

CITY OF WASHBURN

REQUEST FOR QUALIFICATIONS

FOR

Residential/Mixed Use Development on City-Owned Land

January 16, 2019

REQUEST FOR QUALIFICATIONS

INTRODUCTION

The City of Washburn (“City”) is issuing a request to firms to submit their qualifications to provide the necessary design, plans, and specifications and financing to redevelop all or part of 9.88 acres of land owned by the City of Washburn into a master planned single-family residential, multi-family residential, multi-use development, and/or any type of development allowed by zoning. This 9.88 -acre publicly owned site, hereinafter referred to as “the site” is a unique opportunity based on its size, accessibility to municipal utilities, its proximity to Lake Superior and its strategic location between downtown Washburn and the City’s Marina.

The properties that are subject to this RFQ are #23, and #43 through #47 on the attached property inventory map. Please note that properties #27, #48, and #50 are no longer included in this RFQ as they were in the in the release of the 2017 version of this document.

A. Process

The City is proposing the following three-part process to select a firm or firms that will ultimately be responsible for developing the site into single-family units, multi-family housing units, mixed use development, and/or any type of development allowed by zoning that meets the community’s desired development qualities as expressed in the attached document – “Development Plan for City-Owned Properties”.

Step 1

Interested parties should submit their qualifications that show the firm's expertise in master planning and developing land for single and multi-family housing and mixed use developments.

At a minimum, the following items should be included in the submittal:

1. Company description and background (half page).
2. Resumes of lead staff that will be involved on this project and the qualifications of each
3. Examples completed projects that align with the type of development the City is seeking. For each project please include
 - a. Location
 - b. Status of project (completed, under construction, planning)
 - c. Final master plan showing types and sizes of units
 - d. Financial summary explaining how the project was financed (i.e. tax credits, conventional financing, grants, TIF, etc.)
 - e. Sale price and/or lease rates of finished units
 - f. References including a contact name and phone number

Step 2

Based on the responses from Step 1, the City will select firms for a community visit and site tour. This will allow for the selected firms and the City to meet one another and allow the parties to share their collective vision for the site and answer questions.

Step 3

Based on the information submitted in Step 1 and the community and site tour (step 2), the City will ask a select number of firms to submit a more detailed proposal to include;

1. Proposed conceptual site plan
2. Proposed timeline from shovel in the ground to total build-out
3. Estimated costs
4. Proposed financing schedule
5. Type and amount of public assistance needed, if any

Step 4

Based on the steps above the City will move into negotiations with one or more firms to develop the site with the final approval of a Development Agreement by the City Council.

B. Submission Terms

To be considered, one (1) hard copy and an electronic copy (PDF) of your firm's qualifications (Step 1 only) must be received at the City Clerk's Office, 119 Washington Avenue, P.O. Box 638, Washburn, Wisconsin 54891 by 4:00 P.M. on Tuesday, February 19, 2019. The City reserves the right to reject any or all qualifications submitted.

There is no expressed or implied obligation for the City to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

During the evaluation process, the City reserves the right to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. At the discretion of the City, firms submitting proposals may be requested to make oral presentations as part of the evaluation process.

There is no guarantee that any responses to the RFQ will be accepted or that a firm will be selected by the end of the process.

The City reserves the right to retain all submitted materials and to use any ideas in a submittal regardless of whether that submittal is selected. Any submittal indicates acceptance by the firm of the conditions contained in this request for qualifications, unless clearly and specifically noted in the proposal submitted and confirmed in the development agreement between the City and the firm selected.

C. Term of Engagement

The scope, timeline and development standards of the proposed development will be described in a Development Agreement between the selected firm and the City of Washburn. The City of Washburn does expect the selected firm to begin the development process immediately upon entering into the Development Agreement.

II. DESCRIPTION OF THE GOVERNMENT

A. Submittal Address

Firms should send labeled proposals “Development on City-Owned Land – Omaha Street” to the following address:

City Clerk
119 Washington Avenue
P.O. Box 638
Washburn, WI 54891

B. Name and Telephone Number of Contact Persons

The firm’s principal contact with the City of Washburn will be Scott Kluver, City Administrator, 715-373-6160 Ext. 4.

C. Background Information

The City of Washburn serves a population of 2,104 in Northeastern Bayfield County. The City’s fiscal year begins on January 1 and ends on December 31. Further information about the City of Washburn can be obtained on the City’s website www.cityofwashburn.org

More information on the City of Washburn can be obtained by contacting Scott Kluver, at (715) 373-6160 Ext. 4 or by e-mail at washburnadmin@cityofwashburn.org. Any questions regarding this RFQ or its process should be directed to the previously mentioned individual.

III. TIME REQUIREMENTS

A. Proposal Calendar

The following is a list of key anticipated dates starting with the dates proposals are to be submitted to the estimated date a Development Agreement would be approved by the City of Washburn. All submittals are due on the date stated by 4:00 p.m.

Step 1 –		
Due date for Qualifications		February 19
Selected firm(s) notified to move to step 2		February 26
Step 2 –		
Site and community tours		March 4 – 8
Selected firm(s) notified to move to step 3		March 12
Step 3 –		
Due date for Conceptual Development Plans		April 15
Step 4 -		
Firm selected to enter into negotiations		By May 13
Approved Development Agreement		By July 8

IV. EVALUATION PROCEDURES

A. Proposal Evaluation

Submitted information will be evaluated by a review committee and/or the City of Washburn Common Council as the process moves through Steps 1-4. The final Development Agreement will be approved by the City of Washburn Common Council.

B. Evaluation Criteria

Proposals will be evaluated using three sets of criteria. Firms meeting the mandatory criteria will have their proposals evaluated for both technical qualifications and development approach. The following represent the principal selection criteria, which will be considered during the evaluation process.

1. Mandatory Elements

- a. The firm has no conflict of interest with regard to any other work performed by the firm for the City.
- b. The firm adheres to the instructions in this request for proposal on preparing and submitting the proposal.

2. Technical Qualifications

- a. Demonstration of experience and qualifications of staff.
- b. Demonstration of past experience and performance on comparable government engagements.
- c. Proposed methods and approach in serving the City of Washburn.

3. Development approach.

- a. How closely the proposed development meets the community's vision, goals and objectives as defined in the attached document – "Development Plan for City-Owned Properties".
- b. Amount and form of public funding needed to facilitate the proposed development.
- c. Ability of firm to fund the project or gain the needed financing to ensure the proposed development occurs.

C. Oral Presentations

During the evaluation process, the City may, at its discretion, request any one or all firms to make oral presentations. Such presentations will provide firms with an opportunity to answer any questions the City may have on a firm's proposal. Not all firms may be asked to make such oral presentations.

D. Final Selection

A review committee and/or the Common Council will select a firm based upon the above criteria to move into negotiations and ultimately a Development Agreement. The final development agreement will be approved by the Common Council.

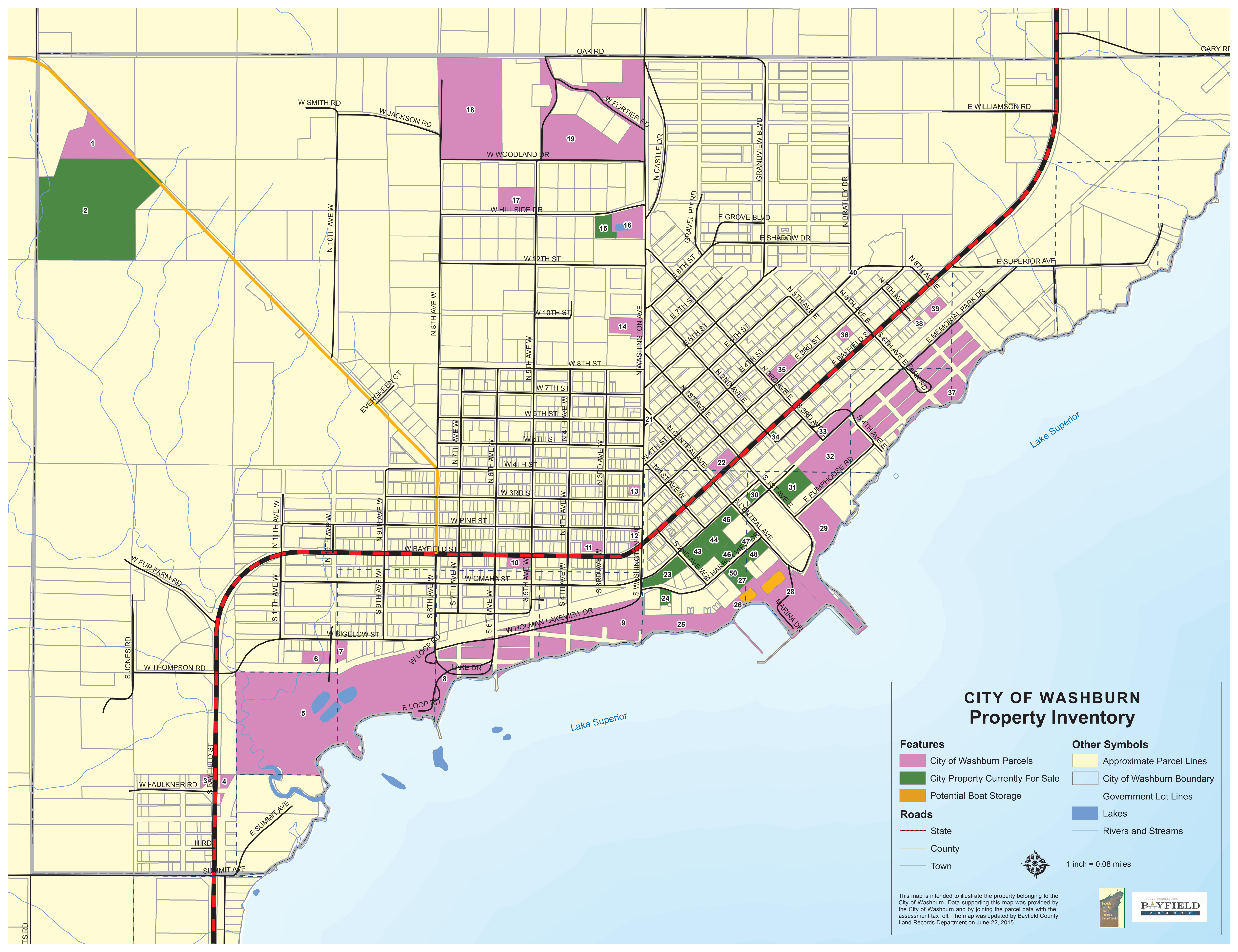
It is anticipated that a firm will be selected by May 13, 2019. Following notification of the firm selected, it is expected a development agreement will be executed between both parties by July 8, 2019 or shortly thereafter.

E. Right to Reject Proposals

By responding to this RFQ an individual respondent accepts the process outlined in this RFQ and fully acknowledges that the final determination of the City of Washburn Council is binding and without appeal.

The City Administrator reserves the right to reject any or all proposals, without prejudice and/or waive any irregularities if deemed in the best interests of the City.

The City of Washburn Common Council reserves the right to accept the proposal considered most advantageous to the City of Washburn. All respondents accept this process in submitting a proposal.



CITY OF WASHBURN Property Inventory

- | | |
|---|---|
| Features | Other Symbols |
| City of Washburn Parcels | Approximate Parcel Lines |
| City Property Currently For Sale | City of Washburn Boundary |
| Potential Boat Storage | Government Lot Lines |
| Roads | Lakes |
| State | Rivers and Streams |
| County | |
| Town | |

1 inch = 0.08 miles

This map is intended to illustrate the property belonging to the City of Washburn. Data supporting this map was provided by the City of Washburn and by joining the parcel data with the assessment tax roll. The map was updated by Bayfield County Land Records Department on June 22, 2015.

Development Plan for City-Owned Properties



Prepared for the:

**The Washburn Development Authority &
The City of Washburn**

With assistance from:



604 Wilson Avenue
Menomonie, WI 54751
1-800-472-7372

June 2016

Background

The City of Washburn owns several parcels of land totaling approximately 10.1 acres that are strategically located between the downtown and the Washburn Marina. It is the City's desire to foster the development of these key parcels in a strategic manner that enhances the community and strengthens the linkages between the downtown and the Chequamegon Bay. The City sees this development opportunity as a means to increase the City's tax base and utility customers so as to offset current and future investments in the area.

Objectives

To determine how the parcels should be developed, the City of Washburn / Washburn Development Authority hired Cedar Corporation to create a Redevelopment Plan for City-Owned Properties (hereinafter called "Plan") with the following objectives:

1. to determine the best use of approximately 10.1 acres of City-owned property
2. to identify infrastructure projects and general costs necessary for development
3. to determine suitable development densities
4. to estimate assessed values of new development that can be used for infrastructure projects
5. to identify standards to ensure quality development that enhances the City
6. to determine the location of desired land uses
7. to market the site to developers and contractors

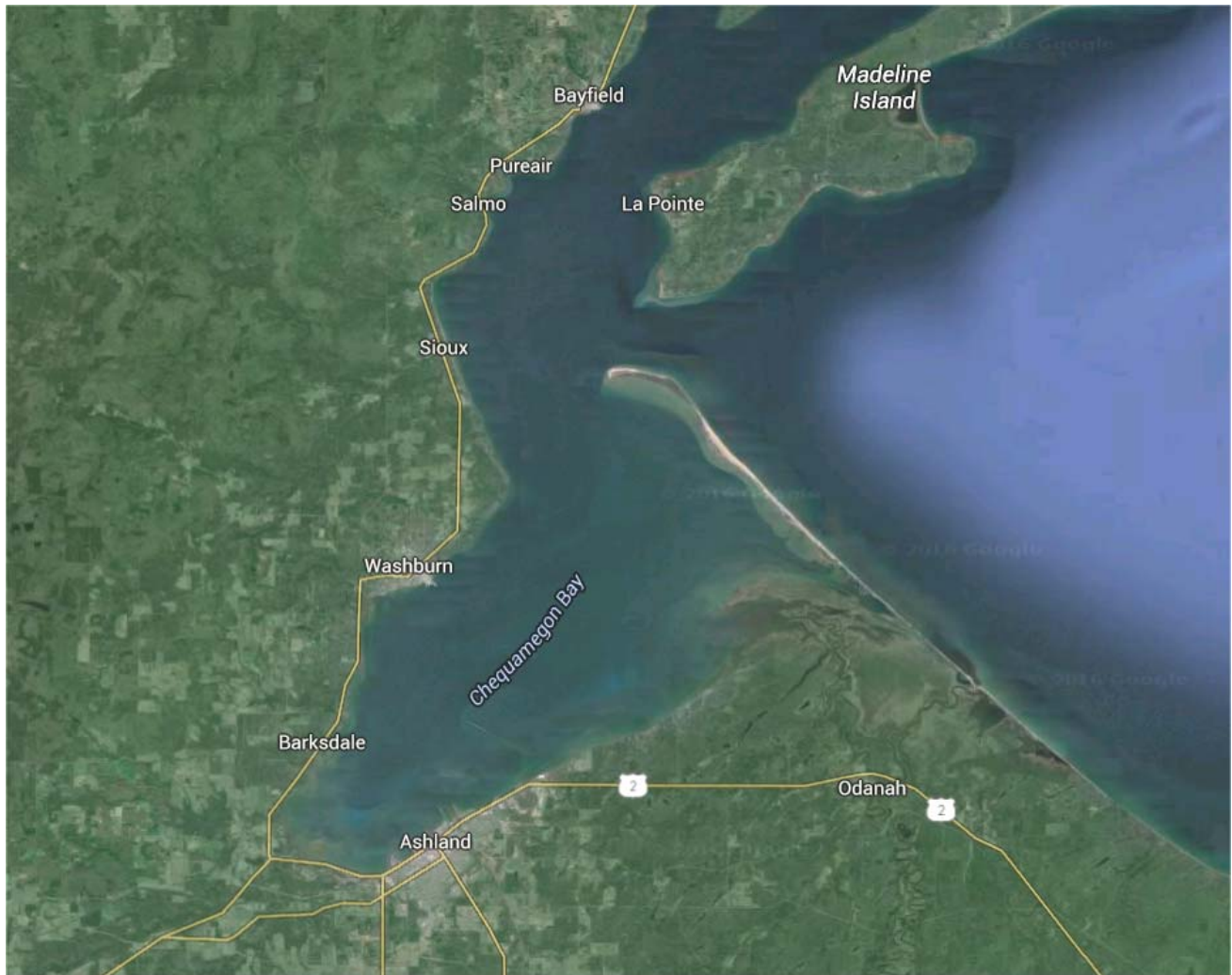
By addressing the objectives, the Plan should provide a clear vision for the development of the City-owned properties and allow the City to begin implementing the Plan.

Location and Conditions

The location of the City of the Washburn and the City-owned parcels has many desirable characteristics that would be attractive to developers. The City is located in Bayfield County in northern Wisconsin on the shore of Lake Superior's Chequamegon Bay (see Image 1). The City is served by S.T.H. 13 which functions as the main arterial route through the community. It carries between 6,000 to 7,000 vehicles a day. S.T.H. 13 links Washburn to U.S.H. 2, about 7.5 miles to the south, which provides access to the City of Ashland (11 miles), and the City of Superior via State Highway 53 (67 miles). In addition to being the County Seat, Washburn is located at the gateway to Lake Superior's Apostle Islands via the Washburn Marina, a full-service marina with 138 slips.

The parcels are bordered by Omaha Street West, 2nd Avenue West, Central Avenue, and Harbor View Drive. The property slopes southerly towards the Chequamegon Bay on Lake Superior and affords great views of the water. The area is within easy walking distance to Stage North Theater & Bar, a grocery store, a hardware store, a hotel, bars/restaurants, walking trails, parks, and the Chequamegon Bay (see Map 1).

Image 1: Washburn and Surrounding Area

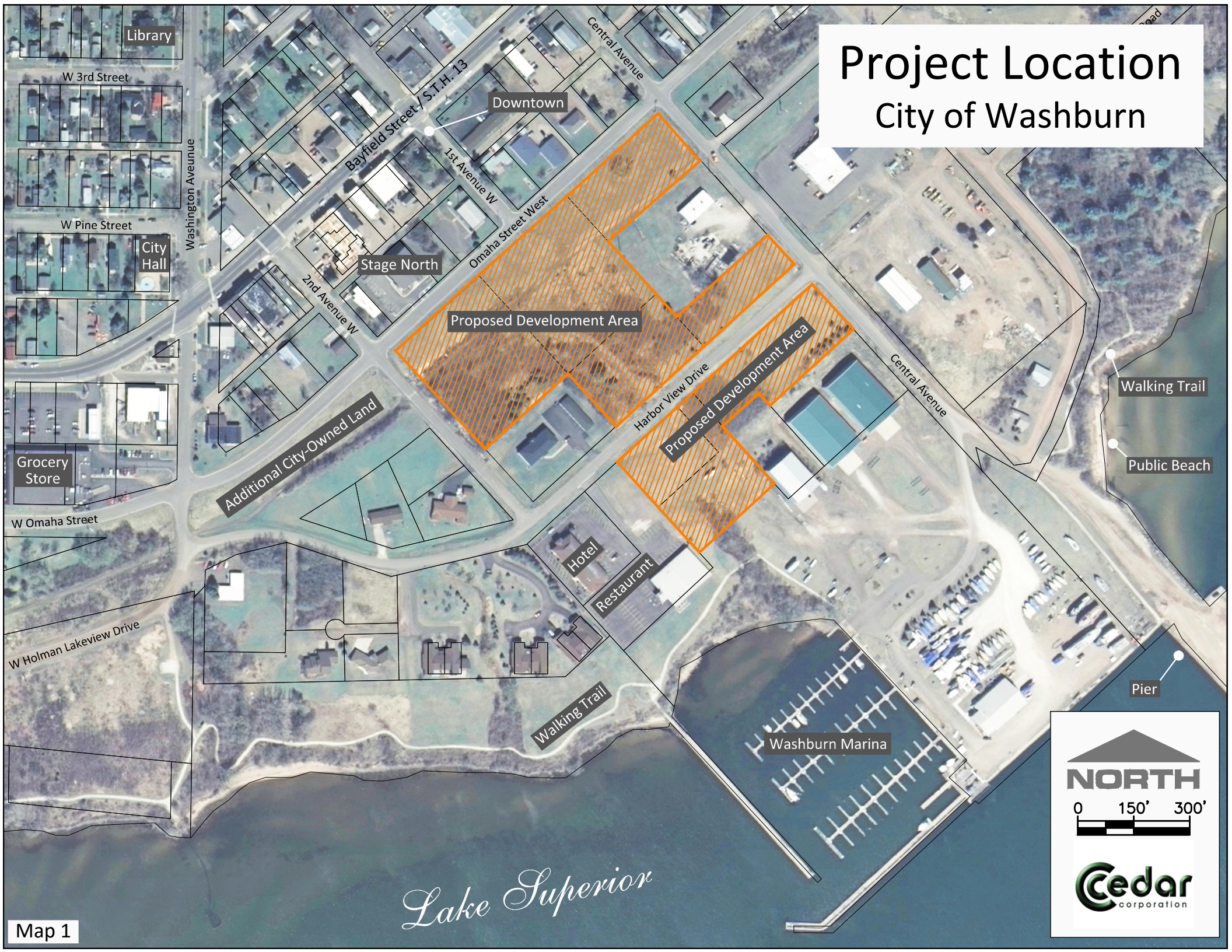


This area is the former site of a railroad water tower, roundhouse, and depot. The City has been issued a Liability Clarification Letter for Prospective Purchaser of Property by the Wisconsin Department of Natural Resources. This letter, among other things, restates that the ground water contamination on the property is from an offsite source and the current owner and future potential purchaser did not cause the discharge.

A majority of the land is served by municipal utilities (water, sanitary sewer, and storm sewer) and private utilities (electricity, utility gas, telephone, cable, and fiber optics). An electric transmission line and fiber optic cable runs east/west across the northern portion of the parcels. A snowmobile/ATV trail generally follows the transmission line.

The parcels are also located in Tax Incremental Financing District #3 (TID #3) which is a Mixed Use TIF.

Project Location City of Washburn



Library

W 3rd Street

W Pine Street

City Hall

Grocery Store

W Omaha Street

W Holman Lakeview Drive

Washington Avenue

Bayfield Street / S.T.H. 13

Downtown

1st Avenue W

Stage North

Omaha Street West

Additional City-Owned Land

Proposed Development Area

Harbor View Drive

Proposed Development Area

Hotel

Restaurant

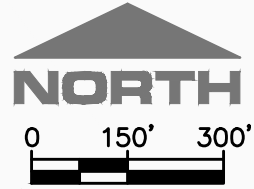
Walking Trail

Washburn Marina

Walking Trail

Public Beach

Pier



NORTH

0 150' 300'



Lake Superior

Existing Site Infrastructure

The property is served by a wide array of municipal and private utilities. These include:

Water – City of Washburn

Most of the City-owned parcels are served by municipal water and sanitary sewer. Watermain is located on Omaha Street West (8”), Central Avenue (6”), and Harborview Drive (6”). There is no watermain on 2nd Avenue East (see Map 2).

The City of Washburn has excellent water with two city wells, one at 650 feet deep and the other at 700 feet deep. Both draw from the Lake Superior Aquifer. The City does not regularly chlorinate and does not fluoridate its water. There is an adequate water supply to accommodate the development of the properties.

Sanitary Sewer – City of Washburn

A 4” force main runs north through the center of the site from a lift station located at the Washburn Marina. It connects to a 4” sanitary sewer that extends to Omaha Street West.

An 18” inch sanitary sewer interceptor is located on Omaha Street West and an 8” sanitary sewer line is located near the existing 8-Plex on West Harbor View Drive and runs southwesterly. There is no sanitary sewer on Central Avenue, 2nd Avenue West, or a majority of West Harbor View Drive.

The City of Washburn Wastewater Treatment Facility has a current capacity of 600,000 gallons per day (gpd) plus overflow capacity of 600,000 gpd. There is adequate sewer capacity to accommodate the development of the properties.

Storm Water Management – City of Washburn

The City operates a Storm Water Utility with the sole purpose of the operation, maintenance, and capital improvements of the City’s storm water system.

Electricity – Xcel Energy

Xcel Energy has a high-tension transmission line that runs east/west across the top of the site parallel to Omaha Street West. It is expected that this line will have to be relocated into the West Omaha Street right-of-way to facilitate development on the property.

Natural Gas - Xcel Energy

An Xcel Energy natural gas line runs along Omaha Street West.

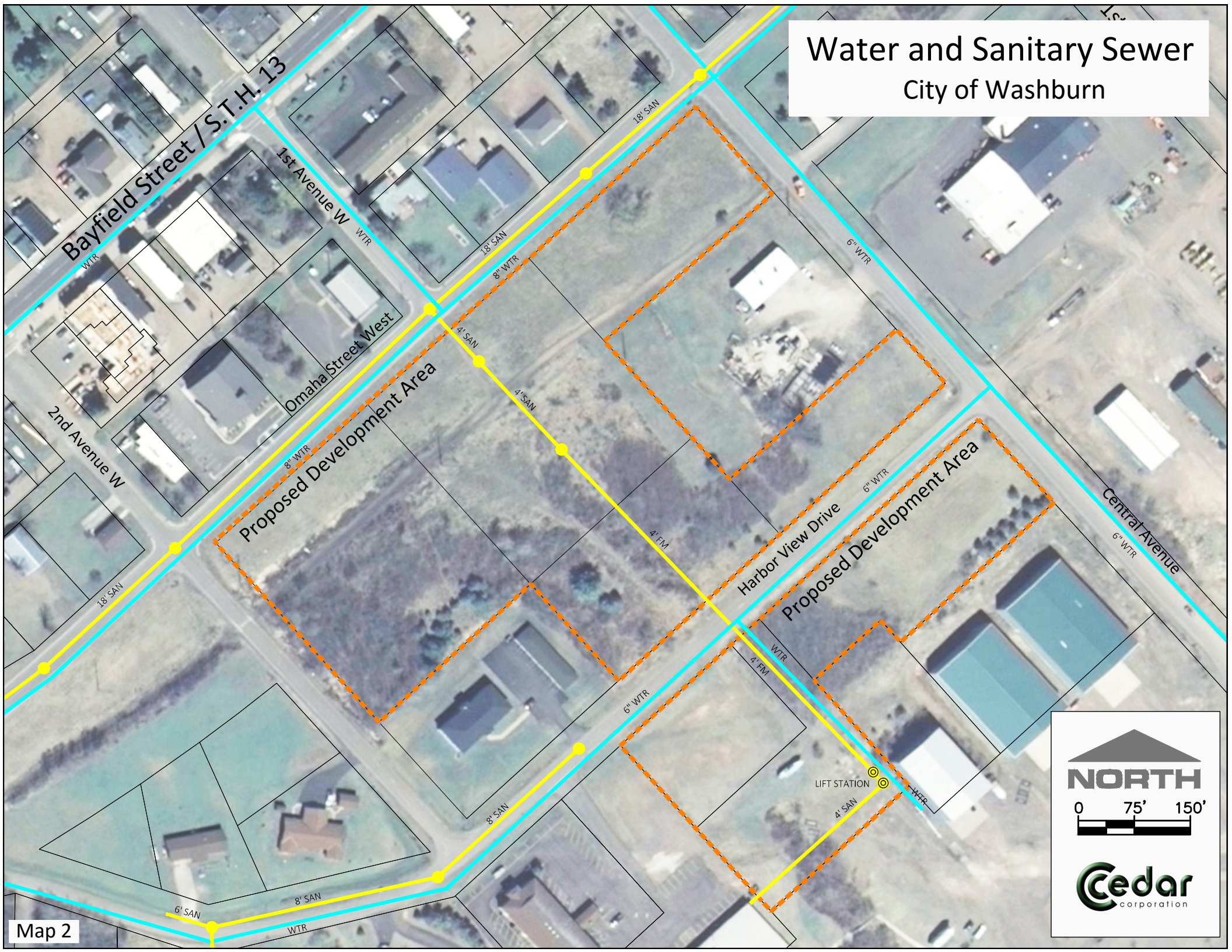
Fiber Optics – Charter Communications, Century Tel

Fiber optic lines run parallel and under the Xcel distribution line right-of-way. Another line runs parallel to the force main that runs through the center of the site.

Recreational Trail

A recreational trail for ATVs and snowmobiles closely follows the Xcel Energy transmission line. It is expected that this line will have to be located into the Omaha Street West right-of-way to facilitate development on the property.

Water and Sanitary Sewer City of Washburn



NORTH

0 75' 150'

Cedar
corporation

Existing Regulations and Plans

There are several City of Washburn regulatory and planning documents that provide regulations for the development of the parcels but also highlight the future vision for the area. These documents were reviewed to gain insight into what type of development may be appropriate for this area. The main documents reviewed include:

Zoning Code

The parcels are currently zoned WC: Waterfront Commercial District. However, it is the intention of the City to rezone these parcels to MUW: Mixed-Use Waterfront District. The MUW District is intended to accommodate a mix of commercial, residential, and public recreational uses in a master planned setting and is intended to be an attractive, pedestrian-oriented area where people can live, work, and play. New buildings in this area will have a residential appearance consistent with the vernacular architecture of Washburn. Typical uses include retail shops, galleries, studios, and professional offices on the street level with residential uses generally on upper floors. The City's zoning code provides specific permitted and conditional uses in this district.

City of Washburn Comprehensive Plan

Washburn's Comprehensive Plan identifies the parcels in the Land Use Plan as Waterfront Mixed-Use. The parameters of the Waterfront Mixed-Use land use designation are consistent with the proposed revised zoning code.

Other chapters in the Comprehensive Plan stress qualities that are specific to this area or apply to the City as a whole. These include:

1. Improving the connection between the downtown area and the waterfront creating an attractive downtown business district that relates to the waterfront.
2. Promoting the downtown area along Bayfield Street as the heart of the business community. Encourage enhancements to existing buildings, infill development that relates to the existing character of the downtown, and streetscape enhancements that improve the function and appearance of the downtown. Develop attractive directional signs that guide people to the waterfront.
3. Developing Central Avenue into a parkway with pedestrian walks and plantings to beautify the area and frame views of the lake. Enhance other streets that lead from Bayfield Street to the lake with pedestrian walks and plantings as well
4. Providing attractive and functional pedestrian walks that lead south from Bayfield Street to the waterfront. In addition, provide connections to an enhanced multi-modal trail and parkway that runs along the former railroad right-of-way.
5. Continuing the public pedestrian mall from the north side of West Harbor View Drive to the Lakefront Parkway and Walking Trail.
6. Working with Bayfield County to provide an attractive and effective landscaped screen between the Highway Department facilities and Central Avenue.
7. Developing a pavilion and passive recreation facilities that will serve the residents of Washburn and those who use the marina. Link the new park to the existing Athletic Field Complex.

8. Implementing low impact storm water design techniques and other best management practices to treat storm water runoff and reduce soil erosion and sedimentation.
9. Creating a sustainable community that meets the social needs of its population. Encompassing social supports such as health care, life-long educational resources, appropriate housing, and livable wage employment opportunities.
10. Promoting green building/sustainable design concepts (including energy efficient construction) for new housing and housing renovations.

