

**MEMORANDUM**

TO: Altoona City Council

FROM: Michael Golat, City Administrator

SUBJECT: Summary of **THURSDAY, JUNE 12, 2025** Council Meeting Items

Provided below for your consideration is a summary of the Council Meeting agenda items.

**(IX) NEW BUSINESS**

**ITEM 3 - Review/Discuss the 2024 Annual Development Report**

The City of Altoona continues to experience significant residential and commercial growth in comparison to other Wisconsin communities. Based on population estimates from the Department of Administration (DOA), Altoona remains in the top 10% of fastest growing communities in Wisconsin.[1] Many communities in the Chippewa Valley are also experiencing comparatively substantial growth, such as Eau Claire. However, Altoona has experienced a disproportionate level of development within the Eau Claire / Chippewa Valley region as measured by percent change. Altoona's population and equalized value has also outpaced surrounding communities. This is likely due to a variety of factors that will not be explored in this memorandum.

The purpose of this Report is to briefly summarize 2024 permitting activity and recent development trends. I will then briefly illustrate the corresponding impacts on assessed property values. This summary is intended to stimulate discussion and introspection as we undergo several planning and development initiatives in 2025; including design and implementation a new affordable housing program, exploring options for execution of the East Neighborhood Plan, city-wide official mapping, establishing a border agreement with the Town of Washington, and a comprehensive zoning and development code update. The City is also approaching 10,000 in population which will move Altoona from a fourth class to a third-class city designation. A major impact of this change is the City's extra-territorial zoning jurisdiction being expanded from 1.5 miles to 3. The Planning Director will review this report in detail at the upcoming meeting.



**PLANNING DEPARTMENT**

2024 Development Report

2025 June 10 & 12

**TO:** City of Altoona City Council  
 City of Altoona Plan Commission

**FROM:** Taylor Greenwell, AICP, Planning Director

**CC:** Mike Golat, City Administrator  
 Heidi Taylor – Eliopoulos, Superintendent, Altoona School District

**RE:** 2024 Development Report

The City of Altoona continues to experience significant residential and commercial growth in comparison to other Wisconsin communities. Based on population estimates from the Department of Administration (DOA), Altoona remains in the top 10% of fastest growing communities in Wisconsin.<sup>1</sup> Many communities in the Chippewa Valley are also experiencing comparatively substantial growth, such as Eau Claire. However, Altoona has experienced a disproportionate level of development within the Eau Claire / Chippewa Valley region as measured by percent change. Altoona’s population and equalized value has also outpaced surrounding communities. This is likely due to a variety of factors that will not be explored in this memorandum.

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**Residential Building Permits**

Permits for **86** new dwelling units were issued in 2024, bringing the City’s total number of dwelling units to approximately **4,830**. This is a decrease from 2024 which permitted 175 units, but still within normal parameters based on historical permitting numbers. The table below shows the total permitting numbers for each year since 2017. While the number of dwelling units permitted decreased, staff does not attribute this to a lack of interest in 2024. There were several large projects going through entitlement or strategic planning and development in 2024 such as Whitetail Woods and the East Neighborhood District, and the development community continues to indicate a desire to do business in Altoona.

Reported Construction Value of New Home Permits (All Housing) by Year (2017-2024)								
	2017	2018	2019	2020	2021	2022	2023	2024
<b>Number of Permits</b>	38	70	51	78	72	42	43	46
<b>Total Valuation</b>	\$11,179,636	\$8,121,006	\$17,261,093	\$45,046,241	\$38,746,612	\$20,903,453	\$32,382,743	\$20,904,235
<b>Total New Units</b>	77	71	234	253	227	95	175	86

**Figure 1.** Reported New Permitted Units by Year (2017-2024)

<sup>1</sup> [https://doa.wi.gov/Pages/LocalGovtsGrants/Population\\_Estimates.aspx](https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx)

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Most residential building permits came from projects entitled in previous years such as River Prairie Townhomes, the Hillcrest Greens Development, Otter Creek Landing, and Bartlett Crossing. Below is a table showing a breakdown of how many permits were released for each building type in 2024. The table also shows the number of corresponding new units and a total valuation of the new unit construction.

