



**TWO  
RIVERS**  
WISCONSIN

# 2022 IN REVIEW: STATE OF THE CITY JANUARY 3, 2023







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# 2022 IN REVIEW: STATE OF THE CITY JANUARY 3, 2023

This State of the City Report was prepared by the City Manager, following review of 2022 accomplishments relative to the City's 2021-2022 Goals and Objectives, adopted by the City Council on June 21, 2021 and last reviewed in December 2021.

A complete listing of the 2021-2022 Goals and Objectives can be found on the City's website, [www.two-rivers.org](http://www.two-rivers.org).



**Spirit of the Rivers Monument**



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## 2022 IN REVIEW: STATE OF THE CITY

### Property Values/Tax Base

In August, the WI Department of Revenue reported the equalized valuation of existing properties in the City of Two Rivers had increased by 18% over the course of 2021.

Residential properties led the way, increasing by 20%.

Two Rivers' total increase in valuation, at 18% , was comparable to the City of Manitowoc (19%) and the County (17%).

This compared with 14.9% increase in home values state-wide, with total state valuation up 13.8%



#### RELATED GOAL:

1. Focus relentlessly on new fiscal revenue streams and operational sustainability
- A. Encourage and facilitate projects that will increase City tax base—both new construction and increase in market value of existing properties.





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## 2022 IN REVIEW: STATE OF THE CITY

### Single-Family Housing

Lot sales at the City's Sandy Bay Highlands conservation subdivision totaled five in 2022. This followed eight lot sales in 2021 and five in 2020.

Two homes started in 2021 were completed in 2022, and construction was begun on six additional homes in 2022 (four still under construction at 2022 year-end)—including two spec homes that sold prior to completion.

Four homes are currently in design for 2023 construction.

With only six available lots remaining in Phase 2, the City needs to pursue further expansion of the subdivision in 2023.



New housing is important to growing the City's tax base. Value of homes at Sandy Bay Highlands averages well over \$300,000.

1. Focus relentlessly on new fiscal revenue streams and operational sustainability
  - A. Encourage and facilitate projects that will increase City tax base—both new construction and increase in market value of existing properties; continue development and marketing of the Sandy Bay Subdivision



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## 2022 IN REVIEW: STATE OF THE CITY

### MARKET-RATE MULTIFAMILY HOUSING-

--Six new condo units completed at Washington Highlands/TID 8 Development in 2022

--Plans moving forward for 55 new units of market rate apartment housing on the former Eggers Downtown Plant site on the East Twin River. That City-owned property is a priority redevelopment site.

Developer The Confluence, LLC plans a \$13 million project, to be assisted by grants from TID 16.

--City continues to encourage redevelopment at 3000 Forest Avenue, where 45 new apartments were proposed in 2022. Redevelopment currently on hold.



*Retention pond planned for 2021;  
Potential future public dock*

Right:  
Former  
Eggers  
downtown  
plant site

### 1. Focus relentlessly on new fiscal revenue streams and operational sustainability

- Actively market available development and redevelopment sites, both City-owned and privately owned
- Actively pursue development of market rate housing, both condominiums and apartments, with emphasis on downtown waterfront sites



Above: 3000 Forest Avenue, \$7 mm project, 45 apts., proposed for blighted former commercial site; to be assisted by TID #15





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## 2022 IN REVIEW: STATE OF THE CITY

### Multi-Family Housing

West River Lofts, a 54-unit affordable family housing development proposed for vacant land near the former Eggers West plant on the West Twin River, moved closer to reality.

The \$11 million project is being assisted with various State and Federal tax credits and grants. City Tax Incremental District No. 15 was created in 2022 to further address project funding needs with a \$500,000 pay-go grant.



1. Focus relentlessly on new fiscal revenue streams and operational sustainability
  - A. Drive Strategic Community Development
  - B. Emphasize continued redevelopment in the City's downtown and downtown waterfront areas



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## 2022 IN REVIEW: STATE OF THE CITY

### INDUSTRIAL DEVELOPMENT

Sleger Holdings, LLC completed construction of a new, 12,000 SF plant to house All Energy Management, a local company founded by Ian Sleger that serves clients with wind and solar power technology.