TID #3 Project Plan

The parcels are located in Tax Incremental Financing District #3 (TID #3), which is a Mixed-Use TIF District created in June 2015. TID #3 was created to provide for improvements in the district that will result in new development and redevelopment in the City increasing the tax base.

The Project Plan lists the following as TIF-eligible expenses.

1. Property, right-of-way, and easement acquisition
2. Site preparation activities
3. Utilities
4. Streets and streetscaping
5. Community Development Authority type activities
6. Miscellaneous

The amount of assistance the City can provide for new development and redevelopment will be based on the quality of the development and the amount of the new tax increment created.

Resolution #05-21: Adoption of Sustainable Community Development Policy

In 2005, the City of Washburn adopted a sustainable community development policy based on the Natural Step Program which endorses the principles of sustainable community development and agrees to apply these principles in its planning, policy making, and municipal practices. The Natural Step Program identified four system conditions for a sustainable society. The system conditions are as follows:

In a sustainable society nature is not subject to systematically increasing concentrations of ...

1. substances extracted from the Earth's crust
2. substances produced as a byproduct of society
3. degradation by physical means
4. and in that people are not subject to conditions that systematically undermine their capacity to meet their needs

Surrounding Land Uses and Proposed Future Use

The vision of the Comprehensive Plan, examination of surrounding land uses, and anticipated demands for various land uses were used to determine the proposed future use of the City-owned properties.

The Comprehensive Plan identifies the future use of the parcels as Waterfront Mixed-Use. Waterfront Mixed-Use is generally seen as having offices or retail on the street level with residential units on the upper level.

Existing land uses surrounding the parcels vary. Commercial businesses dominate the area between Omaha Street West and Bayfield Street. This is the primary downtown area. There are two commercial businesses to the south of West Harbor View Drive. To the west is a mix of residential units including single family and multi-family dwellings. To the east is the Washburn Athletic Field Complex and the Bayfield County Highway Department property. Within a short distance on the Chequamegon Bay is a public beach and the Washburn Marina.

The Comprehensive Plan does not identify a significant need for land for industrial purposes. Because of the proximity to parks, the Marina, and residential dwellings, an industrial land use in this area may create a conflict with existing land uses and is not recommended.

An inventory of existing commercial buildings along Bayfield Street shows an adequate amount of commercial properties available for existing or new businesses. Many commercial buildings are underutilized while others provide opportunities for redevelopment. If the mixed-use concept, as envisioned, is developed on the City-owned parcels it could have a negative impact on existing businesses and the downtown in general.

The parcels offer a unique opportunity for residential development that has not happened in Washburn for many years. Residents living here would be within a short walking distance to a public beach on the Chequamegon Bay, a park, the Marina, and walking trails. They would also have quick access to a grocery store, restaurants, a library, a hardware store, the public library and City Hall. The development of housing in this area would complement existing plans for other improvements in this area as well.

Demand for Housing

A number of factors relative to the demand for housing in Washburn were reviewed to see if there may be a demand for new housing. This was accomplished by talking to several realtors that work in Washburn and the surrounding communities. Local demographics and market research were also reviewed.

Realtor Interviews

There was a general consensus that there are people looking for housing in Washburn but they are not finding what they want. In many cases, people work in Ashland but want to live in Washburn and the surrounding towns because of the good schools.

The City of Washburn and surrounding towns are seeing families attempting to move into the area but they are not able to afford the limited number of homes (both existing and new) on the market. This is due in part to the lower wages in the area and that many homes appear to still be “under water” relative to what is owed on the existing loan. The result is that many home prices are artificially higher than where the market suggests they should be. At the same time, homes that are affordable may need a significant amount of work which deters some people from purchasing. The market is attempting to fill the housing gap through the rental market, however, the region is also lacking available rental units.

People searching for a move-in ready home are looking for homes in the \$175,000 to \$200,000 range. The current cost to construct a home is approximately \$110 per sq. ft. Therefore, a person or family with a budget of \$175,000 would be able to purchase an approximately 1,600 +/- sq. ft. home. However, many feel that due to increased costs it is getting harder to construct a home for \$110 per sq. ft. A number of ways to reduce the construction costs were suggested such as building homes with unfinished basements or walk-out basements that could be finished later. Another suggestion is to offer free or greatly reduced land to housing developers which will lower the cost of the home by eliminating land costs.

A series of questions were asked participant number of realtors to gain an “on the ground” perspective on the demand for housing, the types of housing being sought and the overall health of the market.

1. What types of housing are people looking for in the area?
 - Starter home/affordable under \$200,000 - \$175,000.
 - New quality built homes
 - Move in ready existing homes
 - Either new or existing homes that are; maintenance free, provide main floor living, have at least 2 baths and an attached garage space.
 - Housing that allows for “age in place” living with attached garage.
 - People want more house and less yard and maintenance.

2. What age are your clients? Is there a certain age group that is looking for housing right now or moving into the area?
 - Early 20’s or early 60’s; each desire different amenities.
 - Retired people appear to be settling further out
 - Young families (30’s) with children. A third returning “home”, a third already in the region and moving here for the good school district, and a third moving to the area from outside of the region.
 - Marina does not appear to be a driver for house buyers

3. Are the people in question #3 finding the housing they are looking for?
 - No; the housing stock in Washburn is predominantly comprised of older homes that have poor basements and need a lot of work.
 - Eventually some do but they are having to settling for houses that don’t meet there needs.

- Currently it costs more to build a decent marketable home than most buyers can afford.
4. Are there types of housing (styles, price range, square footage) that people are having a difficult time finding?
 - Single family quality built housing that is well maintained, is maintenance free and costs between \$175,000 and \$200,000.
 - Artist live/work loft type of space.
 - Affordable first time home buyer opportunities.
 - Newer homes
 5. What's your opinion on the rental market? Not enough rentals or lack of quality rentals?
 - People looking for quality rentals in the \$700/month range.
 - Lack of rentals in Washburn and those that do exist are lacking quality.
 - Artists are struggling to find live-work space that is decent and affordable.

Generally, the conversations show that there is a need for a variety of new affordable housing in the City that meets the diverse needs of residents in the area.

American Community Survey

The American Community Survey provides demographics for City of Washburn residents that can be helpful in determining housing needs.

- The estimated median household income was \$44,828 in 2013 compared to \$33,257 in 2000; with the state of Wisconsin at \$51,467 in 2013.
- The estimated median house or condo value was \$117,934 in 2013 compared to \$80,600 in 2000; with the State's median value at \$163,000 in 2013.
- The 2013 median gross rent was \$623 in Washburn.
- Over 90% of housing in Washburn is owner occupied, resulting in a limited number of rental units.
- 82% of single family housing was built before 1990 meaning a majority of the housing stock is 26 years or older.
- Homeowner vacancy rates are very low which pushes up prices.
- There have been no recent housing subdivisions within the City for a number of years.

Housing Market Report

The attached Multi-Family Housing Market Report from CoStar looks at the multi-family market from Red Cliff (to the north) to Ashland (to the south) of Washburn. The report shows 12 multi-family buildings with an average of 694 sq. ft. per unit. These buildings on average were built in 1925 making them 90 years old with an average rent per unit of \$436/month. The report goes on to show that rental occupancy rates have remained steady since mid-2014 while rental rates

have continued to climb year after year indicating that rental units are quickly leased. Finally, the numbers show that no new rental units have entered the market in some time.

Although vacancy rates have remained around 12%. The absorption rate shows that during the past six years there was only one time where the available supply sat on the market for one month. Additionally, 2-bedroom units have been running at a 4% vacancy while 1-bedroom units have been much higher at 18%. The report shows that 2-bedroom units are preferred over 1-bedroom units with a 1-bedroom unit asking on average \$350/month compared to a 2-bedroom at \$600/month. (Please see attached Multifamily Market Report).

Northland College Center for Rural Communities – Assets and Amenities Survey

The following two figures are from the Northland College Center for Rural Communities who has recently finished an Assets and Amenities Survey for Washburn. Respondents were asked a broad range of questions relative to the community’s assets and amenities. Relative to housing, 62.74% felt that the housing stock was fair to poor. Additionally, 96% of respondents felt that the community needed to create more housing options to meet the changing demographic needs of the community.

Figure 1: Quality of Housing

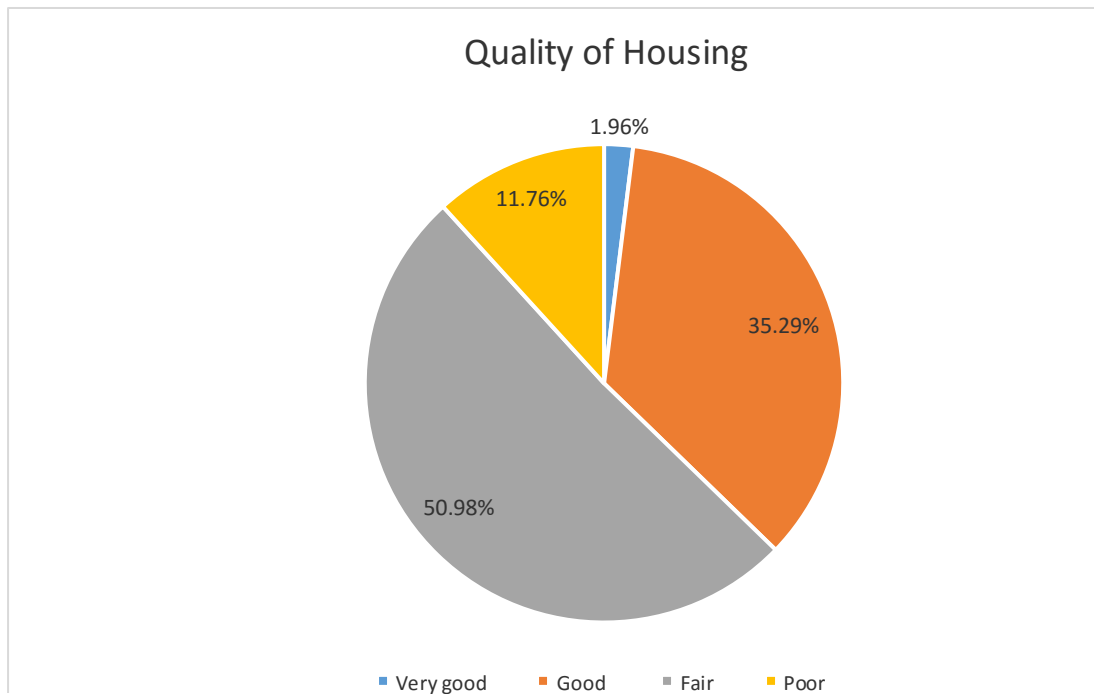
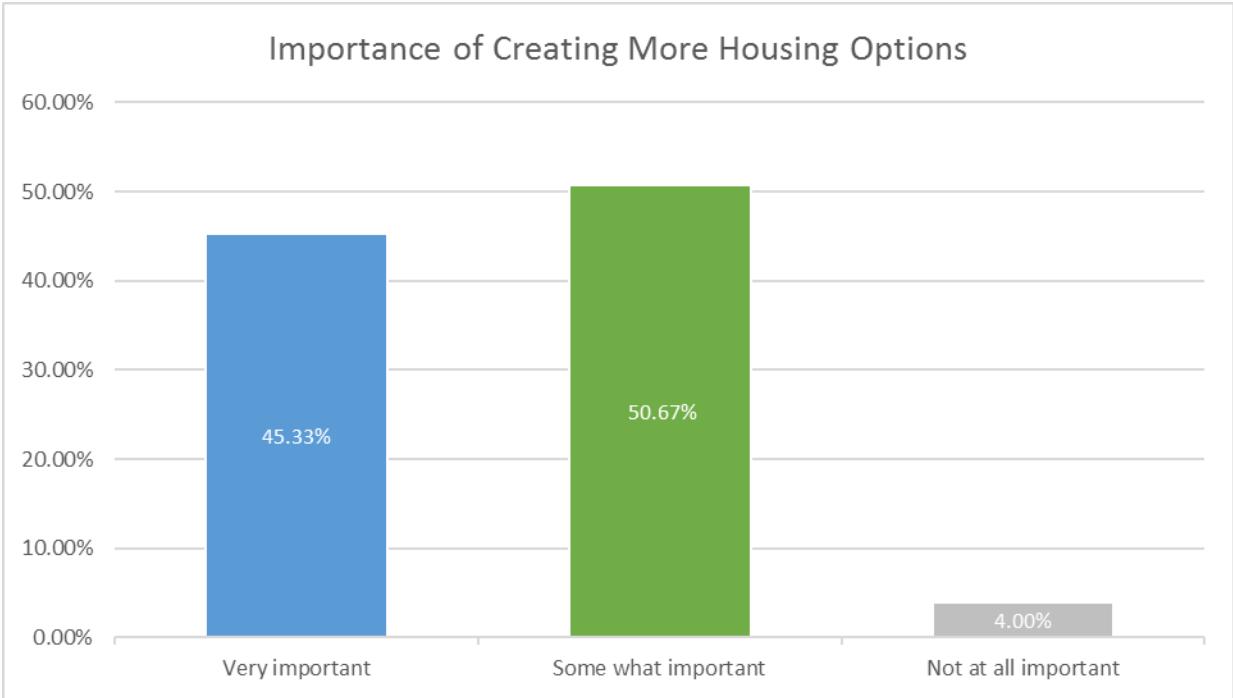


Figure 2: Importance of Creating More Housing Options



Proposed Land Use and Site Plan Concepts

With a need for housing identified, two land use concepts and two site plan concepts were created along with corresponding Opinions of Probable Costs for Infrastructure for two conceptual housing developments (see Map 3, Map 4, Map 5, Map 6).

Both concepts anticipate that the electrical transmission line, ATV/Snowmobile Trail, and fiber optic lines will have to be relocated as part of this development. Table 1 shows the estimated cost for the relocation of this private infrastructure.

Table 1	
<i>Estimated Private Utility Relocation Costs</i>	
<i>Conceptual Residential Development</i>	
<u>Xcel - Transmission Line Relocation</u>	
Option 1 - long run	
Relocation of transmission line to Omaha Street W. from Washington Ave. to Central Ave. 10 feet from curb then 25 ft. from pole - total of 35 ft. setback/easement area	\$ 358,000.00
Option 2 - short run	
Relocation of transmission line to Omaha Street W. from 2nd Ave. to Central Ave. 10 feet from curb then 25 ft. from pole - total of 35 ft. setback/easement area	\$ 286,000.00
Option 3 - Underground	
Underground transmission line to Omaha Street W. from Washington Ave. to Central Ave.	\$ 2,630,000.00
<u>Century Link - fiber line relocation</u>	
Relocation of fiber to Omaha Street W. and 2nd Ave. to Central Ave. into shared easement of transmission lines	\$ 11,000.00
<u>ATV Route</u>	
Relocation of ATV route to W Omaha into shared easement of transmission lines	\$ 7,000.00
Total utility relocation costs (Option 1 only)	\$ 376,000.00

The land use concepts identify areas for a variety of land uses such as single family homes, multi-family dwelling units, artist studios, and commercial properties. These were reviewed with the Washburn Development Authority over several meetings. The site plan concepts were created after the land use concepts were approved. These show structures corresponding with the land uses along with streets, sidewalks, trails, and a small park.

There are two privately owned parcels located adjacent to the City-owned properties that were evaluated when creating the concepts. There is an existing 8-Plex located on the northwest corner of 2nd Avenue West and Harbor View Drive. This use is consistent with the land use concepts and was not considered for redevelopment.

Another privately-owned parcel is located on the west side of Central Avenue between Omaha Street West and Harbor View Drive. There is a metal storage building on site. This parcel is shown as being redeveloped in order to be consistent with the proposed land uses.

In Site Plan Concept 1, the privately-owned parcel on Central Avenue is shown as being part of the overall development concept. It is assumed a developer would purchase the parcel. In Site Plan Concept 2, the privately-owned parcel on Central Avenue is shown as being developed separately by a third party.

The site plan concepts show high-density development that would be consistent with the type of mixed-use development that is proposed for the area shown in the Comprehensive Plan.

There are two types of single family homes shown in the site plans. The large homes are approximately 1,650 sq. ft. with a two-car garage. They have three bedrooms and two baths. The small homes are approximately 900 sq. ft. with a single-car garage and have two bedrooms and 1 ¼ baths. Both homes are single story. The multi-family units are two stories and may have two or three bedrooms.

Sidewalks and trails were included to provide safe pedestrian and bicycle access to the housing development and surrounding businesses, recreational opportunities, and community facilities. A tot lot type park is added for children living in the proposed housing.

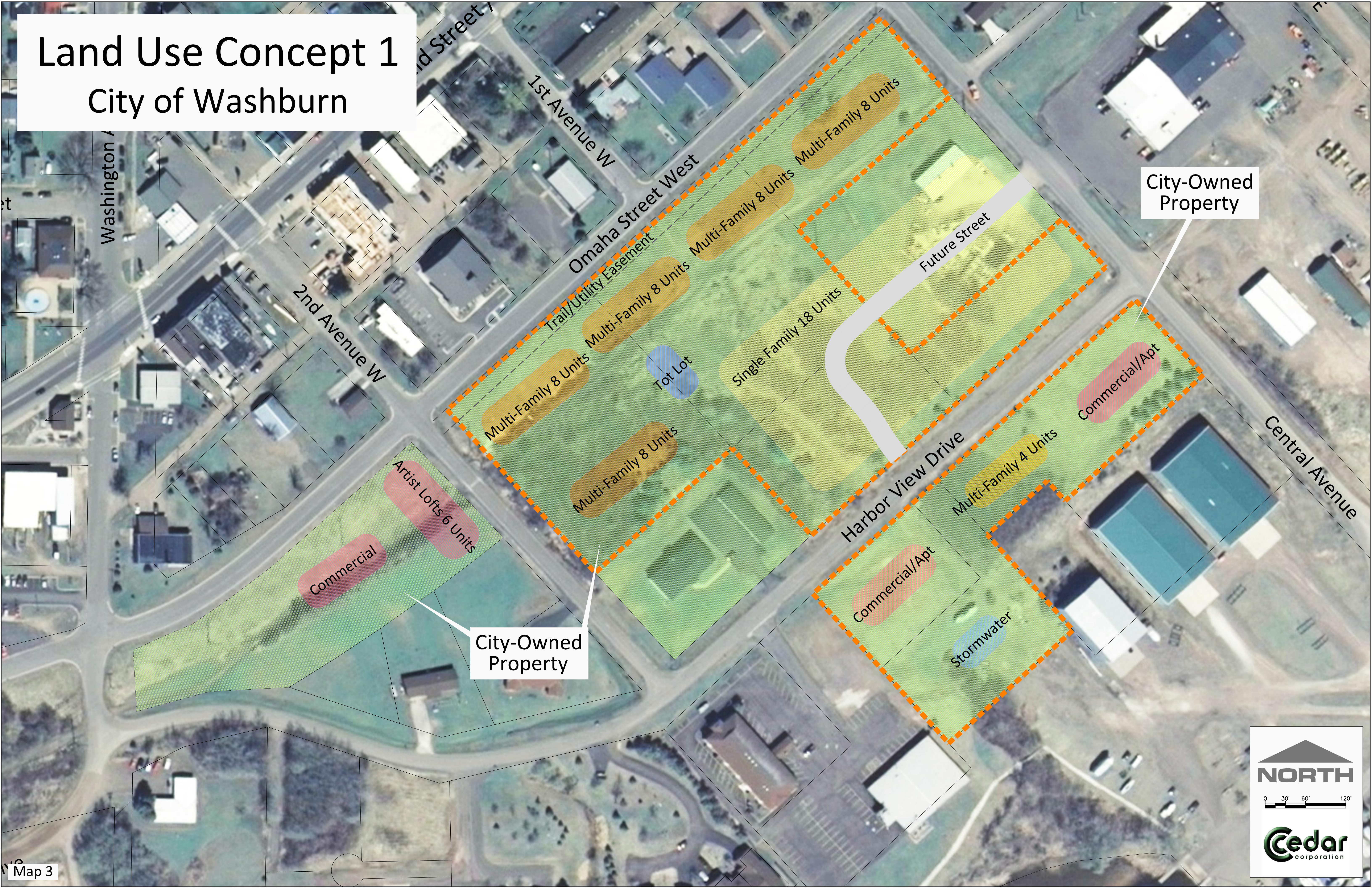
The Opinions of Probable Costs for Infrastructure provide a general estimate for infrastructure improvements needed for each Site Plan Concept. These improvements may be paid by the City, developer, or both.

The site plan concepts allows the City to estimate the cost of streets, sidewalks, trails, and utilities needed for the development (see attached Opinions of Probable Costs for Infrastructure for Concept 1 and Concept 2).

The land use concepts and site plan concepts should be used to provide a vision of how the City would like to see the parcels developed. A developer or developers may propose alternative concepts and densities that the City may find desirable.

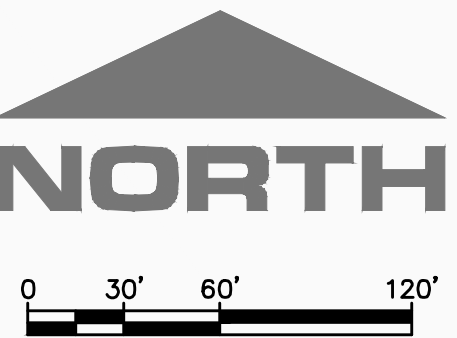
Land Use Concept 1

City of Washburn



City-Owned Property

City-Owned Property



Site Plan Concept 1

City of Washburn

Washington Avenue

Bayfield Street / S.T.H. 13

1st Avenue E

1st Avenue W

Omaha Street West

Relocated ATV/Snowmobile Trail

Privately Owned
Land Purchased by Developer

Future Street

Central Avenue

Tot Lot

Proposed Trail to the Marina

Artist Studios

Commercial

2nd Avenue W

Existing Multi-Family

Harbor View Drive

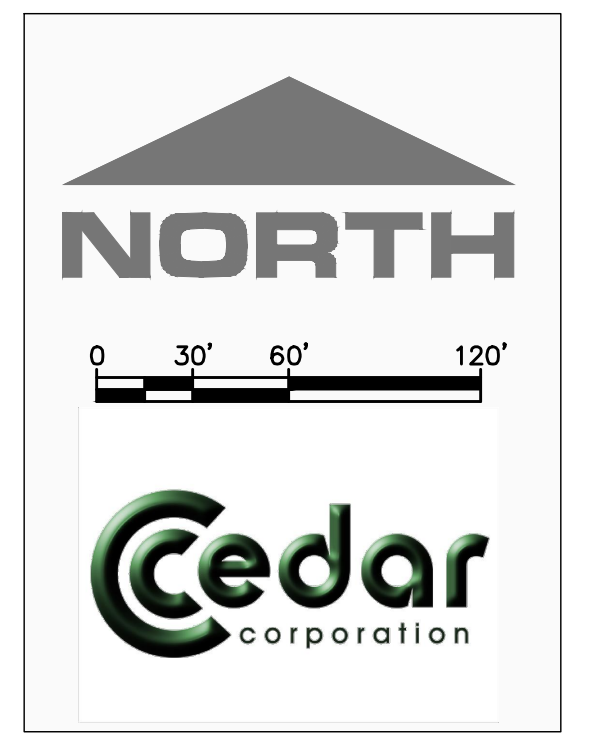
City Property

Existing Hotel

Existing Restaurant

Connects to Existing Trail

Washburn Marina



**CITY PROPERTY REDEVELOPMENT
CITY OF WASHBURN
CONCEPT 1**

Cedar Corporation - Opinion of Probable Cost
Job #: W5689-001
Date: May 25,2016



TOTAL ESTIMATED PROJECT COST: \$842,300.00

STREET CONSTRUCTION

Assumptions:

No rock excavation required.

Granular subbase installed.

Construct urban section: 16' driving lanes, 30" curb and gutter on Future Street

Construct urban section: 14' driving lanes, 30" curb and gutter on Harbor View Dr. and 2nd Ave.

Cross-section: 3" of HMA pavement, 8" aggregate base, 12" granular subbase

Driveways to be installed by others.

ITEM	UNIT	QUANTITY	UNIT PRICE	COST
EXCAVATION, COMMON	C.Y.	4630	\$4.00	\$18,600.00
STRIP TOPSOIL	ACRE	2	\$3,500.00	\$7,000.00
GRANULAR SUBBASE	C.Y.	2320	\$14.00	\$32,500.00
CRUSHED AGGREGATE BASE	C.Y.	2390	\$25.00	\$59,800.00
HMA, BINDER, 1.5"	S.Y.	5770	\$5.00	\$28,900.00
HMA, SURFACE, 1.5"	S.Y.	5770	\$5.00	\$28,900.00
HMA TRAIL SURFACE, 2"	S.Y.	2180	\$8.00	\$17,500.00
CONCRETE CURB AND GUTTER	L.F.	3520	\$10.00	\$35,200.00
CONCRETE SIDEWALK	S.F.	19250	\$4.00	\$77,000.00
TEMPORARY EROSION MAT	S.Y.	800	\$1.50	\$1,200.00
AGGREGATE TRACKING PAD	C.Y.	140	\$20.00	\$2,800.00
PAVEMENT MARKING	L.F.	3520	\$1.00	\$3,600.00
TRAFFIC CONTROL	EACH	1	\$6,000.00	\$6,000.00
SILT FENCE	L.F.	880	\$2.00	\$1,800.00
RESTORATION	ACRE	1	\$4,000.00	\$4,000.00
SUBTOTAL				\$324,800.00
CONTINGENCY				\$26,000.00
ENGINEERING				\$48,800.00
ESTIMATED STREET CONSTRUCTION COST				\$399,600.00

**CITY PROPERTY REDEVELOPMENT
CITY OF WASHBURN
CONCEPT 1**

Cedar Corporation - Opinion of Probable Cost
Job #: W5689-001
Date: May 25,2016



TOTAL ESTIMATED PROJECT COST: \$842,300.00

STORMWATER MANAGEMENT

Assumptions:

No rock excavation required.

Inlets installed on Future Street and Harbor View Dr.

0.5 acres available for improved stormwater management best management practices

ITEM	UNIT	QUANTITY	UNIT PRICE	COST
STORM SEWER, 12"	L.F.	480	\$35.00	\$16,800.00
STORM SEWER, 18"	L.F.	300	\$38.00	\$11,400.00
STORM SEWER, 24"	L.F.	270	\$44.00	\$11,900.00
APRON ENDWALL	EACH	2	\$500.00	\$1,000.00
STORM SEWER INLET	V.F.	50	\$200.00	\$10,000.00
STORM SEWER MANHOLE	V.F.	20	\$350.00	\$7,000.00
STORM CASTING	EACH	15	\$500.00	\$7,500.00
VEGETATED SWALE	L.F.	500	\$10.00	\$5,000.00
STORMWATER POND EXCAVATION	C.Y.	4000	\$10.00	\$40,000.00
RIPRAP	C.Y.	160	\$40.00	\$6,400.00
POND RESTORATION	ACRE	0.5	\$4,000.00	\$2,000.00
SUBTOTAL				\$119,000.00
CONTINGENCY				\$9,600.00
ENGINEERING				\$17,900.00
ESTIMATED STREET CONSTRUCTION COST				\$146,500.00

**CITY PROPERTY REDEVELOPMENT
CITY OF WASHBURN
CONCEPT 1**

Cedar Corporation - Opinion of Probable Cost
Job #: W5689-001
Date: May 25,2016



TOTAL ESTIMATED PROJECT COST: \$842,300.00

WATERMAIN

Assumptions:
No rock excavation required.
New main on Future Street and 2nd Ave.
Lateral connections for 26 units
No connections required on West Omaha St.

ITEM	UNIT	QUANTITY	UNIT PRICE	COST
WATERMAIN, DUCTILE IRON, 6"	L.F.	80	\$40.00	\$3,200.00
WATERMAIN, DUCTILE IRON, 8"	L.F.	1250	\$48.00	\$60,000.00
GATE VALVE 6"	EACH	3	\$1,300.00	\$3,900.00
GATE VALVE 8"	EACH	4	\$1,650.00	\$6,600.00
WATER SERVICE LATERAL, COPPER, 1.0"	L.F.	1040	\$30.00	\$31,200.00
CORPORATION STOP, 1.0"	EACH	26	\$100.00	\$2,600.00
CURB STOP, 1.0"	EACH	26	\$250.00	\$6,500.00
HYDRANT	EACH	3	\$3,800.00	\$11,400.00
CONNECT TO EXISTING	EACH	4	\$2,000.00	\$8,000.00
SUBTOTAL				\$133,400.00
CONTINGENCY				\$10,700.00
ENGINEERING				\$20,100.00
ESTIMATED WATERMAIN COST				\$164,200.00

**CITY PROPERTY REDEVELOPMENT
CITY OF WASHBURN
CONCEPT 1**

Cedar Corporation - Opinion of Probable Cost
Job #: W5689-001
Date: May 25,2016



TOTAL ESTIMATED PROJECT COST: \$842,300.00

SANITARY SEWER

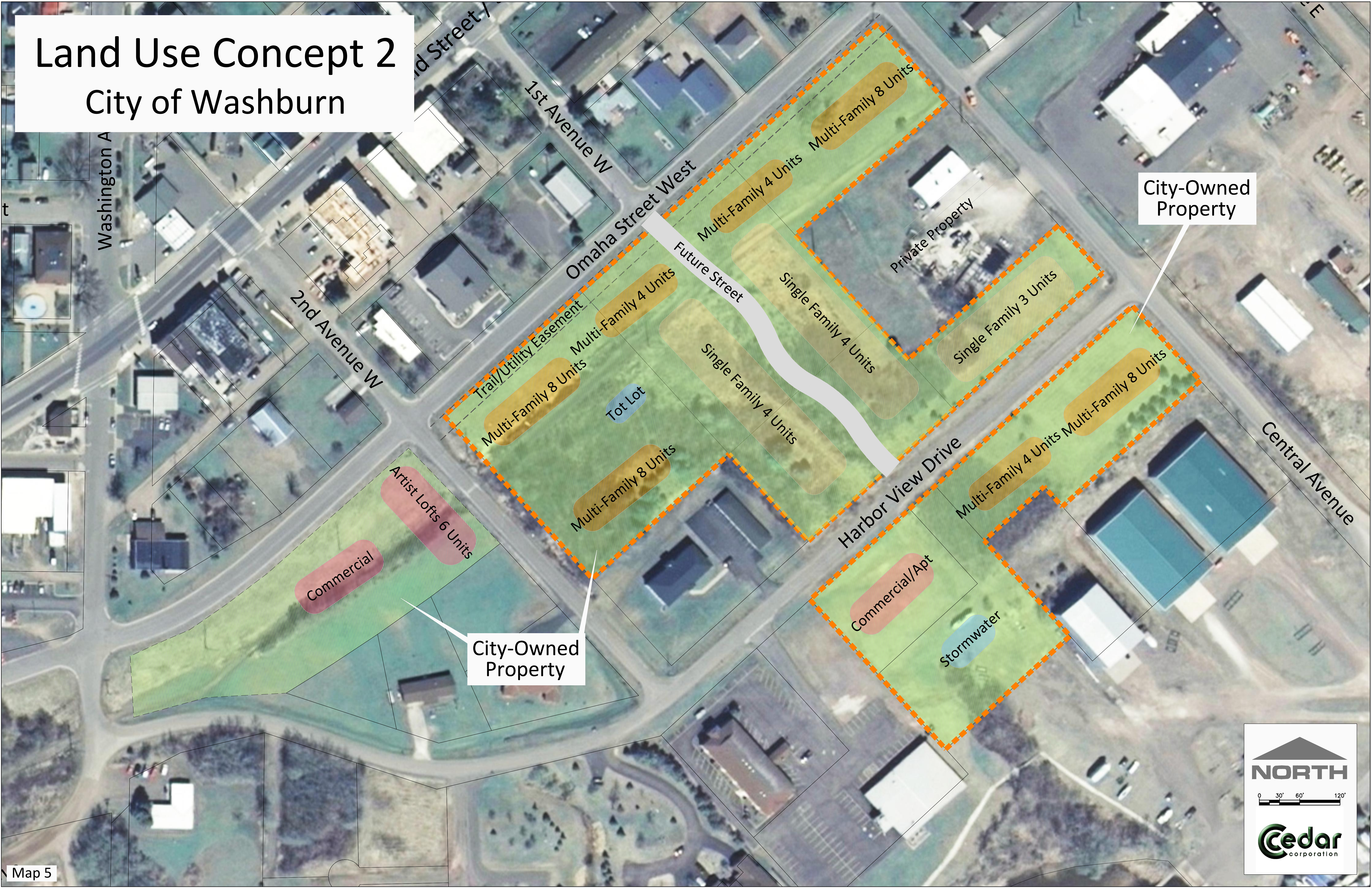
Assumptions:

- No rock excavation required.
- Connections at 2nd Ave. and Harbor View and Future St. and Harbor View
- Gravity main to connect to existing pump station
- Pump station was sized to accommodate flows from a development equal to proposed
- Lateral connections for 26 units
- No connections required on West Omaha St.

