



# Lincoln County, Wisconsin Highway 51 Economic Growth Strategy

Presented by:  
LandUse|USA, LLC



With:  
One Source Consulting





## TABLE OF CONTENTS

Section 1 – Executive Summary .....	1
Section 2 – Location Analysis .....	8
Section 3 – Optimal Scenario .....	13
Section 4 – Implementation .....	18
Section 5 – Methodology and Approach .....	26
APPENDIX.....	

# Section 1 – Executive Summary

## Section 1.0 – Introduction

LandUse|USA, LLC and One Source Consulting have been retained by the City of Merrill, Wisconsin to develop an Economic Growth Strategy with site specific recommendations along the Highway 51 corridor between the City of Merrill and neighboring Township of Pine River. The strategy focuses on specific land use categories, including retail, office/medical space, and warehouse/distribution. The project could have trickle-through benefits for the entire area, so is referred to as a “Lincoln County” strategy.

The analytic approach began with an economic analysis to identify market gaps among each of the targeted categories. We then qualified the results based on site and locational attributes for the study area, and considered the market’s amenity mix (particularly medical services, county seat and airport), regional setting relative to Wausau, Stevens Point, and important highway linkages. We also considered the unique attributes of the Merrill area<sup>1</sup> as a gateway to Wisconsin’s north woods country; and the importance of various downtown districts along State Highway 64, east-west through that community.

## Section 1.1 – Project Study Area

In developing an economic growth strategy for the Merrill area, we were asked to focus on a specific study area that generally extends along both sides of Highway 51, with some parcels in the City of Merrill and others in the neighboring Towns of Pine River and Merrill. This study area is generally delineated by Pine Ridge Avenue to the west and Big Eddy Road to the South, and extends east beyond Highway W, and north beyond Highway G.

Within the study area, the individual parcels vary considerably in size and configuration; terrain; accessibility; density and type of existing and adjacent uses; zoning; access to utilities (mainly water and sewer); and highway visibility. State Highway 64 is the main connector linking these parcels to traffic along Highway 51 and is also one of two important access roads into central Merrill and its downtown districts.

---

<sup>1</sup> For the sake of brevity, future references to the “Merrill area” include the City of Merrill as well as its neighboring townships, and particularly Pine River and Merrill Townships along the Highway 51 corridor.

## Section 1.2 – Market Attributes

Geographically, the City of Merrill and its neighboring towns are proximate to the City of Wausau. The Merrill area has been described by some as a bedroom community to Wausau, with opportunities to leverage its amenities. Others have lamented that Merrill falls within Wausau's shadow, and that its proximity actually limits its ability to grow.

Merrill is truly a geographic extension of Wausau. While this may make it difficult for Merrill's retailers to compete with Wausau for local shoppers, it also means that the community can leverage affordable land choices in competing with Wausau for business campus tenants. A company seeking an attractive location in this sector of the state might easily be persuaded to choose Merrill over Wausau, *if* the land choices, prices and other incentives are compelling. It certainly helps that Merrill is a) the county seat; b) has a hospital; c) has an airport; and d) is within easy driving distance to Wausau's many choices among colleges.

Merrill has two trade areas that are distinct and serve very different purposes. The first is a competitive region that includes all of Lincoln and most of Marathon Counties, and is the area from which Merrill can compete in land pricing, for business campus tenants, and for employees. The second trade area is considerably smaller, and represents the geographic reach of Merrill's retailers, or the area from which the majority (about 70%) of all retail sales are derived. This second trade area also includes all of Lincoln County, but does not extend into Wausau.

The optimal strategy is supported by a number of important observations during our economic analysis. Collectively, our observations all point to the conclusion that the Merrill area is an ideal candidate for economic growth through new business recruitment, and that the community has access to the resources that new campus tenants would need to support their business. Here is a summary of our observations:

- Wausau offers Merrill residents with a good variety of opportunities for advanced education. We also noted that community questionnaire respondents reinforced the fact that Merrill is an extension of the Greater Wausau area.
- The study area is ideally located along the Highway 51 corridor, which is an important connector between Stevens Point and Wausau, and is 15 to 20 minutes from Highway 29, which connects the region east to Green Bay and west to Eau Claire.
- Unemployment and job seasonality in Lincoln County is disproportionately high for the region. This means that there is an available labor force to support new businesses.

- Lincoln County has a net worker outflow, and that many of Lincoln County's employed workers are commuting to Marathon County for jobs. This means that there is an opportunity for new businesses to intercept that outflow and offer attractive jobs for local residents.
- As a share of total employment, the finance, insurance and real estate (FIRE) and warehouse industry categories have been growing in Lincoln County, and at a faster rate than either Marathon or Portage County. This hints at an opportunity to leverage these industries for additional growth.
- Growth in employment among service related industry categories has not been keeping pace with the region, which suggests a need to make up some of the gap. This category includes: a) health care and social assistance; b) accommodations and food; c) administrative and waste; d) professional, scientific and technical; and e) educational services.
- Wausau offers access to a pool of potential workers from all of Wausau and Marathon County, as well as the entire Merrill area, Tomahawk and throughout Lincoln County.
- Merrill offers a labor force that also has good choices among advanced education institutions, including UW College Marathon County; Globe University, North Central Technical College, and Rasmussen College.
- Wausau also offers Merrill businesses access to North Central Wisconsin Airport located Mosinee, which is a commercial airport located just 30 minutes south of Merrill.

Meanwhile, Merrill also has existing amenities that can also appeal to potential employers, including:

- A municipal airport with two runways and nearby industrial park.
- A branch of the Ministry Health Care Network, and specifically the Good Samaritan Health Center, plus a Bone and Joint Clinic and the Marshfield Clinic under the same network.
- A clinic branch of the Aspirus Health Care Network.
- Downtown County and City administration buildings that attract daytime workers and has attracted complementary services that can help local businesses (attorneys, financial advisors, title companies, surveyors, etc.)

Unfortunately, the combination of proximity to Wausau and its own mix of amenities have not translated well into new business development and economic diversification for the Merrill area. Lincoln County has a moderate income profile and high unemployment, with a history of industry concentration in manufacturing employment categories (mainly wood and metal/wire fabricated products.)

The county has experienced growth in finance/insurance/real estate (FIRE) and wholesale trade employment (as a share of total employment), but is not keeping pace with the region's growth in services and shopping choices. Meanwhile, stakeholders have expressed a concern that the local quality of life is declining.