The \$1.3 million project was assisted with a \$175,000 pay-go grant from TID 14 and a \$275,000 loan from the City's Revolving Loan Fund. AEM just recently erected the first of two wind turbines that will help power the facility.

Four other companies have recently shown interest in projects at the Woodland Industrial Park.



1. Focus relentlessly on new fiscal revenue streams and operational sustainability in market value of existing properties

  - Implement TID 14 at the Woodland Industrial Park, to assist business prospect pursuing 2021 construction and to provide possible incentives for further development and for extension of public street and utility infrastructure.





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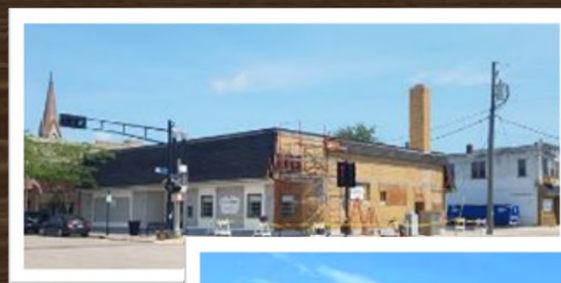
## 2022 IN REVIEW: STATE OF THE CITY

### Downtown Revitalization

Downtown property owners tackled façade projects, assisted by City and TR Main Street funding. Projects funded included 1603 Washington (Weichert Realty), 1718 West Park Street (Cool City Brewing Company), and 1916 Washington Street, The Hook Lanes & Games.

New hanging planters were deployed along Washington Street

A new annual event: The Bryan Lee Memorial Blues Festival, celebrated the accomplishments of that TR native son



Left and Below:: façade renovation at 1603 Washington St., the historic Kresge building



I Focus relentlessly on new fiscal revenue streams and operational sustainability

A Encourage and facilitate projects that will increase City tax base—both new construction and increase in market value of existing properties.

3. Drive strategic community development

B. Emphasize continued redevelopment in the City's downtown and downtown waterfront



Left: Putting up planters.  
Below: Bryan Lee Blues Festival







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## 2022 IN REVIEW: STATE OF THE CITY

### Downtown Revitalization

Wine Not, LLC completed a \$2.5 mm project at the former Wells Fargo Bank on West Park Street, where **Cool City Brewing Company** opened its doors in December.

City secured \$250,000 Community Development Incentive Grant from the Wisconsin Economic Development Corp to assist this project.



1. Focus relentlessly on new fiscal revenue streams and operational sustainability
  - A. Encourage and facilitate projects that will increase City tax base—both new construction and increase in market value of existing properties.
3. Drive strategic community development
  - B. Emphasize continued redevelopment in the downtown and downtown waterfront





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## 2022 IN REVIEW: STATE OF THE CITY

### Downtown Revitalization

Tim and Ann Klein's purchase and ongoing renovation of the former Rudy's Lanes, re-named **The Hook Lanes and Games**, is an important business retention for downtown.

The City is assisting this \$370,000 project with a \$100,000 loan from its Revolving Loan Fund and a \$10,000 façade grant, jointly funded with Two Rivers Main Street.



III. Drive Strategic Community Development

B. Emphasize continued redevelopment in the downtown and downtown waterfront

Left: TR Main Street Director Jason Ring and WEDC CEO Missy Hughes visit with Tim Klein, October 2022







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## 2022 IN REVIEW: STATE OF THE CITY

### Downtown Revitalization

City acquired the long-vacant former convenience store at 2023 Washington Street from the County in 2021, for redevelopment.

In February 2022, City Council approved an agreement to sell the property to Wine Not, LLC for \$10,000. Developer has in turn agreed to invest in the property, which by Summer 2023 will be renovated to house two new businesses.