ITEM	UNIT	QUANTITY	UNIT PRICE	COST
SANITARY SEWER, 8"	L.F.	1930	\$28.00	\$54,100.00
SANITARY MANHOLE	V.F.	90	\$190.00	\$17,100.00
SANITARY CASTINGS	EACH	9	\$500.00	\$4,500.00
WYE, 8"x4"	EA.	26	\$100.00	\$2,600.00
SANITARY SEWER LATERAL, 4"	L.F.	1040	\$23.00	\$24,000.00
TRACER WIRE SIGNAL CONNECTION BOX	EACH	26	\$60.00	\$1,600.00
CONNECT TO EXISTING SANITARY STRUCTURE	EACH	2	\$700.00	\$1,400.00
CONNECT TO EXISTING SANITARY PIPE	EACH	1	\$300.00	\$300.00
TELEVISIONING	L.F.	1930	\$0.85	\$1,700.00
SUBTOTAL				\$107,300.00
CONTINGENCY				\$8,600.00
ENGINEERING				\$16,100.00
ESTIMATED STREET CONSTRUCTION COST				\$132,000.00

Land Use Concept 2

City of Washburn



City-Owned Property

City-Owned Property

NORTH

0 30' 60' 120'

Cedar
corporation

Site Plan Concept 2

City of Washburn

Washington Avenue

Bayfield Street / S.T.H. 13

1st Avenue E

1st Avenue W

Omaha Street West

Future Street

Future Street

Central Avenue

2nd Avenue W

Harbor View Drive

Proposed Trail to the Marina

Artist Studios

Commercial

Existing Multi-Family

Existing Hotel

Existing Restaurant

City Property

Connects to Existing Trail

Washburn Marina

Privately-Owned
Development by Others

Tot Lot

NORTH

0 30' 60' 120'

Cedar
corporation

**CITY PROPERTY REDEVELOPMENT
CITY OF WASHBURN
CONCEPT 2**

Cedar Corporation - Opinion of Probable Cost
Job #: W5689-001
Date: May 25,2016



TOTAL ESTIMATED PROJECT COST: \$776,300.00

STREET CONSTRUCTION

Assumptions:

No rock excavation required.

Granular subbase installed.

Construct urban section: 16' driving lanes, 30" curb and gutter on Future Street

Construct urban section: 14' driving lanes, 30" curb and gutter on Harbor View Dr. and 2nd Ave.

Cross-section: 3" of HMA pavement, 8" aggregate base, 12" granular subbase

Driveways to be installed by others.

ITEM	UNIT	QUANTITY	UNIT PRICE	COST
EXCAVATION, COMMON	C.Y.	4380	\$4.00	\$17,600.00
STRIP TOPSOIL	ACRE	2	\$3,500.00	\$7,000.00
GRANULAR SUBBASE	C.Y.	2190	\$14.00	\$30,700.00
CRUSHED AGGREGATE BASE	C.Y.	2210	\$25.00	\$55,300.00
HMA, BINDER, 1.5"	S.Y.	5450	\$5.00	\$27,300.00
HMA, SURFACE, 1.5"	S.Y.	5450	\$5.00	\$27,300.00
HMA TRAIL SURFACE, 2"	S.Y.	1520	\$8.00	\$12,200.00
CONCRETE CURB AND GUTTER	L.F.	3340	\$10.00	\$33,400.00
CONCRETE SIDEWALK	S.F.	22080	\$4.00	\$88,400.00
TEMPORARY EROSION MAT	S.Y.	800	\$1.50	\$1,200.00
AGGREGATE TRACKING PAD	C.Y.	140	\$20.00	\$2,800.00
PAVEMENT MARKING	L.F.	3340	\$1.00	\$3,400.00
TRAFFIC CONTROL	EACH	1	\$6,000.00	\$6,000.00
SILT FENCE	L.F.	840	\$2.00	\$1,700.00
RESTORATION	ACRE	1	\$4,000.00	\$4,000.00
SUBTOTAL				\$318,300.00
CONTINGENCY				\$25,500.00
ENGINEERING				\$47,800.00
ESTIMATED STREET CONSTRUCTION COST				\$391,600.00

**CITY PROPERTY REDEVELOPMENT
CITY OF WASHBURN
CONCEPT 2**

Cedar Corporation - Opinion of Probable Cost
Job #: W5689-001
Date: May 25,2016



TOTAL ESTIMATED PROJECT COST: \$776,300.00

STORMWATER MANAGEMENT

Assumptions:

No rock excavation required.

Inlets installed on Future Street and Harbor View Dr.

0.5 acres available for improved stormwater management best management practices

ITEM	UNIT	QUANTITY	UNIT PRICE	COST
STORM SEWER, 12"	L.F.	490	\$35.00	\$17,200.00
STORM SEWER, 18"	L.F.	300	\$38.00	\$11,400.00
STORM SEWER, 24"	L.F.	270	\$44.00	\$11,900.00
APRON ENDWALL	EACH	2	\$500.00	\$1,000.00
STORM SEWER INLET	V.F.	50	\$200.00	\$10,000.00
STORM SEWER MANHOLE	V.F.	20	\$350.00	\$7,000.00
STORM CASTING	EACH	15	\$500.00	\$7,500.00
VEGETATED SWALE	L.F.	500	\$10.00	\$5,000.00
STORMWATER POND EXCAVATION	C.Y.	4000	\$10.00	\$40,000.00
RIPRAP	C.Y.	160	\$40.00	\$6,400.00
POND RESTORATION	ACRE	0.5	\$4,000.00	\$2,000.00
SUBTOTAL				\$119,400.00
CONTINGENCY				\$9,600.00
ENGINEERING				\$18,000.00
ESTIMATED STREET CONSTRUCTION COST				\$147,000.00

**CITY PROPERTY REDEVELOPMENT
CITY OF WASHBURN
CONCEPT 2**

Cedar Corporation - Opinion of Probable Cost
Job #: W5689-001
Date: May 25,2016



TOTAL ESTIMATED PROJECT COST: \$776,300.00

WATERMAIN

Assumptions:
No rock excavation required.
New main on Future Street and 2nd Ave.
Lateral connections for 19 units
No connections required on West Omaha St.

ITEM	UNIT	QUANTITY	UNIT PRICE	COST
WATERMAIN, DUCTILE IRON, 6"	L.F.	70	\$40.00	\$2,800.00
WATERMAIN, DUCTILE IRON, 8"	L.F.	1150	\$48.00	\$55,200.00
GATE VALVE 6"	EACH	3	\$1,300.00	\$3,900.00
GATE VALVE 8"	EACH	4	\$1,650.00	\$6,600.00
WATER SERVICE LATERAL, COPPER, 1.0"	L.F.	760	\$30.00	\$22,800.00
CORPORATION STOP, 1.0"	EACH	19	\$100.00	\$1,900.00
CURB STOP, 1.0"	EACH	19	\$250.00	\$4,800.00
HYDRANT	EACH	3	\$3,800.00	\$11,400.00
CONNECT TO EXISTING	EACH	4	\$2,000.00	\$8,000.00
SUBTOTAL				\$117,400.00
CONTINGENCY				\$9,400.00
ENGINEERING				\$17,700.00
ESTIMATED WATERMAIN COST				\$144,500.00

**CITY PROPERTY REDEVELOPMENT
CITY OF WASHBURN
CONCEPT 2**

Cedar Corporation - Opinion of Probable Cost
Job #: W5689-001
Date: May 25,2016



TOTAL ESTIMATED PROJECT COST: \$776,300.00

SANITARY SEWER

Assumptions:

- No rock excavation required.
- Connections at 2nd Ave. and Harbor View and Future St. and Harbor View
- Gravity main to connect to existing pump station
- Pump station was sized to accommodate flows from a development equal to proposed
- Lateral connections for 19 units
- No connections required on West Omaha St.

ITEM	UNIT	QUANTITY	UNIT PRICE	COST
SANITARY SEWER, 8"	L.F.	1430	\$28.00	\$40,100.00
SANITARY MANHOLE	V.F.	50	\$190.00	\$9,500.00
SANITARY CASTINGS	EACH	5	\$500.00	\$2,500.00
WYE, 8"x4"	EA.	19	\$100.00	\$1,900.00
SANITARY SEWER LATERAL, 4"	L.F.	760	\$23.00	\$17,500.00
TRACER WIRE SIGNAL CONNECTION BOX	EACH	19	\$60.00	\$1,200.00
CONNECT TO EXISTING SANITARY STRUCTURE	EACH	2	\$700.00	\$1,400.00
CONNECT TO EXISTING SANITARY PIPE	EACH	1	\$300.00	\$300.00
TELEVISIONING	L.F.	1430	\$0.85	\$1,300.00
SUBTOTAL				\$75,700.00
CONTINGENCY				\$6,100.00
ENGINEERING				\$11,400.00
ESTIMATED STREET CONSTRUCTION COST				\$93,200.00

Desired Development Qualities

The City of Washburn desires that the development of the City-owned parcels creates a space that has a positive impact on the residents who live there and the community as a whole.

Developers/Contractors interesting in developing these parcels should consider the following aspects when designing their site plan.

1. **Housing Types:** Does the proposed development provide a variety of housing options for residents of different income levels, ages, and physical abilities?
2. **Materials:** Are building materials made of recycled materials, renewable or low maintenance?
3. **Efficiency:** Are structures oriented and designed to include qualities of passive solar buildings? Are there any other aspects of the structure that improve the energy efficiency of the heating and cooling systems or reduce the water usage in the structure?
4. **Transportation:** Do sidewalks and trails connect to existing or planned City sidewalks and trails?
5. **Stormwater:** Were low impact development concepts incorporated into stormwater design?
6. **Aesthetics:** Do properties include landscaping? What streetscaping elements are incorporated into the design of streets?
7. **Parks:** Are any community amenities proposed such as a Tot-Lot or community garden space?
8. **Views:** Are view corridors of the Chequamegon Bay incorporated into the development design? To what extent are existing view corridors preserved?

Potential Incentives

The City may want to have the ability to offer incentives to help implement the Plan. The project area falls within Tax Increment Financing District # 3 (“TID #3”) and the City may provide financial incentives based upon the suitability of the development. Some ways TID #3 could be leveraged are to reduce the purchase price of the land within the project area, offset costs to relocate utilities, and/or offset the costs to install new utilities in support of the project. The amount of available funds that may be put towards this project are based on the type and value of the proposed development.

SITE ANALYSIS

PARCELS #43, 44, 45, 46, 47 & 48

CITY OF WASHBURN WISCONSIN



SITE ANALYSIS

EXECUTIVE SUMMARY

The City of Washburn desires to develop a tract of land, with a total area of ±8.4-acre bordered by Central Avenue and 2nd Avenue West, Omaha Street East, Central Avenue and Harbor View Drive in the Washburn, Wisconsin. This location provides a unique opportunity for a developer to acquire significant commercial land with city utilities, easy access to a state highway and sweeping vistas of Lake Superior. The city is soliciting proposals that specifies development within a master plan setting.

The gentle slope of the property toward Lake Superior is south facing, and is free of any obstructions. With the exception of a few mature trees, the land is covered in high grass. The size and topography of the subject parcel appear well-suited for mixed use residential or commercial development.

The subject property is located one block south of Wisconsin State Highway 13 (STH13). STH 13 is the only state highway on the Bayfield Peninsula, and the only major thoroughfare in the area. It is designated as a State of Wisconsin Scenic Byway, one of only four in the state.

The property is served by city sewer and water, a Xcel Energy high-tension line, and a fiber optic cable. The capacity of both the city's sewer and water utilities will accommodate large scale development on this parcel. The city is known for the high quality of its drinking water, which is rarely chlorinated due to the purity of water drawn from the Lake Superior Aquifer.

According to the City of Washburn Zoning Regulations Section 13-1-37, the subject property is currently zoned as WC Waterfront Commercial District. The Waterfront Commercial District is intended to provide for long-term commercial uses in specifically identified waterfront areas of the City of Washburn. The Washburn Comprehensive Plan defines this parcel as Planned Waterfront Special Development District. The parcel is within the boundaries of a Tax Incremental Finance District, and the city may provide financial incentives based upon the suitability of the development.

The neighborhood surrounding the subject property is characterized by a mixture of commercial, residential and recreational lands, and appears to be well suited for commercial or mixed use residential development. The neighborhood's safe surroundings, along with its first-class access to Lake Superior, would enhance the subject property's market position.

While the City of Washburn's population has remained relatively stable, income and property values have increased dramatically over the past ten years. Both income and property values are above both the State of Wisconsin and national averages. Education levels are high, with 33% of the adult population having college degrees.

Leisure and Hospitality represents 29.6% of the county's job base, ranking it as its largest employment sector. Agritourism is a large part of the Bayfield local economy. The attraction of two national parks - the Apostle Islands National Lakeshore/Gaylord Nelson Wilderness area and the Frog Bay Tribal National Park - is a major economic driver for the region. Visitor spending in Bayfield County was \$45.2 million in 2015. The Apostle Island National Lakeshore generated \$36 million in revenue in 2015, hosted 232,662 visitors and supported 571 local jobs. Approximately 2 million visitors travel on the Wisconsin Lake Superior Byway annually.

The Washburn Marina, a full-service marina with 136 permanent slips, maintenance and storage facilities, is 2 blocks from the subject property. The marina has the largest travel lift on Lake Superior - a capacity of 150 tons. The lift can haul out boats in access of 100 feet long.

In conclusion, this parcel of land represents the opportunity for commercial development that takes full advantage of the proximity to Lake Superior, access to utilities, visibility in a high tourism area and a stable community.

DESCRIPTION OF LAND

The land under consideration for development consists of a ±8.4-acre parcel bordered by Central Avenue and 2nd Avenue West, Omaha Street East, Central Avenue and Harbor View Drive in the Washburn, Wisconsin. The municipal jurisdictions governing the property are the City of Washburn, the County of Bayfield, and the State of Wisconsin.

According to a survey prepared by Nelson Surveying Inc., dated July 27, 2000, the subject parcel contains approximately 8.4 acres) of land. The site consists of 6 parcels, #43, 44,45,46,47 and 48. Parcels 43 through 47 are adjacent to each other, with the exception of a parcel on the corner of 3rd Avenue West and Harbor View Drive and a parcel with frontage on Central Avenue that is located between parcels #45 and #47. Parcel #48 is located south of Harbor View Drive. The topography of the parcel has a gentle slope downward from north to south.

Wisconsin State Highway 13, the only major thoroughfare on the Bayfield Peninsula, is located one block to the north of the subject property. The property slopes gently to the south, where it fronts Harbor View Drive. There is a direct southern facing line of site to Lake Superior's Chequamegon Bay. Chequamegon Bay is sheltered water, highly desirable for recreational boating and fishing.

The parcel is currently vacant of any improvements. With the exception of some immature trees, the property is covered with high grass. An Excel Energy high-tension power line is located on the property, running east/west, approximately – feet from Omaha Street East. A recreational trail for ATV and snowmobile usage runs almost contiguously with the power line. Surface observations show no rock outcroppings, streams, ponds, or springs.

The size and topography of the subject parcel appear well-suited for commercial or residential mixed use development. Sufficient acreage is available to permit either a low-rise or mid-rise facility, providing on-grade parking and necessary facilities and amenities. The property is not located in a floodplain.

ACCESS AND VISIBILITY

The subject property is located one block south of Wisconsin State Highway 13 (STH13). STH 13 is the only state highway on the Bayfield Peninsula, and the only major thoroughfare in the area. It is designated as a State of Wisconsin Scenic Byway, one of only four in the state. It is also part of the Lake Superior Circle Tour route, which passes through the Canadian province of Ontario and three U.S. states – Minnesota, Wisconsin & Michigan. The 1,300 mile tour is extremely popular with motorcycle enthusiasts as well as motorists.

STH 13 adjoins U.S. Highway 2 (US2) approximately 10.2 miles west/southwest of the property location. US 2 is an east–west U.S. Highway spanning 2,571 miles (4,138 km) across the northern continental United States.

Wisconsin Department of Transportation (WisDOT) data (most recent data is 2009) indicates traffic counts at the intersection of STH 13 and Central Avenue average 10,800 vehicles per day. Washburn is the largest city in Bayfield County (2,117; 2010 census) and serves as the county seat.

The subject property is located 78 miles from the Duluth International Airport in Minnesota. Airport carriers are United, Delta and Allegiant. The airport has daily non-stop flights to Chicago, Minneapolis and Detroit. The property is located 54 miles from the Gogebic Iron County Airport. Air Choice One has daily non-stop flights to Chicago's O'Hare International Airport. The property is located 227 miles from Minneapolis – St. Paul International Airport, a major hub that services both domestic and international flights. The property is located 364 miles from Milwaukee Mitchell International Airport and 432 miles to O'Hare International Airport. John F. Kennedy Memorial Airport in Ashland, Wisconsin services private aircraft and is located 12 miles from the subject property.

Local bus service is provided by the Bay Area Rural Transit Bus System (BART). Buses run Monday through Saturday, and service the cities of Washburn, Bayfield, Red Cliff, Ashland, Mellon, Glidden and Park Falls. The 'Blue Goose' is an on demand public transportation service that provides rides within the Washburn area. This service also connects with BART buses to provide transportation to Ashland, Bayfield, Red Cliff, and Odanah. Daily and monthly passes are available at a reduced rate. Fares are very reasonable, ranging from a low of \$.75 to a high of \$3.50 for greater distance routes.

The area is not served by any railroads.

CONCLUSION

Area access to the subject property is excellent. It is located one block from a state highway, is located in the largest city in the county, and has excellent access to and views of Lake Superior. Access to airports involves car travel of some distance. But the relatively close proximity to Duluth International Airport, which has direct flights to major airline hubs, is a plus.

UTILITIES AND OTHER SERVICES

The subject property is currently served by water, electricity, and telephone utilities. Water, sewer and natural gas lines are available along Omaha Street East. A high tension Excel Energy power line runs east/west through the subject property. Garbage and trash removal are available through a local carting company.

It should be noted that the water quality of the City of Washburn water is excellent. Two city wells, one at 605 feet deep and one at 700 feet deep, draw from the Lake Superior Aquifer. The city does not regularly chlorinate and does not fluoridate its water. 54.811 million gallons of water was pumped in 2013. From January 2014 through September 2014 a total of +42 million gallons was pumped. Improvements to the subject property will not be limited by water pumpage issues.

The City of Washburn Wastewater Treatment Facility has a current capacity 600,000 gallons per day (gpd), plus overflow capacity of 600,000 gpd. Improvements to the subject property will not be limited by sewer capacity issues.

The City also operates a Storm Water Utility, with the sole purpose of the operation, maintenance, and capital improvements of the City's storm water system. The utility works to solve drainage issues, prevent future problems, and repair, maintain, and carry out best management practices to enhance the ability of the community to handle storm drainage and runoff. Storm Water Utility charges are billed quarterly, along with other city utilities.

Local Utility Companies

Water: City of Washburn

Electricity: Excel Energy

Telephone: Charter Communications, CenturyTel, Norvado

Sewer: City of Washburn

Refuse Removal: Eagle Waste

Storm Water Utility: City of Washburn

Internet Providers: Charter Communications, CenturyTel, Norvado

APPLICABLE REGULATIONS

According to the City of Washburn Zoning Regulations Section 13-1-37, the subject property is currently zoned as WC Waterfront Commercial District. The Waterfront Commercial District is intended to provide for long-term commercial uses in specifically identified waterfront areas of the City of Washburn. Future commercial waterfront uses are permitted in the WC District as financial implementation becomes possible.

Building height: shall not exceed thirty-five (35) feet.

Setbacks: are thirty (30) feet from any District boundary.

Surface Transportation: Width of the pavement for street access shall be a minimum of twenty-six (26) feet with no on-street parking allowed.

Utilities: All utilities required to serve the proposed development shall be buried in easements required for that purpose.

The Washburn Comprehensive Plan defines this parcel as Planned Waterfront Special Development District. "Land in this District is intended to provide a mixture of commercial, and high density residential development. The Planned Waterfront Special Development District is intended to provide appropriate, high quality development that recognizes the close proximity to the downtown core and Lake Superior. The objective of the Planned Waterfront Special Development District is to attract development that increases Washburn's tax base as part of a master plan setting. Uses would include hotels, restaurants, high density residential, office buildings and retail establishments. The district will encourage coordinated site planning and architectural design. Environmentally friendly economic development in this area includes on-site stormwater management that protects Lake Superior. The Planned Waterfront Special Development District recognizes the rarity of an area with such close proximity to Lake Superior that offers city utilities."

SITE SUITABILITY

The subject parcel of land is well suited for commercial development

Advantages:

- Topography is smooth and has no apparent subsoil conditions that would impair construction.
- Site has excellent and direct access and visibility of Lake Superior.
- Necessary utilities are easily available.

- Water and air quality is excellent.
- Site is centrally located in a high traffic tourist area.
- Site is within walking distance of Washburn's downtown business core.

Disadvantages:

- Property site is located in a sparsely populated area of the State of Wisconsin.
- Largest employers are governmental rather than private businesses.
- Distances to major metropolitan areas are great.

CONCLUSION

Nearly all the disadvantages are curable, and the advantages represent highly desirable locational attributes; accordingly, the general conclusion is that the subject parcel is well suited for development.

NEIGHBORHOOD ANALYSIS

CHARACTER OF SURROUNDING AREA

The neighborhood surrounding the subject property is characterized by a mixture of commercial, residential and recreational lands. The property is dominated by its view of Lake Superior. Businesses across Omaha Avenue East include a for-profit theater, constructed in 2009, a radio station, a counseling service, a rental home, an 18-room motel, and a vacant lot. The Bayfield County Highway Garage and Maintenance Facility is located across Central Avenue from the subject property. A 35-unit independently owned hotel, formerly a Super 8, a supper club and three large boat storage units that service the Washburn Marina are located across Harbor View Drive.

A four-unit apartment building is located on the corner of 3rd Avenue West and Harbor View Drive. The former Bayfield County Forestry Service building, now privately owned, is located between parcels #45 and #47.

Washburn's lakefront was formerly highly industrialized. Several large saw mills were constructed along the length of the shoreline, and commercial docks were numerous. The current "coal dock" area east of the Washburn Marina, now a popular fishing area, formerly housed a railroad spur and warehouse complex.

After the lumbering industry exhausted the supply of timber in the area, much of the lakeshore property reverted to the City of Washburn. Approximately 1.5 miles of Lake Superior shoreline and adjacent property is still in city ownership. Two parks, Thompson's West End Park and Memorial Park, anchor the public access land owned by the city. A lakeshore walking path joins the parks and provides access to the break wall and Marina area.

CONCLUSION

The neighborhood surrounding the proposed subject property appears to be well suited for commercial development. The neighborhood's safe surroundings, along with its first-class access to Lake Superior, would enhance the subject property's market position. There are very few parcels with this type of public access to Lake Superior that are serviced by city utilities.

MARKET AREA ANALYSIS

The purpose of the market area analysis is to review all available historical and projected economic and demographic data to determine whether the local market area will experience future economic growth, stability, or decline. In addition to predicting the direction of the economy, the rate of future change must be quantified.

DEFINITION AND GEOGRAPHIC CHARACTER

The primary market area encompassing the subject property is mostly rural and wilderness in character, and can be defined generally as the Lake Superior region of far northern Wisconsin. More specifically, the subject property’s market area consists of Bayfield County in Wisconsin and the neighboring city of Ashland in Ashland County, Wisconsin and the city of Duluth in St. Louis County, in Minnesota. Some demand may also originate from the Minneapolis, Minnesota metropolitan area.

Bayfield County is the second largest county in Wisconsin in area and contains approximately 966,000 acres with a greatly varied landscape. Overall, the area is mainly heavily forested terrain, with a rocky and rugged coastline along the Lake Superior shoreline. The highest elevation point is Mt. Ashwabay at 1,286 vertical feet. The Bayfield Peninsula is isolated by Lake Superior, with the Canadian Province of Ontario situated across the lake.

The peninsula is politically divided into 2 cities and 9 towns.

BAYFIELD PENINSULA	
Municipality	Population
City of Washburn	2,117
City of Bayfield	530
Town of Barksdale	723
Town of Bayfield	680
Town of Bayview	487
Town of Bell	263
Town of Clover	223
Town of Orienta	122
Town of Port Wing	164
Town of Russell	1,279
Town of Washburn	530

POPULATION

Although there is no direct correlation between an area’s population and its specific level of transient visitation, historical and projected population trends often reflect the economic climate of a locale.

The City of Washburn has 3.90 square miles of land area and 2.27 square miles of water area. As of 2010, the total Washburn population is 2,117, which has shrunk 7.15% since 2000. The population growth rate is much lower than the state average rate of 6.03% and is much lower than the national average rate of 9.71%. The median age in Washburn is 44 years.

Washburn median household income is \$47,574 in 2008-2012 and has grown by 43.05% since 2000. The income growth rate is much higher than the state average rate of 20.18% and is much higher than the national average

rate of 26.32%.

Washburn median house value is \$125,600 in 2008-2012 and has grown by 55.25% since 2000. The house value growth rate is higher than the state average rate of 50.62% and is higher than the national average rate of 51.67%. As a reference, the national Consumer Price Index (CPI) inflation rate for the same period is 26.63%.

Bayfield County has 1,477.86 square miles of land area and 563.81 square miles of water area. As of 2010, the total Bayfield county population is 15,014, which has grown 0.01% since 2000.

The population growth rate is much lower than the state average rate of 6.03% and is much lower than the national average rate of 9.71%.

Bayfield County’s median household income is \$44,626 in 2008-2012 and has grown by 33.65% since 2000. The income growth rate is much higher than the state average rate of 20.18% and is higher than the national average rate of 26.32%.

Bayfield County’s median house value is \$158,200 in 2008-2012 and has grown by 83.74% since 2000. The house value growth rate is much higher than the state average rate of 50.62% and is much higher than the national average rate of 51.67%.

The Washburn population density is 343.11 people per square mile, which is much higher than the state average density of 86.83 people per square mile and is much higher than the national average density of 81.32 people per square mile. The most prevalent race in Washburn is white, which represent 88.38% of the total population. The average Washburn education level is higher than the state average and is higher than the national average.

	Washburn	% of the Total Population	Wisconsin	U.S.
Under 5 years	121	5.72%	6.30%	6.54%
5 to 9 years	125	5.90%	6.48%	6.59%
10 to 14 years	130	6.14%	6.61%	6.70%
15 to 19 years	125	5.90%	7.02%	7.14%
20 to 24 years	90	4.25%	6.80%	6.99%
25 to 34 years	241	11.38%	12.69%	13.30%
35 to 44 years	205	9.68%	12.76%	13.30%
45 to 54 years	338	15.97%	15.36%	14.58%
55 to 64 years	344	16.25%	12.31%	11.82%
65 to 74 years	188	8.88%	7.04%	7.03%
75 to 84	114	5.38%	4.54%	4.23%
85 years and over	96	4.53%	2.08%	1.78%

*Based on 2010 data.

Between 2000 and 2010, the median age of the Bayfield County population increased from 42.1 to 49.4 years. The shift in the county’s age distribution during this period was associated with a decline in the percentage of residents under 20 and an increase in the percentage of the county population in the age groups of 40 to 64 and 65 and over.

The under-20 age group typically represents entry-level workers, and its growth or decline can have mixed effects. Workers in this age group typically earn lower wages than older members of the work force; thus, a lack of available employees in this age range may cause an increase in the area’s cost of doing business. Conversely, this group is associated with a relatively high level of unemployment. The baby boom generation, which is represented in both the 20-to-39 and 40-to-64 age categories, has become an important factor in national spending patterns. These residents typically represent a strong market for homes, consumable and durable goods, leisure activities, and other products and services.

Bayfield County's 10 Most populous Municipalities

	April 2010 Census	January 2013 Estimate	Numeric Change	Proportional Change
Wisconsin	5,686,986	5,717,110	30,124	0.5%
Bayfield County	15,014	15,088	74	0.5%
Washburn, City	2,117	2,092	-25	-1.2%
Russell, Town	1,279	1,304	25	2.0%
Iron River, Town	1,123	1,141	18	1.6%
Cable, Town	825	830	5	0.6%
Barnes, Town	769	774	5	0.7%
Barksdale, Town	723	722	-1	-0.1%
Bayfield, Town	681	692	11	1.6%
Eileen, Town	680	683	3	0.4%
Washburn, Town	530	537	7	1.3%
Oulu, Town	527	527	0	0.0%

RETAIL SALES

Retail sales levels reflect both population trends and the propensity to spend money on retail goods, Retail sales trends tend to gauge the economic health and vitality of the market. Retail sales growth should cause local businesses to prosper and make it more likely for new firms to enter the market. In areas in which tourism is a significant economic factor, retail sales also reflect the amount of visitation.

Bayfield County instituted a .5% sales tax in April of 1991. Sales tax is estimated by the Wisconsin Counties Association to increase to \$1,065,000 in 2015, up \$51,000 over 2014, which in turn was up over \$100,000 from 2013. The three-year trend, 2011 – 2013 shows an increase per capita from \$59.10 to \$66.981 as shown in the chart below:

Year	Sales Tax Distribution	Population	Sales Tax Per Capita
2011	\$888,384.16	15,036	\$59.08
2012	\$934,948.67	15,052	\$62.11
2013	1,009,574.88	15,088	\$66.91

The top five sales tax contributors in Bayfield County, reported by the Wisconsin Department of Revenue, by business code in 2013 are:

Retail Trade:	37%
Accommodations and Food:	13%
Information/Telecommunications:	10%
Construction:	5%
Arts/Entertainment/Recreation:	4%

Together these five sectors account for over 69% of total sales tax revenue.