With this background, this preliminary report presents specific recommendations for leveraging the Merrill area's geographic setting, amenities and availability of land along Highway 51 to help catalyze economic growth. Topics addressed in this report are among the most important for implementing the plan, but are not intended to be all-inclusive.

## Section 1.3 – Summary Recommendations

This report presents specific recommendations for attracting new businesses to the Merrill area by leveraging the availability of developable land along the Highway 51 corridor, and its physical proximity to the City of Wausau. Here is a summary of top-level recommendations:

- Jurisdictions with a direct interest in the future of the Highway 51 corridor, and particularly a) Lincoln County; b) the City of Merrill; c) Town of Merrill; and d) Town of Pine River, should collaborate on the planned development of properties within the study area.
- The provision of municipal utilities to properties along both sides of Highway 51 is essential to the plan. Specifically, the City of Merrill has the capacity to provide sanitary sewer and municipal water services. With these utilities, the available land can be developed to its highest and best use, which will generate the best economic spin-off benefits for the Towns of Merrill and Pine River.
- The involved jurisdictions must be visionary in their thinking by considering the long-term benefits over the next 50 years as well as short-term benefits over the next 10 to 20 years. The goal is development of a community with a sustainable economic base that helps improve the quality of life for the children and grandchildren of established residents, reaching well beyond immediate and individual rewards.
- In gathering data for our work, we were met with limited cooperation from the Town of Pine River, and we understand that the relationship between the Town of Pine River and the City of Merrill has been tested from both sides. The future cooperation from the Town of Pine River may not be critical to the success of the optimal strategy. However, by cooperating in the long-term plan, the Town of Pine River is more likely to attract developers and investment within its own jurisdiction.

- Meanwhile, annexation of individual properties will depend on the willingness of various owners to sell to private investors, who must then complete the due diligence necessary to attract investment, business and tenants while carrying all of the development risks. After the due diligence is completed, a developer can secure tenants and then apply for annexation into the City of Merrill.
- Existing property owners along Highway 51 must recognize that attractive pricing of their land is critical to the project's success. If land owners increase for-sale prices on their property in response to the optimal strategy, then the advantages to potential investors will be undermined and the vision could fail. Private property owners must commission independent land appraisals that reflect market realities and that are appropriately adjusted relative to "comparable" business parks in surrounding markets.
- The collaborating jurisdictions should encourage private developers to purchase parcels from existing property owners, assemble them and conduct other land preparation tasks, due diligence and aggressive marketing to attract new business, investors and tenants. Private land owners are encouraged to sell to local private developers to support the larger vision of economic growth while recognizing that these developers must assume significant burdens and costs in preparing the land for development and attracting tenants. Passive land ownership under the ownership of individual families will attract very little investment.
- Together with the North Central Wisconsin Regional Planning Commission, the affected jurisdictions should strive to collaborate with WISDOT on completion of a transportation plan that improves access between Merrill's Airport/Industrial Park and Highway 51. A regional transportation study should identify ways to alleviate truck traffic along Highway 64 through Merrill. This is recommended to help simplify pedestrian and bicycle accommodations within the study area and into the downtown.
- The collaborating jurisdictions should aggressively pursue a new hospital in the study area that would replace the dated Good Samaritan facility, with a broader range of services and capacity for about 50 beds. A new hospital would be an important economic catalyst that would help attract other new businesses while sponsoring a business campus with cross-marketing benefits.
- The new hospital should be located on the east side of Highway 51 and should anchor the initial phases of a new business campus. If a new interchange at Highway G is not viable, then the hospital should be located on the south side of Highway 64. If a new interchange at Highway G is determined to be viable, then a location south of Highway G can serve as an alternative.
- The collaborating jurisdictions should aggressively network with colleges throughout the Wausau region and surrounding communities to gain sponsorship and support for the recommended business campus, with clear cross-marketing benefits along Highway 51.

- The collaborating jurisdictions should prepare a land use plan that clearly places all future retail to the west side of Highway 64, with the exceptions of regional destinations that may include a) automotive dealerships; b) hotels, motels and other overnight accommodations; and c) a small amount of convenience retail supporting and adjacent to the new hospital.
- With the initial phases of the business campus underway, additional commercial properties in the northeast and northwest quadrants of the study area will also become attractive to potential developers, investors and tenants. Without a new interchange at Highway G, the northeast quadrant is far more likely to attract new investment than the northwest quadrant, for a number of reasons that are discussed in greater detail later in this report.
- Depending on the viability of a new interchange at Highway G, uses could include a mix of office and light commercial space for distribution operations, communication, medical, finance, insurance and complementary business categories.
- The City of Merrill should work with the Ministry Health Care Network to explore alternative, adaptive reuse of the existing Good Samaritan facility, perhaps as a parochial academy; senior apartments with a community center; assisted living senior facility; or orphanage.
- The City of Merrill should strive to improve marketing for its Municipal Airport, first by renaming it to the Merrill Regional Airport; and second by promoting expansions, upgrades, achievements, events and services with a) a professional website (including weekly blogging); b) social media profiles (Facebook, LinkedIn, etc.); c) and media releases written for the local press.
- The City of Merrill should undertake a significant streetscape improvement plan along Highway 64 from Highway 51 west into the downtown districts. This corridor is an important gateway into the community and must pull patrons into the downtown. Downtown merchants and building owners will directly benefit from the effort, so the project should be supported by the local Downtown Development Authority or Merchants Association. Streetscape improvements should include pedestrian and bicycle facilities, plus connections to local recreational areas.
- The development of a new supercenter or membership warehouse club with grocery could pose a serious threat to existing Piggly Wiggly and Country Market stores in Merrill. On the flip side, it could also provide price competition and shopping choices for local residents, and could help intercept the export of shopping excursions to Wausau. The subject becomes a delicate policy issue that the county, city and neighboring towns should address collectively in their Master Plans and zoning ordinances.

