

## Economic Development

### Introduction

The success and/or failure of economic development efforts within any community are a function of a variety of factors that exist locally, regionally, nationally, and globally. The Town of Hunter is not immune from those factors. Before an economic development plan can be developed for any community, prevailing influences must be identified which help to quantify the community assets, liabilities and trends that may aid or hinder economic development efforts. With that in mind, specific data pertinent to: the Town of Hunter; Sawyer County; Northwest Wisconsin Region; the State of Wisconsin; and, the United States is examined within this section to determine where the Township is presently and where it can realistically expect to advance within the foreseeable future.

### Labor Force Profile

Labor force characteristics reflect the population of the Town of Hunter (**Table 6.1**). Slightly over half (53.5%) of the population of the Town of Hunter, 16 years and over, are in the labor force. (Source: 2000 US Census).

**Table 6.1: Labor Characteristics**

	Town of Hunter	Sawyer County	Wisconsin
Civilian Labor Force	621	7,709	2,869,236
Unemployment Rate	0.9%	6.6%	4.7%
Labor Force Participation	53.5%	60.3%	69.1%
Education Beyond High School (25 & over)	46.4%	44.7%	50.6%
Bachelor's Degree or Higher (25 & over)	9.2%	16.5%	22.4%
Per Capita Income	\$16,309	\$17,634	\$21,271
Median Household Income	\$30,208	\$32,287	\$43,791
Poverty Rate	14.9%	12.7%	8.7%
Median Age	42.2	42.1	36.0

Source: U.S. Census 2000 (DP-3, SFP1, 2, & 3)

### Sawyer County Labor Force Employment Status

The Wisconsin Department of Workforce Development (DWD) is responsible for collecting labor statistics at the county, metropolitan statistical area, and large city levels. DWD does not compile figures for communities with populations less than 25,000.

The information summarized in **Table 6.2** shows that the size of the labor force in Sawyer County has remained relatively constant over the last decade (1996-2006) with a gain of 209 jobs, which represents a 2.3% in the county's labor force.

Unemployment rates within Sawyer County during the same period ranged from a low of 5.2% to a high of 7.0% (**Table 6.2**). Sawyer County's unemployment rate during the same period, on average slightly exceeded the unemployment rate for the ten county northwest region of the state. On the other hand, the historic unemployment rate for Sawyer County (6.0%) exceeds

the statewide historical average (4.8%) by 25%. According to the most recent data available (November 2007) from the State of Wisconsin Department of Industry Labor and Human Relations (DILHR), the 2007 unemployment rate for Sawyer County was 7.1%, and the statewide average was 4.8%. This represents that the Sawyer County unemployment rate for 2007, exceeded the statewide average by 32.4%.

**Table 6.2: Sawyer County Labor Force & Unemployment Rate**

Year	Labor Force			Unemployment Rate		
	Employed	Unemployed	Total Labor Force	Sawyer County	NW Wisconsin Region	Wisconsin
1996	8577	604	9,181	6.6	5.9	3.5
1997	8671	635	9,306	6.8	6.1	3.7
1998	8599	572	9,171	6.2	5.8	3.4
1999	8598	472	9,070	5.2	5.1	3.0
2000	9050	534	9,602	5.6	4.9	3.0
2001	9513	568	10,081	5.6	6.3	4.4
2002	8620	569	9,189	6.2	6.7	5.3
2003	8366	627	8,993	7.0	6.3	4.9
2004	8630	561	9,191	6.1	5.8	4.2
2005	8822	565	9,387	6.0	5.6	4.8
2006	8786	602	9,388	6.2	5.7	4.8
2007				7.1		4.8

Source: Wisconsin Department of Workforce Development  
NW Region defined as the ten county area of northwest Wisconsin.

**Table 6.3: Seasonal Employment for Tourism Related Jobs in Sawyer County**

Year	County Tourism Employment	
	December - February	June - August
2006	311	1,220
2007	287	1,226

### Current Population

According to statistics from the 2000 U.S. Census, the population of tribal members upon the LCO reservation is approximately 2,559 individuals. The remainder of Sawyer County has a population of 13,637.

The 2000 U.S. Census list the Town of Hunter as having 765 residents, of which an estimated 349 residents are in the labor force. Population figures from the portion of the Lac Courte Oreilles (LCO) reservation which lies partially within the borders of the Town of Hunter are not released to the public by the LCO Tribe; and therefore, race and ethnic population estimates for the Town of Hunter are somewhat less accurate than municipalities which do not include LCO. While the U.S. Census is generally accepted to provide a reasonable estimate of racial and ethnic distribution, the LCO Tribe has maintained that the U.S. Census does not completely reflect tribal populations within Sawyer County. With that stated, the 2000 U.S. Census estimates reflect the following racial and ethnic distributions within the Town of Hunter (**Table 6.4**).

**Table 6.4: Racial and Ethnic Distribution**

<b>American Indian</b>	<b>35.82%</b>
White	62.75%
Other	1.43%
Total	100%

### **Future Population and Labor Supply**

The overwhelming trend in the county is towards an aging population that will soon outnumber the younger population according to the Sawyer County Workforce Profile, November 2004, which was conducted by the Wisconsin Department of Workforce Development. This trend points to a potential shift in the types and quantity of services that will be demanded as the population ages. This shift in the age of the population presents challenges as well as opportunities for economic development.

Two examples which provide future challenges and opportunities are,

- The potential for labor shortages due to retirements and lack of replacement workers, especially in occupations that require primarily younger employees.
- The aging population will demand changes in the types of services and products.

These trends have already begun to impact economic development within Sawyer County. In response to the trend of the county's aging population, the retail merchandise and health care providers -- Walgreen's; Marshfield Clinic; and, Northern Bridges (health care management) – developed plans to locate to Sawyer County. Walgreen's opened in Hayward in March of 2009; Northern Bridges opened in Hayward in September of 2008; and, Marshfield Clinic will begin construction on its' first health care facility in Hayward in late 2009. These new businesses are filling needs of residents that live throughout the county as a result of the county's aging population; and, they will offer significant employment opportunities.