WORKFORCE CHARACTERISTICS

Leisure and Hospitality represents 29.6% of the county's job base, ranking it as its largest employment sector. Its aggregate wage share is the county's second largest, representing a disproportionately lower 18.5%. This implies that Leisure and Hospitality employers are less coveted because each job has below average salaries. Health and Education is the second largest employing sector in Bayfield County. It is the largest in the majority of Wisconsin counties. The Health and Education sector is comprised mostly of educational services. In Bayfield County, educational services made up 47.7% of the Health and Education sector, compared to a statewide figure of 35.3%.

FARM, AGRICULTURAL SERVICES, MINING

Agritourism is a large part of the Bayfield local economy. Bayfield's orchard district the Lake Superior induced microclimate makes it an ideal local for fruit growing. The peninsula is a tourism destination and includes a diversity of blueberry, raspberry, cherry, strawberry and apple orchards. The Bayfield Apple Festival is one of the largest festivals in the state of Wisconsin attracting 40,000 visitors to the area, annually, for its 3-day duration.

Average size of farms: 239 acres

Average value of agricultural products sold per farm: \$25,075

Average value of crops sold per acre for harvested cropland: \$82.89

The value of nursery, greenhouse, floriculture, and sod as a percentage of the total market value of agricultural products sold: 3.14%

The value of livestock, poultry, and their products as a percentage of the total market value of agricultural products sold: 68.58%

Average total farm production expenses per farm: \$24,797

Harvested cropland as a percentage of land in farms: 39.78%

Average market value of all machinery and equipment per farm: \$42,317

The percentage of farms operated by a family or individual: 89.74%

Average age of principal farm operators: 53 years

Average number of cattle and calves per 100 acres of all land in farms: 10.14

Milk cows as a percentage of all cattle and calves: 24.81%

Corn for grain: 2092 harvested acres

All wheat for grain: 259 harvested acres

Soybeans for beans: 192 harvested acres

Vegetables: 11 harvested acres

Land in orchards: 377 acres

There is no mining in Bayfield County.

2012 Employment and Wage Distribution by Industry in Bayfield County

Occupation	Annual Average	1-Year Change	Total Payroll
Natural Resources	Suppressed	Not Available	Suppressed
Construction	160	-11	\$5,399,228
Manufacturing	Suppressed	Not Available	Suppressed

Occupation	Annual Average	1-Year Change	Total Payroll
Trade, Transportation, Utilities	643	-10	\$16,881,283
Information	68	0	\$3,495,629
Financial Activities	133	6	\$4,495,288
Professional & Business Services	88	-31	\$2,577,018
Education & Health	859	-27	\$24,876,996
Leisure & Hospitality	1,139	68	\$18,123,753
Other Services	65	14	\$1,605,123
Public Administration	509	-10	\$15,540,470
Not Assigned	0	0	0
All Industries	3,853	-13	\$97,822,537

GOVERNMENT

Public Administration jobs in Bayfield County employ more than 500 people, government was the third-largest employment sector in the county. This category includes employees of local municipalities and state, regional, and federal agencies.

OFFICE SPACE

The City of Washburn and Bayfield County have a lack of class one office space available. There is no statistical data available that shows total square footage of office space, either occupied or vacant.

TOURIST VISITATION GENERATORS

Bayfield County is a major tourism generator for the State of Wisconsin. The Bayfield Peninsula has over 100 miles of shoreline on Lake Superior. Wisconsin's only two National Parks are located on the Peninsula – The Apostle Island National Lakeshore/Gaylord Nelson Wilderness Area (AINP) and the Frog Bay Tribal National Park. The AINP includes 42,000 acres of land, 26,500 acres of water, and 20 islands, as well as a narrow strip along the Bayfield Peninsula. The Frog Bay Tribal National Park is composed of 89 acres, with one-quarter mile of Lake Superior frontage. The Chequamegon-Nicolet National Forest encompasses 240,000 acres in Bayfield County. Bayfield County forested lands add an additional 167,500 acres.

The County is also home to five more national wildlife areas:

- Chequamegon-Nicolet National Forest
- St. Croix National Scenic Riverway
- Whittlesey Creek National Wildlife Refuge
- North Country National Scenic Trail
- Iron River National Fish Hatchery.

State of Wisconsin Natural Areas include:

- Bark Bay Slough State Natural Area
- Bibon Swamp State Natural Area
- Cranberry River State Fishery Area
- Flag River State Fishery Area
- Flag River State Wildlife Area

Lost Creek Bog State Natural Area
 Moquah Barrens State Natural Area
 Moquah Barrens State Wildlife Area
 Port Wing Boreal Forest State Natural Area
 Sadjak Springs State Natural Area
 Totagatic Lake State Wildlife Area
 White River State Fishery Area

Access to demand generators of visitation is excellent. All of these locations are less than a one-hour drive from the subject property, with the majority within one-half hour from the property. Washburn’s centralized location and year round rather than seasonal community make it the most desired location from which to embark.

Visitor spending in Bayfield County was \$42.5 million in 2015. The Apostle Island National Lakeshore generated \$36 million in revenue in 2015, hosted 232,662 visitors and supported 571 local jobs. Approximately 2 million visitors travel on the Wisconsin Lake Superior Byway annually.

Bayfield County is the 64th largest by population in the State of Wisconsin, but ranks 46th in visitor spending. Sales tax revenue reached \$1 million in 2013. 595 jobs with a total personal income of \$10.29 million were supported by visitors to Bayfield County in 2013. Visitor spending sustains approximately 1 in 5 jobs in the county.

DOWNTOWN WASHBURN BUSINESS CORE

The downtown business core of Washburn, composed of ten blocks of commercial businesses, is within walking distance of the site. There are currently ten restaurants within this ten-block area that include café’s, bars with grills and one supper club.

The Washburn Marina, a full-service marina with 136 permanent slips, maintenance and storage facilities, is 2 blocks from the subject property. The marina has the largest travel lift on Lake Superior - a capacity of 150 tons. The lift can haul out boats in access of 100 feet long.

The retail mix includes a hardware store, independent book store, beauty salons and a barber shop, attorneys, insurance and real estate offices, auto repair facilities, a funeral home, auto parts store, dentist, two gas stations and an art gallery.

Current lodging facilities in the area include one 24 unit independent hotel built in the 1970s, one 12 unit “mom and pop” hotel built in the 1960s, one site that includes six tiny rustic seasonal cabins, two houses, two AIRBNB style guest houses and one seasonal resort.

Tourist Visitation Generators Distance from Driving subject time property (miles)

Washburn Cultural Center and Historic Museum	1 block
Washburn Marina	2 blocks
Washburn Lakeshore Walking Trail	2 blocks
Memorial Park	1.6 miles
Thompson’s West End Park	2 miles
Houghton Falls State Natural Area	2.8 miles

Bayview Park and Beach	6 miles
Northern Great Lakes Visitor Center	8 miles
Pike's Bay Marina	10 miles
Mt. Ashwabay Recreational Area	11 miles
Apostle Island National Lakeshore Headquarters	13 miles
Madeline Island Ferry	13 miles
Apostle Islands Marina	13 miles
Bayfield Heritage Museum	13 miles
Bayfield Maritime Museum	13 miles
Legendary Waters Resort and Casino	16 miles
Frog Bay Tribal National Park	19 miles
Bark Bay Slough State Natural Area	25 miles
Little Sand Bay Kayak Launch Site	25 miles

LEISURE MARKET DEMAND

In the area surrounding the subject property, leisure demand is generated by the many sites and attractions previously described in this study. Future leisure demand is related to the overall economic health of the nation. Trends showing changes in state and regional unemployment and disposable personal income generally have a strong correlation with noncommercial visitation. Traffic counts on nearby highways and attendance levels at local attractions can also form a basis for projections. Bayfield County is experiencing a large increase in tourist related activity.

CONCLUSION

In conclusion, this parcel of land represents the opportunity for commercial or mixed use residential development that takes full advantage of the proximity to Lake Superior, access to utilities, visibility in a high tourism area and a stable community.

APPENDIX

FIGURE A: PARCEL SURVEY

FIGURE B: AIRPORT LOCATIONS

FIGURE C: DESTINATION LOCATION RADIUS

FIGURE D: CITY OF WASHBURN DESTINATION LOCATIONS

FIGURE E: 10 MILE RADIUS TO DESTINATION LOCATIONS

FIGURE F: 20 MILE RADIUS TO DESTINATION LOCATIONS

FIGURE A: PARCEL SURVEY

2015
Parcel Map Addendum

TRACIA A. NELSON
BAYFIELD COUNTY, WI
REGISTERED SURVEYOR
2008R-523301
10/14/2008 01:10PM

IF EXEMPT BY:
RECORDING FEE: 14.00
PAGES: 2

Vol. 9 CSM Pg. 360-361

360

BAYFIELD COUNTY CERTIFIED SURVEY MAP NO. 1636

1775

A PARCEL OF LAND LOCATED IN GOVERNMENT LOT 2 OF SECTION 5, T. 48 N.,
R. 4 W., IN THE CITY OF WASHBURN, BAYFIELD COUNTY, WISCONSIN

TOTAL AREA
220,000 SQ. FT.
5.05 ACRES

BEARINGS ARE BASED ON THE NORTH
LINE OF THE NE 1/4 OF SECTION 5
ASSUMED AS S 89°35' W

ALL P.L.H. ARE PROVIDED BY
D42012480405



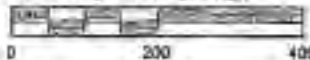
LINE TABLE

LINE	BEARING	DISTANCE
1-1	N 47°51'41" E	43.87
1-2	N 47°41'01" E	35.75
1-3	S 47°37'42" E	30.48
1-4	N 47°35'24" W	75.00

CURVE TABLE

CURVE	ARC	DELTA	POINTS	CHORD DIST.	CHORD BEARING
C1	118.75	32.47° W	2765.00	143.75	S 129°04' E

SCALE ONE INCH = 200 FEET



SEE DRAWINGS FOR OUTSIDE DIMENSIONS

LEGEND

- WORKNOT AS NOTED FOUND IN PLACE
- 1-1/4" x 1/4" IRON PIPE, BEARING 1.87 LBS./SQ. FT.
- SET THIS SURVEY

CLIENT: THE CITY OF WASHBURN

JOB NO: 2015.001
SCALE: 1" = 200' FEET
DATE: 09/20/2015
DRAWN BY: JLB

Nelson
SURVEYING
INCORPORATED
10000 WISCONSIN HIGHWAY 100

147 S. 10th Street
Suite 207
Shawano, Wisconsin 54226
715.426.4822
www.nelsonsurvey.com

UNP. WIS. CSM 1775 (5)