From Long-Vacant Eyesore to New Commercial Development



### III. Drive Strategic Community Development

B. Emphasize continued redevelopment of the downtown and downtown waterfront



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# 2022 IN REVIEW: STATE OF THE CITY

## Downtown Revitalization

Central Park West, already the epicenter for outdoor special events, will get a major makeover in 2023, with improvements to improve on what we already have and make the park a true year-round venue for activities, in the heart of downtown. **The \$1.65 million project, funded two-thirds by grants and donations, includes:**

- New stage, at the north end of the park
- Outdoor skating loop, with synthetic ice
- Summer water feature
- Park pavilion with restrooms and multi-use space
- All new park furnishings and landscaping



## Central Park West 365: “Downtown, Year Round”

- RELATED GOALS:
3. Drive strategic community development
  4. Continue to grow a vibrant, sustainable, safe & connected community while respecting our traditions & history to attract new residents, visitors & new businesses





## Central Park West 365 Downtown...Year-Round

Ice Skating  
Ribbon:  
**\$65,000**  
Two Rivers  
Rotary and a  
Private Donor



## Central Park West 365 Downtown...Year-Round

Water  
Feature:  
**\$60,000**  
Formrite  
Companies



Water jets, user activated or on a timer cycle, will provide a cool respite for kids of all ages on warm Summer days. The spray jets will be illuminated at night, adding an interesting visual feature to night views of the park.



## Central Park West 365 Downtown...Year-Round

Pavilion Patio  
Gathering Space:  
**\$50,000**



Fox Communities Credit Union Picnic Island, Located Within the Skating Ribbon, Near the Christmas Tree at the South End of the Park

Thank you, Fox  
Communities  
Credit Union, for  
Your Generous  
Donation to the  
Central Park West  
365 Project!





# Become a permanent part of Central Park!

Businesses or Families can purchase a commemorative brick that will surround the bandstand area



16x16 Brick



4x8 Brick

4x8 Brick	\$200
8x8 Brick	\$500
16x16 Brick	\$1,000
16x16 Logo Brick	\$2,500

Visit [www.two-rivers.org](http://www.two-rivers.org) & click on the orange 'Donate Banner' to fill out the Brick Paver Order Form

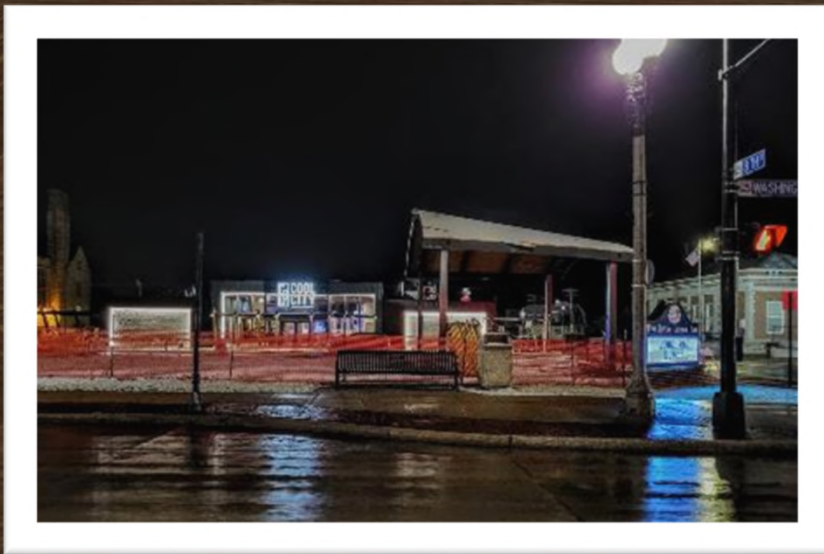




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Downtown....  
Year-Round  
Project  
Dedication  
July 15-16





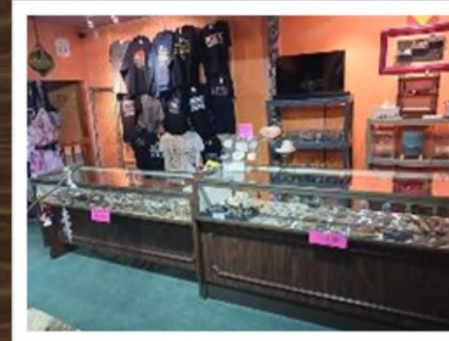
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## 2022 IN REVIEW: STATE OF THE CITY

### MORE NEW BUSINESSES

We salute the other small businesses that have opened their doors in 2022 or have plans to open in 2023

#### Opened in 2022:



Lakeshore Rock and Gem

#### Opening in 2023:







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## 2022 IN REVIEW: STATE OF THE CITY

### TOURISM

Measured in terms of room tax receipts, local tourism is growing at a rapid pace.