While some may view Sawyer County's aging population as a factor that negatively influences economic development, in reality, as can be seen with the Marshfield Clinic, Northern Bridges and Walgreen's example, the aging population trend can provide unanticipated economic development opportunities for the county. Other such examples may soon develop as a result of the same trends.

The Town of Hunter Survey of Residents conducted for the Comprehensive Land Use Plan revealed the following age distribution for those households completing the survey: It should be noted that the age distribution in the Town of Hunter derived from the survey reflects the trend toward an aging population, which is representative of Sawyer County, as a whole.

**Table 6.5: Town of Hunter Age Distribution of Adults (per Town of Hunter Homeowner Survey)**

Age Range	Population %
18 – 29 years	7.6%
30 – 50	29.3%
51 – 64	31.5%
65 and over	31.5%

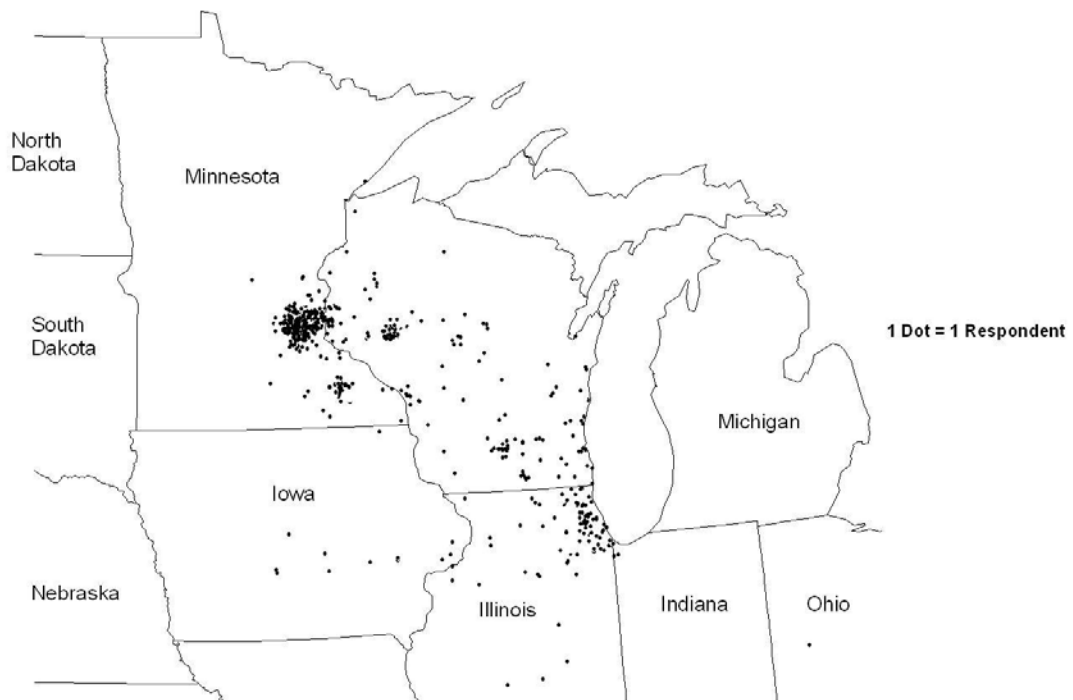
Based on the results of the survey, 63% of the adult population in the Town of Hunter is 51 years or older.

**Sawyer County Median Household Income: Changes in the Future?**

The median household income (MHI) for Sawyer County for a family of four is more than the poverty line, but less than 85% of the State median household income. (2004 Sawyer Count: MHI = \$36,521; and 2004 State of Wisconsin: MHI = \$46,142). These figures are expected to rise dramatically over the next few decades based on a survey of second homeowners conducted by the Sawyer County Development Corporation and the University of Wisconsin–River Falls. The survey was sent to 1,265 people who owned a second home in Sawyer County. A total of 631 people responded to the survey. The number who responded represented a statistically significant percentage of Sawyer County second homeowners. The 631 respondents to the survey had primary residences as indicated on the following **Figure 6.1**.

**Figure 6.1**

**Sawyer County Non-Resident Property Owner Survey**  
 Respondents by ZIP Code  
 Upper Midwest - Wisconsin and Nearby States



Source: Survey Research Center, University of Wisconsin - River Falls, 2006

The survey revealed that Sawyer County's second homeowners are very well-educated and earn relatively high incomes (\$100,000+/year) when compared with current year-round county residents. In addition, second homeowners spend approximately \$17,500 per year in Sawyer County, which has a total estimated impact on the county economy of \$29.8 - \$32.5 million per year. Of particular importance to economic development planning is that nearly 30% of the respondents indicated that they planned to move to Sawyer County. If that occurs, it's anticipated that the influx of this population of well-educated and relatively affluent year-round residents will have a significant and positive impact on economic development within Sawyer County as these new residents become active and involved in the communities in which they live, such as the Town of Hunter, bringing with them their education, higher incomes, expertise and varied life experiences in areas including, but not limited to: planning, politics, development, and business.

### Economic Base

**Table 6.6** reflects the number of residents within the Town of Hunter by industry sector. A total of 352 residents were employed according to the 2000 U.S. Census. Arts, entertainment, recreation, accommodation and food service represented the greatest concentrations of employment. The employment sector matches well with the character of the Town of Hunter and surrounding area.

**Table 6.6: Employed Residents by Industry Sector**

	Town of Hunter	Percent of Total
<b>All Industries</b>	<b>352</b>	<b>100%</b>
Agriculture, forestry, fishing & hunting, and Mining	11	3.1%
Construction	35	10%
Manufacturing	44	12.6%
Wholesale Trade	3	0.9%
Retail Trade	36	10.3%
Transportation & Warehousing, and Utilities	7	2.0%
Information	3	0.9%
Finance, Insurance, Real Estate, Rental and Leasing	25	7.1%
Professional, Scientific, Management, Administration, and Waste Management	24	6.9%
Education, Health, and Social Services	58	16.6%
Arts, Entertainment, Recreation, Accommodation and Food Service	78	22.3%
Other Services (Except Public Administration)	0	0%

Source: U.S. Census Bureau

### Economy and Largest Employers

The economy of the Town of Hunter is based primarily on the tourism industry according to the 2000 U.S. Census. Unfortunately, over the last thirty years, many resorts which help to drive

tourism, have been subdivided, sold-off or “gone condo”. According to the Hayward Lakes Vacation Guide, approximately twenty-six licensed resorts existed on the Chippewa Flowage in 2009. The Chippewa Flowage lies mostly within the Town of Hunter. The Chippewa Flowage has experienced some reduction in the number of its resorts to selling off or “condoing” over the last thirty years, but other lakes throughout the county have been affected more significantly. The attraction of the Chippewa Flowage as a vacation destination for tourists is a strength that benefits the Town of Hunter as well as Sawyer County. The forgoing and following information was gathered from the Hayward Lakes Vacation Guides for the periods listed. The information is anecdotal, but it is a good indicator of the number of resorts that exist on the Chippewa Flowage for the periods listed because most resorts advertise in the Hayward Lakes Vacation Guide.