- A relocation and expansion of the existing Wal-Mart poses another serious risk that should be weighed, associated with leaving behind a dark box in the dated Merrill Ridge Plaza. Although it is located on a prime corner, it would be expensive to raze and redevelop and would probably struggle to attract reinvestment and redevelopment. Restricting the development of retail on the east side of Highway 51 could help generate demand for redevelopment of the plaza.
- The southwest quadrant of the study area should be reserved for future retail interests, whether they near or long-term. One possible scenario would include a relocated and expanded Piggly Wiggly store and new small tenant space for existing small tenants of the Merrill Ridge Plaza. The plaza could then be razed to accommodate an expanded Wal-Mart.
- Reserving the southwest quadrant for retail is a strategy intended to avoid longer-term fragmentation of retail with big-box interests on the east side of Highway 51. Again, all retail should be clustered on the west side of the highway. Designating a specific area for long-term development of big box retail will help ensure that properties on the east side are also reserved for non-retail, campus style office, warehouse and distribution space.
- Additional stores like Farm & Fleet (or Mills Fleet Farm), JoAnn Fabric, Ben Franklin Crafts and moderate outlets like BigLots/OddLots, IGA or Sav-A-Lot are also potential candidates. To be clear, retail is not expected to serve as a catalyst for economic growth, but rather will become viable only with successful development of the business campus with the addition of good paying jobs and residents attracted by the new job opportunities and area's quality of life.
- We also understand that Kohl's and JCPenney already have stores in Wausau. JC Penney in downtown Wausau is a small, dated store that lacks a regional draw. Eventually, the parent company will seek a replacement store, probably in Wausau and perhaps proximate to Kohl's and Highway 51. Currently, the Merrill market is lot large enough to support more than one discount store and shoppers will continue exporting expenditures on apparel to Wausau's department stores.
- Longer term, the market could eventually grow to support a Kohl's / JCPenney combo, but only if other economic growth initiatives are successful in helping the area grow in jobs, population and income. If a department store like JCPenney does enter the market, it would probably be in the small 55,000 to 90,000 square foot size range.

## Section 2 – Location Analysis

### Section 2.0 – Introduction

This section of our report provides the rationale behind some of our fundamental conclusions regarding the recommended and optimal strategy. Specifically, we have stated that the east side of Highway 51 is more likely to attract future investment for non-retail tenants than the west side; that all future retail should be located on the west side of Highway 51; and that the ideal location for a new business campus anchored by a modern hospital is within the southeast quadrant of the study area (i.e., on the east side of Highway 51 and south side of Highway 64.)

During the early stages of our work we listened carefully to stakeholder input and conducted many interviews with private property owners, but we have not allowed the wants of those individuals to bias our strategic thinking. Rather, we have considered traffic counts, highway visibility and related site and locational attributes in reaching objective conclusions. This section of our report provides additional perspective on these topics.

### Section 2.1 – Average Daily Traffic Counts

Based on 2007 data reported by the Wisconsin Department of Transportation (WISDOT), Local traffic counts along Highway 64 varies considerably, with the average daily traffic (ADT) reported to be 9,300 vehicles on the west side of Highway 51, and 7,700 vehicles on the east side. Overall, traffic on the west side is 21% heavier than the east.

Based on average daily traffic (ADT) counts provided by WISDOT for 2007, more than 3,000 vehicles exit from north-bound Highway 51 and over 3,000 vehicles get back on the highway for south-bound destinations. This mostly can be attributed to Merrill's proximity to Wausau, which is located just 15 miles to the south. In comparison, fewer than 1,000 vehicles use the north-bound on-ramp and the south-bound exit. In summary, traffic on ramps to and from Wausau is at least 300% heavier than ramps to and from Tomahawk.

We also compared traffic counts along Highway 51 north and south of the Highway 64 interchange, and noted that traffic averages 18,500 vehicles per day between Merrill and Wausau, and 11,000 vehicles per day between Merrill and Tomahawk. Again, to and from Wausau is nearly 70% heavier than traffic to and from Tomahawk.

Wausau is not only closer than Tomahawk to the Merrill area (15 v. 24 miles), but also significantly larger in population size (55,000 v. 6,500 residents within five miles of the city core in 2009). With its large size, Wausau also offers Merrill residents with more choices in shopping destinations, employment, advanced education, medical care and entertainment venues.

This evaluation of ADT data is important because it segways into the following explanation of locational advantages offered by each of the quadrants within the study area. In short, quadrants on the south side of Highway 64 have considerably more opportunities for advertising exposures to traffic along Highway 51. This is important to potential developers and investors, who understand the role of highway advertising, usually by broadcasting logos and brands to capture the attention of potential shoppers, customers, employees and suppliers, usually on the sides of building or pylon and monument signs.

## Section 2.2 – Terrain and Visibility

As demonstrated in the prior section of this report, the quadrants on the south side of Highway 64 benefit from more traffic along Highway 51 than the quadrants on the north side. This section of our report explains the importance of more obvious differences between the quadrants from the perspective of highway visibility. Specifically, quadrants on the west side of Highway 51 have limited visibility and highway exposure compared to those on the east side. Collectively, the various parcels on the west side have a mix of a) low elevations relative to the highway; b) blocked views by berms; and c) interrupted views by tree stands that should not be removed.

In comparison, the quadrants on the east side of the highway are generally at the same elevation or higher. There are a few scattered tree stands, but they are relatively minor in the overall landscape and the berms along the east side of Highway 51 are relatively small. They are also on the “right” side of the highway for business traffic travelling north from Wausau.

Because of these important differences, the southwest quadrant loses its second place position in the overall assessment of attractiveness, and the northeast quadrant becomes far more compelling for future investment. Here is a simple visual summary:

Initial Score per Traffic Volumes		Adjusted Score per Terrain and Visibility	
4	3	4	2
2	1	3	1

## Section 2.3 – Retail Considerations

This section of our report addresses the importance of retail strategies that include a) clustering; b) first-in; c) critical mass; and d) co-tenancy adjacencies. In short, retailers use combinations of these tools to strategically position within a given market. Clustering occurs when similar types of retail (like fast food chains, hotels, furniture stores and automotive dealerships) intentionally locate proximate to each other.

Co-tenancy adjacencies refer to smaller tenants that strategically locate next to larger anchors. The anchors help draw shoppers from a larger geographic area, and from a similar demographic profile. Little Caesar's and Payless Shoes are good examples, and they often strive for proximity to discount department stores like Wal-Mart, Shopko and Kmart.

First-in benefits can be another powerful tool, and can help existing stores compete even if new stores open in the same category. It is a strategy used aggressively by big-box stores, with stores like Lowe's, Menards and Home Depot trying to be "first to open" in a growing market. If a market can support only one large home improvement store, then whoever gets there first will capture the entire pie.