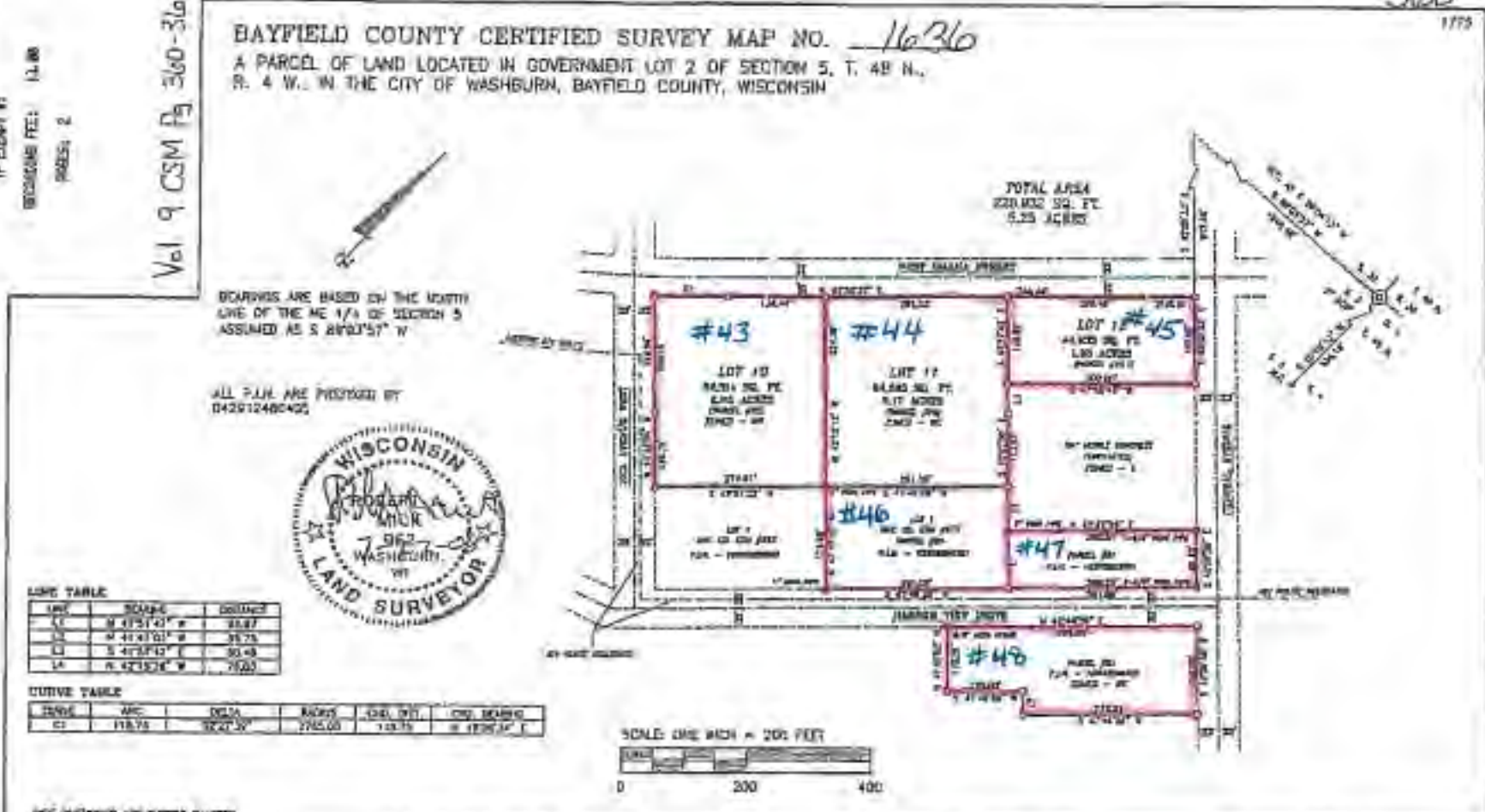


FIGURE B: AIRPORT LOCATIONS

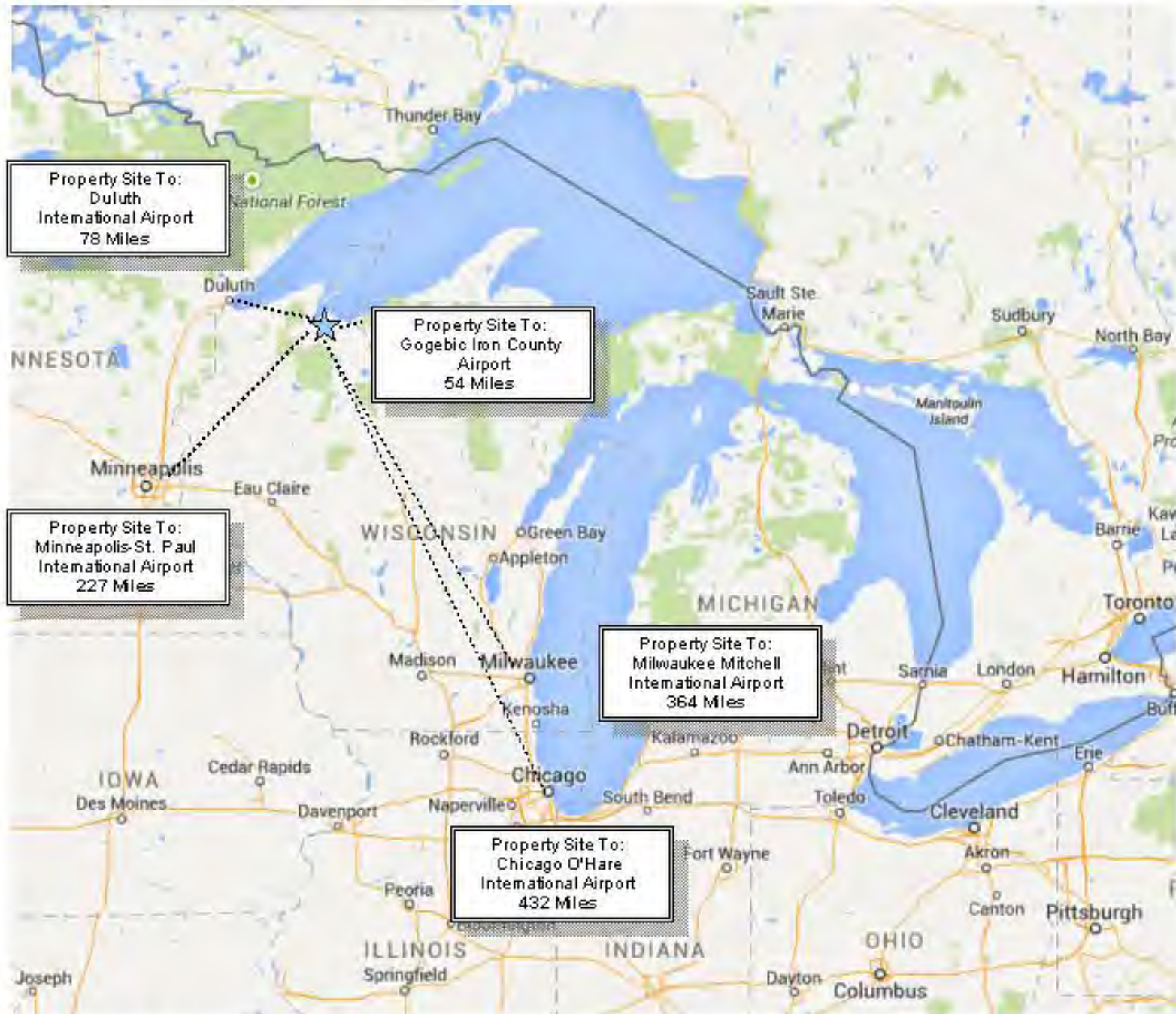


FIGURE C: DESTINATION LOCATION RADIUS

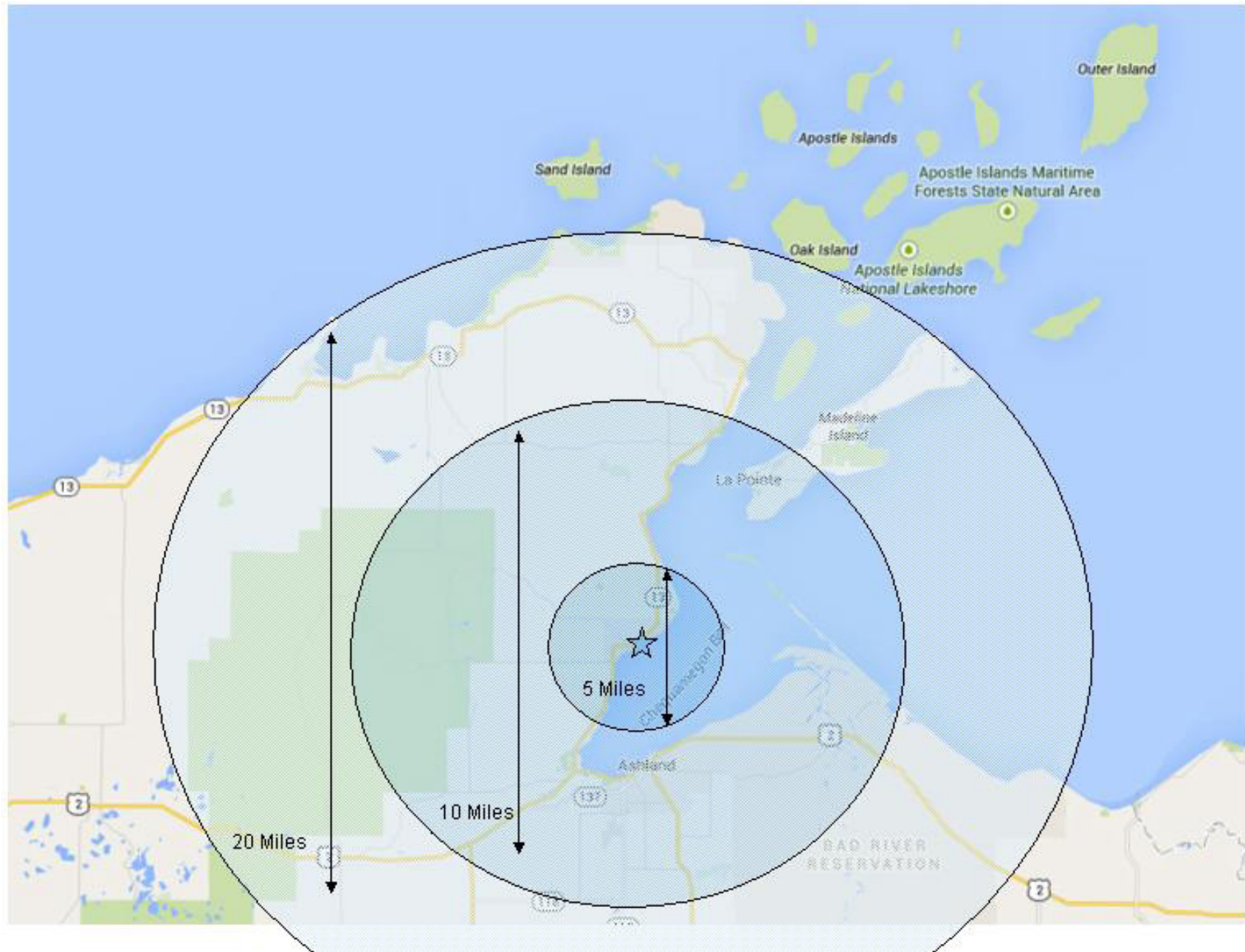


FIGURE D: CITY OF WASHBURN DESTINATION LOCATIONS

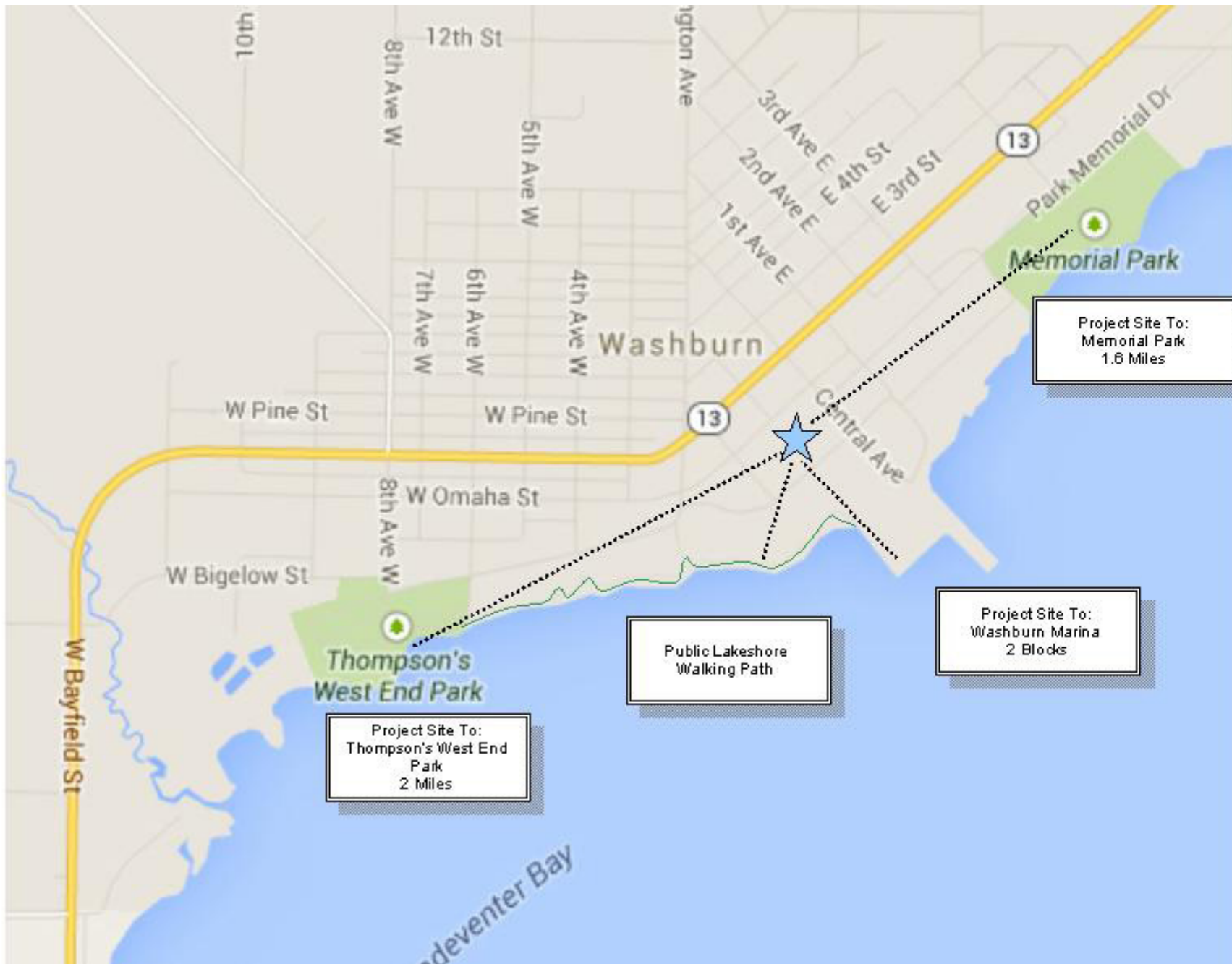


FIGURE E: 10 MILE RADIUS TO DESTINATION LOCATIONS



FIGURE F: 20 MILE RADIUS TO DESTINATION LOCATIONS



City of Washburn, WI Multifamily Market Report 2016



Buildings

12

Avg. Rent Per Unit

\$436

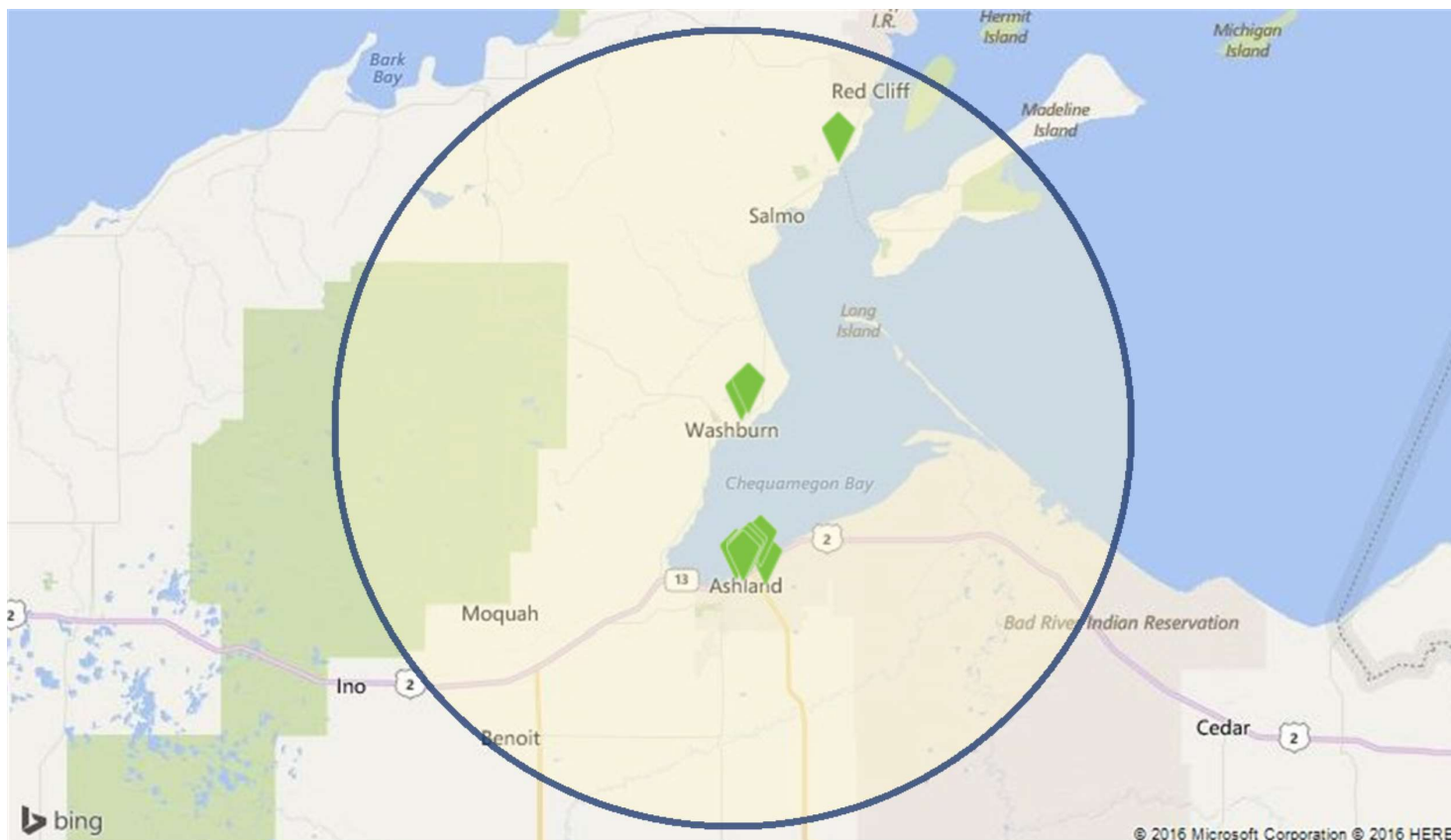
Avg. Rent Per SF

\$0.74

Avg. Vacancy Rate

12.3%

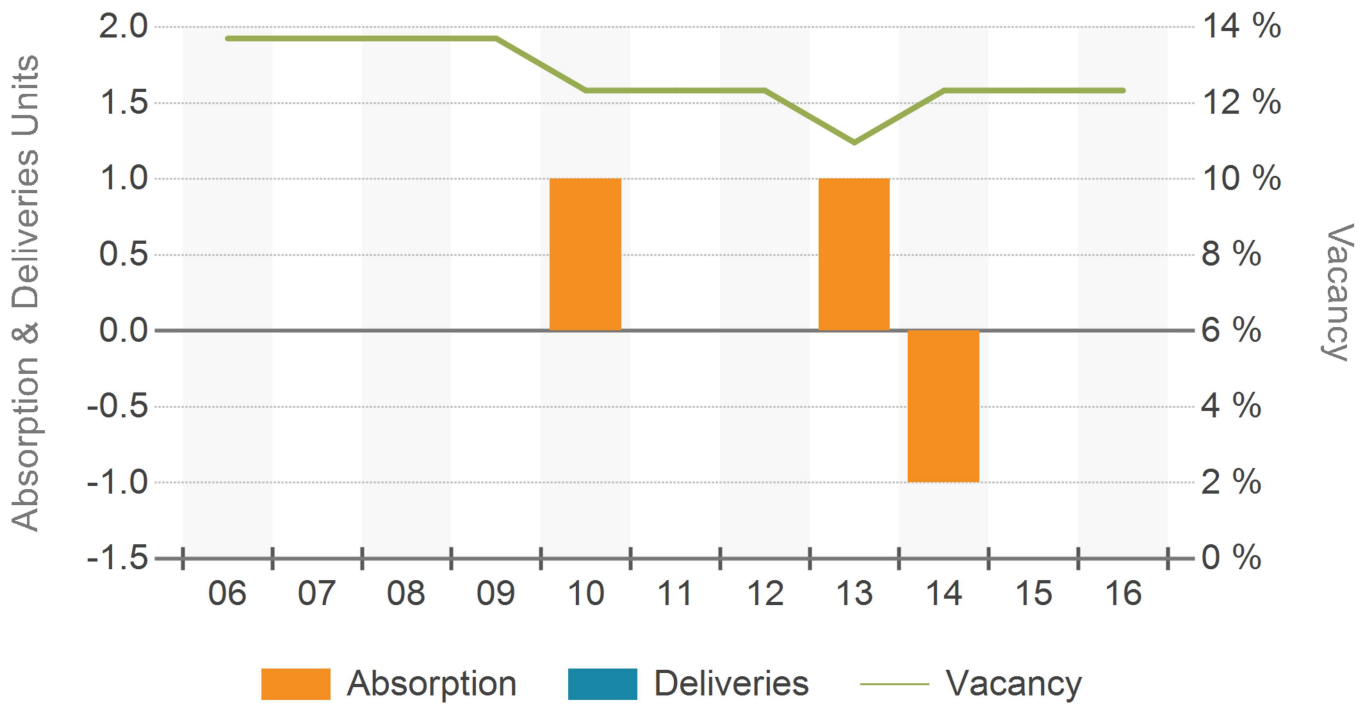
PROPERTIES IN SURVEY



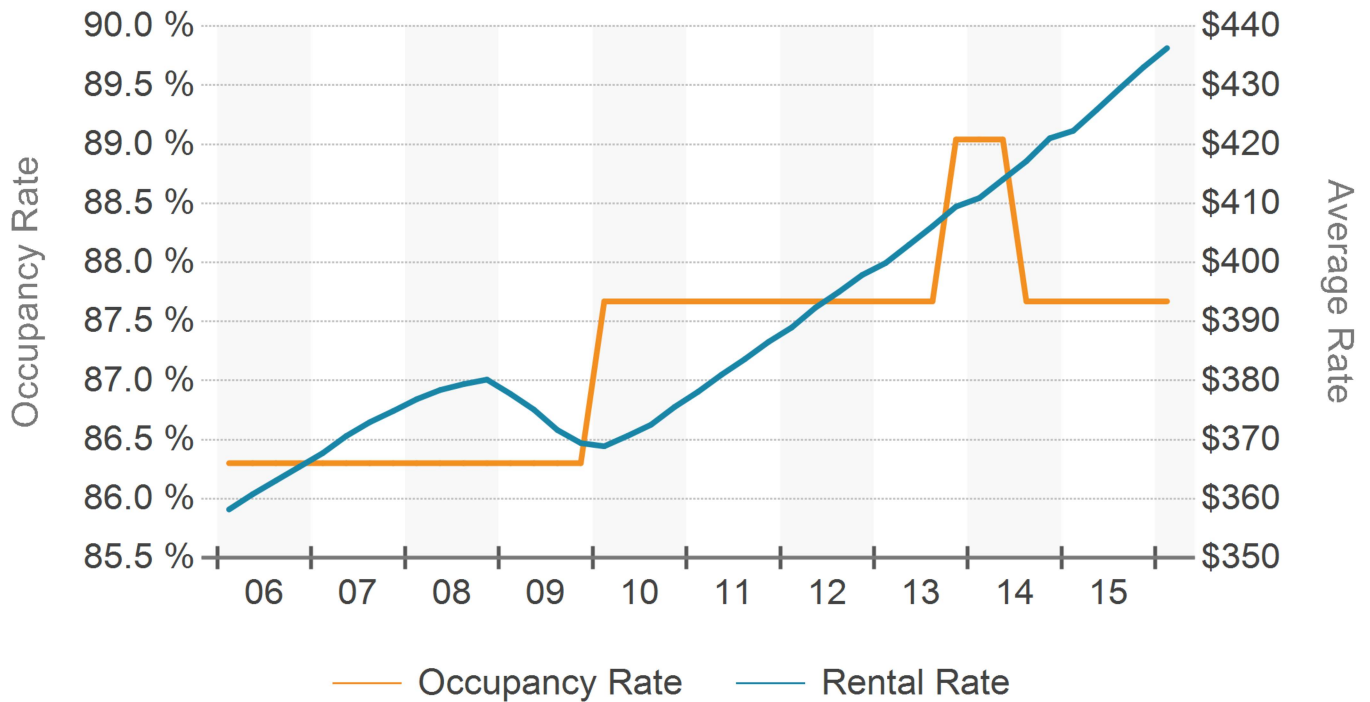
SUMMARY STATISTICS

Unit Breakdown	Low	Average	Median	High
Total Units	5	17	10	37
Studio Units	0	0	0	0
One Bedroom Units	0	7	5	32
Two Bedroom Units	0	2	0	24
Three Bedroom Units	0	0	0	0
Property Attributes	Low	Average	Median	High
Year Built	1886	1925	1915	1987
Number of Floors	2	2	2	6
Average Unit Size	588 SF	694 SF	694 SF	800 SF
Vacancy Rate	4.2%	12.3%	11.8%	18.8%
Star Rating	★ ★ ★ ★ ★	★ ★ ★ ★ ★ 2.3	★ ★ ★ ★ ★	★ ★ ★ ★ ★

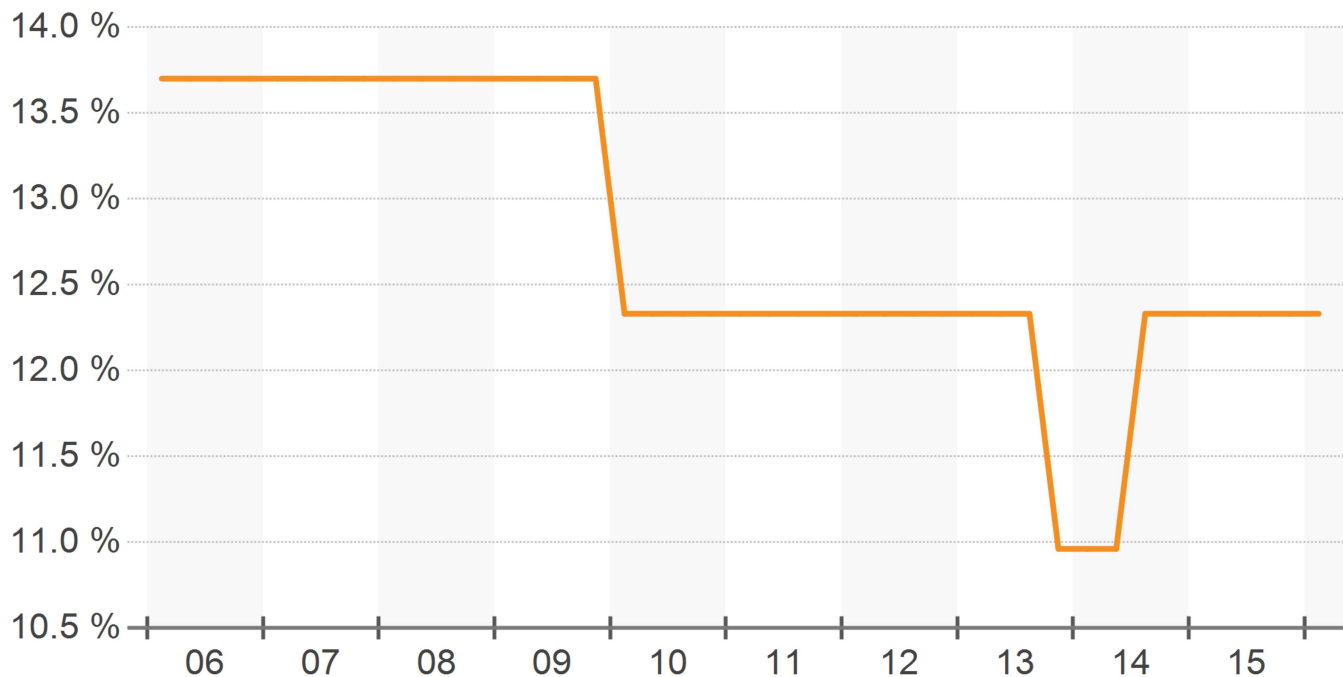
ABSORPTION, DELIVERIES, VACANCY



OCCUPANCY & RENTAL RATES



VACANCY RATE



SUMMARY STATISTICS

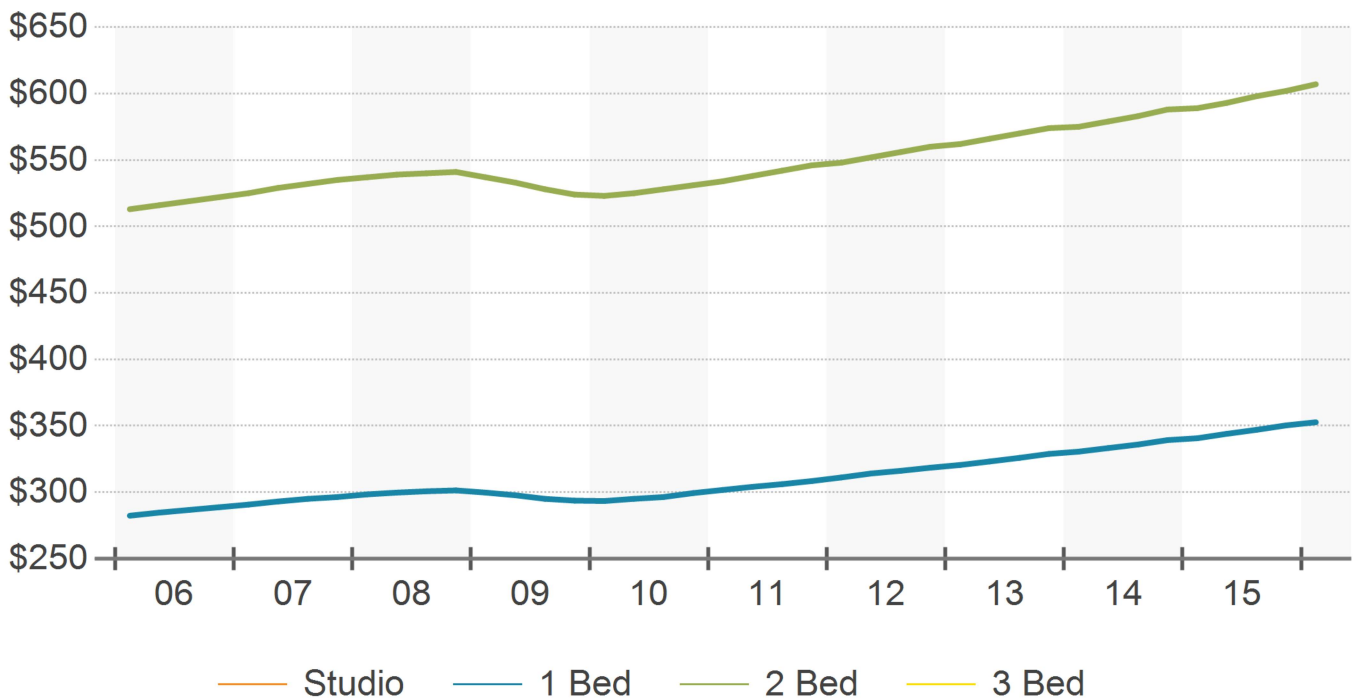
Leasing Units	Survey	5-Year Avg
Vacant Units	9	9
Vacancy Rate	12.3%	12.1%
12 Mo. Absorption Units	0	0

Inventory in Units	Survey	5-Year Avg
Existing Units	193	189
12 Mo. Const. Starts	0	0
Under Construction	0	0
12 Mo. Deliveries	0	0

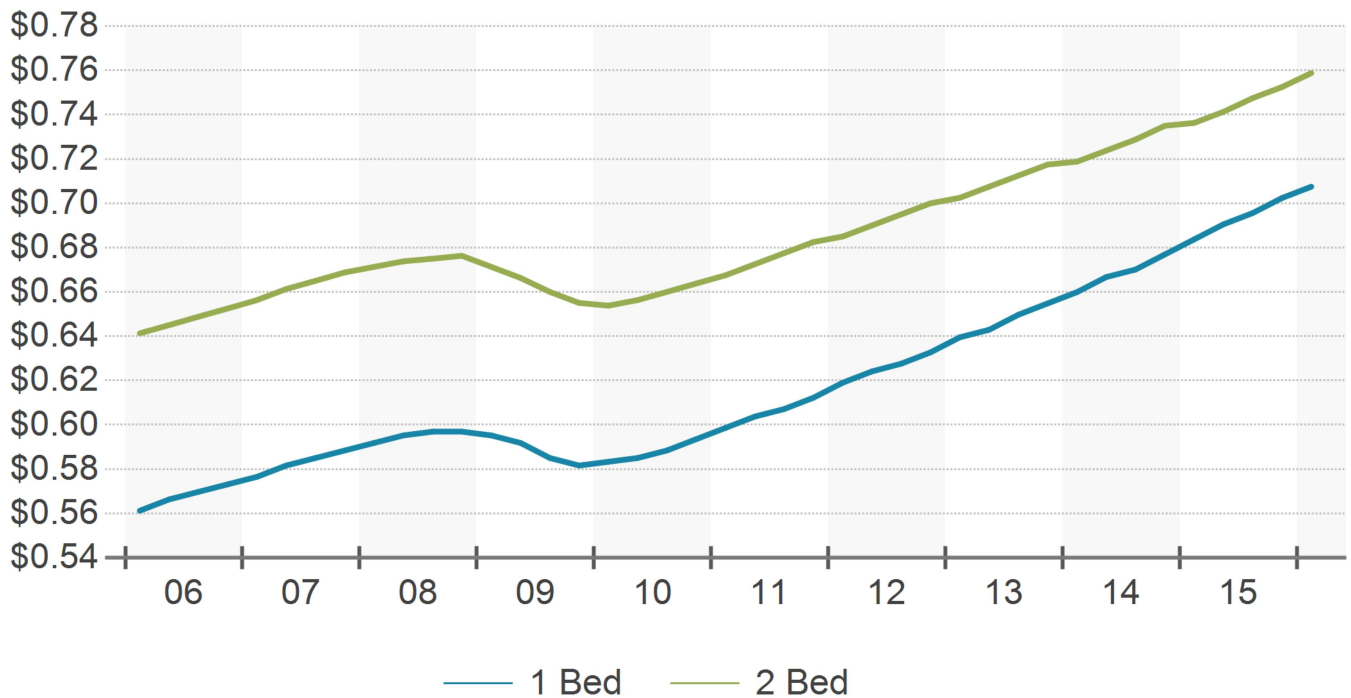
Rents	Survey	5-Year Avg
Studio Asking Rent	-	-
1 Bed Asking Rent	\$353	\$325
2 Bed Asking Rent	\$607	\$568
3+ Bed Asking Rent	-	-
Concessions	11.3%	10.5%

Sales	Past Year	5-Year Avg
Sale Price Per Unit	\$30,000	\$25,964
Asking Price Per Unit	\$125,000	\$29,910
Sales Volume (Mil.)	\$0.2	\$2.3
Cap Rate	-	8.5%