**Table 6.7: Number of Resorts on the Chippewa Flowage**  
(per: Hayward Lakes Vacation Guides)

<u>Year</u>	<u>Number of Resorts</u>
1935	15
1956	29
1967	34
1977	31
1989	33
1999	31
2009	26

An analysis of county tourist expenditures provided by the Hayward Lakes Visitors and Convention Bureau (HLVCB), indicates that lodging made up 13% of expenditures out of \$143+million in travel expenditures in Sawyer County in 2008, accounting for more than \$18 million in tourist expenditures in 2008.

According to the VCB, the Chippewa Flowage has 31% of the lodging facilities in Sawyer County, which extrapolated, translated to \$5,779,020 of Sawyer County tourist expenditures in 2008.

The same HLVCB analysis discovered that 27% of tourist expenditures were for food. The Chippewa Flowage has 23% of the food providers in the county and is responsible for \$8.9+ million in tourist expenditures in Sawyer County during 2008.

The HLVCB analysis estimated total tourist expenditures (food + lodging) for the Chippewa Flowage for 2008 at \$14.6+ million.

The HLVCB notes that figures provided are not exact, but are the best estimate of the economic impact of the Chippewa Flowage, which lies primarily within the Town of Hunter, on Sawyer County.

Employment in the fields of education, health, and social services, accounts for the next largest sector of the Town of Hunter employing 16.6% of the Hunter labor force, followed by manufacturing at 12.6%.

The Town of Hunter’s largest manufacturing-based employer is Concor Tool and Machinery. The company was founded in 1980 in the Town of Hunter and employs forty-five (45) to fifty (50) people at the companies manufacturing facility in the Town of Hunter. Concor is among the top twenty largest private employers in Sawyer County.

The Hayward area, including the City of Hayward and Town of Hayward, serves as the primary retail and service center for Sawyer County including the Town of Hunter. **Table 6.8** represents the major employers within Sawyer County.

**Table 6.8: Major Employers-Sawyer County**

Employer	Number of Employees	Industry Type
Lac Courte Oreilles Casino	373	Gaming & Gambling
LCO Tribal Government	335	Tribal Government
Sawyer County Government	273	General Government
Hayward Public Schools	250	Education
Hayward Memorial Hospital	210	Health Care Services
Louisiana Pacific	190	Lumber Products
MarketPlace Foods – Hayward	102	Grocery Store
NWFC/Northern Bridges	90*	Health Care
Trussworks	74	Roof/Floor Trusses
Valley Health Care Center	69	Health/Nursing Care
Arclin Corp.	63	Paper Treatment
Concor Tool & Machinery Mfg.	47	Tool & Machinery Mfg.

Source: Sawyer County Economic Development Corporation. \* Estimated to be employed by end of 2009.

### Strength and Weaknesses

The Town of Hunter has strengths which could lead to job growth and retention. The strengths include a high degree of environmental quality and beauty, which most would agree make the Town of Hunter a highly desirable place to work and live. In addition, the stability of the workforce and population exceeds national averages with 56.6% of Town of Hunter residents living in their current residences for five years or more. The Town of Hunter offers potential employers an educated and stable employment base and a quality of life and environmental beauty that most employers and employees find desirable.

However, the Town of Hunter is faced with challenges (weaknesses) that hinder economic development as well...chief among the weaknesses is the lack of infrastructure, such as readily available cellular service. Distance to market, lack of immediately available raw materials, and a labor force population that isn’t specifically trained for key industries represents weaknesses, too. On the other hand, three educational institutions within the county can be utilized by Town of Hunter residents to train and educate for specific industries should a key employer locate to Hunter Township or Sawyer County with a requirement for specifically skilled employees. The educational institutions are: Wisconsin Indianhead Technical College – Hayward; LCO Community College based at Lac Courte Oreilles; and, University of Wisconsin – Extension (Sawyer County/LCO). Each of the educational institutions has the ability to design curriculum to meet the needs of specific employers.

**Travel Time to Employment**

The Hayward area, including the City of Hayward and Town of Hayward, serves as the primary retail, employment and service center for Sawyer County including the Town of Hunter. Hunter residents who are employed, have an average travel time to their places of employment of nineteen (19) minutes. Most Hunter residents work in Hayward and 7.5 percent of Hunter residents work from home. The large majority of residents (75.0%) drive to work alone, with 1.5 percent using public transportation and 14.2 percent walk to work.

**Sawyer County's Current Industry Group Employment**

According to the Wisconsin Department of Workforce Development's 2004 Sawyer County Workforce Profile, roughly 50 percent of all county manufacturing jobs are in the wood products sub-sector. This reality is continuing, in 2008, a new wood fuel pellet manufacturing plant opened during the summer. The plant employs twenty-one (21) full-time employees year-round within the plant, as well as twelve (12) year-round, full-time foresters.

The service sector is the largest employer, providing 33.6 percent of the total employment within Sawyer County. The retail trade sector was second in impact accounting for 22.8 percent of Sawyer County employment. Manufacturing provided 12.2 percent of the employment within the county. The remaining employment sectors accounted for 31.4 percent of the county's labor force.