Critical mass is achieved with a meaningful number of stores and collective square feet across a broad range of retail categories. The larger the amount of total retail, the more likely it is to pull from a larger geographic area. However, that geographic area must still have the population and income levels needed to support any given magnitude of retail space.

Collectively, these strategic considerations add value to retail development sites located on the west side of Highway 51. Combined with consideration for the highest and best use of properties in the southwest quadrant of the study area, and synergistic opportunities for merchants in Merrill's downtown districts, we have concluded that 95 percent of all new retail space should be planned on the west side of the highway.

Exceptions include traveler accommodations (hotels) and a small number of conveniences for hotel patrons and hospital visitors. Conveniences may include a dry cleaner, coffee shop, mailing and delivery services, a hair salon / barber shop, and a florist. All limited and full-service restaurants, dining and drinking establishments should be located on the west side of Highway 51, as well as all other types of destination retail.

## Section 2.4 – Traffic Access

One of the leading disadvantages for the east side of Highway 51 is the short distance between the Highway 51 exit ramp and Route 17, posing a risk that traffic could queue all the way back to the highway ramps. During in-person interviews with WISDOT, their representative emphasized a concern for this short distance and the need to address the important intersection of Highway 64 with Route 17.

One potential solution would involve a relocation of Route 17 a little farther to the east, which would have a big impact on easements and could raise other challenges. However, there is also an existing wetland area east and parallel to Route 17 that probably limit the practicalities of moving the intersection.

Properties generally located in the northeast quadrant of the study area are also very attractive to future development, to a somewhat lesser degree. They have excellent visibility to north-bound traffic along Highway 51, in part because they are on “right” side of the highway, but also because of good elevations and terrain. However, this quadrant also has several locational disadvantages compared to the southeast quadrant.

East-bound traffic along Highway 64 would need to make a left turn onto north-bound Route 17. Left turns are generally less desirable because they tend to involve maneuvering through more traffic, and usually involve waiting for a full signal before proceeding. In comparison, traffic turning right usually has fewer other cars to maneuver around, and a right turn on red is legally allowed if there is no oncoming traffic. Overall, right-hand turns are generally easier and quicker.

Second, the parcels in the northeast quadrant are not in view of north-bound traffic along Highway 51 until after that traffic has already passed the Highway 64 exit. Traffic destined for this quadrant could inadvertently miss the exit, and opportunities for impulsive exits are lost. Traffic that has missed the exit can still turn around at the next exit to the north, but will now need to make four left turns to access the parcels, instead of just one. Only a new interchange at Highway G would eliminate this disadvantage.

The quadrants on the west side of Highway 51 have secondary attractiveness to the east side. Both quadrants have far less visibility to north-bound traffic, and access involves at least one left turn after exiting. Opportunities for the northwest quadrant will be described in greater detail in our final report.

## Section 2.5 – Conclusion

In summary, the southeast quadrant of the study area is the most ideal for future development commercial, office and/or retail space; and the northeast quadrant is second in attractiveness, for several reasons:

- This quadrant has good visibility to north-bound traffic along Highway 51 from Wausau, and that view is generally uninterrupted.
- The terrain is generally level and the elevations generally at the same grade as the highway.
- The parcels have easy access for north-bound traffic exiting off Highway 64, which needs to make two easy right turns to access Route 17 (County Road W) south-bound.
- The parcels are visible before the exit onto Highway 64, which provides traffic with time needed to make an impulsive exit.

## Section 3 – Optimal Scenario

### Section 3.0 – Introduction

This section of our report describes the optimal development scenario for the study area campus in greater detail. The narrative begins with a description of the recommended strategy for business campus on the east side of Highway 51, and then continues with a description of supportable retail categories for the west side of the highway. Again, the attached exhibits accompany this narrative and should be referenced by the reader for clarification.

The main narrative of this report includes 7 attached exhibits that have been selected from the complete analysis to support our findings, conclusions and recommendations. These key exhibits include the following:

Exhibit 1.1	Types of Businesses to Target for a Mixed-Use Campus	Table
Exhibit 1.2	Maximum Build-Out of Retail Space - 2030	Table
Exhibit 1.3	Examples of Retail Categories NOT Recommended	Table
Exhibits 1.4-1.5	30-Year Draft Yield Plan – Best Case Scenario	Grids and Maps

Additional materials are assembled and described in a lengthy appendix, which is available upon request from the City of Merrill Administrative Offices, or from LandUse|USA, LLC. For interested parties, the Appendix includes the following information:

Appendix A	Community Amenities
Appendix B	Retail Benchmarks
Appendix C	Commercial Land Prices
Appendix D	Business Inventory
Appendix E	Retail Demand
Appendix F	Unemployment, Seasonality
Appendix G	Industry Trends
Appendix H	Worker Flow
Appendix I	Community Questionnaire

## Section 3.1 – Business Campus Strategy

Exhibit 1.1 provides a list of businesses that should be targeted for the recommended business campus on the east side of Highway 51. The emphasis is on recruitment of anchor, build-to-suit tenants in the service, information and telecommunications industries. In fact, no office space should be developed unless it includes at least one signed anchor from this list.

In addition, sublease office space should not be developed unless there are letters of intent from renters that would occupy at least 50% of the space. In other words, the responsibility falls to the developer to ensure that each building will be occupied before ground-breaking even commences. To be clear, development of speculative office space that lacks anchors and committed tenants should be avoided at all costs.

Exhibit 1.1 also provides examples of the types of small tenants that would be the best candidates for occupying small rental suites in sublease space. Merrill area businesses could also benefit from a business incubator center with a computer training center, meeting space, employment services, business management consulting, educational services, and offices for supporting foundations and social assistance agencies.

As shown in Exhibit 1.5 (grid) and the accompanying draft yield plan (map) the first phases of the project should be concentrated at the southeast quadrant of the study area. Furthermore, this quadrant should be reserved for build-to-suit office tenants, and should not be developed by distribution centers or warehouses. Instead, these later uses should be located at the northeast and northwest quadrants of the study area.

The plan does not need to be completely achieved before a victory or success can be celebrated. The optimal scenario represents a maximum 30-year build-out for the year 2040, so if even one office anchor can be attracted to the campus, then the project is already a success. Any development that helps create jobs for resident workers will help the area's economy with trickle-through benefits, and will help attract additional businesses.