2022 Room revenues (preliminary) total \$291,714, up 21% over 2021 and 104% over 2020.

This rapid growth in recent years can be attributed both to an increase in hotel/motel rooms with the opening of the new Cobblestone in mid-2020 and to growth in vacation rentals, which now number over 50.

Room Tax Revenue by Year



3. Drive strategic community development
4. Continue to grow a vibrant, sustainable, safe & connected community while respecting our traditions & history to attract new residents, visitors & new businesses





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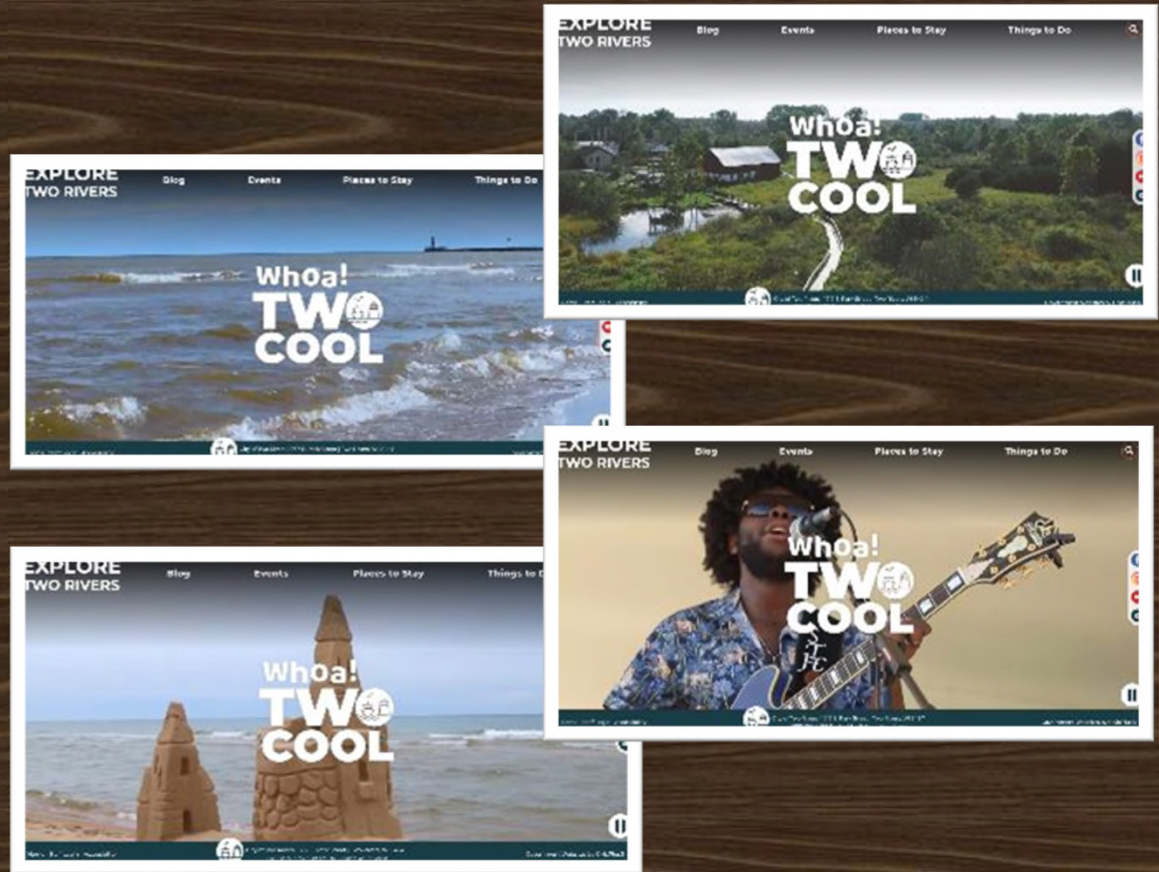
## 2022 IN REVIEW: STATE OF THE CITY

### TOURISM (CONTINUED)

In 2022, Two Rivers embarked on a new chapter in tourism promotion and development, with the end of a 15-year affiliation with the Manitowoc Area Visitor & Convention Bureau.