**Tourism: The Backbone of Hunter Township Employment**

The largest percentage of employment within the Town of Hunter occurs either directly or indirectly as a result of tourism. Tourism within the Town of Hunter exists year-round. During autumn and winter, hunting, snowmobiling, ice fishing and cross-country skiing are the main attractions. Summer tourists favor golf, fishing, hiking, biking, and boating – just to name a few of the more popular activities. With 31.39 percent of the Town of Hunter comprised of water it's no wonder that the lakes, rivers and streams in the Town of Hunter serve as a key attraction for summer and winter tourists. Hunter's lodging establishments provide a place for tourists to stay and play in Hunter. There are in excess of twenty-five resorts in the township and many private vacation home rentals. Most of the resorts and vacation home rentals are situated on lake and river frontage to enable tourists to enjoy the water resources available in Hunter.

Often overlooked is the impact that tourism and lodging has on future economic development within Sawyer County and the Town of Hunter. Of the second homeowners within Sawyer County, a significant portion became familiar with, or aware of, Sawyer County when they spent a week at one of the local family operated resorts. The Sawyer County Development Corporation's second homeowner survey documented the economic impact that second homeowners have had, and will continue to have within Sawyer County.

According to the most recent figures available through the Wisconsin Department of Tourism, in 2007, Sawyer County tourists had a total impact of \$143,356,562 in Sawyer County. Ten years earlier, in 1997, tourists had a total economic impact of \$74,261,619. The total impact of tourists generated expenditures in Sawyer County have been significant to the economy of Sawyer County having nearly doubled during the ten year span from 1997 to 2007 while directly and indirectly having some level of responsibility for 2,671 jobs in Sawyer County.

It's true that tourism is alive and well in Sawyer County providing a needed boost to the local economy and helping to create and retain jobs, it is not without its' challenges. Those challenges include, but are not limited to: the seasonal fluctuations inherent within Sawyer County's tourism industry; increased operational expenses; rising taxes; and, profit pressures to convert resorts to condominiums.

The seasonal fluctuation of the Sawyer County tourism industry and the impact is best illustrated by the following quarterly expenditures (**Tables 6.9 and 6.10**) from tourists and tourism impacted jobs in Sawyer County during 2007, which was provided by the Department of Tourism website.

**Table 6.9: Sawyer County Tourist Expenditures by Quarter (2007) (Total = \$143,356,562)**

Dec.- February	March – May	June – August	Sept.- November
\$15,411,827	\$28,160,320	\$65,816,153	\$33,968,262
(11%)	(20%)	(46%)	(24%)*

\*Note: Exceeds 100% due to rounding.

**Table 6.10: Sawyer County Tourism Impacted Full Time Equivalent Jobs by Quarter (2007)**

Total	December- February	March-May	June-August	September-November
2,671	287	525	1,226	633

Data for Tables obtained from *The Economic Impact of Expenditures by Travelers on Wisconsin (Calendar Year 2007.)*

Prepared for: Wisconsin Department of Tourism

Prepared by: Davidson-Peterson Associates, Kennebunk, Maine

As evidenced by the data provided in **Tables 6.9 and 6.10**, the impacts of the seasonal fluctuations relevant to tourism in Sawyer County are substantial. The impact is significant within the Town of Hunter, as well, because tourism-related businesses provide the majority of jobs within the township. With the June through August quarter accounting for 46% of annual tourist expenditures and 45.9% of the tourism impacted jobs, it is imperative that tourism-related marketing efforts target the peak months while bolstering the off-peak months; and, the tourism entities within the county do indeed focus their marketing dollars on the to bolster business during off-peak months.

Tourism and lodging in the Town of Hunter and Sawyer County has had a significant economic impact and is responsible for much of the growth within the county, the lodging industry is not without challenges. Rising property taxes and increased expenses have taken a toll on many of the resorts within the township. Many of the resorts have opted to "go condo", which means many resort owners have sold their rental cottages that were once rented on a weekly basis throughout the summer to new guest...now those same cottages are owned by people who use them just a few weeks a summer. The economic impact of the lost weekly turn-over from the large number of resorts "going-condo" has been felt in many restaurants, gas stations, bait and tackle shops, taverns, and other tourist-related businesses. Preservation of family operated resorts is vital the economy of the Town of Hunter and Sawyer County.

### Sawyer County Economic and Employment Trends

With the advent of higher fuel prices and efforts to develop alternative fuel sources, such as grain and cellulose ethanol and wood fuel pellets, Sawyer County seems to be well-positioned to capitalize on the country's quest to develop alternative fuel sources that are reliable and efficient. The recent completion and grand opening within the Town of Hayward for the Great Lakes Renewable Energy (GLRE) manufacturing plant that produces wood fuel pellets, which heat residential and commercial buildings, may be the first indicator of future manufacturing trends within Sawyer County. Another alternative fuel source – cellulose derived ethanol – may provide an opportunity for Sawyer County economic development as cellulose-derived ethanol manufacturing processes develop greater efficiencies and economies-to-scale.

Another recent addition to the Sawyer County employment base is Northern Bridges. Northern Bridges chose Sawyer County as the home for their new corporate headquarters and began operations in September of 2008. Northern Bridges is a health care management company which contracts with the State of Wisconsin to provide health care management to seniors and disabled residents throughout its eleven county service area of northwest Wisconsin. Northern Bridges is currently hiring and will employ approximately ninety (90) employees in Sawyer County with billings projected to exceed \$80 million annually. Northern Bridges likely will employ some Hunter residents and serve clientele who reside in the Town of Hunter.

Eleven counties competed to secure the Northern Bridges headquarters and after a lengthy competitive process, Sawyer County was chosen. During the competition, Sawyer County's aging population (see: **Table 6.11**), was cited as one reason to locate the headquarters to Sawyer County. The addition of a Walgreen's Store and its vast pharmaceutical offerings was another. The fact that Marshfield Clinic was breaking ground in 2009 was important because it meant that nearly every major health care provider (Marshfield Clinic, Northwood's Clinic, Duluth Clinic, Hayward Memorial Hospital, LCO Clinic, LCO Urgent Care, and a VA Clinic), in northwest Wisconsin was located in Sawyer County. Northern Bridges could be assured that by locating its headquarters in Sawyer County, it had a wide selection of health care providers and choices nearby that could meet the health care needs of its clientele. Sawyer County is fast becoming a health care mecca in northwest Wisconsin...serving clientele and providing employment opportunities to Sawyer County and Town of Hunter residents.