2024 Permit Mix / Valuation by Housing Type					
	# of Permits	Unit Count	Median Valuation	Mean Valuation	Total Valuation
Single Family	13	8	\$ 365,575.00	\$ 610,132.38	\$ 4,881,059.00
Twinhome / Duplex	18	36	\$ 521,000.00	\$ 552,921.78	\$ 9,952,592.00
Multi-Family	3	32	\$ 1,800,000.00	\$ 1,588,671.00	\$ 4,766,013.00
Manufactured	12	10	\$ 99,536.00	\$ 93,184.00	\$ 1,304,571.00
Senior Housing	0	0	N/A	N/A	\$ -
<b>Total</b>	<b>46</b>	<b>86</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 20,904,235</b>

**Figure 2.** 2024 Residential Building Permits by Housing Type

Two-family dwellings comprise a slight majority of new dwelling units, adding **36** additional units to Altoona’s housing stock. These were built in Otter Creek Landing and Bartlett Crossing Phase II. Multifamily was the next biggest source of permitted units, adding **32** new dwellings. When the valuation of all the housing projects is totaled, Altoona had **\$20,904,235** worth of housing permitted in 2024. According to the most recent Census estimates, 55.3% of Altoona’s housing units are owner-occupied and 44.7% is renter-occupied with a vacancy rate of 5.2%<sup>2</sup>.

For a variety of reasons, including cost as well as demand, twinhomes and multifamily remain a very popular product and there is no indication this is going to change at this time. Twinhomes have the benefit of being able to be rented and sold while multifamily is the most efficient way to use land. Based on the 2024 entitlements as well as projects that are currently underway or will likely be approved in 2025, it is reasonable to expect approximately **110** new dwelling units to be permitted or at least approved.

**Population & Equalized Value**

While most communities in Wisconsin experienced either a reduction in their populations or no growth, the population of Altoona grew from 9,320 in 2023 to 9,627 in 2024, resulting in a **population increase of 307 or 3.29%**. This population increase places Altoona in the top 10% of Wisconsin municipalities when it comes to annual population growth. The tables below show the changes in population, equalized value, and equalized value per capita of select cities in the Chippewa Valley between 2020 and 2024. The Eau Claire / Chippewa Valley region remains one of the faster growing areas in Wisconsin with Eau Claire and several other neighboring communities also being in the top 10%. If Altoona continues to maintain its annual growth, it will reach a population of 10,000 within 2 years which will have significant impacts to long-term planning, specifically Altoona’s extraterritorial jurisdiction (ETJ). Reaching 10,000 people will move Altoona from a fourth-class to a third-class city, resulting in the ETJ being expanded from 1.5 miles to 3 miles. ETJ zoning gives municipalities subdivision review authority to better manage growth and development in unincorporated areas the City borders. This further incentivizes Altoona to establish a border agreement with the Town of Washington.

<sup>2</sup><https://data.census.gov/table/ACSCP5Y2023.CP04?q=Altoona+city,+Wisconsin&t=Housing:Housing+Units:Housing+Value+and+Purchase+Price>

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Altoona has grown by **16.09%** since 2020. Despite comprising 8.68% of Eau Claire County’s population and 9.02% of its equalized value, Altoona accounted for 25.85% of population growth and 10.88% of new equalized value in the County since 2020. Based on this and the other data below, when compared to its surrounding neighbors, Altoona has outpaced the rest of the region in population and equalized value growth between 2020 and 2024.