## Section 3.2 – Good Samaritan Health Center

The optimal business campus strategy includes a relocation of the Good Samaritan Health Center to the southeast quadrant of the study area, which would serve as a catalyst for the project and would attract the attention of other anchor tenants. The Good Samaritan Health Center is a dated facility and also is not ideally located within the market. With a modern and expanded facility along Highway 51, the hospital could realize a number of benefits, including:

- An improved ability to compete with Wausau among health care services, while intercepting some of the current export to Marshfield. Easier highway access will improve its ability to respond with emergency care.
- Excellent advertising exposure to traffic along Highway 51, and an opportunity to have its logo prominently displayed along that important corridor.
- An opportunity to leverage the excitement and anticipation of a new health center by adding new services and attracting patients from a larger geographic area. Less excitement would be generated by rebuilding on-site.
- An ability to provide un-interrupted services, with easy transition of all functions, services, staff and patients from the existing to new location. In comparison, rebuilding onsite could pose some logistical challenges and patients could be alienated by any confusion during on-site construction.
- An opportunity to expand its geographic trade area and increase its number of patients by improving access for residents throughout the north woods region.
- Trickle-through benefits of improved economic base for the Merrill area, including new jobs that could help attract new families and patients.
- Improved location closer to its relatively new Bone and Joint Center and the Aspirus Clinic.
- Preempting the potential market entry by a competing hospital, such as Aspirus.
- Increased patronage from Merrill's stakeholders and property owners who appreciate the network's support of the business campus initiative.

A relocation of the health center would not be without its challenges, and a number of related issues would need to be addressed, including:

- A need to continue collaborating with the Marshfield Clinic, building long-term reciprocity and relationships between the two health care providers.
- A need to find an adaptive reuse for the existing health center, and perhaps as a community and senior center, senior housing, nunnery/convent, or orphanage. The quality of technology (fiber, cable telecommunications) within the facility could determine its adaptability for commercial uses or office suites.
- A need to address patient retention, ensuring existing patrons that they will have the same accessibility with improved care at the new location. Although the new location is only 2 miles east of the existing hospital, this could be perceived as "too far" for some current patients.

- A need to acquire developable land east of Highway 51 and provide adequate utilities to support the facility.

In our assessment, these are far outweighed by the economic benefits of having a new hospital along Highway 51 to help sponsor and catalyze development of a new business campus.

Although we have not conducted a detailed feasibility study for a new hospital, we are recommending that the Ministry Health Care Network be approached to test the viability for a modern facility that could accommodate a broader range of services. We encourage Merrill area leaders to persist with the hospital and not be dissuaded by reports that the hospital would prefer to build on-site – which seems like a more costly option.

However, if the Mercy Health Network declines on the opportunity, it does not mean that the project cannot be a success. It only means that local stakeholders will need to work all that much harder to attract the first quality anchor needed to help catalyze development.

### Section 3.3 – Long-Term Scenario

Exhibit 1.5 (grid) and the second page of the draft yield plan (map) demonstrate the longer-term benefits of the project for properties located east of an existing greenbelt that runs parallel to State Highway 17 / County Highway W. Once the business campus gains momentum, these properties are likely to attract interest from residential developers, and could support a mix of housing formats and community services (churches, schools, ball fields). As with any land use, the feasibility may depend on the availability of utilities, particularly water.

### Section 3.4 – Retail Strategy

We also conducted a retail gap analysis for Lincoln County based on transacted retail sales data provided by the 2002 economic census (see the following section of this report). Results from the more recent 2007 economic census are currently being released for the Atlantic States, and data for Wisconsin should be available this spring.

In the absence of this more current data, we relied on other analytic approaches to help formulate recommendations for the Merrill area. Specifically, we conducted an inventory of most existing retailers; conducted a demographic analysis of the retail trade area; conducted a retail import-export analysis; and considered responses from a community questionnaire. We also relied on our knowledge and experience in the retail industry, and qualified the results with considerable strategic thinking and creative thought.

The recommended retail strategy is detailed in attached Exhibit 1.2, which demonstrates long-term build-out for a maximum of 285,000 square feet of retail space for the Merrill area, including the Highway 51 corridor and traditional downtown shopping districts. For perspective, the average Kohl's or Kmart store is about 90,000 square feet, so this is roughly equivalent to three big-box retailers.

Exhibit 1.2 also shows the recommended number of stores by retail category, average store size, and aggregates. The recommendations are also grouped by phase, showing that specific retail categories should be targeted before others.

The phasing plan reflects a number of retail strategic considerations, and recognizes that some retail categories represents true local "needs" and can help catalyze meaningful retail projects, while others are complementary and are more likely to follow as infill. For example, a family clothing store and shoe store represent local needs that could help attract a jewelry or beauty supply store.

The phasing plan also recognizes that demand for some retail categories will depend upon the successful implementation of the recommended business campus. With the addition of a few new build-to-suit office space anchors, the market demand will eventually grow to support another home furnishings store, hotel, car dealership, etc. However, if the business campus does not gain momentum, then the support for these types of retailers will be considerably less.

The strategy also translates into potential opportunities for local entrepreneurs and downtown merchants, and Merrill should continue fostering the independent businesses within its traditional downtown districts. Specific stores recommended for downtown locations include family clothing, food/health supplement, sporting goods (bicycle shop), jewelry store, beauty supplies, and pet stores.

As shown in Exhibit 1.2, the recommended sizes are small for many of the retail categories, and not really conducive for big-box or national chain retailers. For example, an ideal sporting goods store would be a small bicycle shop, not a big-box chain like Dick's, Galyan's or Cabela's. Similarly, an ideal office supply store would be franchises like FedEx/Kinko's or Mailboxes, Etc., rather than a big-box chain line Office Max or Office Depot.

As with the business campus, the retail strategy does not need to be completely achieved before a victory or success can be celebrated. The plan represents a maximum build-out, and if a much smaller retail project is developed with at least one anchor and a good mix of tenants, then the project is already a success.

## Section 4 – Implementation

### Section 4.0 – Introduction

This section of our report covers additional recommendations that directly pertain to implementation of the optimal market strategy. The most important part of implementation has everything to do with a smart land pricing strategy, which is explained in the following section. This is followed by additional recommendations for marketing, planning and design, and business recruitment. Additional implementation recommendations may be addressed in the final report to reflect stakeholder comments during the public presentation, which is scheduled for the end of March 2010.

