

6. Economic Development

Introduction

This element assesses categories or particular types of new businesses and industries desired by the County, assesses the strengths and weaknesses with respect to attracting and retaining businesses and industries, and shall designate an adequate number of sites for such businesses and industries. County, regional, and state economic development programs that apply to the County shall be identified.

Existing Conditions

There are several large employers/businesses located in Bayfield County, including County and City of Washburn governmental offices, Bayfield and South Shore School Districts, and the Red Cliff Band of Lake Superior Chippewa Tribal Government and enterprises. There are also several smaller businesses such as restaurants and lodging that employ large numbers of workers based upon seasonality and tourist seasons.

Table 6-1: Bayfield County Major Employers

100-249 Employees
County of Bayfield
Northern Lights Healthcare Center
Pike's Bay Sanitary District
Red Cliff Band of Lake Superior Chippewa
Washburn School District
50-99 Employees
Drummond Area School District
Pier Plaza Restaurant
Lakewoods Resort
Bayfield Inn
Norvado
Recreation & Fitness Resources

Source: Wisconsin Department of Workforce Development

Table 6-2 provides Bayfield County average monthly employment statistics by industry in 2021. Total average monthly employment was 3,904. Of that, 61.8% was within the Government sector and 38.2% was within the private sector. The highest average monthly employment was in the Accommodation and Food services industry. However, a lot of these positions are filled during the tourist season and do not provide year-round employment. In addition, these positions can be filled by summer residents that do not live in the County.

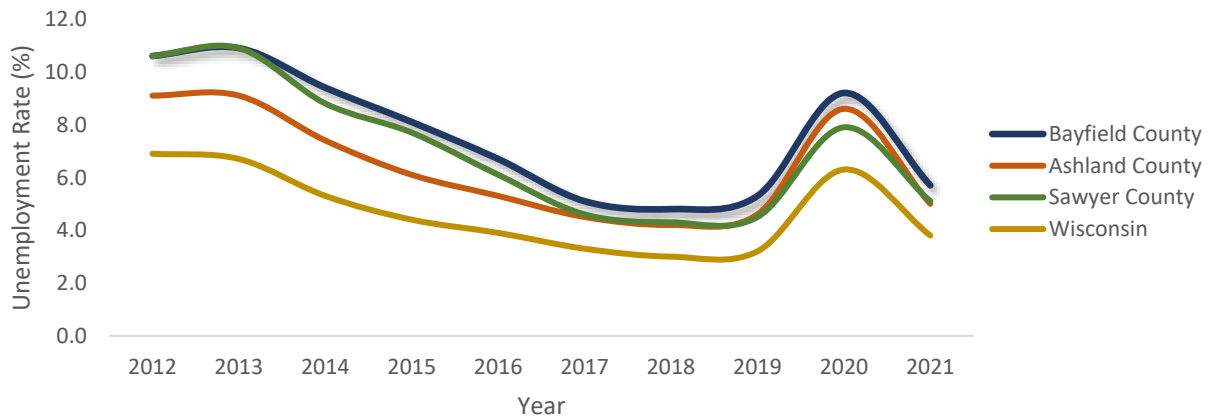
Table 6-2: Average Monthly Employment 2021

Industry	2021 Average Monthly Employment
Accommodation & Food Services	708
Public Administration	614
Health Care & Social Assistance	443
Retail Trade	406
Educational Services	371
Construction	328
Manufacturing	212
Arts, Entertainment, & Recreation	189
Transportation & Warehousing	118
Information	74
Other Services (except Public Administration)	72
Agriculture, Forestry, Fishing & Hunting	65
Real Estate & Rental & Leasing	65
Wholesale Trade	59
Finance & Insurance	53
Utilities	47
Admin & Support, Waste Management & Remediation Services	43
Professional, Scientific, & Technical Services	39
Mining, Quarrying, & Oil & Gas Extraction	0
Management of Companies & Enterprises	0

Source: Wisconsin Department of Workforce Development

Since 2014, Bayfield County has had higher unemployment than Ashland and Sawyer Counties as well as the State of Wisconsin. The unemployment rate in Bayfield County in 2021 was 5.7%. In comparison, the unemployment rate in Ashland County was 5.0%, the unemployment rate in Sawyer County was 5.1%, and the unemployment rate in the State was 3.8%.