	C. Altoona	C. Eau Claire	Eau Claire County	Chippewa County
2020 Pop.	<b>8,293</b>	69,421	105,710	66,297
2024 Pop.	<b>9,627</b>	73,011	110,871	67,801
Numeric Change	<b>1,334</b>	3,590	5,161	1,504
% Change	<b>16.09%</b>	5.17%	4.88%	2.27%
2020 E.V. (in \$M)	<b>\$806.01</b>	\$5,885.1	\$9,899.8	\$6,494.5
2024 E.V.	<b>\$1,316.9</b>	\$8,479.9	\$14,594.6	\$10,038.9
% Change	<b>63.39%</b>	44.09%	47.42%	54.58%
2020 E.V. per Capita	<b>\$97,192</b>	\$84,774	\$93,650	\$97,960
2024 E.V. per Capita	<b>\$136,788</b>	\$116,145	\$131,636	\$148,064
% Change	<b>40.74%</b>	37.01%	40.56%	51.15%

Sources: U.S. Census; WI Department of Administration, Department of Revenue (Millions)<sup>3</sup>

**Equalized Value by Property Type for Select Jurisdictions (\$Millions)**

	C. Altoona	C. Eau Claire	Eau Claire County	Chippewa County
<b>Residential</b>				
Residential E.V. 2020	<b>\$462</b>	\$3,527.6	\$6,365	\$4,680.3
Percent of Total	<b>57.31%</b>	59.9%	64.3%	72.1%
Residential E.V. 2024 (in \$M)	<b>\$727.3</b>	\$5,151.3	\$9,676.6	\$7,555
Percent of Total	<b>55.23%</b>	60.8%	66.30%	75.26%
<b>Commercial</b>				
Commercial E.V. 2020 (in \$M)	<b>\$311.7</b>	\$2,099.1	\$2,683	\$900.1
Percent of Total	<b>38.7%</b>	27%	27.1%	13.9%
Commercial E.V. 2024 (in \$M)	<b>\$565.5</b>	\$3,157.6	\$4,169.5	\$1,487.6
Percent of Total	<b>42.87%</b>	37.24%	28.57%	14.82%
<b>Manufacturing</b>				
Manufacturing E.V. 2020 (in \$M)	<b>\$15.2</b>	\$132.9	\$237.8	\$244.9
Percent of Total	<b>1.9%</b>	3.5%	2.4%	3.8%
Manufacturing E.V. 2024 (in \$M)	<b>\$24.3</b>	\$170.9.2	\$291.9	\$284.2
Percent of Total	<b>1.84%</b>	2.02%	2.00%	2.83%

Source: WI Department of Revenue. Equalized Value (E.V.) figures in millions of dollars<sup>4</sup>

<sup>3</sup> [https://doa.wi.gov/Pages/LocalGovtsGrants/Population\\_Estimates.aspx](https://doa.wi.gov/Pages/LocalGovtsGrants/Population_Estimates.aspx)

<sup>4</sup> <https://www.revenue.wi.gov/Pages/SLF/EqualizedValue.aspx>

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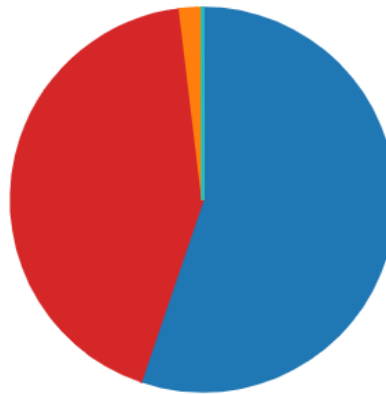
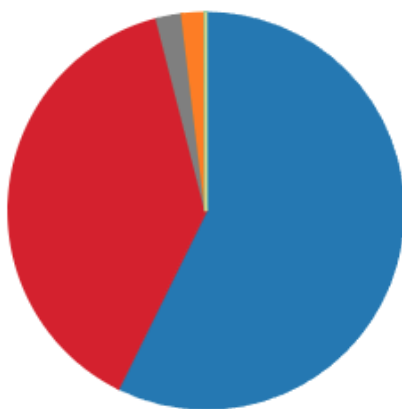
In previous years Altoona experienced a trend where its portion of equalized value by property type has grown more evenly distributed between residential and commercial property. As seen above, 2024 was no different, with residential comprising 57.31% of equalized value in 2020 and 55.23% in 2024. As of 2025, the substantial growth of commercial development in Altoona has resulted in a balancing of residential and commercial valuation that exceeds other communities' in the region. This is a positive trend that we expect will continue as the city explores economic development opportunities in the East Neighborhood and as our existing commercial base such as River Prairie and US 12 continue to perform well. The City is also launching its container park this year at the beginning of July which may spur further revitalization of Altoona's downtown in coming years.

