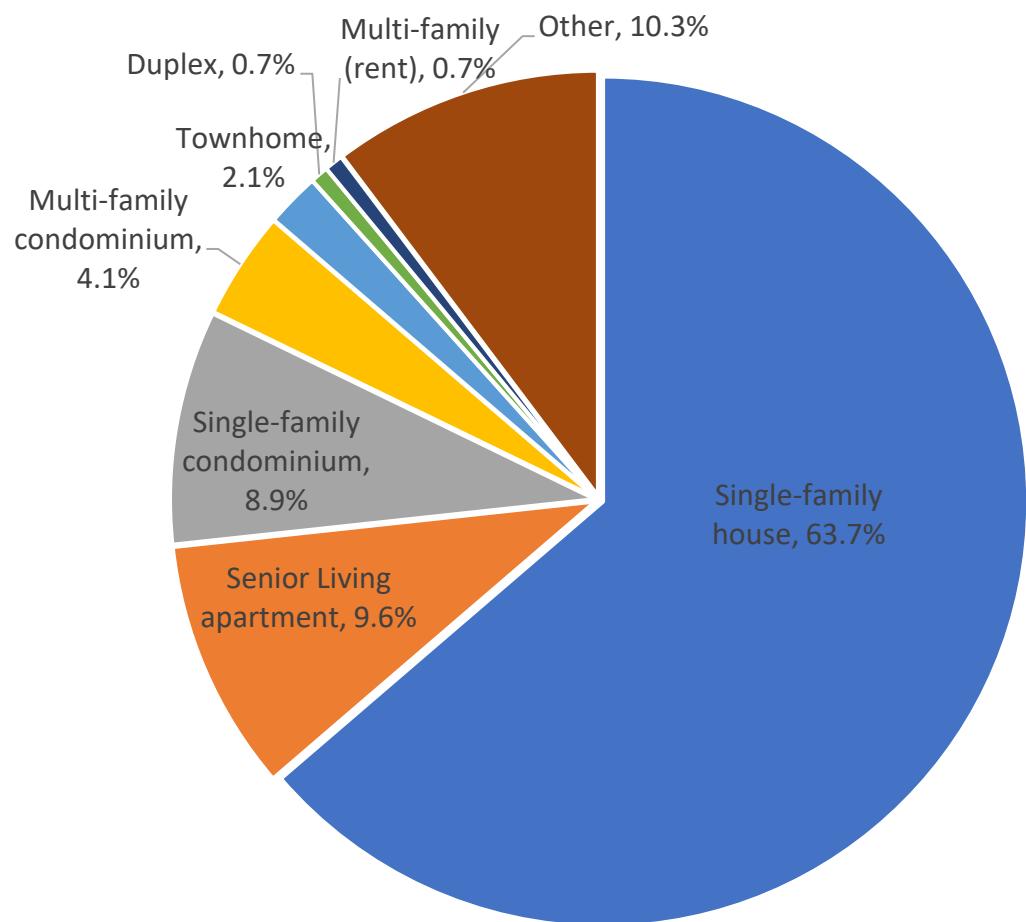
Ages 65 and above



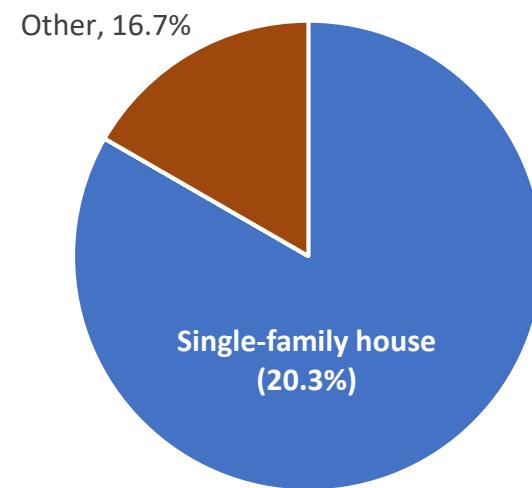


- If yes, what type of housing are you considering?