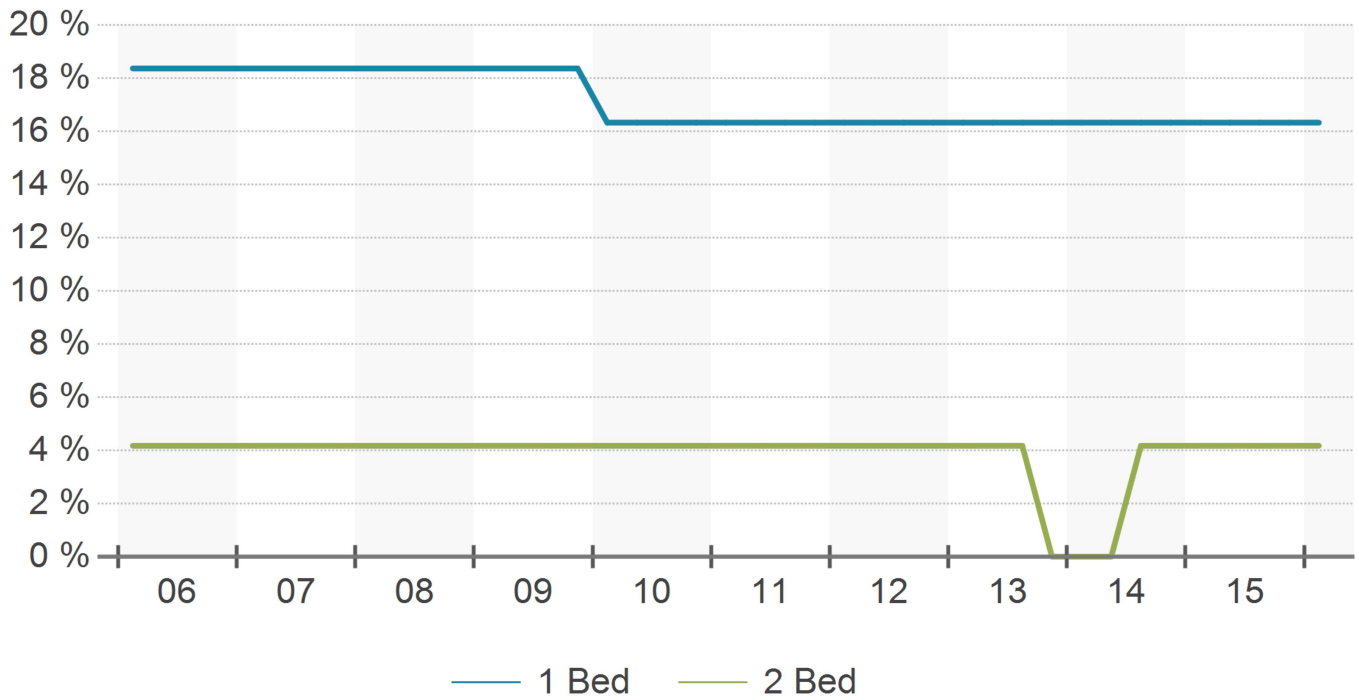
ASKING RENT PER UNIT BY BEDROOM



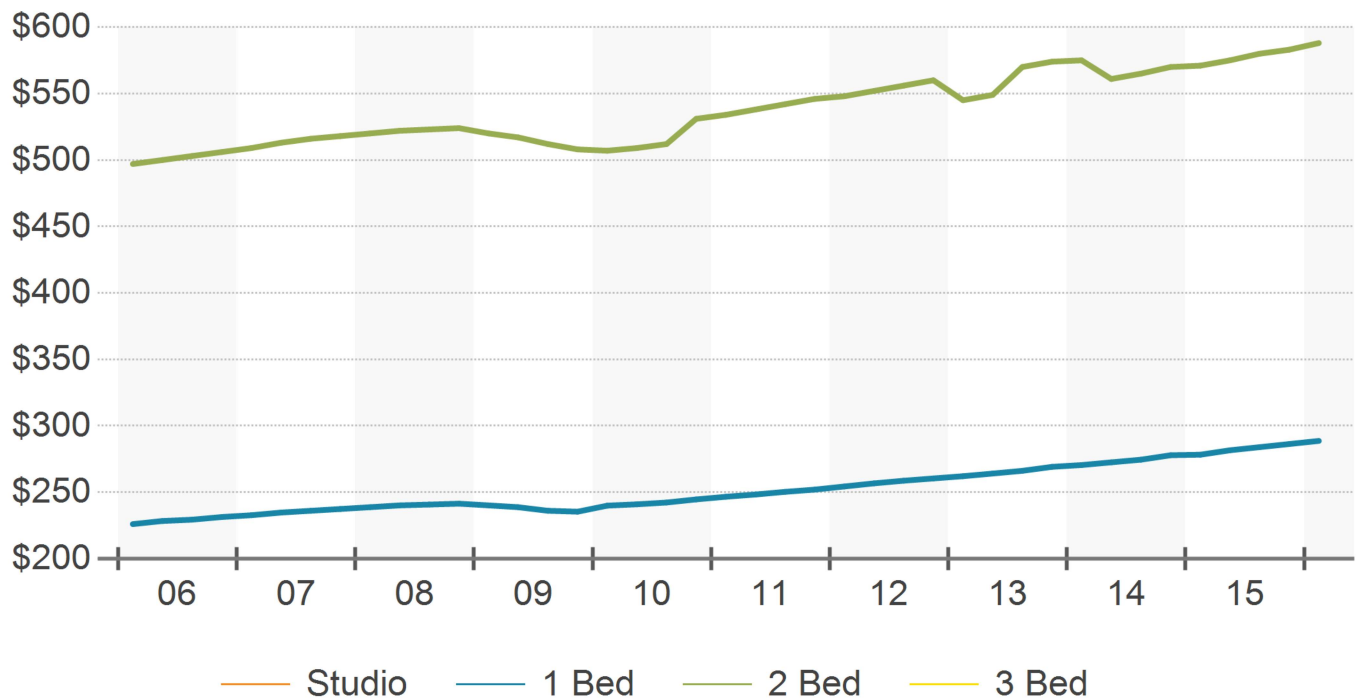
ASKING RENT PER SF BY BEDROOM



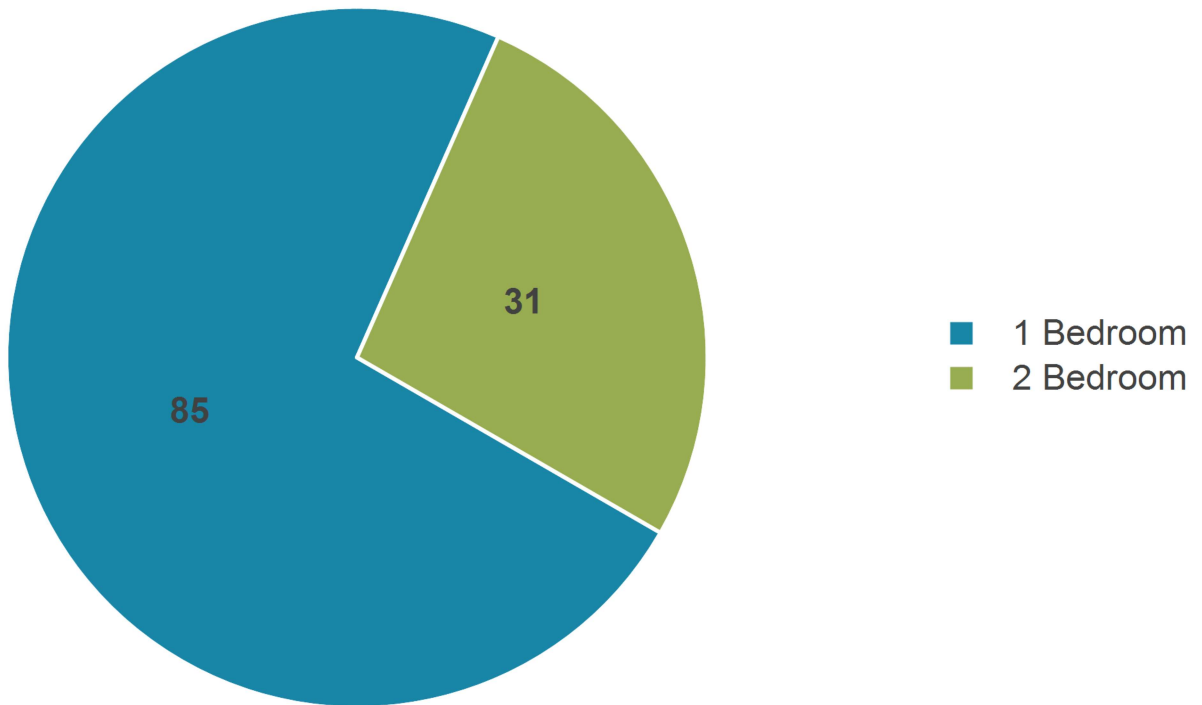
VACANCY BY UNIT MIX



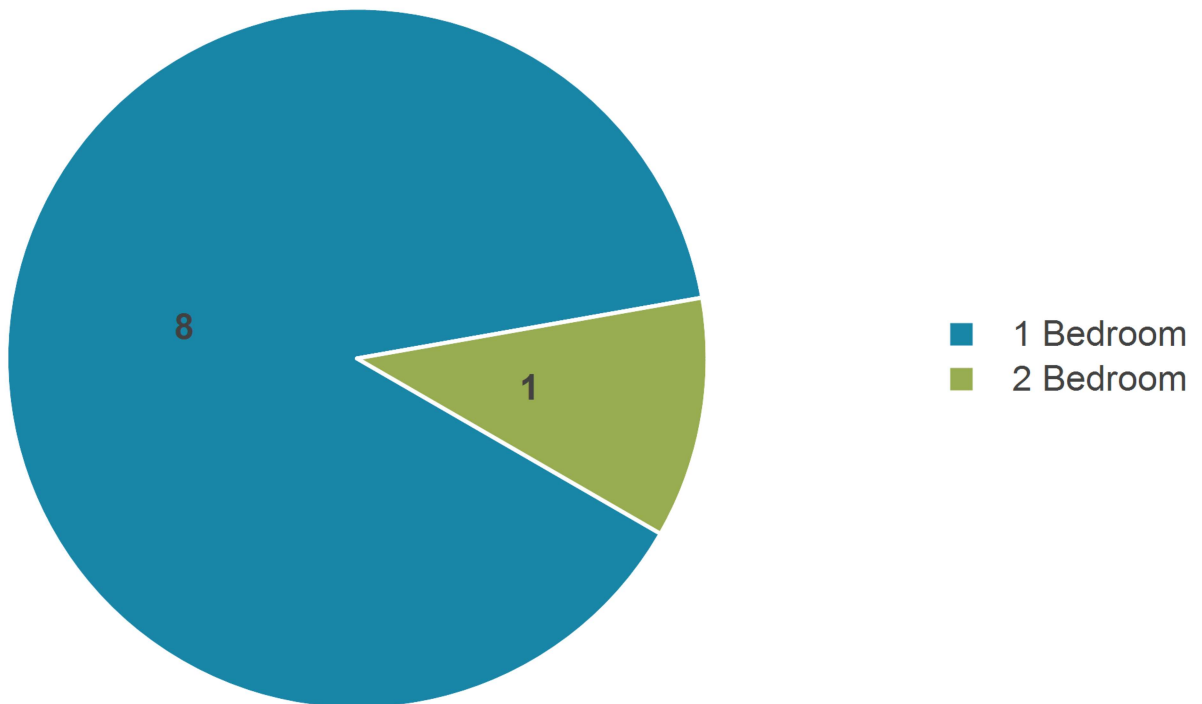
EFFECTIVE RENT PER UNIT BY BEDROOM



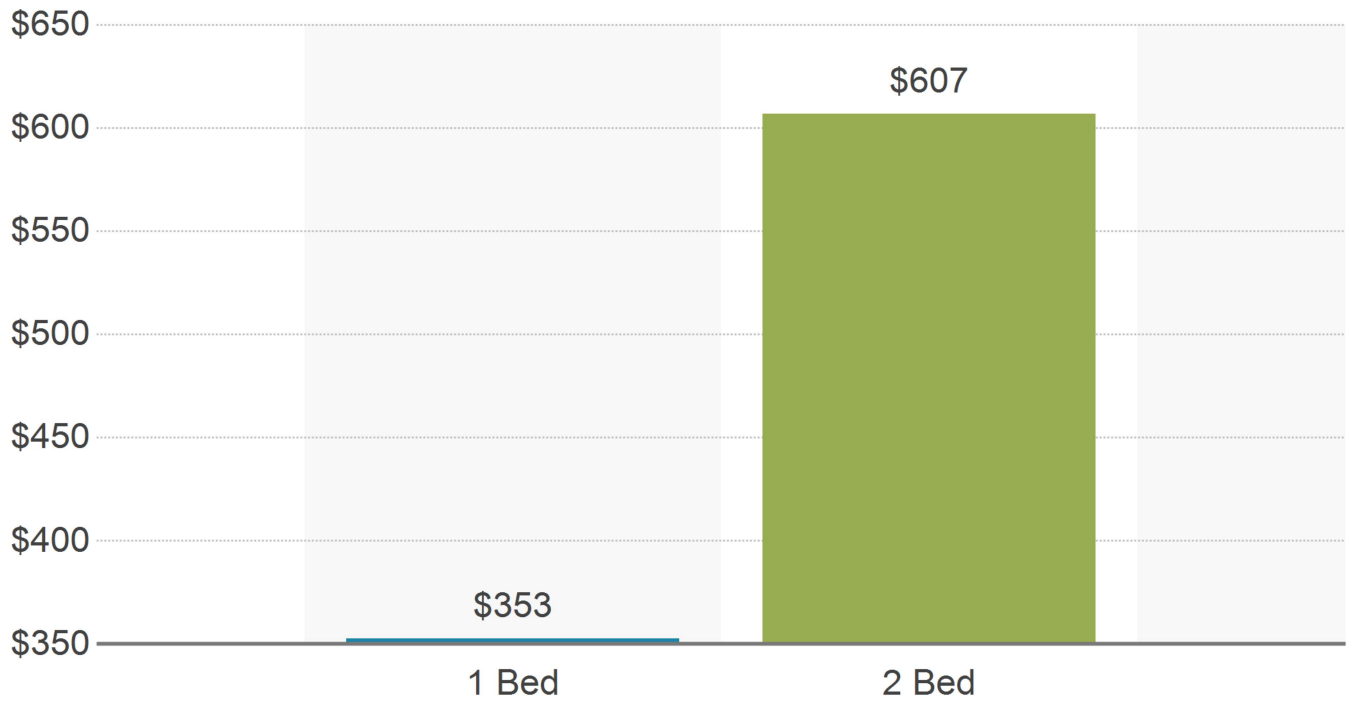
TOTAL UNITS BY BEDROOM



VACANT UNITS BY BEDROOM



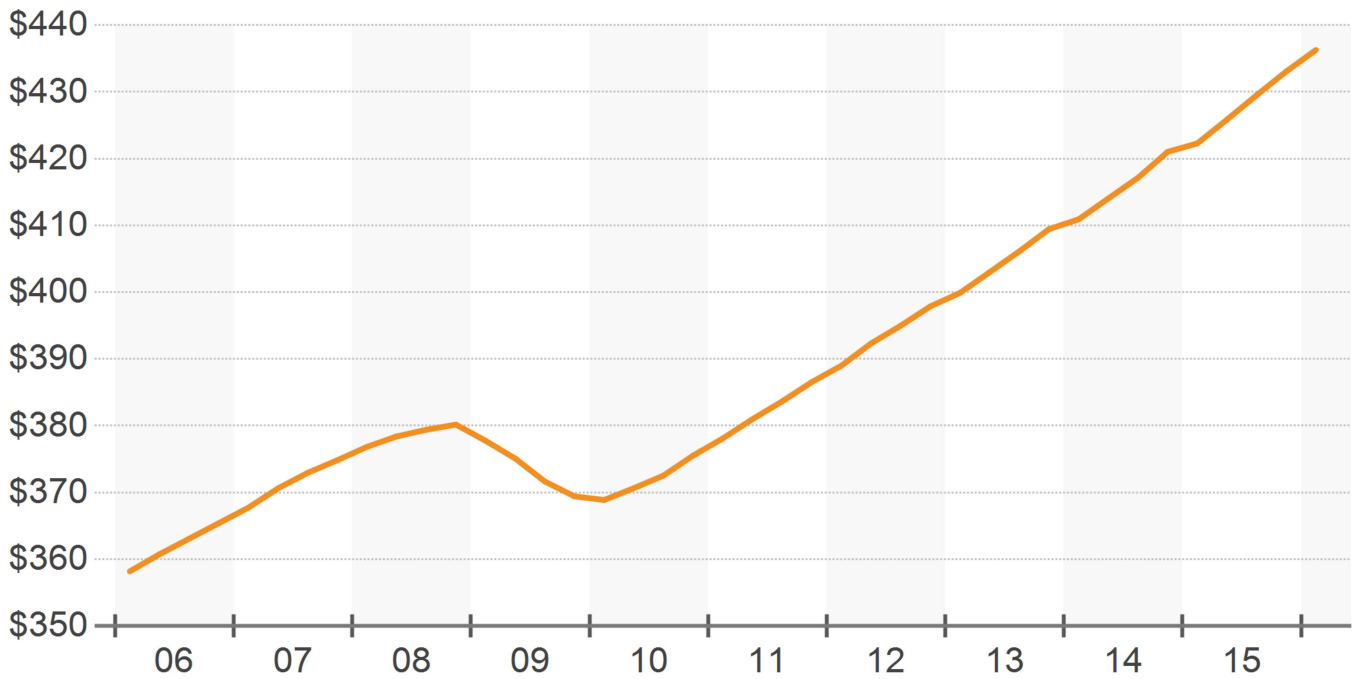
ASKING RENTS PER UNIT BY BEDROOM



NET ABSORPTION BY BEDROOM



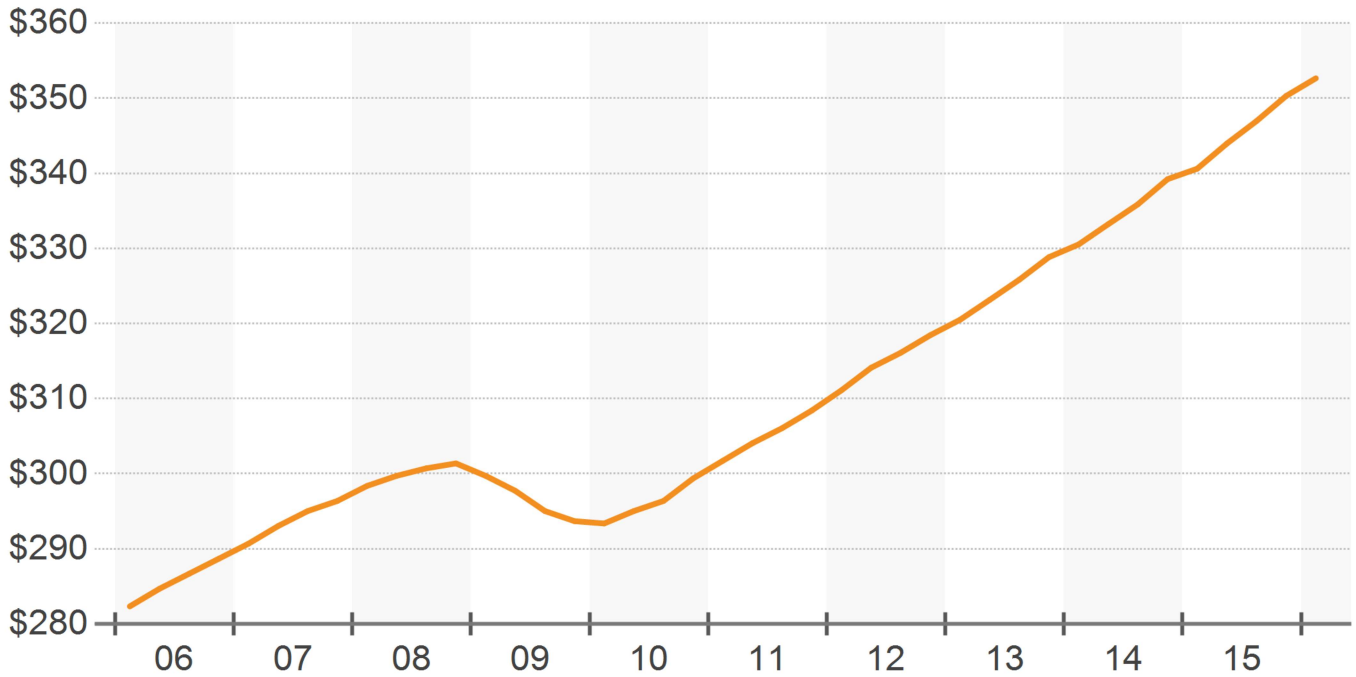
ASKING RENT PER UNIT



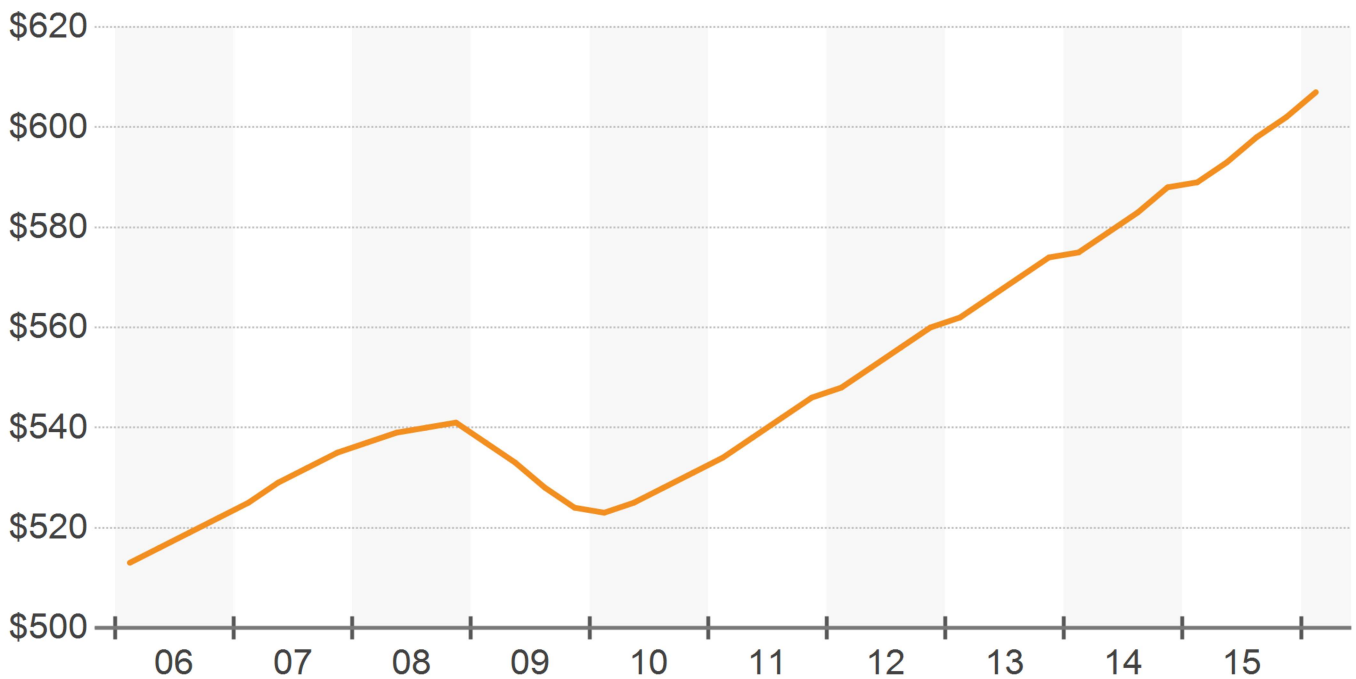
STUDIO ASKING RENT PER UNIT

No data available for the current selection

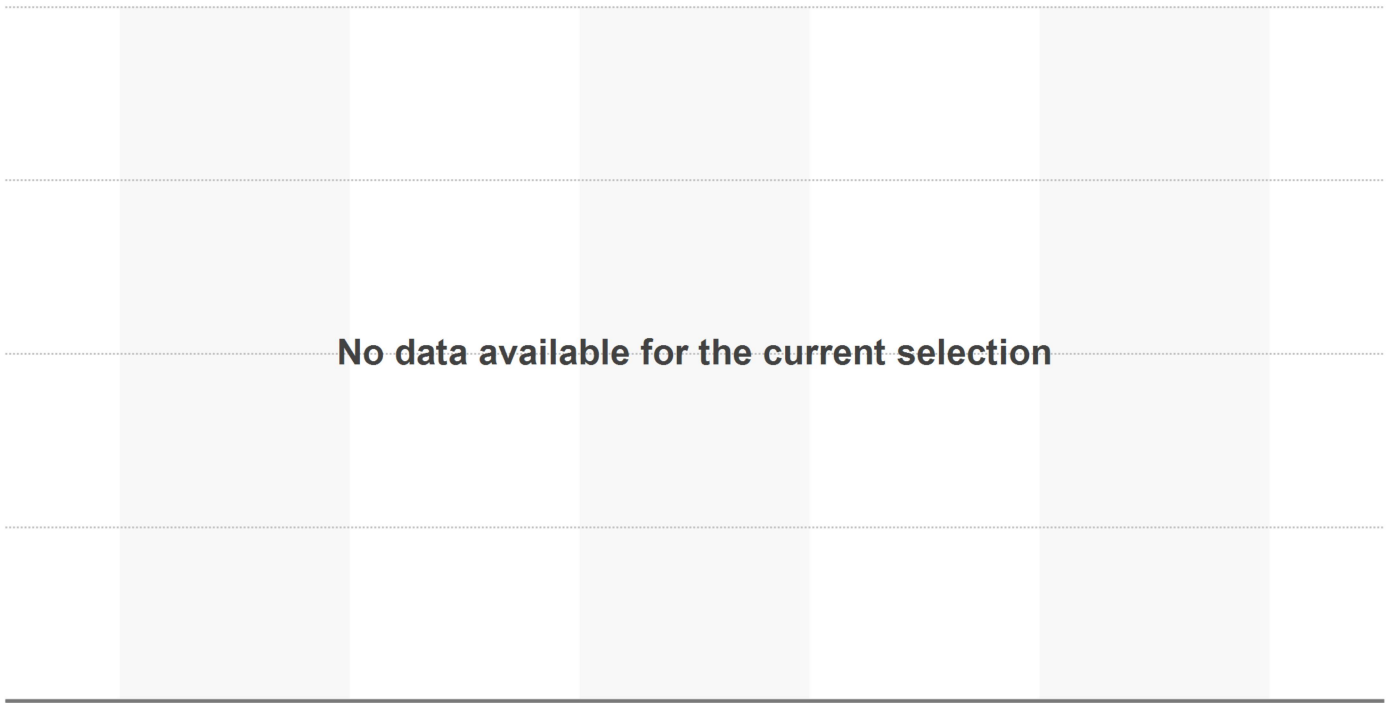
ONE BED ASKING RENT PER UNIT



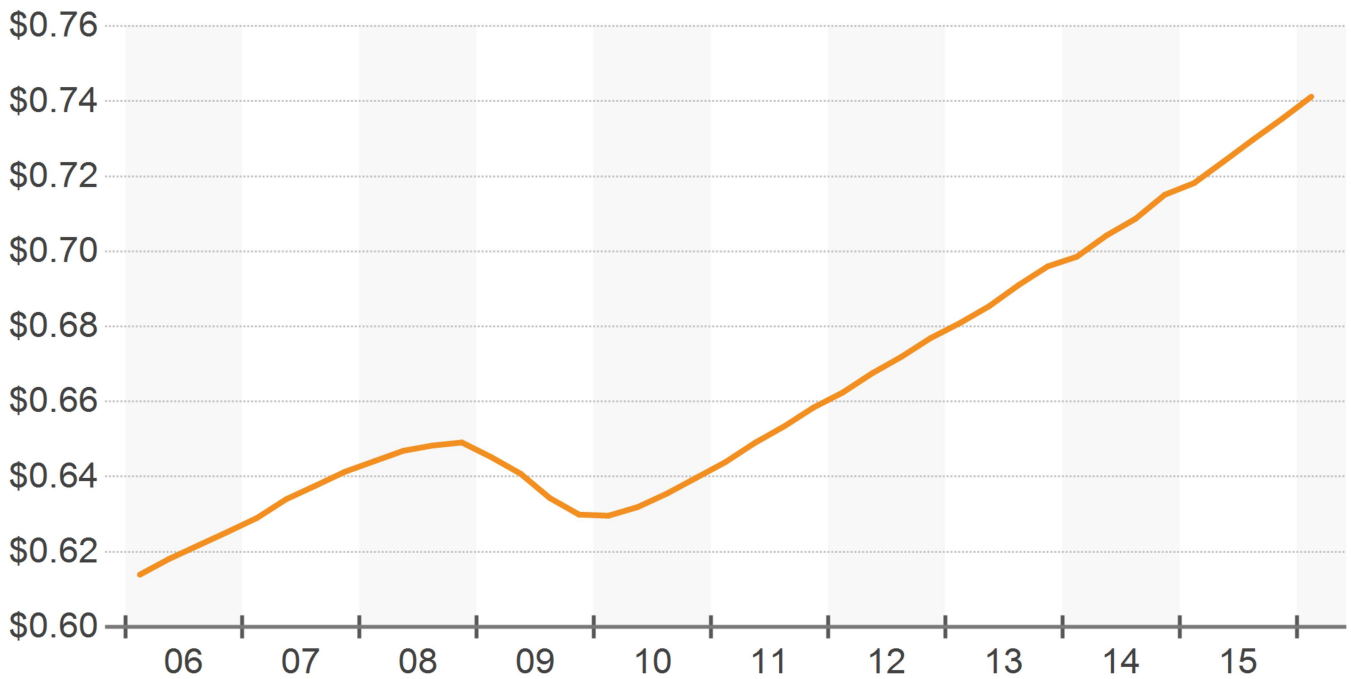
TWO BED ASKING RENT PER UNIT



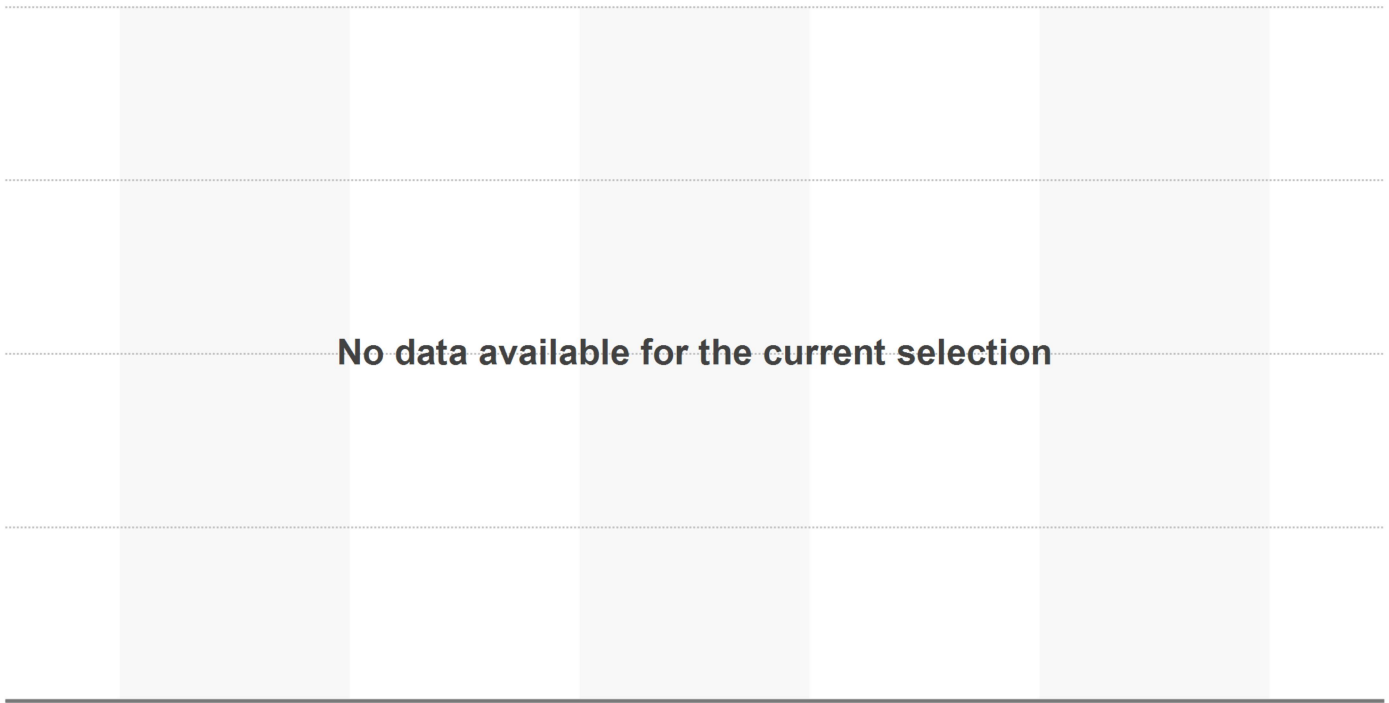
THREE BED ASKING RENT PER UNIT



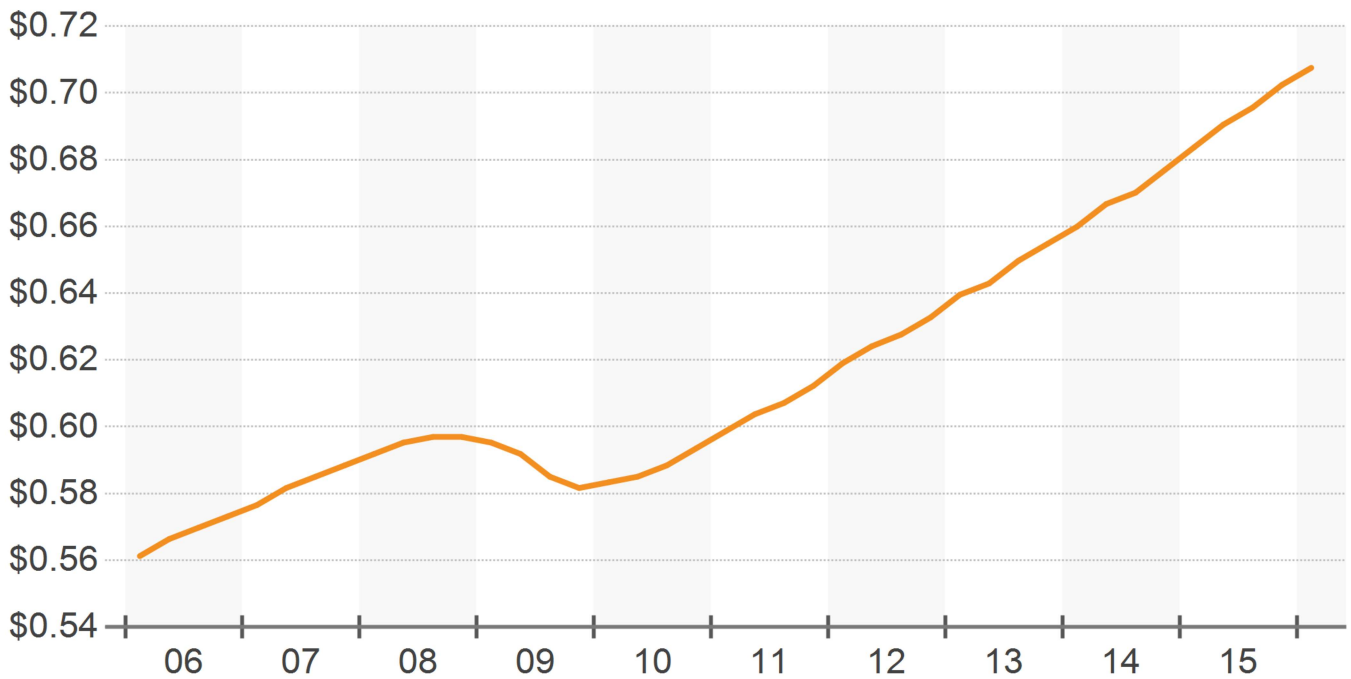
ASKING RENT PER SF



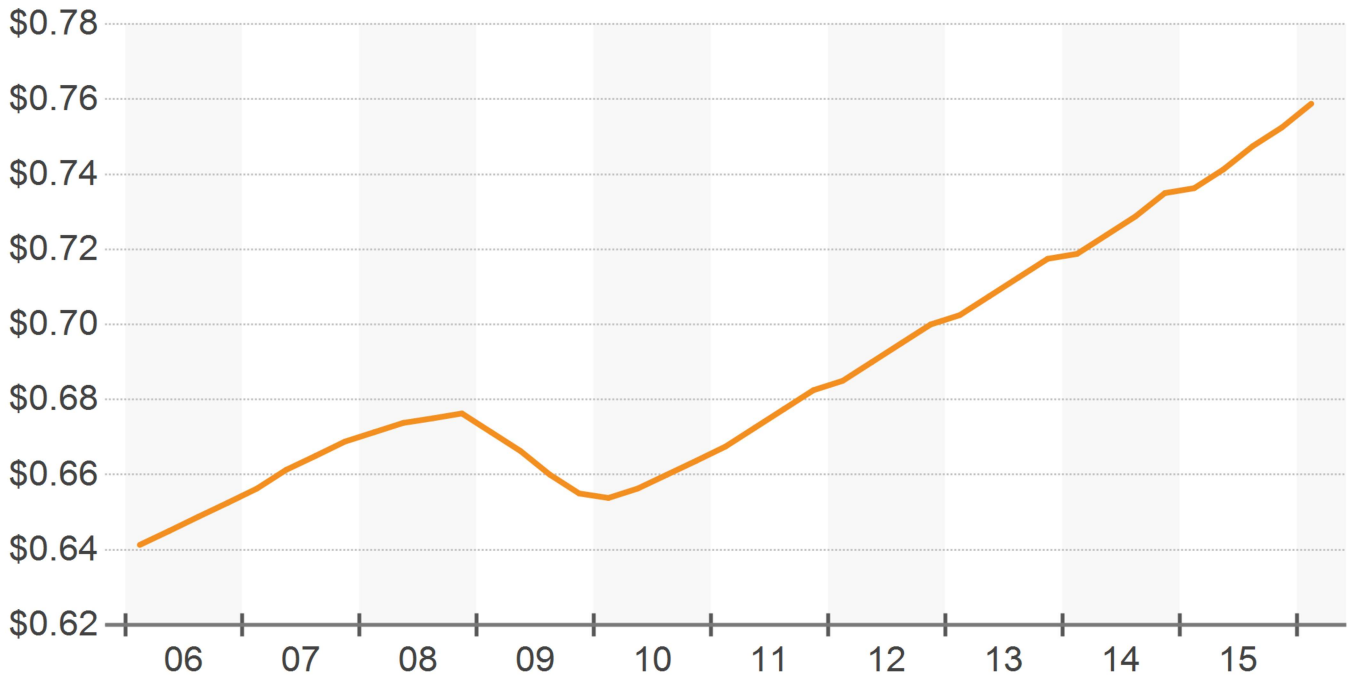
STUDIO ASKING RENT PER SF



ONE BED ASKING RENT PER SF



TWO BED ASKING RENT PER SF



THREE BED ASKING RENT PER SF

No data available for the current selection

EFFECTIVE RENT PER UNIT



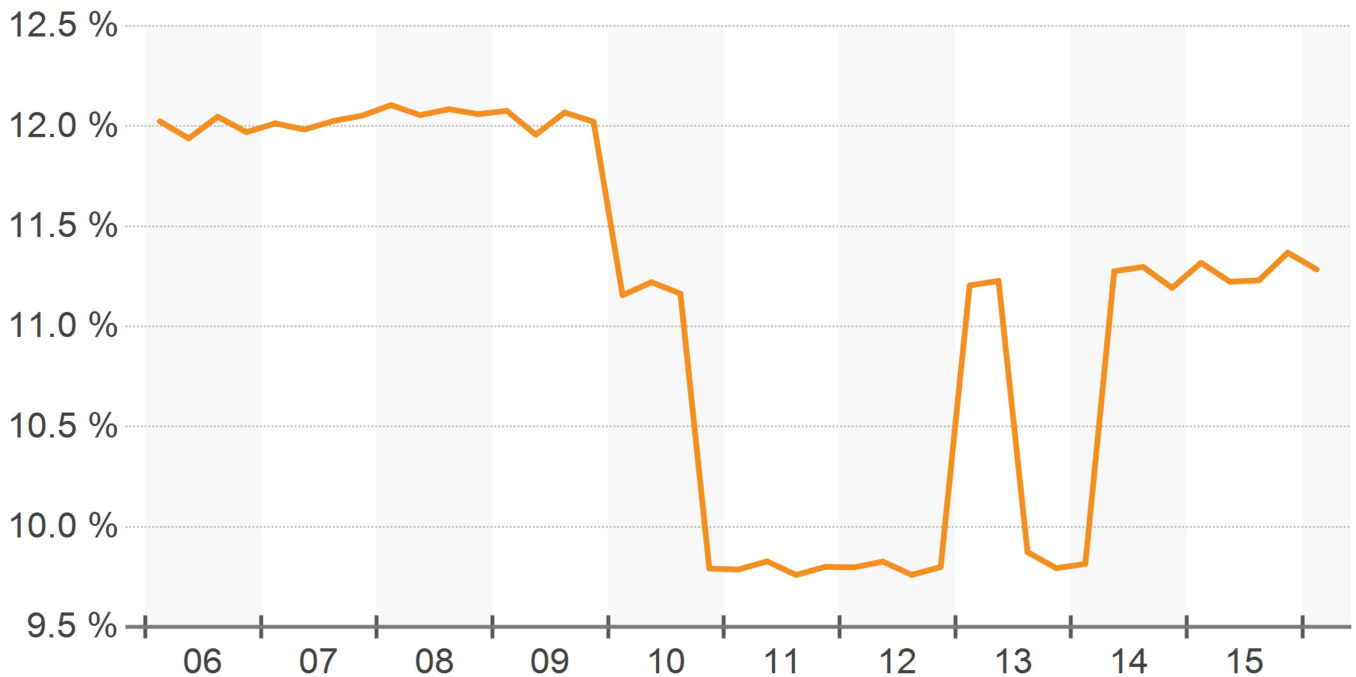
EFFECTIVE RENT GROWTH



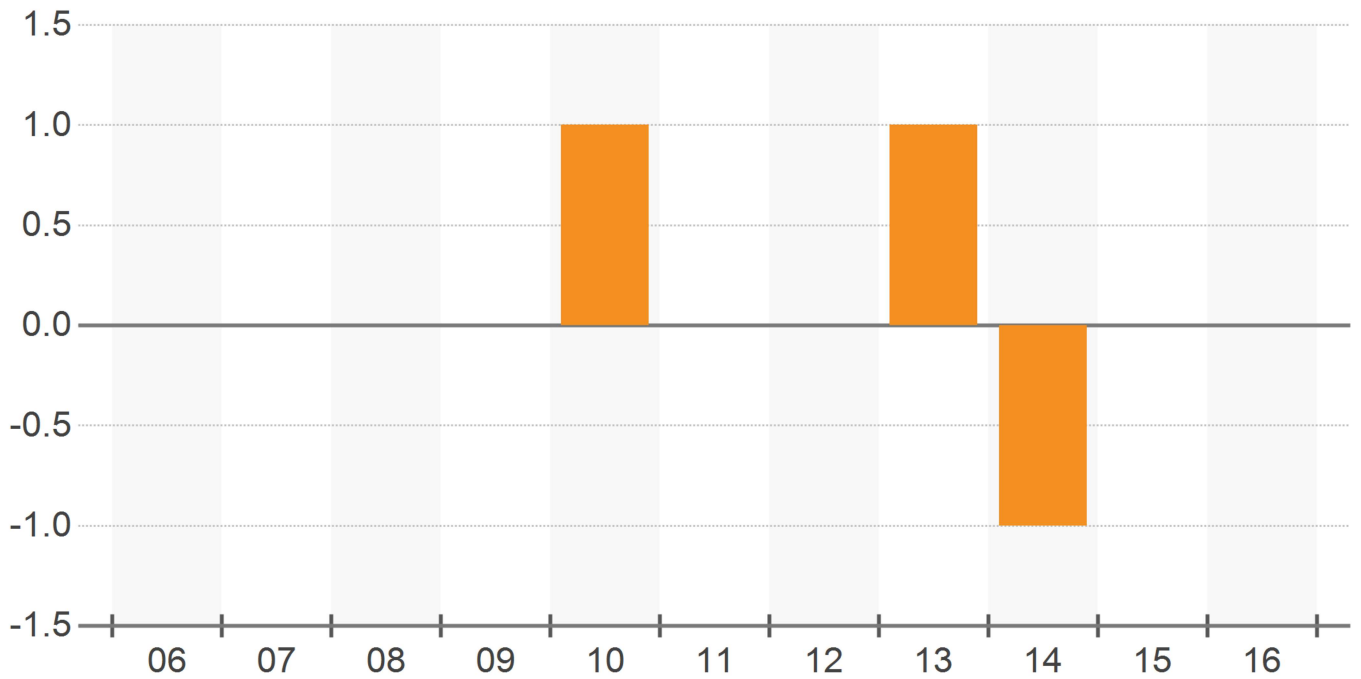
EFFECTIVE RENT PER SF



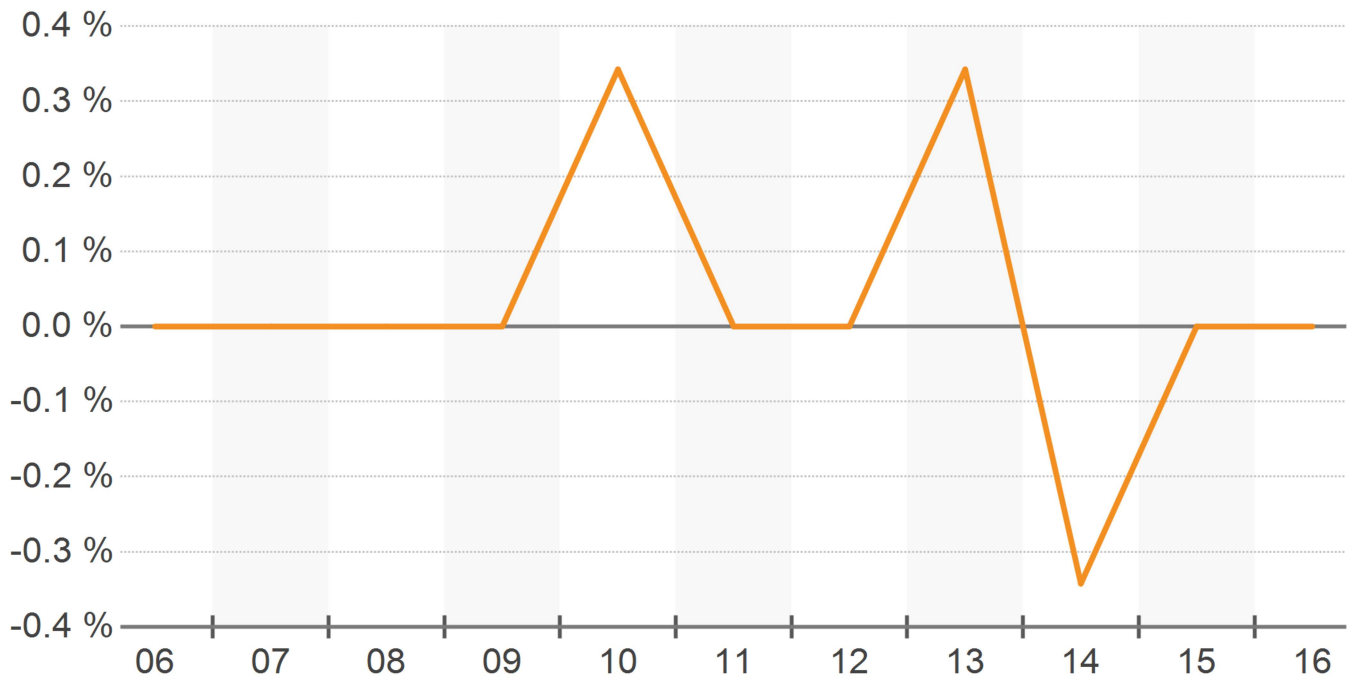
CONCESSION RATE



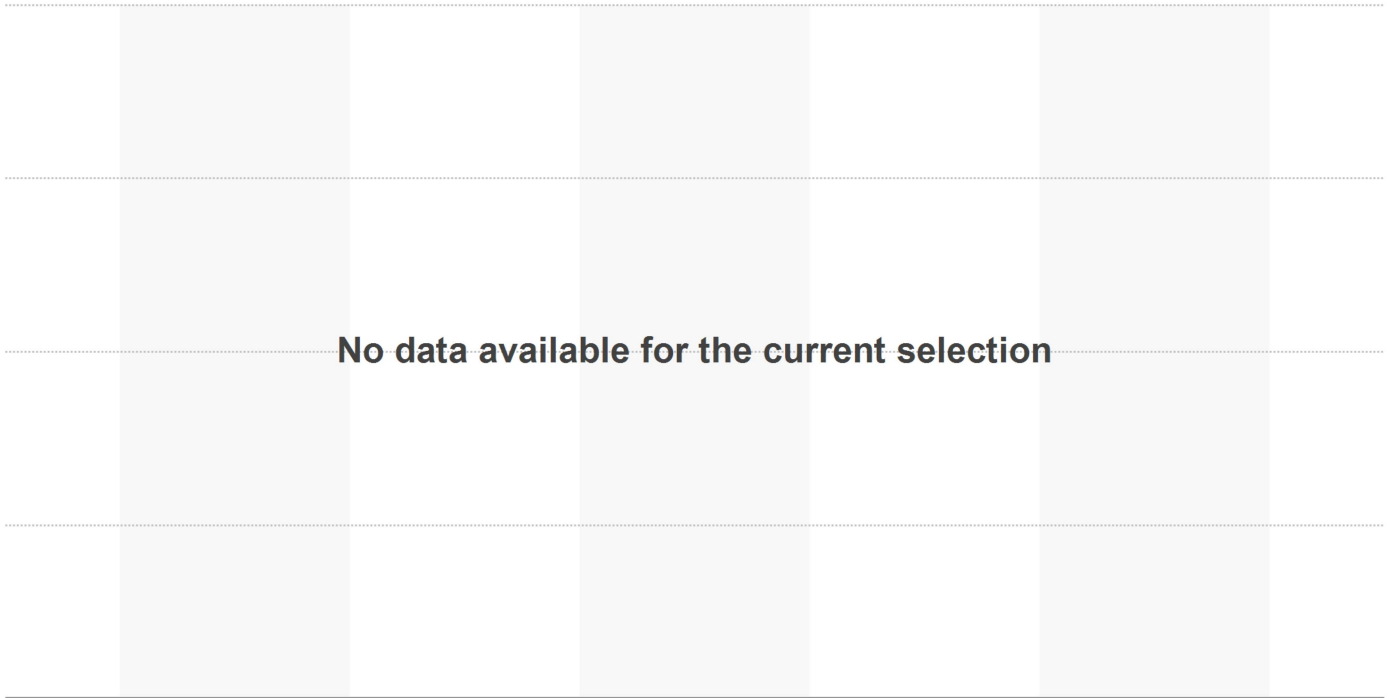
ABSORPTION UNITS



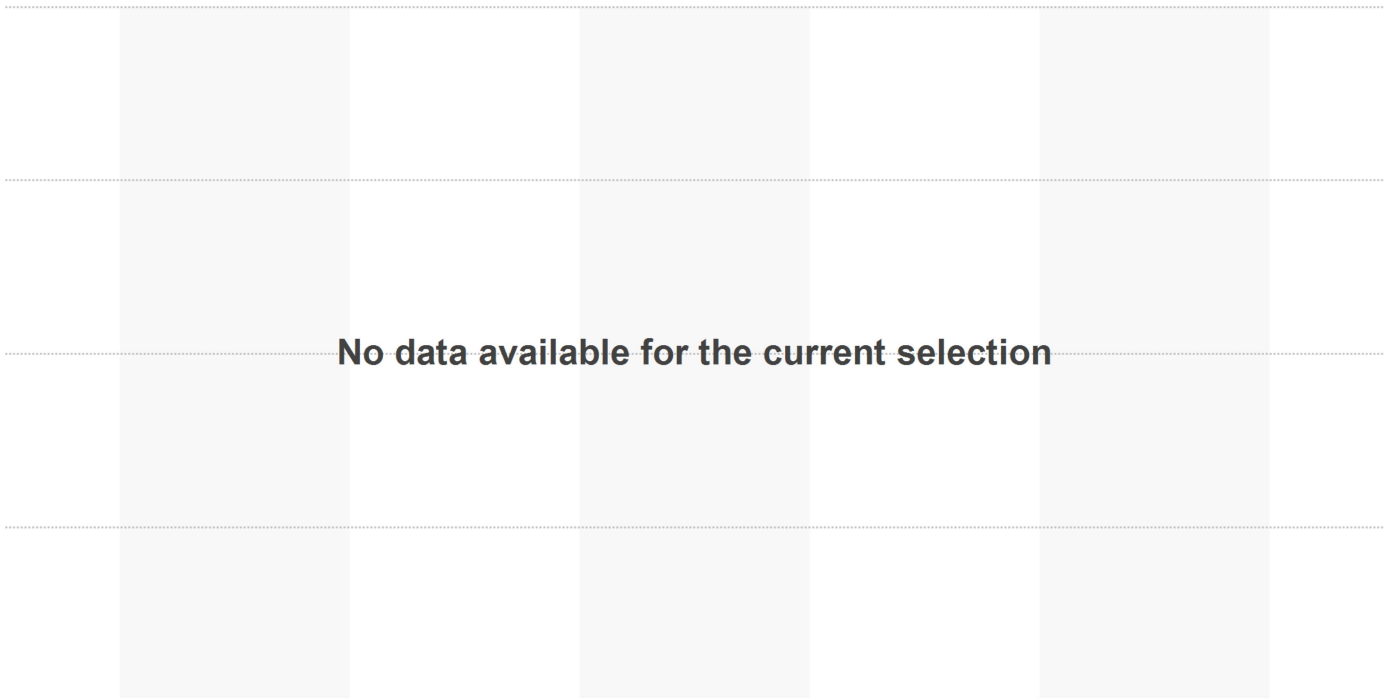
NET ABSORPTION AS % OF INVENTORY



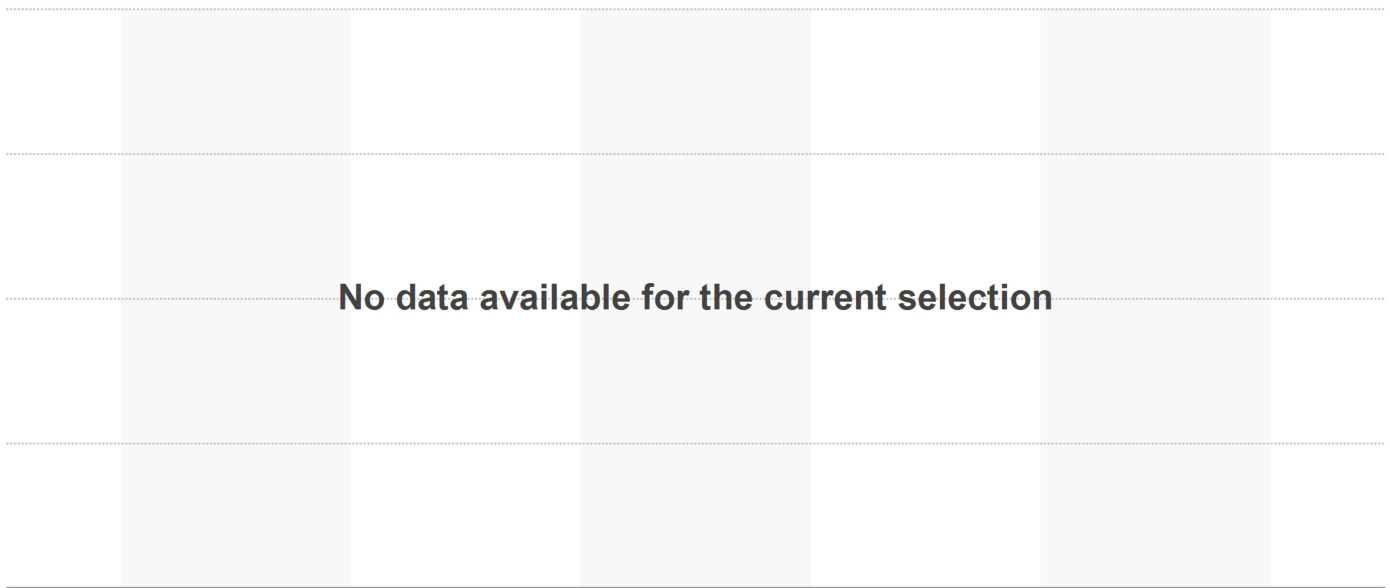
CONSTRUCTION STARTS IN UNITS



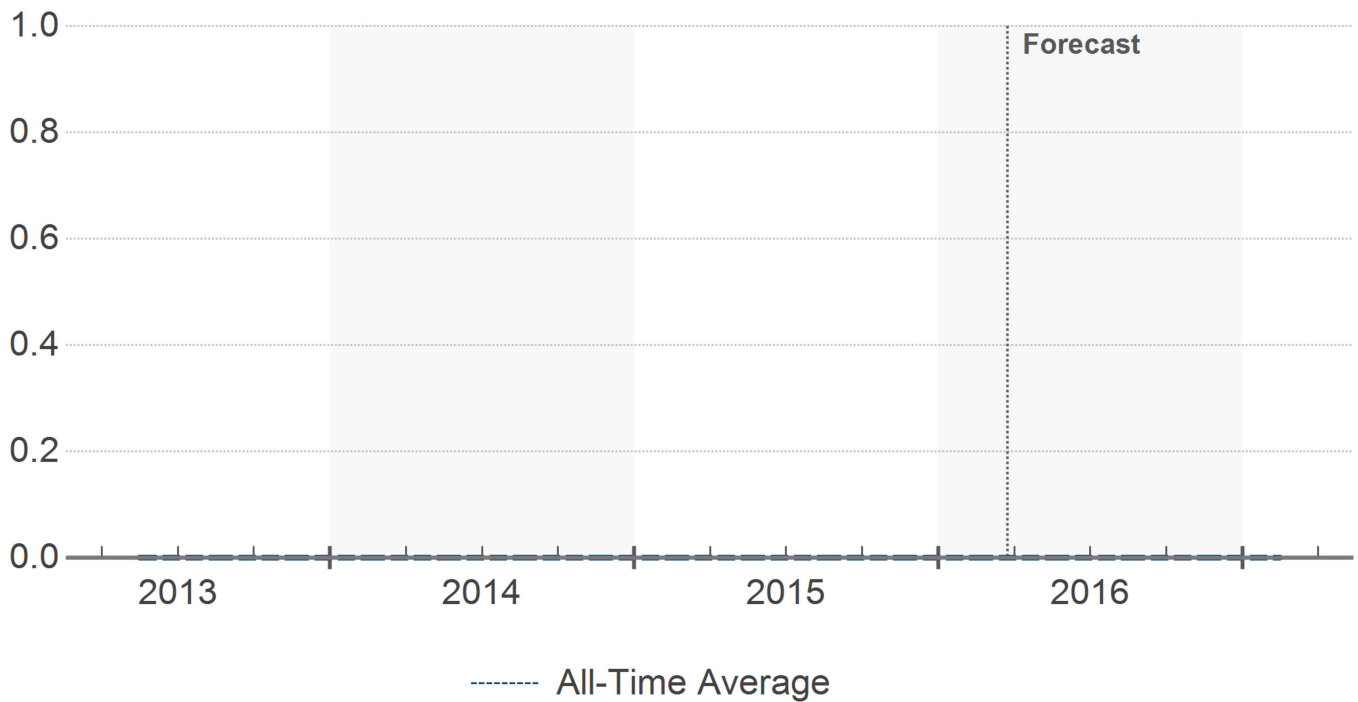
HISTORICAL DELIVERIES IN UNITS



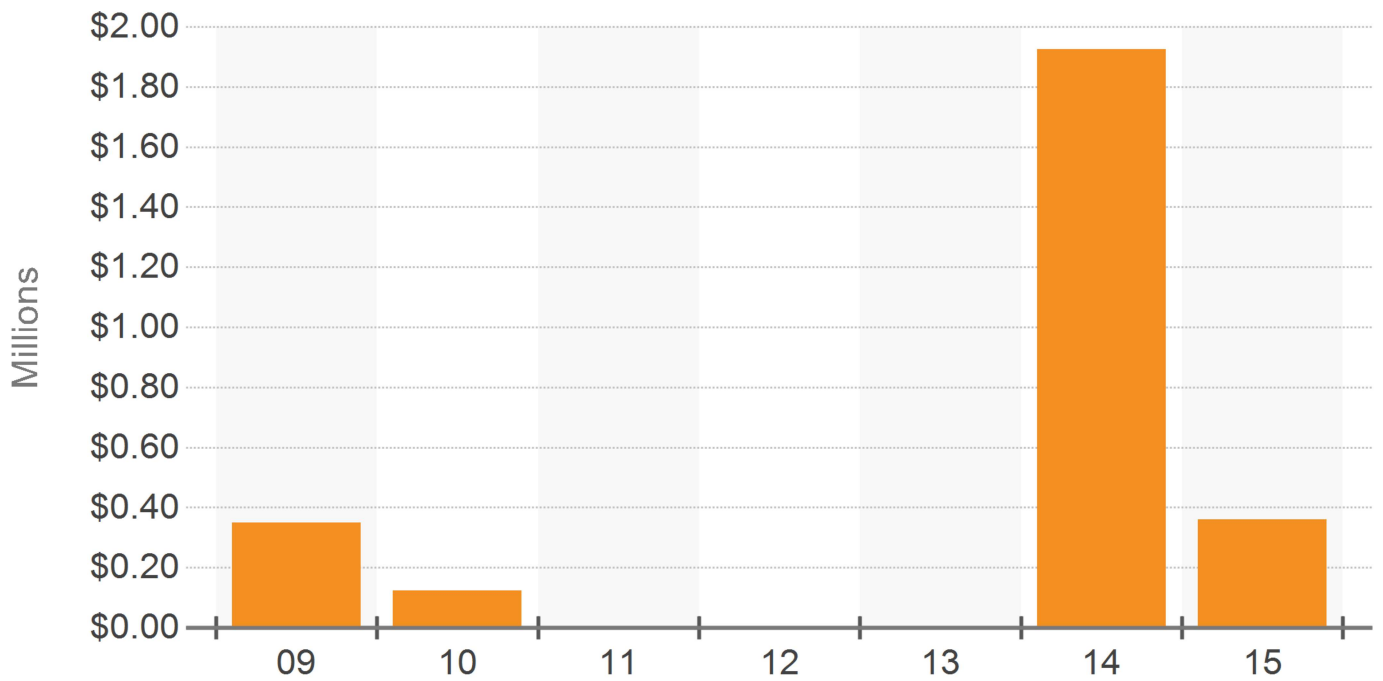
PAST & CURRENT CONSTRUCTION IN UNITS



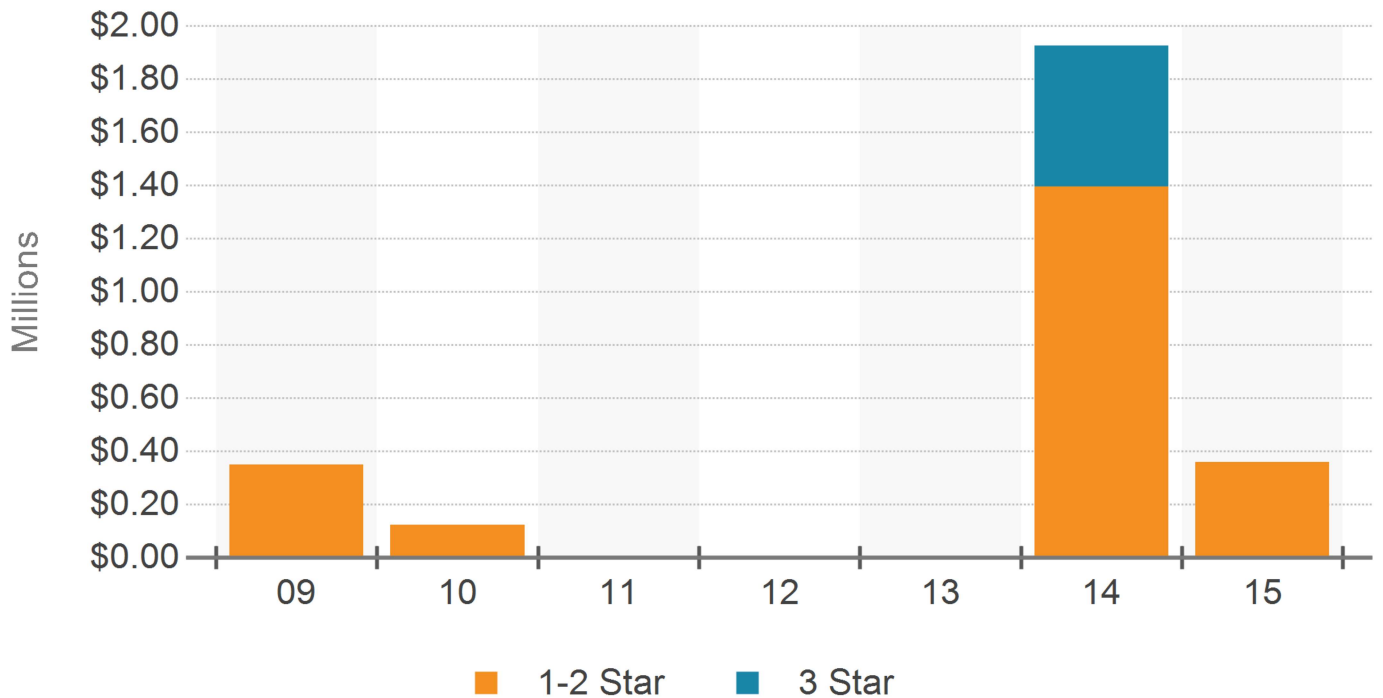
CONSTRUCTION UNITS BY STATUS



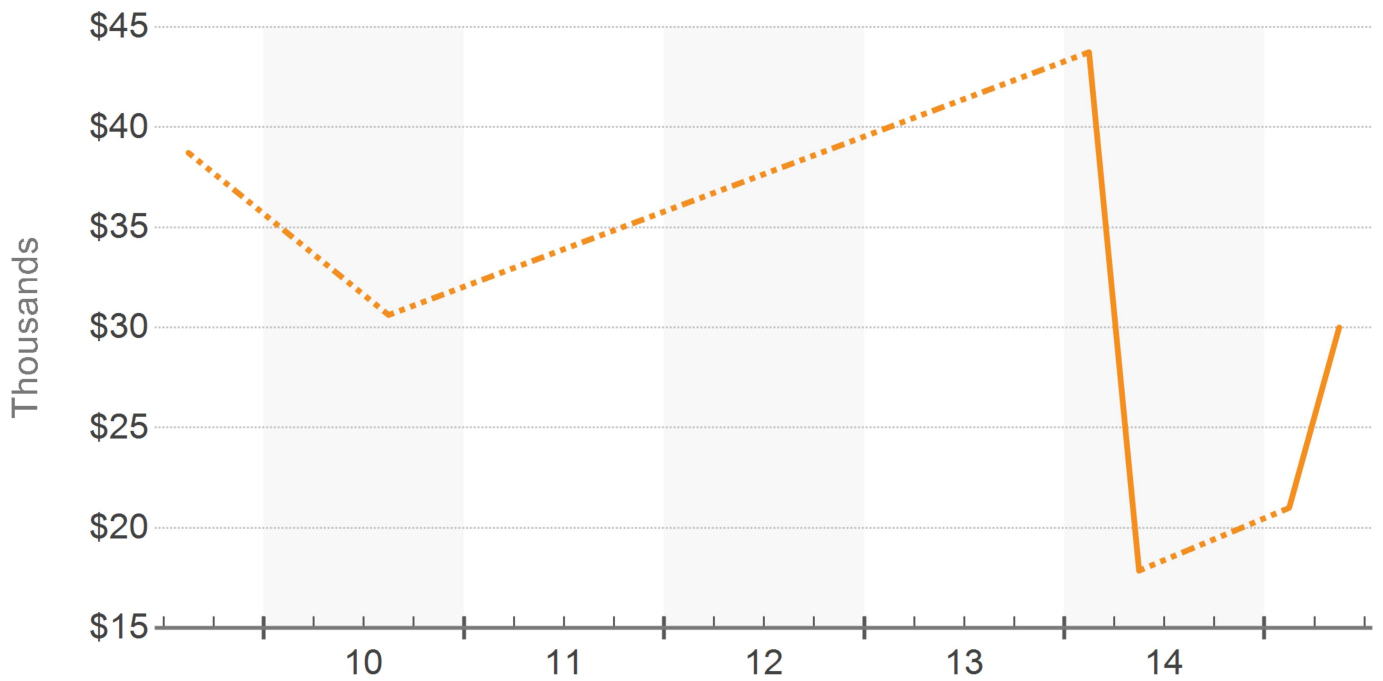
SALES VOLUME



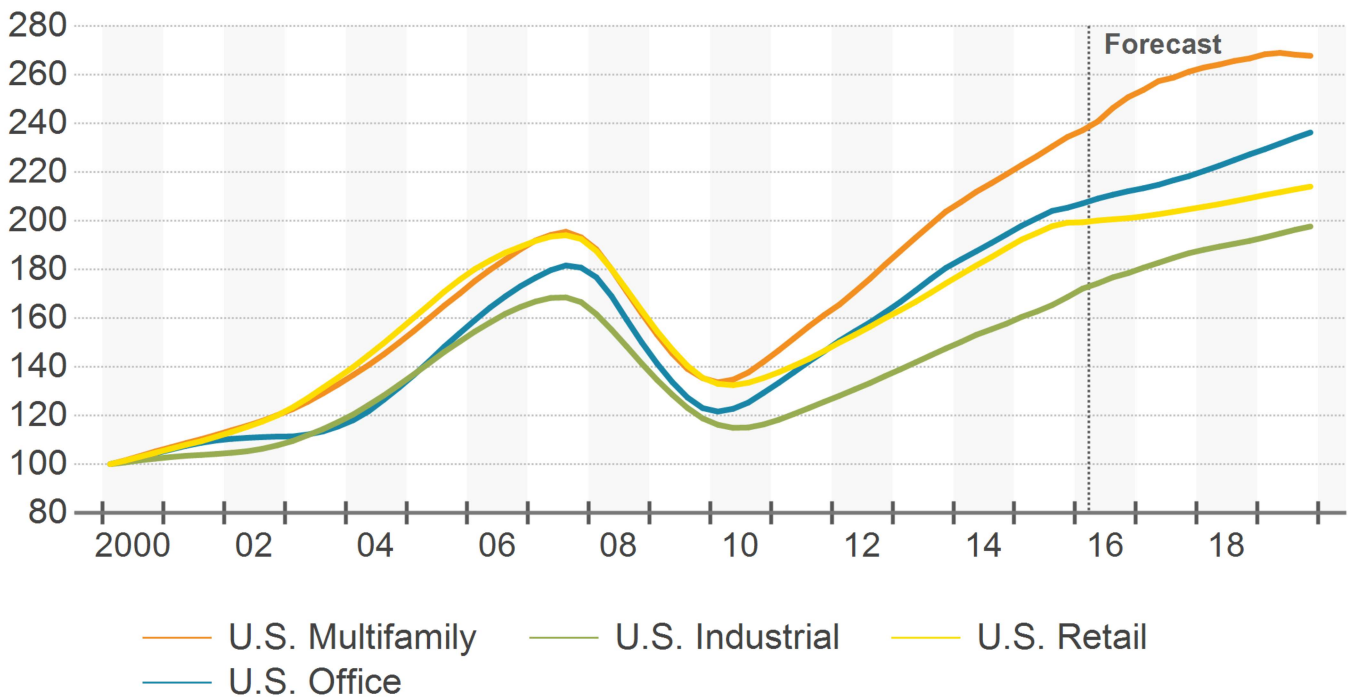
SALES VOLUME BY STAR RATING



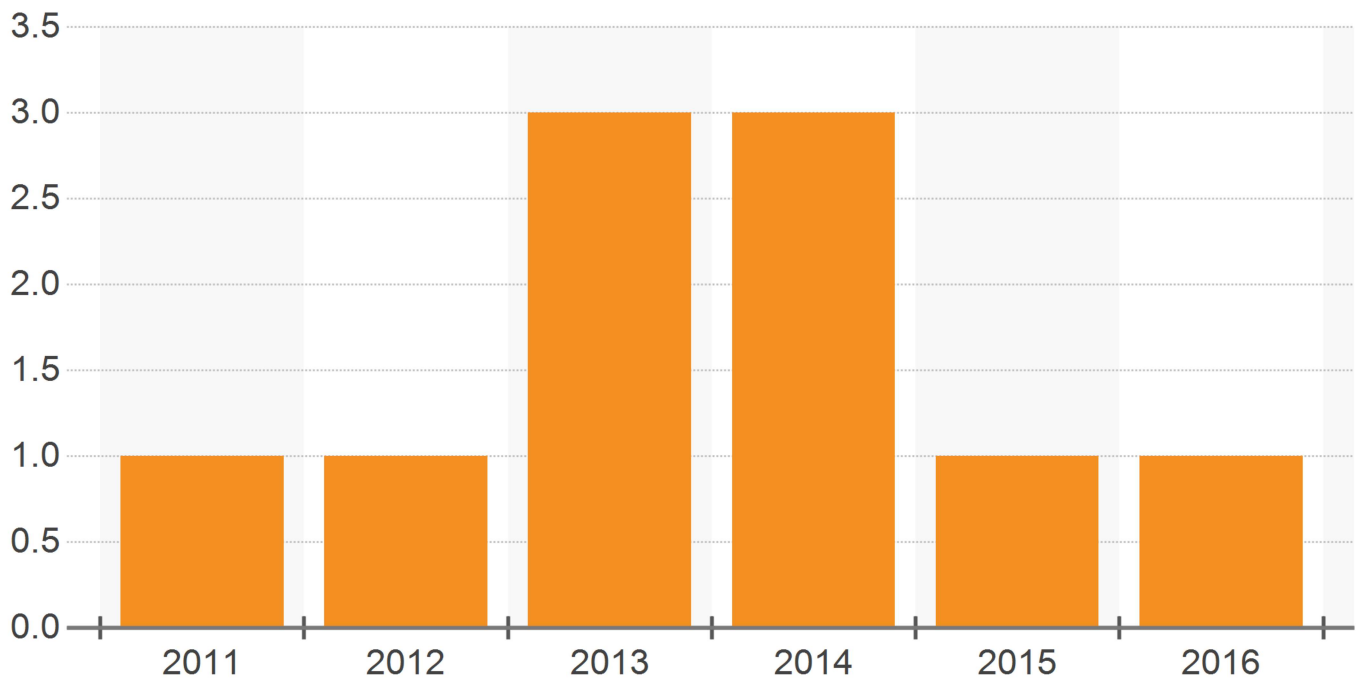
AVERAGE SALE PRICE PER UNIT



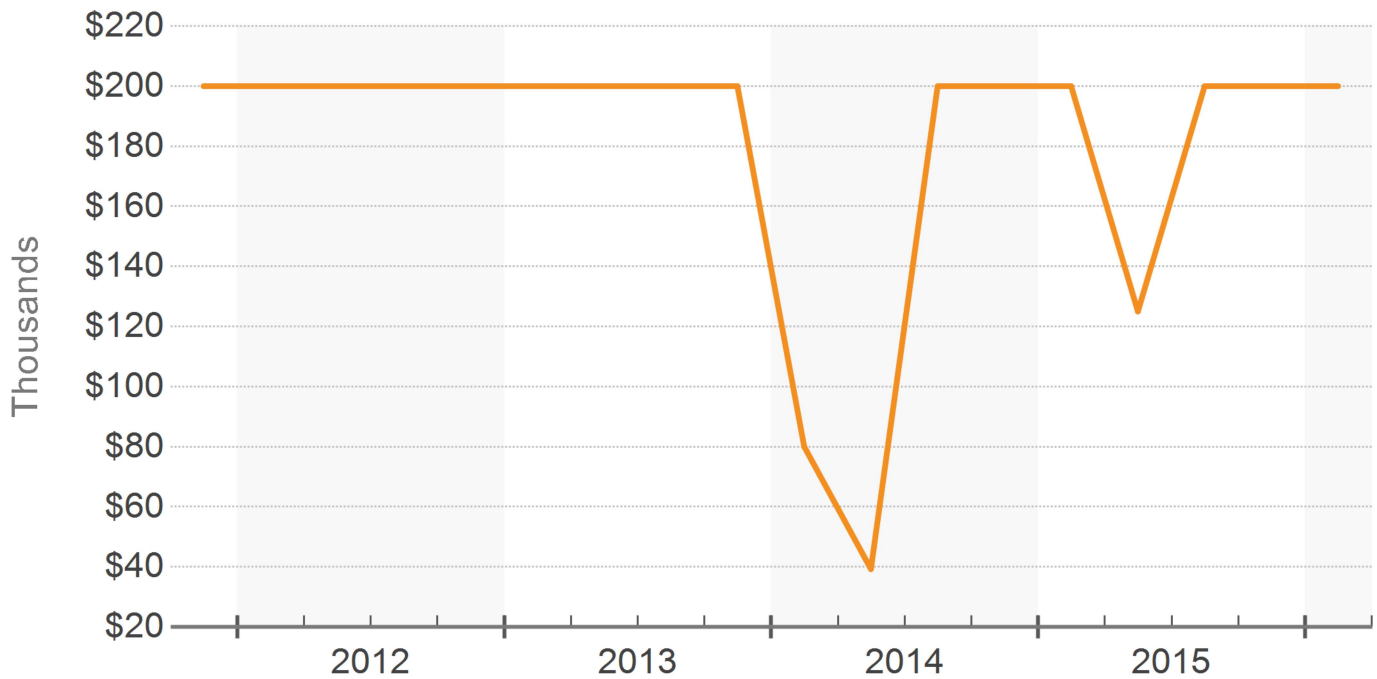
NATIONAL PRICE INDICES



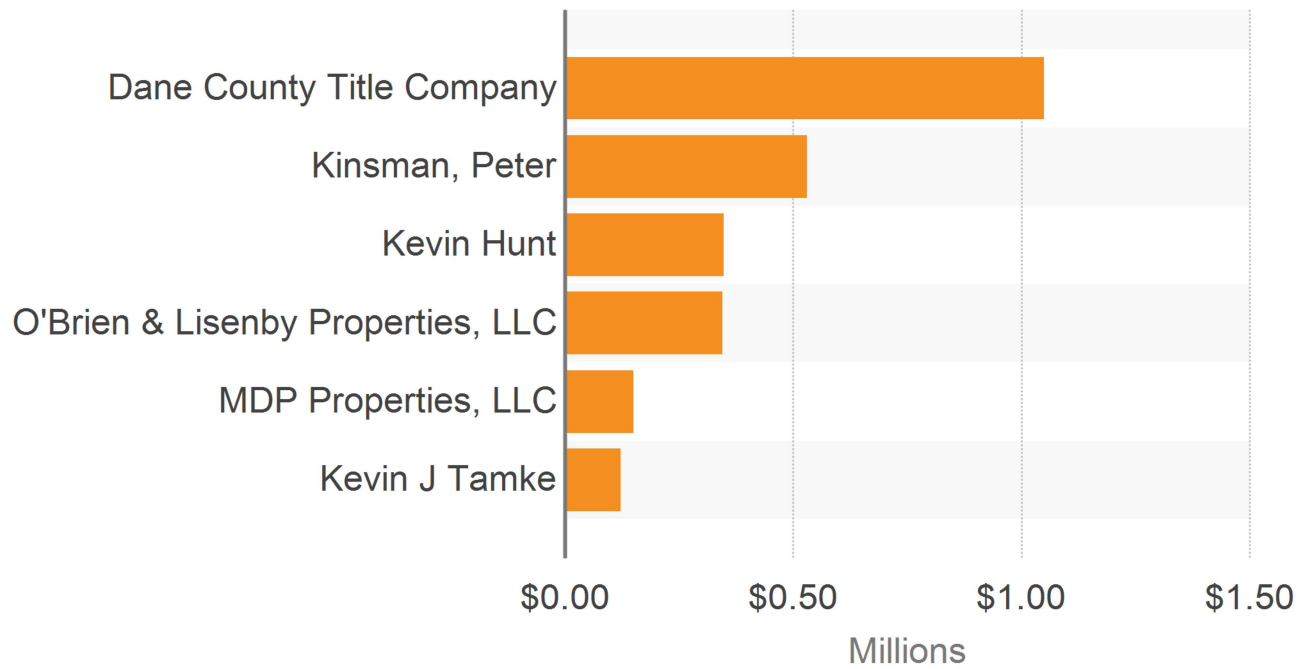
FOR SALE TOTAL LISTINGS



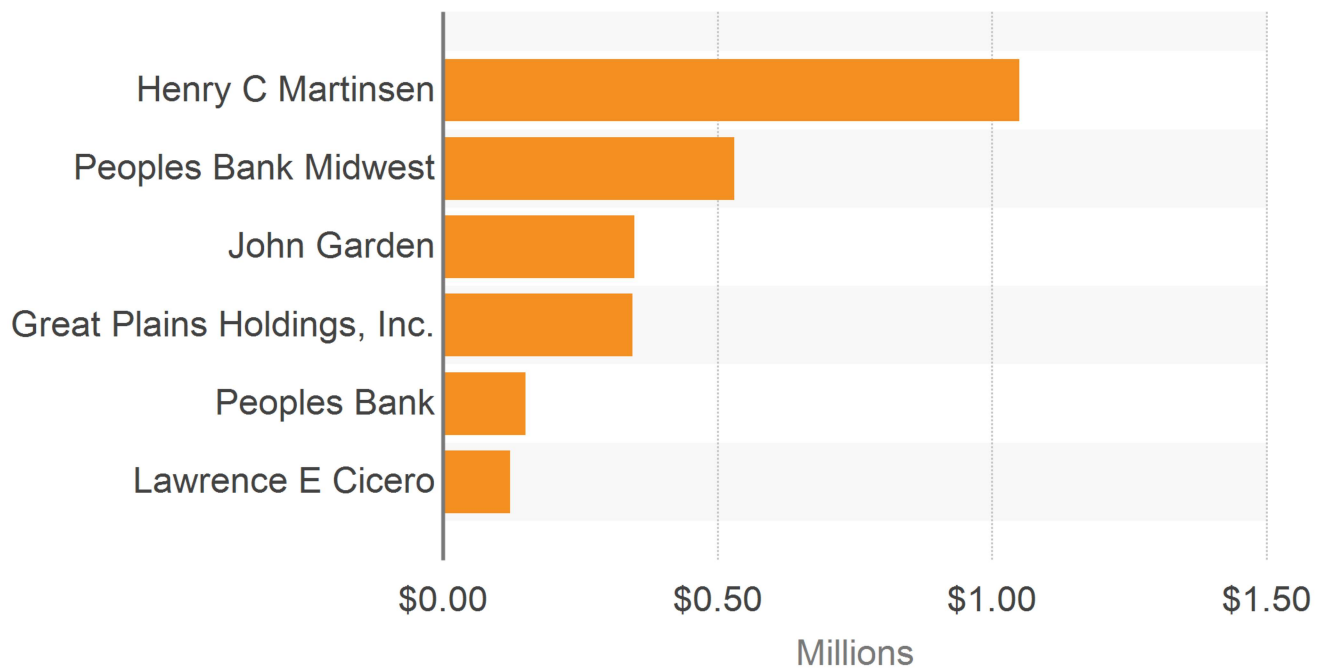
ASKING PRICE PER UNIT



TOP BUYERS



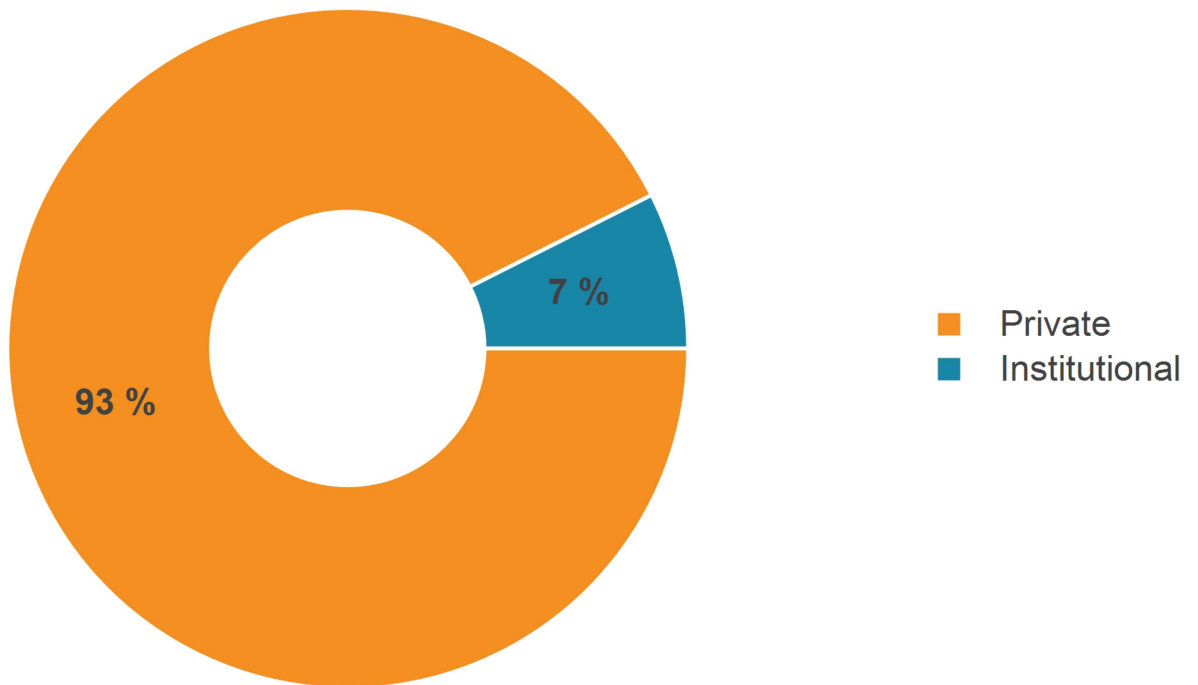
TOP SELLERS



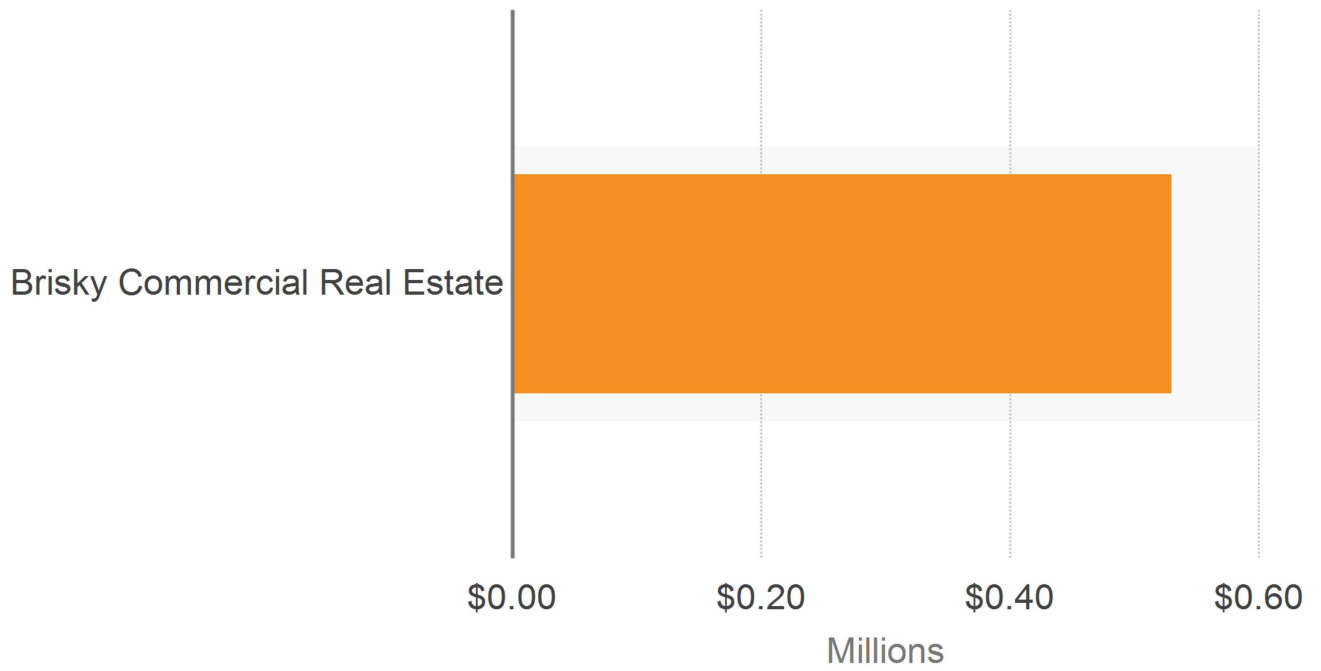
SALES VOLUME BY BUYER TYPE



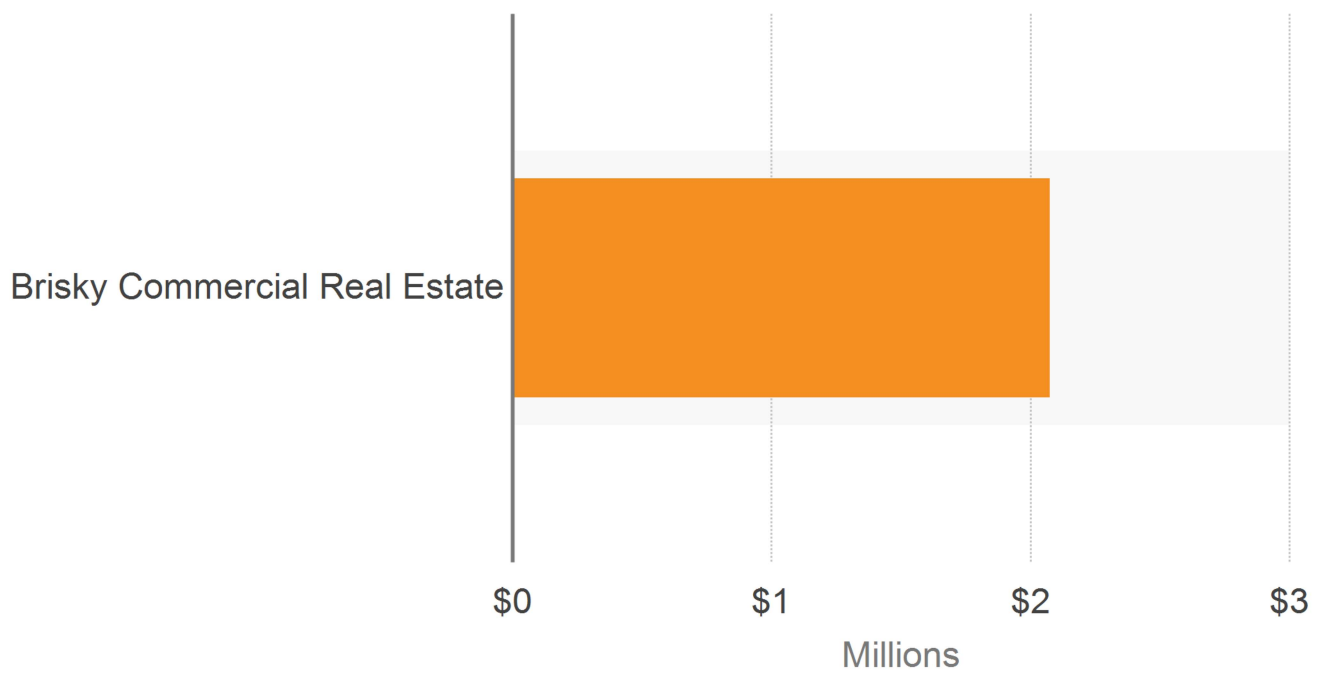
SALES VOLUME BY SELLER TYPE



TOP BUYER BROKERS



TOP SELLER BROKERS



DP05: ACS DEMOGRAPHIC AND HOUSING ESTIMATES
2009-2013 American Community Survey 5-Year Estimates

Subject	Washburn city, Wisconsin			
	Estimate	Margin of	Percent	Percent
SEX AND AGE				
Total population	2,193	+/-200	2,193	(X)
Male	1,147	+/-117	52.3%	+/-2.8
Female	1,046	+/-117	47.7%	+/-2.8
Under 5 years	85	+/-35	3.9%	+/-1.6
5 to 9 years	139	+/-46	6.3%	+/-1.9
10 to 14 years	167	+/-74	7.6%	+/-3.0
15 to 19 years	100	+/-31	4.6%	+/-1.5
20 to 24 years	99	+/-35	4.5%	+/-1.6
25 to 34 years	251	+/-62	11.4%	+/-2.7
35 to 44 years	259	+/-83	11.8%	+/-3.2
45 to 54 years	353	+/-66	16.1%	+/-3.0
55 to 59 years	175	+/-48	8.0%	+/-2.2
60 to 64 years	156	+/-52	7.1%	+/-2.4
65 to 74 years	199	+/-63	9.1%	+/-2.9
75 to 84 years	139	+/-40	6.3%	+/-1.9
85 years and over	71	+/-40	3.2%	+/-1.9
Median age (years)	44.9	+/-5.1	(X)	(X)
18 years and over	1,755	+/-140	80.0%	+/-3.5
21 years and over	1,678	+/-147	76.5%	+/-3.8
62 years and over	508	+/-98	23.2%	+/-4.6
65 years and over	409	+/-91	18.7%	+/-4.3
18 years and over	1,755	+/-140	1,755	(X)
Male	914	+/-93	52.1%	+/-3.0
Female	841	+/-82	47.9%	+/-3.0
65 years and over	409	+/-91	409	(X)
Male	196	+/-55	47.9%	+/-7.4
Female	213	+/-53	52.1%	+/-7.4
RACE				
Total population	2,193	+/-200	2,193	(X)
One race	2,152	+/-196	98.1%	+/-1.5
Two or more races	41	+/-34	1.9%	+/-1.5
One race	2,152	+/-196	98.1%	+/-1.5
White	2,013	+/-190	91.8%	+/-2.4
Black or African American	12	+/-11	0.5%	+/-0.5
American Indian and Alaska Native	112	+/-52	5.1%	+/-2.3
Cherokee tribal grouping	0	+/-9	0.0%	+/-0.9
Chippewa tribal grouping	101	+/-49	4.6%	+/-2.2