Figure 6-1: Unemployment Rate Comparison 2012-2021



Source: Wisconsin Department of Workforce Development
 The median household income in Bayfield County and comparative counties are below the State median income. However, compared to other northwestern Wisconsin counties, Bayfield County has the highest median income.

Table 6-3: Median Household Income

Location	Median Household Income
Bayfield County	\$62,859
Ashland County	\$55,070
Douglas County	\$59,688
Sawyer County	\$53,011
State of Wisconsin	\$67,080

Source: American Community Survey 5-Year Estimates 2016-2021

Table 6-4 provides industry employment projections from 2020-2030 for the Northwest Workforce Development Area which includes Bayfield County as well as Ashland, Burnett, Douglas, Iron, Pirce Rusk, Sawyer, Taylor, and Washburn Counties. The highest projected change is in the Natural Resources and Mining industry super-sector.

Table 6-4: NW WDA Industry Employment Projections 2020-2030

Industry	2020 Employment	2030 Projected Employment	#Change	% Change
Self Employed & Unpaid Family Workers, All Jobs	5,937	5,729	-208	-3.5%
Natural Resources & Mining	1,133	1,662	529	46.7%
Construction	2,642	2,838	196	7.4%
Education & Health Services	14,521	14,781	260	1.8%
Manufacturing	11,694	12,210	516	4.4%
Trade, Transportation, & Utilities	12,848	13,025	177	1.4%
Information	495	454	-41	-8.3%
Financial Activities	1,864	1,796	-68	-3.6%
Professional & Business Services	3,044	3,228	184	6.0%
Leisure & Hospitality	6,767	7,984	1,217	18.0%
Other Services (except Government)	2,988	3,209	221	7.4%
Government	7,255	7,417	162	2.2%

Source: Wisconsin Department of Workforce Development

Table 6-5 provides the average annual wage in 2020 as compared to 2021.

Table 6-5: Average Annual Wage

Industry Super-Sector	2020	2021
Natural Resources & Mining	\$33,884	\$48,701
Construction	\$59,691	\$107,070
Manufacturing	\$36,112	\$40,507
Trade, Transportation, Utilities	\$31,522	\$33,228
Information	\$73,349	\$80,597
Financial Activities	\$49,295	\$49,047
Professional & Business Services	\$34,041	\$35,397
Education & Health Services	\$38,523	\$39,241
Leisure & Hospitality	\$21,544	\$23,500
Other Services	\$31,112	\$32,812
Public Administration	\$31,876	\$33,654

Source: Wisconsin Department of Workforce Development

Attracting Businesses and Industry: Key Strengths and Weaknesses

Bayfield County has many stable businesses and industries. Residents often commute to these businesses as well as other services businesses in the County. The following is a set of key strengths/reasons why businesses and industries choose Bayfield County:

- Strong and vibrant workforce
- Natural beauty/setting for promotion and growth
- Nearby job training and educational centers

Despite these key assets for retaining and promoting job growth, the project team has identified the following key weaknesses/threats for attracting/ retaining businesses within Bayfield County:

- Remote location and lack of telecommunications/broadband coverage within the area
- Lack of multi-modal transportation systems (rail, major interstate) needed for the distribution of goods and services
- Need for greater promotion and formation of eco-based employment opportunities

It is important for current businesses and industry to keep open lines of communication with the County in order to ensure that existing businesses are maintained for decades to come. Furthermore, it is essential to determine what local products and services are needed. The concept of 'economic gardening' will be supported by Bayfield County as a means of ensuring that local businesses prosper. This concept provides a directive to concentrate on growing local companies with specialized experience and niche products. Economic gardening looks to grow jobs locally through entrepreneurial activities.