The graphs below illustrate the change in percentage of equalized valuation by category. Please also note that changes in State Law have altered how certain property types have been assessed and included (or excluded) in equalized value figures for local governments since 2010.

**Percent of Total Equalized Value by Property Type, City of Altoona, 2020 to 2024.**

City of Altoona (Eau Claire) - 2020

City Of Altoona (Eau Claire) - 2024



Jurisdiction	Altoona	Eau Claire	Chippewa Falls	Menomonie	Rice Lake	Stanley	Mondovi	T. Washington
2020 Census	8,293	69,421	14,731	16,843	9,040	3,804	2,845	7,662
2024 Population Est.	9,627	73,011	14,985	16,591	9,032	3,912	2,834	7,773
Numeric Change	1,334	3,590	254	-252	-8	108	-11	111
% Change	16.09%	5.17%	1.72%	-1.50%	-0.09%	2.84%	-0.39%	1.45%
<b>Equalized Value (Millions)</b>								
2020 EV	\$ 806.01	\$5,855.10	\$1,227.90	\$1,247.30	\$777.50	\$125.70	\$171.40	\$857.30
2024 EV	\$1,316.90	\$8,479.90	1,809.90	1,768.80	1,152.70	211.8	241.5	1,317.80
% Change	63.39%	44.09%	47.40%	41.81%	48.26%	68.50%	40.90%	53.72%

**Figure 4.** Population and Equalized Value Changes by Community (2020 & 2024)<sup>5</sup>

<sup>5</sup> <https://www.revenue.wi.gov/Pages/SLF/EqualizedValue.aspx>

### **Population vs. Housing Permits**

There is a measuring and timing discrepancy between population figures estimated by the Wisconsin Department of Administration and building permits issued by the City. The City issues building permits when an applicant receives approval to begin construction. Depending upon the project, completion may be 4 to 18 months later. As the City has been releasing permits throughout the entirety of the year, some of the permits issued in 2024 are not yet complete.

Annual population projections prepared by the Wisconsin Department of Administration are released in October with a reference date of January 1 of that year. These estimates are based upon indicators of population change, including housing units. Issuance of housing permits is a leading indicator of near-term population change (meaning there is a lag between housing permits, construction and actual change in population), but there are other factors. These estimates utilize different data and methodology than the U.S. decennial census. As a result, the population growth in 2025 will be a combination of projects approved in 2024 as well as 2025, and so forth.

When projecting future service needs and capacities for facilities, building permits provide some insight into population change over the coming year. The School District, for example, may use them to predict enrollment.

### **Projects Completed / Underway / On the Horizon**

**Hillcrest Greens Phase III:** Hillcrest Greens continues to be constructed. This development will likely be fully closed out this year, with two lots remaining unpermitted at this time. The remaining two lots are slated for single family housing.

**Candy Lofts:** Candy Lofts is a mixed-used project in River Prairie comprised of multifamily and commercial. The building was completed in 2024 and leasing tenants.

**Whitetail Woods:** The preliminary plat for Whitetail Woods was approved in July 2024. That plat approval established a 172-lot development comprised of single family, twinhomes, and multifamily. The developer is completing the project in phases, with the Phase 1 final plat approved in April of this year. Phase 1 comprises the multifamily portion as well as a small number of twinhomes and single family. 30 senior housing multifamily units have been approved by the City at this time and ground should be broken this year. The City entered into a TID agreement with the developer to extend water and sewer to the development. This project is a multi-year development that will take 5-10 years for completion.