All Responses

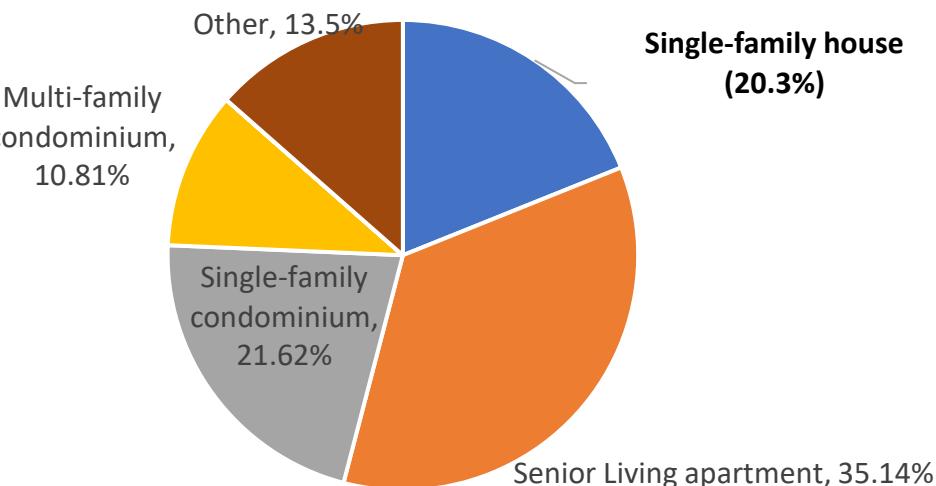


Age 19 to 34



Other types include Farmette, house with land.

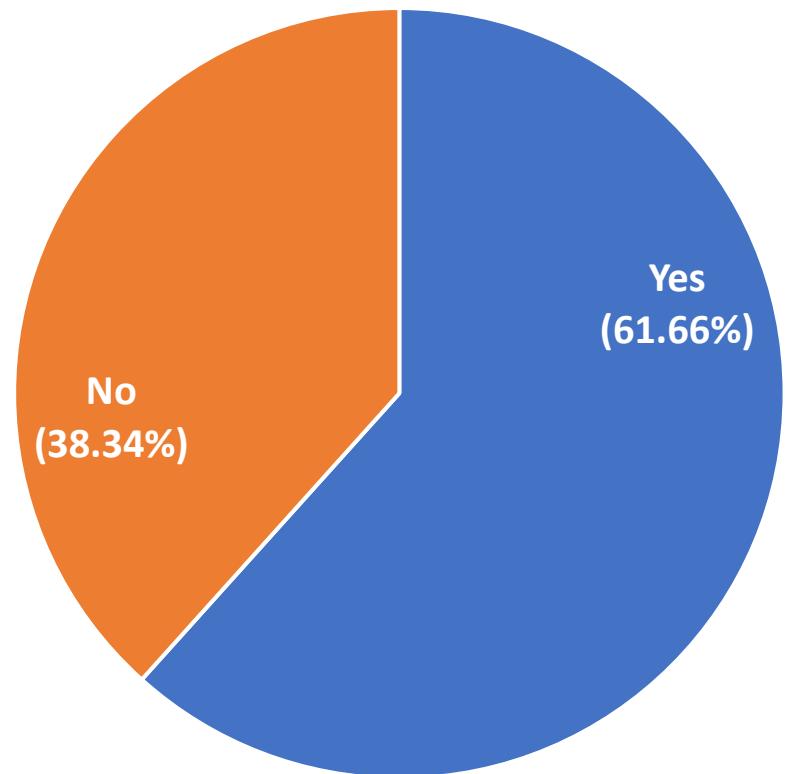
Age 65+



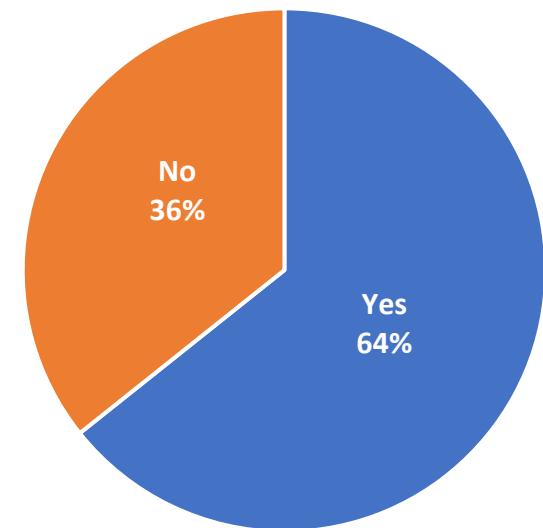


- Do you believe Neenah has the housing options that you are looking for?