We expect to continue building on the solid growth of our local tourism economy in recent years. The 2023 Room Tax Commission Budget includes provision for hiring staff and “gearing up” a Two Rivers tourism office.

In the meantime, we continue to cooperate with the City of Manitowoc on joint tourism efforts, to efficiently and effectively draw more visitors to our area.



3. Drive strategic community development

4. Continue to grow a vibrant, sustainable, safe & connected community while respecting our traditions & history to attract new residents, visitors & new businesses





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## 2022 IN REVIEW: STATE OF THE CITY

### TOURISM

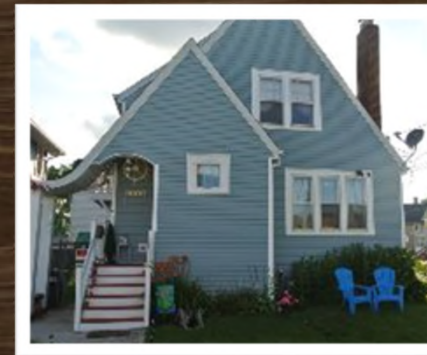
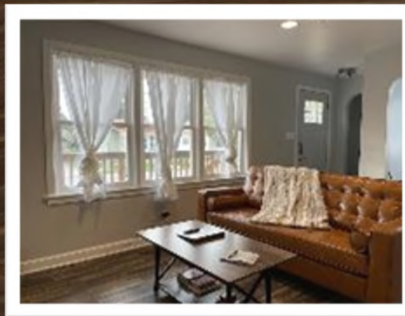
Vacation Rentals accounted for about **28 percent** of room tax revenues in 2021; Two Rivers presently has **51** individual vacation rentals licensed by Manitowoc County.

Our most famous vacation rental property, Still Bend, the Frank Lloyd Wright designed home on the East Twin River, was featured in the Season 2 premiere of "The World's Most Amazing Vacation Rentals" on Netflix.

The City in 2022 enacted an ordinance requiring local licensing of vacation rentals, to better regulate these properties, increase communication with owners, and help promote this growing sector of our local tourism economy.



STILL BEND - FRANK LLOYD WRIGHT ARCHITECT



3. Drive strategic community development
4. Continue to grow a vibrant, sustainable, safe & connected community while respecting our traditions & history to attract new residents, visitors & new businesses



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## 2022 IN REVIEW: STATE OF THE CITY

### SALE OF FORMER PARAGON

The City closed in April 2022 on the sale of this 315,000 SF facility, which it had acquired through foreclosure on a mortgage related to an economic development loan.

The sale returned \$1.2 million to the City's Economic Development fund, and put the property back on the tax rolls.

The City has secured a \$250,000 Idle Sites grant through the WEDC to possibly assist with improvements to this facility



1. Focus relentlessly on new fiscal revenue streams and operational sustainability
  - A. Encourage and facilitate projects that will increase City tax base—both new construction and increase in market value of existing properties.
  - E. Capitalize on sale/development of City-owned properties—short-term revenue from sales; long-term property tax and utility revenue





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## 2022 IN REVIEW: STATE OF THE CITY

### CITY FINANCES

General Fund balance at end of 2021 was \$2,530,073, an improvement of \$249,502 over 2020 year-end. This followed an increase of \$192,570 as the result of 2020 operations.

The General Fund's unrestricted fund balance, negative in recent years due to deficit balances in other funds impacting the General Fund's liquidity, improved from -\$185,844 at the end of 2020 to +\$306,244 at the end of 2021.

Financial health of the utilities continues to improve, notably in the Water Utility, where a longstanding deficit balance improved by \$476,000 as result of 2021 operations, after improving by \$450,000 the prior year.