Navajo tribal grouping	0	+/-9	0.0%	+/-0.9
Sioux tribal grouping	0	+/-9	0.0%	+/-0.9
Asian	7	+/-8	0.3%	+/-0.3
Asian Indian	7	+/-8	0.3%	+/-0.3
Chinese	0	+/-9	0.0%	+/-0.9

Filipino	0	+/-9	0.0%	+/-0.9
Japanese	0	+/-9	0.0%	+/-0.9
Korean	0	+/-9	0.0%	+/-0.9
Vietnamese	0	+/-9	0.0%	+/-0.9
Other Asian	0	+/-9	0.0%	+/-0.9
Native Hawaiian and Other Pacific	0	+/-9	0.0%	+/-0.9
Native Hawaiian	0	+/-9	0.0%	+/-0.9
Guamanian or Chamorro	0	+/-9	0.0%	+/-0.9
Samoan	0	+/-9	0.0%	+/-0.9
Other Pacific Islander	0	+/-9	0.0%	+/-0.9
Some other race	8	+/-10	0.4%	+/-0.5
Two or more races	41	+/-34	1.9%	+/-1.5
White and Black or African American	23	+/-23	1.0%	+/-1.0
White and American Indian and	5	+/-7	0.2%	+/-0.3
White and Asian	1	+/-3	0.0%	+/-0.1
Black or African American and	0	+/-9	0.0%	+/-0.9
Race alone or in combination with one or				
Total population	2,193	+/-200	2,193	(X)
White	2,054	+/-195	93.7%	+/-2.3
Black or African American	47	+/-32	2.1%	+/-1.5
American Indian and Alaska Native	129	+/-54	5.9%	+/-2.4
Asian	8	+/-8	0.4%	+/-0.4
Native Hawaiian and Other Pacific	0	+/-9	0.0%	+/-0.9
Some other race	8	+/-10	0.4%	+/-0.5
HISPANIC OR LATINO AND RACE				
Total population	2,193	+/-200	2,193	(X)
Hispanic or Latino (of any race)	63	+/-40	2.9%	+/-1.8
Mexican	38	+/-38	1.7%	+/-1.7
Puerto Rican	0	+/-9	0.0%	+/-0.9
Cuban	0	+/-9	0.0%	+/-0.9
Other Hispanic or Latino	25	+/-32	1.1%	+/-1.4
Not Hispanic or Latino	2,130	+/-194	97.1%	+/-1.8
White alone	1,969	+/-186	89.8%	+/-3.0
Black or African American alone	12	+/-11	0.5%	+/-0.5
American Indian and Alaska Native	112	+/-52	5.1%	+/-2.3
Asian alone	7	+/-8	0.3%	+/-0.3
Native Hawaiian and Other Pacific	0	+/-9	0.0%	+/-0.9
Some other race alone	0	+/-9	0.0%	+/-0.9
Two or more races	30	+/-25	1.4%	+/-1.1
Two races including Some other	0	+/-9	0.0%	+/-0.9
Two races excluding Some other	30	+/-25	1.4%	+/-1.1
Total housing units	1,059	+/-73	(X)	(X)

DP04: SELECTED HOUSING CHARACTERISTICS
2009-2013 American Community Survey 5-Year Estimates

Subject	Washburn city, Wisconsin			
	Estimate	Margin of Error	Percent	Percent
HOUSING OCCUPANCY				
Total housing units	1,059	+/-73	1,059	(X)
Occupied housing units	978	+/-87	92.4%	+/-5.1
Vacant housing units	81	+/-53	7.6%	+/-5.1
Homeowner vacancy rate	0.0	+/-3.0	(X)	(X)
Rental vacancy rate	10.0	+/-10.4	(X)	(X)
UNITS IN STRUCTURE				
Total housing units	1,059	+/-73	1,059	(X)
1-unit, detached	751	+/-77	70.9%	+/-7.1
1-unit, attached	35	+/-23	3.3%	+/-2.2
2 units	68	+/-38	6.4%	+/-3.5
3 or 4 units	24	+/-31	2.3%	+/-2.9
5 to 9 units	49	+/-37	4.6%	+/-3.4
10 to 19 units	52	+/-37	4.9%	+/-3.4
20 or more units	41	+/-31	3.9%	+/-2.9
Mobile home	39	+/-26	3.7%	+/-2.4
Boat, RV, van, etc.	0	+/-9	0.0%	+/-1.9
YEAR STRUCTURE BUILT				
Total housing units	1,059	+/-73	1,059	(X)
Built 2010 or later	0	+/-9	0.0%	+/-1.9
Built 2000 to 2009	40	+/-25	3.8%	+/-2.2
Built 1990 to 1999	121	+/-48	11.4%	+/-4.4
Built 1980 to 1989	147	+/-51	13.9%	+/-4.6
Built 1970 to 1979	190	+/-56	17.9%	+/-5.0
Built 1960 to 1969	51	+/-34	4.8%	+/-3.2
Built 1950 to 1959	72	+/-36	6.8%	+/-3.5
Built 1940 to 1949	70	+/-36	6.6%	+/-3.4
Built 1939 or earlier	368	+/-69	34.7%	+/-6.8
ROOMS				
Total housing units	1,059	+/-73	1,059	(X)
1 room	16	+/-23	1.5%	+/-2.2
2 rooms	26	+/-32	2.5%	+/-3.0
3 rooms	60	+/-35	5.7%	+/-3.2
4 rooms	251	+/-72	23.7%	+/-6.4
5 rooms	232	+/-53	21.9%	+/-4.9
6 rooms	148	+/-47	14.0%	+/-4.4
7 rooms	156	+/-45	14.7%	+/-4.3
8 rooms	95	+/-37	9.0%	+/-3.6
9 rooms or more	75	+/-36	7.1%	+/-3.4
Median rooms	5.3	+/-0.3	(X)	(X)
BEDROOMS				
Total housing units	1,059	+/-73	1,059	(X)
No bedroom	16	+/-23	1.5%	+/-2.2
1 bedroom	100	+/-44	9.4%	+/-4.1
2 bedrooms	404	+/-76	38.1%	+/-6.5

3 bedrooms	405	+/-77	38.2%	+/-7.1
4 bedrooms	92	+/-34	8.7%	+/-3.3
5 or more bedrooms	42	+/-30	4.0%	+/-2.8
HOUSING TENURE				
Occupied housing units	978	+/-87	978	(X)
Owner-occupied	662	+/-85	67.7%	+/-7.1
Renter-occupied	316	+/-78	32.3%	+/-7.1
Average household size of owner-occupied	2.29	+/-0.18	(X)	(X)
Average household size of renter-occupied	1.80	+/-0.23	(X)	(X)
YEAR HOUSEHOLDER MOVED INTO UNIT				
Occupied housing units	978	+/-87	978	(X)
