

# 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 fiber optic cables. 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 138 permanent slips, maintenance and storage facilities, is 1 block 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 Xcel 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, Mell3n, 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 Xcel 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:** Xcel 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 2007, 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:

<b>Retail Trade:</b>	37%
<b>Accommodations and Food:</b>	13%
<b>Information/Telecommunications:</b>	10%
<b>Construction:</b>	5%
<b>Arts/Entertainment/Recreation:</b>	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 138 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, graphic artists 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