In the future, Bayfield County seeks to capture 10 percent of the emerging bio-industry and renewable energy market by the year 2030. Additionally, through the partnerships of existing and new businesses, Bayfield County seeks to generate a minimum 25 percent of electricity and transportation fuels from renewable energy.

Assessment of Future Conditions

Understandably, Bayfield County wants to see more high-skilled, high-wage jobs in the economy. Given the region's natural resource dominated base, community assets, and economic aspirations, locating developable land along major corridors will require cooperation with cities/towns. Discussions have taken place related to the creation of business parks in order to retain and attract new development. In order to develop business parks the following should be considered:

- Location related to land use and zoning. Large-scale industries and businesses should be located along major intersections.
- Job force training.
 - Coordination with current businesses looking to expand or relocate.
 - Coordination with educational institutions on job training opportunities.
- Understand that some businesses are also homes. As taxes increase, it is more affordable to work and live at the same place.
- Work with Bayfield County Economic Development Corporation, and state and federal agencies to determine funding related to project planning and project construction.
- Define infrastructure needs related to projects.
 - This includes cell phone and broadband internet coverage.

There are some advantages to areas and its resources related to economic development:

- Renewable Energy (RE) – With global, national, state, and local sustainable push, there are a wide variety of RE options, including canola, tree fellings, and other products related to bio-energy. Renewable Energy based businesses scored very high on the survey which further supports the goal of investigating RE.
 - Programs through Wisconsin Office of Energy Independence provide funding solutions for a wide variety of renewable energy projects in the form of grant and loan funding.
 - Focus On Energy provides funding and incentives for renewable energy applications for homes and businesses.
- Logging/Forestry – The County and Federal Government own a large portion of the land in the County. A good portion of revenue generated each year for the budget comes from the foresting and timber sales.

- Agriculture provides a revenue stream for a lot of families in addition to their full-time jobs. Agriculture has been a staple in the northern Wisconsin way of life.
- Assisted Living – Population projections support the need for assisted living in the area.

It is important to locate appropriate sites for businesses to locate in Bayfield County. What is most important is that the site selected is defined and approved prior to commitment.

Brownfield Development

According to the Wisconsin Department of Natural Resources (WDNR) Brownfields are abandoned, idle or underused commercial or industrial properties, where the expansion or redevelopment is hindered by real or perceived contamination. They vary in size, location, age, and use—can be large lots or an abandoned gas station.

There are several sites throughout Bayfield County that are in need of environmental remediation. A search through the WDNR indicated that there are 14 contaminated sites throughout the County that are open investigations. An open status indicates that the site is in need of clean-up, or that clean-up is underway. This search was conducted for sites that contained leaky underground storage tanks (LUSTs) or sites that are in need of environmental repair (ERP) for reasons other than LUSTs. A leaky underground storage tank has contaminated soil and/or groundwater with petroleum, which includes toxic or cancer-causing substances. ERP sites have contaminated soil and/or groundwater, including industrial dumping or spills that need long term investigation, buried containers of hazardous substances, and closed landfills that have caused contamination. This can include petroleum contamination from above-ground storage tanks.

Three of the results were LUSTs and 11 were ERPs (Table 6-5). These sites can often be remediated and reused for commercial or industrial businesses. This allows the municipality to reuse and begin collecting taxes from previously unproductive lands, and enables the preservation of farmland, as businesses will not have to look at developing greenfield acreage. The WDNR has grant and loan programs associated with brownfields.

Table 6-6: Bayfield County Brownfield Sites

Activity Name	Municipality	Status	Activity Type
Teschner, Irene	Washburn	OPEN	ERP
Dupont Barksdale explosives plant	Barksdale	OPEN	ERP
Lakehead Oil/Iron River bulk plant	Iron river	OPEN	ERP
Tri-County corridor bridge	Iron river	OPEN	ERP
Washburn chlorinated hydrocarbons	Washburn	OPEN	ERP
Kurschner property spill	Washburn	OPEN	ERP
Dupont Barksdale southern area	Barksdale	OPEN	ERP
Sand island fishing camp (former)	T. Bayfield	OPEN	ERP
NPS Raspberry Island Lighthouse	T. Russell	OPEN	ERP
Dollar General	Iron river	OPEN	ERP
Schooner Bay Marina	Bayfield	OPEN	ERP
Mason Grocery	Mason	OPEN	LUST
Halfmoon lodge	Cable	OPEN	LUST
Iron River COOP - Oulu branch	Oulu	OPEN	LUST