**Table 6.11**

Age Group	1990	2000	% Change
0-44 years	58.8%	54.9%	6.7% decline
45 and older	41.2%	45.1%	9.1%
Median Age	37.9 years	42.1 years	11.1% increase

\* Draft Sawyer County Demographics Analysis (March 23, 2009)(Sawyer County Government).

### Opportunities to Attract and Retain Businesses and Industry

Opportunities to attract new businesses and industry are limited due to the Town of Hunter's rural location and limited infrastructure. Small-scale, family-owned businesses which are compatible with the comprehensive plan, the environment and the unique northwood's character of the Town are encouraged. Restaurants, resorts, fishing tackle and bait shops and various home based businesses are suitable.

As evidenced by the location map (**Figure 6.1**) of the respondents of Sawyer County Development Corporation’s Second Homeowner Survey conducted by the University of Wisconsin – River Falls, many of the homes within the Town of Hunter are owned by individuals who live elsewhere but spend weekends and short-term stays at their second homes in the Town of Hunter. If cellular service was readily available in Hunter Township, it’s anticipated that many of the second homeowners would relocate to the township because they would be able to operate home offices. This potential group of individuals would bolster job growth within the township and could significantly impact the local economy with their higher than average incomes.

The Town of Hunter Survey that was conducted of property owners within the township to gather data for the Comprehensive Land Use Plan revealed that 41.7% of the survey respondents were seasonal residents (second homeowners) who owned lake front property within the Township. Lake front property is often the highest valued and most costly in the township. Town of Hunter Survey respondents were represented as follows:

**Table 6.12**

Permanent Residents with lake frontage	19.6%
Permanent Residents without lake frontage	12.4%
Seasonal Resident with lake frontage	41.7%
Seasonal Resident without lake frontage	14.1%
Vacant Land Owner with lake frontage	5.5%
Vacant Land Owner without lake frontage	6.7%
	100%

An additional limited scale opportunity for business development exists in the Town of Hunter for light manufacturing, but because many of the roads within the Town of Hunter are subject to “road bans” (weight limits) during the period of the annual spring thaw, companies which require over-the-road transport of raw materials and finished products are not likely to locate facilities upon affected roads throughout the township. There is however potential for some limited manufacturing facilities along county highways, such as County Highway B, which passes through the Town of Hunter.

#### **Telecommunications: Opportunity for Economic Development in the Town of Hunter**

Of the type of potential businesses that have been discussed thus far, the most likely business type to prosper in the Town of Hunter in the future is home based businesses. However, the potential growth of home based businesses in the Town of Hunter is constrained by the limited telecommunications amenities (such as cellular services) available within the Town. If cellular service was readily available throughout the Town of Hunter, then jobs creation and tax revenues may increase, as more home based businesses were established in Hunter Township.

In many communities across the country, citizens who have access to cell service are discontinuing their traditional wired phone services, in favor of cellular service as their sole phone source in an effort to reduce expenses. With the use of the highly popular smart phone technology, such as the BlackBerry and I-Phone, all one needs to access the internet is a clear cellular signal. With the advances in cellular technology, business activities can be conducted

most anywhere there is cellular service. Communities, which lack cellular service, may be missing out on economic development opportunities.

The placement of cell towers can be a controversial issue. However, the economic growth of the Town of Hunter and other neighboring townships, such as the Towns of Spider Lake and Round Lake, are constrained by the absence of a reliable telecommunications infrastructure.

Private companies are usually the owners of cellular towers and are responsible for site acquisition and tower placement. In some cases, it may be feasible for a municipality to own cellular towers to secure cell service for its residents. Because the Towns of Hunter, Round Lake and Spider Lake each have identified the absence of cellular service and high speed internet as an obstacle to economic development, the boards of the Towns of Hunter, Round Lake and Spider Lake may wish to consider to explore the opportunities to partner with each other with the goal of obtaining cellular service for the three communities.

### **Issues, Opportunities, and Constraints**

The availability of quality natural resources within the Town of Hunter offers a wide array of outdoor recreational opportunities that support the local tourism industry.

Because the local economy is primarily based on tourism the majority of jobs in Sawyer County are lower paying jobs in the service and retail trade sectors. That fact likely accounts for the Town of Hunter lower than the statewide average Median Household Income (MHI) levels. Specifically, according to the 2000 U.S. Census, Median Household Income within the Town of Hunter was nearly 31 percent lower than the statewide average. The lower wages from these jobs challenge households to afford basic needs, including housing, goods, and services. On the other hand, Sawyer County does not have an excess of qualified workforce to fill the available jobs within the area; and, as a result, many employers, in an effort to attract employees are beginning to pay more for the same work than they paid in past years. There is clearly an upward pressure on the hourly rate of pay for lower wage jobs in Sawyer County as employers compete with each other to attract workers. Sawyer County employers may soon feel a tangible impact from the upward pressure on wages; however, such jobs in Sawyer County typically lack fringe benefits, which are often costly to employers.

While real estate prices in Sawyer County have appreciated handsomely over the last decade, recent trends brought about by problems attributable to the sub-prime national mortgage markets, have served to level-out real estate prices within the county. In response to the persistent demand for affordable housing in Sawyer County, several affordable housing developments have recently been completed and others are planned. Obviously, the supply of affordable housing is vital to economic development efforts within a community, because workers employed in lower-paying service and retail jobs need affordable housing opportunities. However, while there are several affordable housing developments planned within Sawyer County, most have been delayed by the recent downturn in the national economy and the housing market in general. Hunter Township has seen its share of housing developments; however, the developments in the Town of Hunter are not marketed to families in need of affordable housing opportunities. Rather, most of the subdivision and housing

developments in Hunter exist adjacent to, or on lakeshore, to develop untapped revenue and profit potential for developers.

### **Incentives**

The future of economic development growth within Sawyer County and the Town of Hunter is dependent upon: the growth and expansion of existing businesses; new business start-ups within the county; and, attracting new employers to the area from outside of Sawyer County. In today's competitive market to retain and attract businesses, many municipalities and counties have adopted incentive packages.