### Section 4.1 – Land Pricing Strategy

In conducting one-on-one interviews with property owners throughout the study area, a variety of topics were discussed and specific comments have been held confidential as promised. In general though, we learned that the overwhelming majority of property owners would be interested in selling if the “right” buyer came along, and if that buyer were willing to pay the “right” price. Most were open to the idea of future annexation into the City of Merrill if they thought the option could attract a buyer. Most felt that a boundary agreement with the neighboring Town of Pine River would be an infringement on the bundle of rights that they enjoy with property ownership, and that it would undermine their ability to attract a buyer for their land.

The prevailing question that property owners asked us pertains directly to the value of their land. Given current tough economic conditions, recent recession and soft real estate market, they wanted to know what type of a buyer they should target; whether they should try to sell now or wait; and what kind of price they might reasonably ask.

The first part of the question is answered with the strategy recommendations presented in this report. However, there is always a real risk that property owners will inflate the perceived value of their land based on these same recommendations. In other words, if they believe that their property will not attract a buyer for the next 30 years, they will consider a fairly reasonable price. As soon as they believe that their property could attract a new build-to-suit office tenant in the immediate future, they double their price. But this approach could backfire and actually repel potential buyers.

For this reason, it is important for property owners to understand that their ability to attract a buyer will depend on reasonable and attractive land prices. If they jack up the prices because they believe their land to be “prime,” then the vision will be at risk. Merrill property owners must offer their land for prices that are clearly lower than competing locations in Wausau and other larger markets.

Again, to catalyze economic growth and attract businesses and employers, it is important for existing property owners to market their land at prices that are clearly competitive in the market. The developer would assemble the individual properties and complete all of the due diligence tasks needed to attract investors and tenants. The developer stands to profit from the project, but also has the burden of all the costs to complete the due diligence work, and then carries all of the risks. Individual property owners benefit by cashing out, disentangling from the development process, and watching the community benefit economically from the developers’ applied experience with project implementation.

To attract local developer interest, we have developed one potential schedule based on a top-level review of the Exhibits 2.1 through 2.4, and reflecting our assessment of the project goals and community-wide objectives for economic growth:

#### Competitive Commercial Land Pricing Schedule – Highway 51 Corridor

Range in Size	Range in Price per Acre	Range in Total Price
0.1 to 1 acres	\$100,000 to \$150,000	\$10,000 to \$150,000
1 to 2 acres	\$70,000 to \$130,000	\$70,000 to \$260,000
2 to 3 acres	\$50,000 to \$120,000	\$100,000 to \$360,000
3 to 8 acres	\$40,000 to \$70,000	\$120,000 to \$560,000
8 to 12 acres	\$25,000 to \$50,000	\$200,000 to \$600,000
12 to 20 acres	\$20,000 to \$40,000	\$240,000 to \$800,000
20 to 40 acres	\$15,000 to \$30,000	\$300,000 to \$1,200,000
More than 40	\$10,000 to \$25,000	\$400,000 +

Source: Analysis and extrapolation by LandUse|USA, LLC; January 2010.

This schedule is intended only as an initial benchmark for city-wide averages, and should not be used by individual property owners to price their land. Each owner should secure an independent appraisal that accurately reflects local market comparables, the unique attributes of their land, and current economic conditions at the time of the property listing. Obviously, personal preferences and other factors can have important roles too.

## Section 4.2 – Differentiating from the Competition

A range of factors can directly influence location decisions for new businesses. Each new and growing business can choose from myriad locations, and usually begins by testing markets with a) hospitals, colleges, airports and county functions; b) excellent regional highway and airport transportation linkages; c) established parks with clusters of complementary businesses; and d) large pools of skilled workers. Here is a more complete list:

### Location Decision Priorities

- Medical Centers, Hospitals
- Advanced Learning Institutions
- County Seats
- Regional, International Airports
- Regional Setting, Geographic Reach
- Highway Access and Linkages
- Regional Synergies, B2B Opportunities
- Market and Labor Force Size, Skilled Workers
- Business Incentives, Approval Process, TIDs
- Site Attributes, Land Costs, Adjacencies
- Local Synergies, Project Scale, Critical Mass
- Marketing, Image, LEED certification, etc.
- Density, Compactness, Planning and Design

Markets lacking similar attributes will have a tougher challenge, even if they are located along interstate highways. To compete, they must convey other differentiating factors that distinguish them above their competition.

When considering the potential for new business parks, it is important to think like a business and employer rather than as a community stakeholder. Most feasibility studies address the following question: “What are the positive attributes of our market that we can offer to attract new businesses?” With this question, it is tempting to cast a positive scenario based on modest growth in population, income, labor force and employment by industry sector. Again, these market indices simply are not enough.

A much tougher but realistic question comes from the business you are trying to attract: “As a growing business, why should I choose a location in the Merrill area over hundreds of other available markets? Why not just go to Wausau, Stevens Point or Eau Claire where clusters are established near regional airports and with university affiliations?”

In this context, the biggest project challenge for the Merrill area is identifying and conveying market attributes that clearly differentiate it from all the other potential destinations and that clearly announce: “We are truly unique and you cannot get this anywhere else.” For Merrill, this will require a combination of factors, including:

- Project sponsorship from existing businesses like the Ministry and Aspirus health care networks and Church Mutual, actively promoting economic growth.
- Attractive and competitive land costs, with property owners willing to cooperate with private developers for the long-term good of the community, and not just for short-term, personal gain.
- Competitive pricing on city-owned public utilities, and perhaps even free high-speed internet and cable/fiber optic services.
- Sponsorship of the project by state and regional organizations, foundations and agencies.
- An attractive TID incentive package with an easy approval and bonding process.
- Development of a catalyst business campus that combines density with land conservation in a compact project with smart design elements.
- A favorable political environment with collaboration between jurisdictions, ideally with cooperation from the Town of Pine River.

## Section 4.3 – Highway Interchanges

During our work, the subject of a future Highway 51 interchange at County Highway G was discussed on several occasions, and we carefully weighed the advantages and disadvantages. We interviewed WISDOT during the stakeholder participation, and considered the logistical and cost challenges of actually building a new interchange.

Highway 51 changes direction at Highway G, and curves to the northwest for northbound traffic. This curve would make a southbound exit and northbound entrance at Highway G physically challenging, if not impossible. The proximity of Highway G to Highway 64 would also make it difficult to add any ramps on the south side of Highway G. In short, it seems that an interchange at Highway G is unlikely to be feasible.