Source: Wisconsin Department of Natural Resources Bureau of Remediation and Redevelopment Tracking System

Economic Development Policies

- Policy: New commercial and industrial activities should be limited to those areas designated for such use on the Future Land Use Map in order to minimize adverse impacts upon surrounding land use, particularly residential use.
- Policy: Ensure that the zoning code adequately addresses development standards that reflect the characteristics of the County (e.g., appropriate building materials, setbacks from natural resources, signage, lighting, landscaping, etc.).
- Policy: Encourage the development of business parks throughout the County.
- Policy: Contact cell phone and broadband internet providers at the local and national level to define locations for expansion of services in Bayfield County. There is a direct benefit to:
 - Residents for day-to-day operations
 - Commercial/industry to compete at the local, state, and international level
 - Attraction of new commerce/industry
 - Expansion of niche businesses
 - Emergency response times and locations

Local Plans and Programs

There are a variety of local, regional, and statewide economic development tools available to municipalities to assist them with supporting existing businesses and recruiting new businesses (most funding programs require a municipal applicant). In addition, there are programs available for individual businesses to assist in start-up and expansion. What follows is a list with a description of agencies, programs, and resources that can assist Bayfield County with its economic development efforts. This is not intended to be a complete list, but rather the most likely tools to be used by Bayfield County.

At the state level, Wisconsin Economic Development Corporation defines five key catalysts of economic growth to help activate and accelerate economic opportunity in Wisconsin:

1. Strategic Economic Competitiveness - Encouraging innovation and fostering an environment of success for industry and its supporting workforce.
2. Business Development - Leveraging strategic partnerships to help Wisconsin companies start up, grow, and reach new markets.
3. Community and Economic Opportunity - Helping to improve quality of life through support for minority business growth and community development and revitalization efforts.
4. Brand Development and Strategy - Raising awareness of Wisconsin's many assets through powerful stories and achievements.
5. Operational and Fiscal Excellence – Building confidence by setting strategic goals and maintaining a commitment to performance and accountability.

A variety of programs and tools are available to locally pursue economic development that aligns with these strategies. Tools include grant/loan funding, job creation, impact fees, tax abatement, low-interest business loans and business incubators of the County could work with a municipality for a Tax Incremental Financing (TIF) project.

Effectively using these tools requires an investment by the community to provide resources such as staff to organize and manage these tools, foster partnerships, and secure and manage funding. A limited amount of technical assistance is available from state, county, and other organizations.

Bayfield County Economic Development Corporation

The Bayfield County Economic Development Corporation (BCEDC) provides economic development services to the communities of Bayfield County. It plays a coordinating role for economic development issues that affect Bayfield County and its communities, helps with retention and recruitment, and assists in marketing the County to business and industry. The corporation has a revolving loan fund, provides site selection services for industrial and technology parks, and can be a conduit for state and federal funding.

BCEDC staff and board offer the following services:

- Business Planning
- Funding Assistance
- Coaching and Mentoring
- Marketing Assistance
- Site Selection
- Business Advocacy
- Management and Staff Training
- Workforce Search
- Single point contact for referrals to local, regional and nationwide • resources
- Online services related to business resources, business bookstore, • export, agriculture business, stimulus funding, nonprofit, business start up, business finance, legal, marketing, statistics and industry specific
- BCEDC has additional online data related to:
 - Planning
 - Statistics
- Additional information can be obtained at: bayfieldcountyedc.com/
- To contact BCEDC:
409 West Bayfield Street
POBox 704
Washburn, Wis. 54891

Northwood Technical College

Northwood Technical College (NTC) provides educational programs in support of business and industry in the region. It not only provides customized training and technical assistance programs. It also runs an affiliate center of the Northwest Wisconsin Manufacturing Outreach Center which helps manufacturers access and use modern tools and strategies.