While there is often resistance to offering incentives to businesses to retain or attract employment, the practice has, nonetheless, become a fact of life in a competitive environment where communities develop strategies with the goal of creating opportunities to retain and create jobs. Economic development incentives have not been developed or adopted anywhere in Sawyer County to-date. In anticipation of potential future economic and industrial development opportunities it may be advisable for Town of Hunter officials to develop economic development policies which are reflective of the results of the 2007 Town of Hunter survey.

### **Business and Industrial Sites**

The Town of Hunter has no business and industrial sites set-aside. However, county zoning regulations and requirements can potentially influence the location and type of businesses within the Town. The Town's land use map reflects the Town's desire to plan for land use and can incorporate businesses meeting the Town's objectives for employment while maintaining the natural appeal of the environmental quality of the Town of Hunter.

### **Redevelopment and Contaminated Sites**

No known contaminated sites are known in the Town of Hunter. However, six closed residential land fills remain in the Town. While no ground water or other contamination is presently known, future monitoring efforts should be explored. In the event that contaminated sites are discovered, the Town of Hunter will address the issues as they arise by utilizing the assistance made available by local, state, and federal agencies.

### **Economic Development Programs**

There exist several regional, state, and federal economic development related programs available to the Town of Hunter, surrounding communities, Sawyer County, local economic development organizations, and/or local businesses. These programs are organized according to the agency that makes each of them available.

### **Federal Economic Development Programs**

#### **USDA-Rural Development Programs**

##### **USDA Rural Development: Business and Industry Guaranteed Loan Program**

This program provides loan guarantees up to 80 percent for eligible projects. Maximum guarantees of up to \$10 million are available for each business. Any shareholder within a

business who possesses 25% or more of the company ownership or shares must sign a personal guarantee to obtain the USDA guarantee or the guarantee loan.

The program was established to improve, develop, or finance business, industry, and employment and to improve the economic and environmental climate in rural communities. An eligible applicant is any legal entity organized and operated on a profit or non-profit basis, including individuals, public and private organizations and federally recognized Indian tribal groups. Borrowers must be proposing to engage in improving, developing or financing business, industry and employment and improving the economic and environmental climate in rural areas. The community in which the project is located must have a population of less than 50,000. Eligible projects include business start-ups, expansions, and acquisitions. Applications may be submitted at any time.

#### USDA-Rural Development: Community Facility Loan (CFL) Program

The CFL program provides loan guarantees of up to 90 percent for eligible projects; however, unless extraordinary circumstances exist, typically the program will guarantee up to 80 percent. The program is designed to construct, enlarge, extend or otherwise improve public and community facilities that provide essential services in rural areas and town with populations of less than 50,000.

Eligible applicants for the loan program include municipalities, counties, special purpose districts, Indian tribes, and non-profit corporations. The applicants must demonstrate that they are unable to obtain the loans from private or cooperative lenders without the guarantee at reasonable rates and terms. Rural Development guarantees the loans made by banks or other eligible lenders. The following are the types of public and community facilities covered under the loan program: municipal buildings, hospitals, clinics, nursing homes, rural retirement centers, centers for the developmental disabled day care centers, fire and rescue, libraries, social or cultural facilities, water treatment and distribution, sewage collection and treatment, solid waste collection and disposal, storm drainage, streets, curbs and gutters, airports, bridges, municipally owned residential, industrial sites, and natural gas distribution and utilities to industrial sites. Applications may be submitted at any time.

#### USDA-Rural Development: Rural Economic Development Loan Program (REDL)

The Rural Economic Development Loan (REDL) Program has the purpose of fostering economic development and employment in rural areas. The REDL program typically involves loan funding which passes through a rural utility, such as an electric cooperative to the ultimate borrower. The funds can be use for construction of business incubators, start-up costs for economic development initiatives, job creation projects, and other reasonable expenses for projects which will lead to jobs creation.

The funds are lent to borrowers at zero percent interest with a maximum term of ten years. The first two years of the REDL can be without any required payments if requested and approved by the USDA-Rural Development within the application. The minimum amount that can be requested is \$10,000 and the maximum amount for 2008, is \$740,000. Eligible utilities which serve Sawyer County are Jump River Electric Cooperative and Barron Electric Cooperative. Eligible entities are typically non-profit corporations, and in some cases, for-profit

companies are eligible, too. Applications can be submitted to the USDA-Rural Development on any business day of the year.

#### USDA-Rural Development: Water & Wastewater Disposal Grants and Loans

The USDA-Rural Development recognizes that economic development and employment cannot occur or be maintained without adequate water and wastewater infrastructure in place and fully functional. Therefore, the USDA-Rural Development has developed programs to provide mechanisms to provide for these vital infrastructure necessities in the form of Water and Wastewater Direct Loans and Grants.

USDA-Rural Development Water and Waste Disposal Direct Loans and Grants are provided to develop water and wastewater systems in rural areas with a population of 10,000 or less. Grants are specifically made for the purpose of reducing water and waste disposal costs to a reasonable level for users of the system. Grants may be made, in some instances, for up to 75 percent of eligible project costs. Funds are available to public entities, such as municipalities, counties, special-purpose districts, and Indian tribes, as well as to corporations operated on a not-for-profit basis. Priority will be given to public entities in areas with less than 5,500 people, and to projects that restore a deteriorating water supply, or improve, enlarge, or modify a water facility or an inadequate waste facility. Also, preference will be given to requests which involve the merging of small facilities and those serving low-income communities.

The USDA-Rural Development can also provide loan guarantees for Water and Wastewater projects if the USDA's Direct Loans are exhausted for the fiscal year. The Guaranteed Loans may be made for the same purpose as direct loans, and are made and serviced by lenders, such as banks.

Water and Waste Disposal Grants are made for the purpose of reducing water and waste disposal costs to a reasonable level for users of the system. The grants may be made, in some instances, for up to 75 percent of eligible project costs. Eligible applicants are the same as for loans.

#### **U.S. Economic Development Administration (EDA)**

##### EDA: Public Works and Development Facility Grant Program

Under this program, grants are provided to help distressed communities or organizations which serve those communities with the goal of attracting new industry, encouraging business expansion, diversifying local economies and generating or retaining long-term, private sector jobs.