**Bartlett Crossing:** Bartlett Crossing Phase I was approved at the end of 2022 and Phase II was approved in early 2023. Phase I is all multifamily while Phase II is comprised of twinhomes. 3/4 of the Phase 1 lots have been approved for development with the remaining lots likely to be approved for development this year. Most of the Phase II twinhomes have been completed and all of those lots will likely be developed this year.

**Bartlett Townhomes:** Bartlett Townhomes was approved by the City Council in early 2023. These lots will not be developed by the current owner, but will rather be sold as pre-entitled, ready to develop lots. The form of housing to be constructed will be 4-unit buildings in a townhome style, with 9 lots in total equaling 36 units.

**River Prairie Townhomes:** Phase 1 of River Prairie Townhomes located on Lake Road was finished in 2024. The units in Phase 1 have now been sold and the developer is planning to progress to Phase 2. However, the developer will be going through re-entitlement to allow a different building form to be developed in an effort to reduce construction costs and offer the Phase 2 units at a more affordable price point than Phase 1.

**Sabani Mixed-Use Building:** An 18-unit mixed-use building was approved in 2023 for the lot immediately west of Altoona Family Restaurant. This project is a combination of commercial and residential. Permits were pulled in 2024, and construction has been completed with tenants currently being secured for both commercial and residential units.

**Otter Creek Landing:** Otter Creek Landing is a twinhome development comprising 9 twinhomes or 18 units. This project was entitled and fully built in 2024. All units are now occupied.

**East Neighborhood:** As discussed below, while staff hoped that a single developer would take on the 80 acres there was no response to the request for proposal (RFP) sent out. As a result, there have been discussions with multiple developers on a variety of individual proposals. Assuming these proposals are deemed a good fit by both staff and the City Council we may see some development applications for this area in 2025.

### **2025 Planning Projects**

**Comprehensive Code Update:** The city is currently at the later stages of its zoning and development ordinance overhaul and re-write. The process started in October 2023 and is projected to be completed in the fall of 2025. The purpose of the update is to bring our ordinances into alignment with the 2022 Comprehensive Plan that was approved July 2022 as well as our other planning documents.

**East Neighborhood Plan:** City staff are currently working on implementation of the East Neighborhood Plan that was carried out concurrently with the 2022 Comprehensive Plan update. This plan covers the city owned 80 acres as well as 144.96 acres of contiguous planning area yet to be annexed. Staff issued an RFP in 2023 for a proposal that would match the East Neighborhood plan which received no responses. This is due to several factors including the scope of the project being too big for a single developer, financing challenges, as well as market demand. As a result, staff has been exploring alternative proposals with developers. The City Council and Plan Commission can expect to have different visions brought to them for their input and evaluation in upcoming months. One thing to note is that TID #3 is closed this year, which could potentially permit Altoona to open a new TID district to incentivize development in that area of the City.

**Affordable Housing Fund:** Due to the closing of TID #3, the city has received a windfall of approximately \$6 million in funds that can be used for affordable housing. This is an incredible opportunity which we would like to maximize by establishing an affordable housing fund that would be a renewable resource to incentivize and promote affordable housing in Altoona. Staff will work in concert with the Altoona City Council to establish the program this year. Possible applications of the funds could be low to no interest loans for down payment assistance, housing rehabilitation, and development incentives. The city could also use the funds to build new affordable housing and use rents as a continuous funding source for the program.

**Official Mapping:** Official maps are tools addressed under state statute where local governments create a map of future infrastructure, capital facilities, trails, etc. This map is adopted by the City and when future development takes place, it must follow the Official map, thereby enabling the City to implement its long-term plans for infrastructure and development. While the City has done official mapping for a few areas of Altoona, it lacks a City-wide map and the goal for 2025 is to create an official map for Altoona as a whole.