1. Focus relentlessly on new fiscal revenue streams and operational sustainability
- C. Increase General Fund Unrestricted Bund Balance by at least \$200,000 per year
- D. Eliminate Water Utility deficit—reduce by at least \$200,000 per year



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## 2022 IN REVIEW: STATE OF THE CITY

### INVESTING IN INFRASTRUCTURE

City continued investing in street and utility infrastructure in 2022, with a local street project on 17<sup>th</sup> Street and continued replacement of lead water service laterals.

Total cost for these projects was \$2.62 million. Nearly \$1 million of those cost were funds with State and Federal grant monies.

2023 projects will include complete reconstruction of Lincoln Street from 17<sup>th</sup> to 22<sup>nd</sup> at a const of \$2.6 million and resurfacing of Zlatnik Drive from 17<sup>th</sup> to Pierce, at a cost of \$188,000.



3. Drive Strategic  
Community Development

E. Invest in critical infrastructure,  
leveraging available funding  
from non-City sources to  
maximize investment







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# 2022 IN REVIEW: STATE OF THE CITY

## HIRING AND RETAINING TALENTED EMPLOYEES

Our small, full-service city relies on a workforce of skilled employees to deliver vital public services. There have been many new faces joining that city workforce over the course of 2022, with more changes to come in 2023. There were 24 full-time position recruitments in 2022.

With the support of the City of Two Rivers continues to be an organization that attracts and retains the necessary talent to provide outstanding services to the community.



Top Row: New Water Utility Director Andrew Sukowaty (March 2022); Retiring Police Chief Brian Kohlmeier and New Chief Ben Meinnert (Nov. 2022); swearing-in of five new police officers (June 2022); new Zoning Administrator/Inspections Ass't. Adam Taylor (Nov. 2022)

Bottom Row: New Parks and Rec Director Mike Mathis (June 2022), New Public Works Director Matt Heckenlaible (Nov. 2022), Bo Skornichka, Water Operator (October 2022), Steve Gretz, Electric Metering Tech (October 2022), and Megan Marsh, Recreation Clerk (November 2022)





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## 2022 IN REVIEW: STATE OF THE CITY

### INVESTMENT IN COMMUNITY QUALITY OF LIFE

In addition to the Central Park West 365 project, the City in 2022 made commitments to quality of life projects that will become reality in 2023.

They include:

- Reconstruction of the Washington Park tennis courts as six pickleball courts and one tennis court (\$150,000 investment)
- A major new play area at Neshotah Park (\$400,000 investment)
- Story trails at Lester Library and Zander Park







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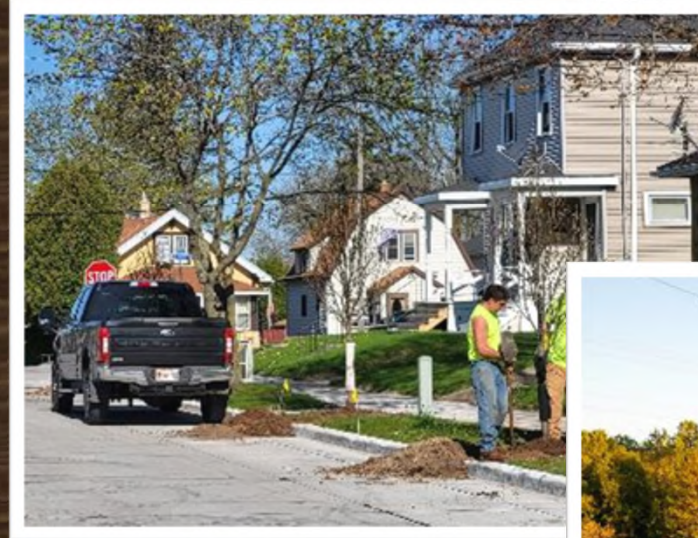
## 2022 IN REVIEW: STATE OF THE CITY

### INVESTMENT IN COMMUNITY QUALITY OF LIFE (CONT'D)

The City stepped up its **tree planting** activity in 2022, with the planting of more than 60 new trees along City streets.

For 2023, the City will commit more funds to tree management and tree planting, aided by a WDNR Urban Forestry Grant secured by the Parks and Rec Dept. for a tree inventory, staff training and tree planting.

The City continues to cooperate with the Vander Brohe Arboretum as it develops and expands its impact in the community.







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