Among the types of projects funded by the program are water and sewer facilities that primarily serve industry and commerce; business incubator facilities; access roads to industrial parks and sites; and, port improvements. Priority consideration is given to projects that improve opportunities for the successful establishment or expansion of industrial or commercial facilities; assist in creating or retaining private sector jobs in the near term, as well as providing of low-income families residing in the area served by the project; fulfill a pressing need of the area and can be started and completed in a timely matter; and demonstrates adequate local funding, with evidence that such support is committed.

Areas are eligible for submitting an application for a grant if one of the following criteria are met: average local unemployment for the most recent 24-month period is one percent greater than the national average; local per capita income level is 80 percent or less of the national average per capita income level; or a special need's case (substantial economic distress), as determined by EDA. To be eligible for a project grant, the application for assistance must include a Comprehensive Economic Development (CED) Strategy acceptable to EDA. Up to \$1,000,000 can be funded under the program. EDA will participate from 50 percent to 80 percent of project costs. Eligible applicants include towns, villages, cities, Indian tribes, and economic districts. Applications may be submitted year round.

### **U.S. Small Business Administration (SBA)**

#### **SBA Loan Guarantee Programs**

The SBA has several programs that offer loan guarantees to businesses and each of the guarantees function in the same manner. The various SBA loan guarantee programs are distinguishable primarily as a result of the threshold loan amounts under each program. The SBA loan guarantee program works as follows: loans are provided through SBA-approved lenders (usually banks) and the lenders receive a guarantee from the SBA that the loan will be repaid. If the borrower defaults on the loan then the SBA will reimburse the lender up to 80% of the amount of the loan. The maximum allowable guarantee percentage on a loan will be determined by the loan amount.

The purpose of this program is to provide loan guarantees to lenders, which are unable to provide conventional financing to small businesses. Businesses interested in the program must be allowable, subject to guarantee rules given that the lender certifies in writing that the debt is and always has been current, and debt refinancing clearly and significantly benefits the cash flow. Size standard vary by industry. Generally, any small business that is independently owned and operated and is not dominant in its field is eligible. The loans can be used for business start-ups, expansion, acquisitions, and operational expenses.

### **Federal Home Loan Bank of Chicago**

#### **Community Investment Program (CIP)**

CIP funds are available through advance (loans) to member financial institutions in Illinois and Wisconsin that hold stock in the Federal Home Loan Bank regional office of Chicago in accordance with the banks' most recent credit policy guidelines. The members can, in turn, lend CIP funds to private profit making, non-profit, or public entities. This program was mandated by the United States Congress to provide funding for member financial institutions for commercial and economic development activities, which will directly benefit low to moderate-income individuals or are located in a low to moderate-income area. Funds may be used to finance commercial and economic development projects that benefit low and moderate-income families or activities that are located in low or moderate-income neighborhoods. Projects that provide housing for families earning less than 115 percent of area median are also eligible.

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**STATE of WISCONSIN ECONOMIC DEVELOPMENT PROGRAMS****Wisconsin Department of Commerce (WI DOC)**WI DOC: Community-Base Economic Development Program (CBED)

CBED provides financing assistance to local government and community-based organizations that undertake planning or development projects or that provides technical assistance services that are in support of business and community development. Eligible activities under the program include: business incubator equipment; planning; development and assistance projects; business incubator/technology-based incubator grants; and, regional economic development grants. Cities, villages, towns, counties, tribes, and community-based organizations may apply for CBED planning funds. Funds are available on an annual basis through a competitive application process which usually has an application deadline in the spring months.

WI DOC: Wisconsin Community Development Block Grant for Public Facilities for Economic Development (CDBG-PFED)

This program has the purpose of assisting communities with expanding or upgrading their infrastructure to accommodate businesses that have made a firm commitment to create jobs and invest in a community.

Eligible activities under the program are those improvements to public facilities, such as: water systems; waste-water treatment systems, and roads that are owned by a general or special purpose unit of government. To be eligible, each of the activities must principally benefit one or more businesses and/or will induce the business(es) to create additional jobs and to invest in the community. A general-purpose unit of government in the State with a population less than 50,000 is eligible to apply for funds under the program.

Eligible projects must comply with the following criteria; businesses must create or retain, at a minimum, one full-time equivalent job for each \$10,000 of PFED funding; at least 51 percent of jobs must be made available to persons of low-to-moderate income; business investment must at least equal match the PFED funding; the business or businesses must demonstrate the financial feasibility of the startup or expansion project; government must demonstrate a financial need; and other government units must provide at least 25 percent of project funding. Application through the CDBG-PFED program can be submitted at anytime.

WI DOC: Community Development Block Grant Blight Elimination and Brownfield Redevelopment Program (CDBG-BEBR)

Application through the Community Development Block Grant Blight Elimination and Brownfield Redevelopment Program (CDBG-BEBR) program provides grant funds to local units of government, who in return loans the funds to local businesses to help them structure financial packages necessary to commence start-up operations or expand present operations.

The loans which the units of governments make to businesses are to be repaid directly to the units of governments which made the loan(s). Repayments on a loan, including may be used by the community to capitalize a local Revolving Loan Fund (RLF). A community can then use the

money retained in the RLF to make additional loans to businesses wishing to expand or locate in the community. The amount of money that can be retained by a community from CDBG-ED loan repayments to capitalize an RLF is dependent on the population of the community. In administering a RLF program, a community becomes a lender and accepts all of the responsibilities and risks of a commercial lender when it makes an RLF loan to a business.

#### WI DOC: Industrial Revenue Bond (IRB) Program

Wisconsin's Industrial Revenue Bond (IRB) program for 2008, has more than \$200 million available to assist small manufacturers with expansion projects through low-interest financing. The Department of Commerce grants the bonding authority (volume cap allocation) to cities, villages and towns to issue the federally tax-exempt bonds on behalf of a business.

The IRB program is used by communities to build their economic base and add jobs and investment. An IRB is a long-term, usually fixed rate-financing package offered primarily to manufacturing businesses for capital investment projects (construction expansion, land and or equipment). Within the program, the businesses are responsible for paying the interest and principal on the loan. The local units of government are primarily participating in the program as sponsors through the application process and are not responsible for debt service, or liable in the case of default.