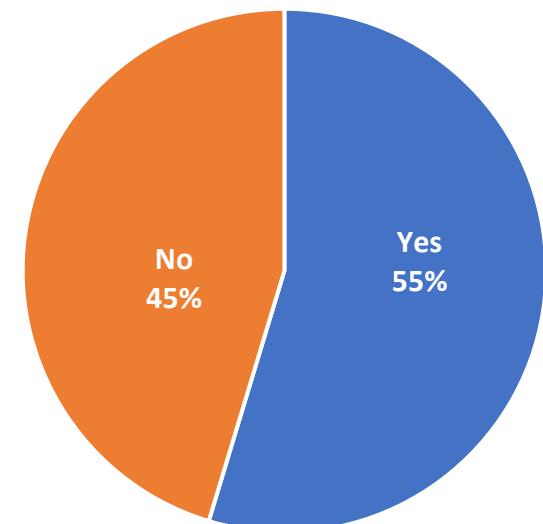
All Responses



Age 19 to 34

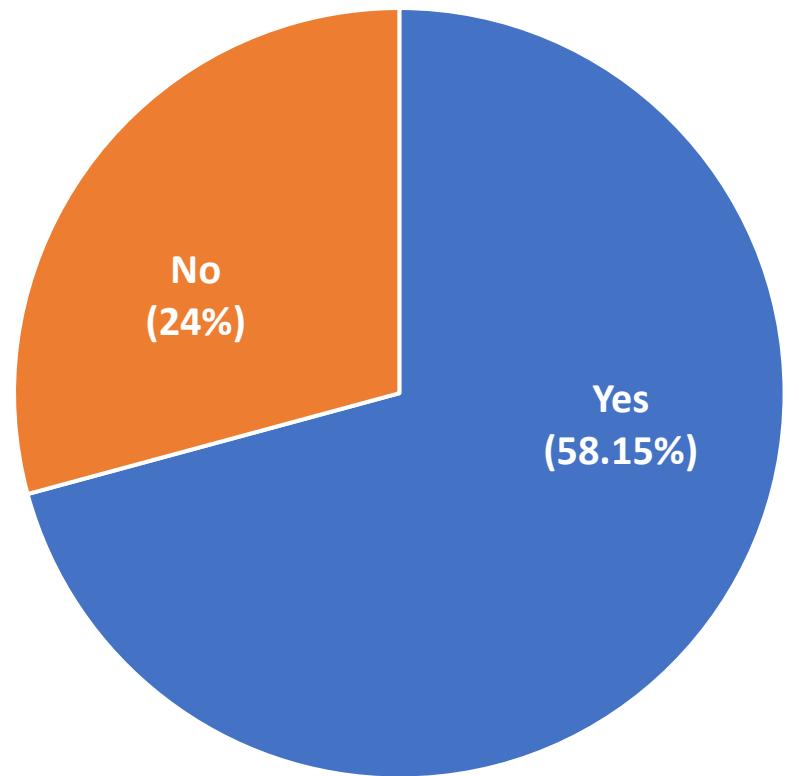


Age 65+

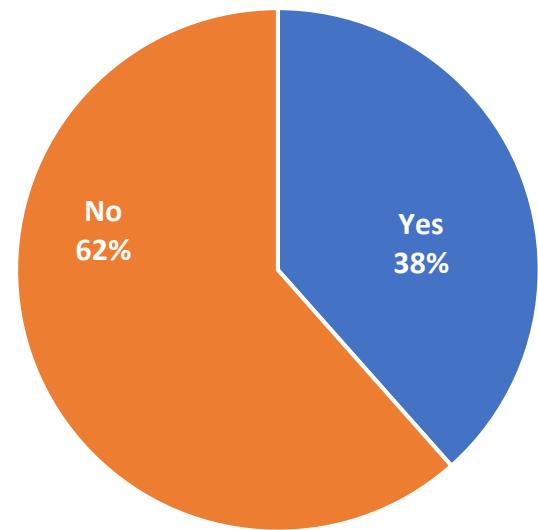


- Can you afford the type of home you desire?

All Responses



Households not in Single-Family Homes



Renter Households