**Boundary Agreement:** It is well known that communities have priorities when it comes to growth and expansion. At times these objectives can conflict and create tensions between neighbors around annexations and development on jurisdictional borders. Boundary agreements are a tool to help coordinate growth management efforts and planning goals between municipalities. The Town of Washington is looking to partially incorporate into a village to the south of Altoona and staff from both communities are seeking to establish a boundary agreement to create a consensus on how to handle annexations, incorporation, border development, and infrastructure planning in the future.

### **Future Housing Needs / Challenges**

There was a great deal of discussion in 2024 at the local, regional, and state level about the need for housing of all income types, but particularly affordable or workforce housing. Affordable housing can be defined in two ways: for the general population affordable is 30% of a family's income or, if referring to families with low-income, it would be housing that is affordable for families making 30%, 50%, and 80% of the area medium income. In addition to being a consistent theme in the 2022 Comprehensive Plan, Altoona, Eau Claire, and Eau Claire County partnered on a regional housing study to assess the gaps in housing needs for the region.

Wisconsin is no exception to the housing gaps experienced by the United States as a whole. The state has a dearth of all types of housing including single family, multifamily, townhomes, and small format multifamily such as duplexes, triplexes, etc. Some data states Wisconsin currently needs to create over 200,000 dwelling units by 2030 to address current demand<sup>6</sup>. This requires the creation of new lots, and in 2020 only 5,320 new lots were created statewide. Others illustrate a current gap of 129,000 housing units with only 21,072 building permits for housing being released annually state-wide<sup>7</sup>. There can be a perception that housing shortages is a big city problem as is the rise of homelessness in Wisconsin. This is incorrect, however, and all communities will need to strive to address housing demand and homelessness at all income levels and types.

Numerous challenges exist to development and housing construction beyond a city's control such as inflation, workforce shortages, rising costs of materials, and financing difficulties. However, there are certain tools / changes that are within a city's field of influence. One of the most powerful tools cities possess to incentivize new development is tax increment financing (TIF). Altoona has been very successful in leveraging TIF to promote new opportunities as seen in River Prairie. With the closing or future closing of several city TID districts, Altoona may be able to leverage TIF to implement the East Neighborhood development or, possibly, another area of the City. Annexations, extraterritorial jurisdiction (ETJ) zoning, refinement of entitlement processes and zoning reform are all tools Altoona can use to help address the housing crisis.

Altoona's zoning and development code reform is an excellent opportunity to implement some of the changes within municipal control that help eliminate exclusionary elements in our zoning ordinances. The existing ordinance has many exclusionary elements reflective of zoning / planning approaches in the 1970s, such as arbitrary minimum lot sizes, excessive parking mandates, excessive density / height maximums, and setbacks standards that disregard historic lot alignments. Some of the changes that could be made include:

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<sup>6</sup> <file:///S:/City%20Planning/2023%20Development%20Report/Forward-Analytics-A-Housing-Hurdle.pdf>

<sup>7</sup> chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.lwm-info.org/DocumentCenter/View/6824/Feb-2024-%20Magazine-Housing-and-Land-Use?bidId=

- Realigning lot widths and areas to match historic patterns favoring narrower lots.
- Reducing setbacks to allow greater use of existing lots.
- Allow missing middle housing in certain situations as permitted uses in R-1 and R-2 districts.
- Reduce or eliminate parking minimums.
- Reduce conditional uses tied to housing project development.
- Remove barriers to modular and tiny homes.
- Increasing rental household size limits and eliminating requirements that tenants in same units be related.
- Allow for greater density on infill and greenfield development as well as context-based development review.
- Assess and streamline the subdivision, site plan, and permit application process, including standards that direct development outcomes and arbitrary time delays on municipal review.

Challenges to zoning / development policy reform include opposition to both infill and new development by residents living near a project, lack of community and political buy-in, legislative barriers that place limitations on annexations and ETJ zoning and market challenges already discussed above.