Annually, the three application deadlines for IRB financing are January 15<sup>th</sup>, May 15<sup>th</sup>, and August 15<sup>th</sup>. The applications are to be submitted to the Wisconsin Department of Commerce and are first reviewed and scored by DOC staff and then forwarded to the Volume Cap Allocation Council (council that oversees the program) for review and approval or denial.

#### **Wisconsin Department of Transportation (WisDOT)**

##### Transportation Facilities for Economic Assistance and Development (TEA) Program

The TEA program provides funds to governing bodies, private businesses, and consortiums for transportation facility improvement projects that are necessary to help attract employers to Wisconsin, or to encourage businesses to remain and expand in the state. Funding through the TEA program is determined on the number of jobs anticipated to be created and/or retained by a proposed business expansion or construction project. The program requires a 50 percent local match, which is setup on a reimbursement basis. Applications may be submitted at any time.

#### **Wisconsin Department of Revenue**

##### Tax Incremental Financing

In 1975, the Wisconsin Legislature enacted the Tax Incremental Financing (TIF) program. The primary reason the legislature established the program was to give cities and villages within the state a financial mechanism to help fund public works and economic development projects, which without the program would probably not occur. TIF Districts provide an excellent vehicle for cities and villages, and now towns, to retire costly expenditures, such as infrastructure (water and sewer), which are needed attract and retain businesses. Towns can form TIF districts expressly for forestry, tourism or agriculture related purposes.

TIF districts can be created at any time during the year. However, if a community would like to receive the full tax revenue benefits from a specific new development within a subject TIF district for a particular year (for example, starting on January 1, 2000), the community must create the district by a resolution that is approved by the governmental body (city council or village board) prior to September 30<sup>th</sup> of that year. If the TIF district creation approval occurs after the September 30<sup>th</sup> deadline, the district will not commence until the following year (for example, starting instead of January 1, 2008). Under the first scenario, because of the public notice and hearing requirements under state statutes, to meet the approval deadline, the process must, at the latest, start by the end of July.

### **Wisconsin Housing and Economic Development Authority (WHEDA)**

#### Small Business Guarantee

The program provides loan guarantees of up to 80 percent on new loans for upgrading or expanding an existing business. Although changes for the guarantee limits are reportedly in process, current maximum guarantees amount to \$200,000 on loans up to \$750,000 and \$80,000 on loans up to \$250,000 for working capital. The WHEDA Small Business Guarantee program is designed to assist in the acquisition or expansion of existing small businesses.

Eligible businesses must meet the following criteria: must employ 50 or fewer full-time equivalent (FTE) positions at the time of application; must create or retain jobs; must be located in Wisconsin; and the owner(s) must have on-site management of the business. Eligible projects include acquiring or expanding an existing business, expanding into a new line of business that complements the existing business or mixed-use properties. Interested parties can apply for loans under the program at anytime.

### **LOCAL and REGIONAL PROGRAMS**

#### **Indianhead Community Action Agency Revolving Loan Fund**

The Indianhead Community Action Agency (ICAA) Revolving Loan Fund (RLF) has been in existence since 1995. The ICAA RLF has the goal of creating and retaining employment opportunities in the ICAA nine county service area of northwest Wisconsin. The ICAA RLF has made numerous loans to a variety of businesses in Sawyer County since 1995, with nine applications approved for Sawyer County businesses in 2007-2008. Applications for the ICAA RLF are available at ICAA corporate offices in Ladysmith, Wisconsin, or the Sawyer County Development Corporation in Hayward. Applications to the ICAA RLF can be submitted on any business day with lending decisions typically within two weeks.

#### **Northwest Wisconsin Regional Economic Development Fund**

The Northwest Wisconsin Regional Economic Development Fund (NWREDF) administers the revolving loan program in partnership with local communities (including Sawyer County), Northwest Regional Planning Commission and the Wisconsin Department of Commerce. NWREDF provides low-cost financing of up to \$200,000, for businesses seeking to either start or expand their operations in Northwest Wisconsin. Focus is placed on high technology businesses, manufacturing, timber, secondary wood products, and the tourism industry.

## **Northwest Wisconsin Business Development Corporation**

### Northwest Wisconsin Business Development Funds (NWPDF)

The Northwest Wisconsin Business Development Corporation administers several revolving loan funds providing long-term fixed rate, low down payment and low interest financing to industries in northwestern Wisconsin.

## **Sawyer County Development Corporation (SCDC)**

### SCDC Revolving Loan Fund

Sawyer County Development Corporation (SCDC) is a non-profit corporation responsible for conducting and coordinating the business and economic development efforts of Sawyer County. During the past two years, SCDC recruited and secured new employers Great Lakes Renewable Energy (GLRE) (33 jobs total) and Northern Bridges (90 jobs total) for Sawyer County. In addition, SCDC provided assistance to many new and existing businesses over the last two years. SCDC is not an extension of Sawyer County government.

In 2007, Sawyer County Development Corporation established a Revolving Loan Fund with the goal of providing capital for new and existing businesses in Sawyer County. Loans are made from the SCDC RLF at interest rates that range from 4%-6%. Loans are made to businesses that may find it difficult to qualify for funding from local banks due to a lack of collateral or business credit history. The SCDC revolving loan fund has the objective of creating and retaining jobs within Sawyer County. SCDC RLF applications can be submitted on any business day.

## **Economic Development Goals, Objectives and Actions.**

A set of recommended goals, objectives, and actions have been developed to assist the Town of Hunter in its effort to ensure a business climate that is compatible with the natural environment of the town.

**GOAL:** Ensure a business climate that is compatible with the natural environment of the Town.

### **OBJECTIVES:**

1. Encourage businesses that maintain the peace and quiet of the Town.
2. Ensure that future business development is compatible with the natural character of the town.

**Regulation Action:** Adopt standards for signage and lighting within the Town.

**Regulation Action:** Adopt standards for commercial development that reflect a northwoods character.

3. Attract and retain businesses that compliment the natural environment and improve the employment and income base of the Town.

**Incentive Action:** Investigate available federal, state, or private grants for promotion of the northwoods character of the Town.

4. Encourage sustainable forest management and the businesses that follow these practices.  
**Regulation Action:** Encourage timber harvest according to accepted Best Management Practices (BMP's).  
**Resource Identification Action:** Identify forestry businesses that follow these practices.