Moved in 2010 or later	101	+/-43	10.3%	+/-4.3
Moved in 2000 to 2009	454	+/-88	46.4%	+/-6.9
Moved in 1990 to 1999	249	+/-59	25.5%	+/-6.0
Moved in 1980 to 1989	81	+/-31	8.3%	+/-3.1
Moved in 1970 to 1979	40	+/-20	4.1%	+/-2.1
Moved in 1969 or earlier	53	+/-31	5.4%	+/-3.2
VEHICLES AVAILABLE				
Occupied housing units	978	+/-87	978	(X)
No vehicles available	69	+/-34	7.1%	+/-3.4
1 vehicle available	324	+/-67	33.1%	+/-6.1
2 vehicles available	401	+/-71	41.0%	+/-6.7
3 or more vehicles available	184	+/-50	18.8%	+/-4.8
HOUSE HEATING FUEL				
Occupied housing units	978	+/-87	978	(X)
Utility gas	719	+/-92	73.5%	+/-6.3
Bottled, tank, or LP gas	25	+/-19	2.6%	+/-2.0
Electricity	151	+/-55	15.4%	+/-5.4
Fuel oil, kerosene, etc.	31	+/-27	3.2%	+/-2.8
Coal or coke	0	+/-9	0.0%	+/-2.0
Wood	52	+/-18	5.3%	+/-2.0
Solar energy	0	+/-9	0.0%	+/-2.0
Other fuel	0	+/-9	0.0%	+/-2.0
No fuel used	0	+/-9	0.0%	+/-2.0
SELECTED CHARACTERISTICS				
Occupied housing units	978	+/-87	978	(X)
Lacking complete plumbing facilities	10	+/-7	1.0%	+/-0.7
Lacking complete kitchen facilities	5	+/-7	0.5%	+/-0.7
No telephone service available	33	+/-18	3.4%	+/-1.8
OCCUPANTS PER ROOM				
Occupied housing units	978	+/-87	978	(X)
1.00 or less	972	+/-87	99.4%	+/-0.9
1.01 to 1.50	6	+/-9	0.6%	+/-0.9
1.51 or more	0	+/-9	0.0%	+/-2.0
VALUE				
Owner-occupied units	662	+/-85	662	(X)
Less than \$50,000	44	+/-25	6.6%	+/-3.8

\$50,000 to \$99,999	221	+/-55	33.4%	+/-7.2
\$100,000 to \$149,999	143	+/-51	21.6%	+/-7.2
\$150,000 to \$199,999	115	+/-40	17.4%	+/-5.8
\$200,000 to \$299,999	91	+/-41	13.7%	+/-5.9
\$300,000 to \$499,999	35	+/-29	5.3%	+/-4.2
\$500,000 to \$999,999	13	+/-13	2.0%	+/-2.0
\$1,000,000 or more	0	+/-9	0.0%	+/-3.0
Median (dollars)	120,900	+/-15,493	(X)	(X)
MORTGAGE STATUS				
Owner-occupied units	662	+/-85	662	(X)
Housing units with a mortgage	390	+/-64	58.9%	+/-6.4
Housing units without a mortgage	272	+/-56	41.1%	+/-6.4
SELECTED MONTHLY OWNER COSTS				
Housing units with a mortgage	390	+/-64	390	(X)
Less than \$300	0	+/-9	0.0%	+/-5.0
\$300 to \$499	10	+/-11	2.6%	+/-2.8
\$500 to \$699	43	+/-24	11.0%	+/-5.6
\$700 to \$999	94	+/-34	24.1%	+/-7.7
\$1,000 to \$1,499	150	+/-42	38.5%	+/-8.9
\$1,500 to \$1,999	77	+/-31	19.7%	+/-7.3
\$2,000 or more	16	+/-12	4.1%	+/-3.1
Median (dollars)	1,110	+/-66	(X)	(X)
Housing units without a mortgage				
Less than \$100	0	+/-9	0.0%	+/-7.1
\$100 to \$199	0	+/-9	0.0%	+/-7.1
\$200 to \$299	18	+/-12	6.6%	+/-4.1
\$300 to \$399	34	+/-20	12.5%	+/-7.9
\$400 or more	220	+/-58	80.9%	+/-9.1
Median (dollars)	513	+/-36	(X)	(X)
SELECTED MONTHLY OWNER COSTS AS A				
Housing units with a mortgage (excluding units	390	+/-64	390	(X)
Less than 20.0 percent	160	+/-52	41.0%	+/-9.9
20.0 to 24.9 percent	64	+/-33	16.4%	+/-8.0
25.0 to 29.9 percent	47	+/-19	12.1%	+/-4.9
30.0 to 34.9 percent	44	+/-29	11.3%	+/-7.3
35.0 percent or more	75	+/-28	19.2%	+/-7.2
Not computed				
0	+/-9	(X)	(X)	
Housing unit without a mortgage (excluding				
Less than 10.0 percent	105	+/-40	38.6%	+/-12.7
10.0 to 14.9 percent	39	+/-20	14.3%	+/-7.4
15.0 to 19.9 percent	48	+/-33	17.6%	+/-10.5
20.0 to 24.9 percent	35	+/-20	12.9%	+/-7.6
25.0 to 29.9 percent	11	+/-11	4.0%	+/-3.9
30.0 to 34.9 percent	7	+/-10	2.6%	+/-3.8
35.0 percent or more	27	+/-20	9.9%	+/-7.0
Not computed				
0	+/-9	(X)	(X)	
GROSS RENT				

Occupied units paying rent	316	+/-78	316	(X)
Less than \$200	6	+/-8	1.9%	+/-2.5
\$200 to \$299	24	+/-15	7.6%	+/-5.0
\$300 to \$499	56	+/-38	17.7%	+/-10.8
\$500 to \$749	150	+/-57	47.5%	+/-13.6
\$750 to \$999	52	+/-40	16.5%	+/-11.9
\$1,000 to \$1,499	28	+/-21	8.9%	+/-6.6
\$1,500 or more	0	+/-9	0.0%	+/-6.1
Median (dollars)	624	+/-133	(X)	(X)
No rent paid	0	+/-9	(X)	(X)
GROSS RENT AS A PERCENTAGE OF				
Occupied units paying rent (excluding units	292	+/-70	292	(X)
Less than 15.0 percent	87	+/-51	29.8%	+/-14.6
15.0 to 19.9 percent	10	+/-10	3.4%	+/-3.6
20.0 to 24.9 percent	19	+/-15	6.5%	+/-5.2
25.0 to 29.9 percent	70	+/-36	24.0%	+/-11.1
30.0 to 34.9 percent	30	+/-17	10.3%	+/-6.0
35.0 percent or more	76	+/-34	26.0%	+/-10.5
Not computed	24	+/-33	(X)	(X)