We also weighed the potential benefits of providing an alternate truck route for traffic into Merrill’s existing industrial park, which is located about two mile west of Highway 51, generally on the north side of the city. Currently, most north-bound trucks on Highway 51 exit at Highway 64 and travel through Merrill’s first downtown district to the industrial park, making at least one hard right and one hard left before reaching the park entrance. Southbound traffic is more likely to exit at Highway K, and trucks make two relatively easy right turns on the way.

Trucks exiting at Highway K can also avoid traffic by taking Hillsdale Drive to the park. If the City of Merrill is interested in exploring future truck routes or bypasses around its downtown, Hillsdale Drive probably offers the best viable option. Merrill and Lincoln County could also explore reconfiguring the road to eliminate some left and right turns at the western end and approaching Route 107. However, the impacted properties are currently located outside of the City and in Lincoln County's jurisdiction, which raises other issues.

For now, the optimal economic growth strategy for the Highway 51 corridor assumes that northbound traffic from Wausau will continue exiting at Highway 64. The easiest turn from that point is east-bound onto Highway 64, and distribution centers can be accessed with one more turn north onto County Road W/Highway 17.

Together with the North Central Wisconsin Regional Planning Commission, affected jurisdictions should strive to collaborate with WISDOT on completion of a transportation plan that improves access between Merrill's airport industrial park and Highway 51. The city could consider commissioning a regional transportation study that would identify ways for alleviating truck traffic along west Highway 64. Rerouting truck traffic would certainly simplify pedestrian and bicycle accommodations within the study area and into the downtown.

## Section 4.4 – Marketing

The city has undertaken a variety of initiatives, with an emphasis on fostering economic growth and attracting new business along Highway 51. Initiatives include this corridor economic growth strategy, which was commissioned at the specific request of local stakeholders and property owners.

In addition, the City of Merrill has created several tax increment districts (TIDs No.3 and No.4) that include properties within the study area. Meanwhile, the city's airport has been undergoing upgrades and expansions; most of the county's administrative functions have relocated to new facilities; and new projects include a new KFC/Taco Bell, Culver's Restaurant, dentist's office and beer distributor.

One of the first and easiest things that the City of Merrill can do to promote and market the area is to improve its own advertisement of these events and victories. The approach may first require a paradigm shift in thinking about Merrill's position within the region. Merrill should be viewed as an extension of the Greater Wausau region, rather than as a competitor for retail expenditures. Since marketing can be expensive, the City should concentrate its efforts on zip codes within Marathon County, and should be bold in competing with the region among a) land prices; b) developer and business incentives; c) business campus planning; and d) labor force availability.

Marketing can come in many forms, and should include a combination of the following:

- Use of the Merrill Area Development Commission to establish a steering committee responsible for promoting and implementing the business campus. The committee members should include representatives from all impacted jurisdictions within the study area, including the city, townships and county. Jurisdictions should help fund marketing based on their assessment of long-term benefits and degree of interest in seeing results.
- Authorization of the business campus board to develop a professional website specifically designed to promote the Highway 51 corridor business campus plan; availability of utilities from various jurisdictions; existing master plans, zoning and future land use maps; developer and tenant incentives; tax increment districts, etc.
- Development of a professional website specifically designed to promote improvements and services available at the city's municipal airport (and renaming it the Merrill Regional Airport.)
- Celebration of local events and victories in the media, and particularly in Wausau area's newspapers. This usually requires little more than preparation of a media release that can be emailed to press.
- Collaboration of the board with interested property owners, and pooling of resources to retain one local sign company. Creation of medium-sized, attractive highway signage to promote and advertise the business campus, conveying a consistent theme and vision and making a real impression to highway traffic truck and business traffic.
- Collaboration of the board with interested property owners on retaining one local real estate broker to represent various properties within the business campus and to represent their seller interests.
- Collaboration of the board with interested property owners on retaining two objective real estate appraisal firms to conduct land appraisals within the business campus, and release of the results to all property owners to mitigate any potential contention – perceived or otherwise.
- In collaboration with one local real estate broker, creation of a one-page, quality brochure that summarizes the business campuses benefits to potential developers and/or tenants, and placement of the brochure in Wausau regional chambers, visitor centers, broker offices, internet websites, hotel lobbies, airport, etc.
- Creation of a one-page ad that can be advertised in Wausau's annual business magazines, local travel magazines, etc.

## Section 4.5 – Cooperative Agreements

The City of Merrill and the Town of Pine River have initiated early discussion regarding the future possibility of a boundary agreement between the two jurisdictions. For the sake of ensuring that the public utilities (sewer and water) are adequate to support the long-term economic strategy, the boundary would ideally follow along the green belt located east of County Road W. However, many other factors can have an influence on negotiations and negotiations and the final agreement. Understanding the state's process for regulating cooperative agreements between jurisdictions is an important first step in ensuring that the outcome is fair and enforceable.

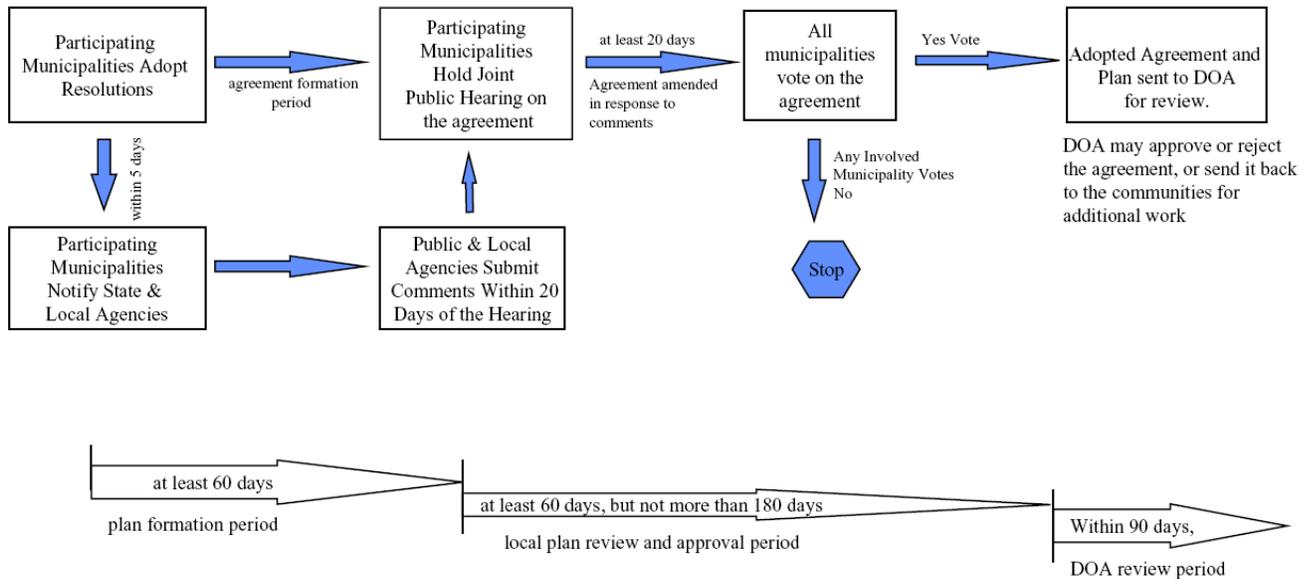
The State of Wisconsin's division of Municipal Boundary Review regulates the transition of unincorporated lands to cities (and villages) through cooperative boundary agreement, municipal annexation, incorporation and consolidation. Cooperative boundary agreements are authorized under s. 66.0307, Wis.Stats. The process includes providing notice to area residents and jurisdictions; development of a cooperative plan for the agreement territory; a public hearing and comment period; and an advisory referendum if requested by the public. The agreement must also be reviewed and approved by the State of Wisconsin Department of Administration, which may deny or recommend changes to any part of it. The state also has a dispute resolution process for resolving conflicts and avoiding costly litigation.