- NTC offers over 100 career programs and over 60 certificates
- Ashland, WI is home to a NTC campus
- 24-Hour Phone: (800) 243-9482
- Additional information can be obtained at: northwoodtech.edu/

Northwest Regional Planning Commission

On a multi-county level, the Northwest Wisconsin Regional Plan Commission conducts economic development, transportation planning and project development. The Commission is designated as an economic development district by the Economic Development Administration. It is required to undertake economic development planning and project identification for 10 northwest Wisconsin counties and the tribal

nations of Bad River, Red Cliff, Lac du Flambeau, Lac Courte Oreilles, and St. Croix. The Commission provides local economic strategies, industrial site analyses, economic development financing, county economic and population profiles, and community and industrial park profiles.

NWRPC staff provides the following services:

- Planning
- Grant Writing
- Revolving Loan Fund Administration
- Additional information can be obtained at: nwrpc.com/
- To contract NWRPC:

1400 South River Street
Spooner, WI 54801
(715) 635-2197

Realtors Association of Northern Wisconsin

The Realtors Association of Northern Wisconsin is the local association of real estate brokers. This organization plays an important supportive role to economic development by providing access to the real estate market and relocation services for business and people.

Economic Development Administration

The U.S. Department of Commerce and the Economic Development Administration offers two programs for assistance with economic development that apply to the County and municipalities within the County where partnerships can be formed. One is the Public Works and Economic Development Facilities Assistance Program, which supports the construction or rehabilitation of essential public infrastructure and development facilities necessary to generate private sector jobs and investment, including investments that support technology-led development, redevelopment of brownfield (contaminated) sites, and eco-industrial development. Secondly, the Economic Adjustment Assistance Program is available to: (1) address the immediate needs of businesses and communities presently undergoing transition due to a sudden and severe job loss; and (2) demonstrate new and proactive approaches for economic competitiveness and innovative capacity for threatened regions and communities.

Rural Development

The USDA Rural Development Community Facility Loan Program provides funds to local units of government to construct, enlarge, extend, or otherwise improve community facilities providing essential services in rural areas and towns.

Wisconsin Economic Development Corporation

The Wisconsin Economic Development Corporation (WEDC) leads economic development efforts for the state by providing resources, operational support and financial assistance to companies, partners and communities in Wisconsin. Working with

more than 600 partners across the state, including regional economic development organizations, academic institutions, and industry clusters, WEDC develops and delivers solutions that help businesses, communities and people maximize their potential in Wisconsin.

Wisconsin Department of Transportation

The Wisconsin Department of Transportation administers the Transportation Economic Assistance (TEA) Program. The Tea Program provides matching state grants to governing bodies for road, rail, harbor, and airport projects that help attract employers to Wisconsin, or encourage business and industry to remain and expand in the state. The goal of the TEA program is to attract and retain businesses in Wisconsin and thus create and increase the number of jobs. The business cannot be speculative and local communities must assure that the number of jobs anticipated from the proposed project will materialize within three years from the date of the project agreement and remain for another four years.

Enterprise Development Zone Program

The Enterprise Development Zone Program provides tax incentives to new or expanding businesses whose projects will affect distressed areas. Based on the economic impact of a proposed business project, the Department of Commerce will be able to designate an enterprise development zone. A zone is "site specific" and applies to only one business. In order to participate in the program, a business should work with one of Commerce's Area Development Managers and complete a prospect data sheet to submit to the Department. Projects must affect distressed areas suffering from high unemployment, low-incomes, declining population, and declining property values.

Community Development Zones

The Wisconsin Community Development Zone Program can help to expand businesses, start a new one, or relocate a current business to Wisconsin. The Community Development Zone Program is a tax benefit initiative designed to encourage private investment and to improve both the quality and quantity of employment opportunities.