Most recently, the Wisconsin Act 43 established in 2007 enables jurisdictions to rely on already adopted comprehensive plans and master plans in the process; reduces the mandatory waiting period for the public hearing; and actively promoting mediation to resolve disputes.

It is also worth noting that the leading jurisdictions entering into agreements sometime include restrictions on annexation of jurisdictions that are shared neighbors. For this reason, the City of Merrill and Town of Pine River might consider involving the Town of Merrill in its process.

The flowchart on the following page demonstrates the cooperative boundary plan process, and other helpful resources are also available online (<http://www.doa.state.wi.us>), including factsheets, checklists and guides. The earliest steps in the process should include a close study of the state statutes by licensed attorneys; careful consideration of various agreement terms that have recently been negotiated by other jurisdictions; and council discussion and adoption of a resolution to enter into an agreement.

Inset: Cooperative Boundary Plan Process; Section 66.0307 Wis. Stats.



NOTE:

To keep this flow chart simple, a number of procedures were not included that are nonetheless authorized by s. 66.0307 Wis.Stats. These include residents petitioning for an advisory referendum, residents petitioning for the agreement be adopted by a super-majority vote of the governing body, the possibility of a public hearing by DOA, and the possibility that DOA sends the agreement back to the communities with comments on additional work that is needed for approval.

Cooperative boundary agreements most recently approved by the state have involved Madison, Baraboo, Paddock Lake, Oconomowoc, Dousman and Caledonia in agreements with some of their neighboring towns. Their boundary agreements are available online at <http://www.doa.state.wi.us>, and a top-level review shows that they tend to highlight the following general topics:

- Statements of purpose to ensure orderly development, urban growth and density
- Statements of purpose to conserve agricultural land and forest land
- Statements of purpose to conserve natural resources and the environment
- Statements documenting the effected territory
- Agreements and restrictions regarding land annexation
- Agreements and restrictions on extraterritorial zoning, land division and platting
- Provisions for reimbursement or revenue sharing for the loss of taxes
- Provisions for long-term changes to school district boundaries
- Provisions for sharing public utilities, particularly sewer and water
- Provisions for sharing public services, particularly fire and police protection
- Provisions for sharing infrastructure costs, particularly roads
- Provisions for sharing equipment, particularly for road and utility maintenance
- Duration and phasing of the agreement over time
- Creation of committees for governance and enforcement

## Section 5 – Methodology and Approach

### Section 5.0 – Introduction

The following narrative provides a description of the research and analytic tasks conducted during the work on the economic growth strategy for the Merrill area's Highway 51 corridor. Additional narrative is included in Appendices A through I, and provides more detailed descriptions of the analytic results, conclusions and implications for the recommended strategy.

### Section 5.1 – Summary of Tasks

In conducting the economic analysis for Merrill, we first researched prior work that had been done for the City, including the Market Assessment for the Eastside Waterfront Initiative that was published in August 2009.<sup>2</sup> That document was reasonably thorough in its review of population, income, employment, educational attainment and commuting patterns.

We then conducted a number of additional tests to help us gauge local economic conditions. The results were used to help qualify the results of the business and retail analyses; and to qualify the market gap, opportunity and recommendations. We frequently compared Lincoln and Marathon Counties to State of Wisconsin averages and even other states in the Upper Midwest, which are important to provide relativities and perspective.

#### Methodologies and Approach:

- We listened to what local stakeholders had to say during a public meeting in mid-November 2009, reviewed every comment provided in 46 open-ended, essay-style questions in a community survey, and conducted a number of confidential phone interviews with stakeholders.
- We conducted field research, market tours and site visits on several occasions during the early and late fall 2009; and photographed area amenities, marketing efforts, attractions, vacancies, and evidence of commercial and real estate activity.
- We collected an inventory of business and retail throughout the Merrill area and catalogued them by general industry sector.
- We collected and summarized information about available, for-sale commercial properties throughout the State of Wisconsin.
- We collected an inventory of regional medical/health care providers and colleges, plus an assessment of regional and local airports, county seats, industrial parks and other attributes that typically weighed by prospective business campus tenants.

---

<sup>2</sup> Eastside Waterfront Initiative; City of Merrill; Market Assessment; August 2009; Prepared by Baker Tilly Virchow Krause, LLP.

- We conducted a demographic analysis of residents in Lincoln County, with comparisons to Portage (Stevens Point), Marathon (Wausau) and other neighboring counties in the region. We also delineated 5, 10 and 15-mile rings around the study area and delineated a retail trade area with additional demographic data.
- We forecast population, per capita and total personal income for Lincoln County and the trade area, which were used to gauge the magnitude of expenditure potential and retail gap.
- We conducted a supply-demand or gap analysis of business and retail categories as reported by the 2002 economic census.
- We considered unemployment rates over time and assumed that the market would recover from the recent recession within the next five years.
- We considered the distribution of employment by industry sector and change in employment by industry sector over time.
- We conducted an import-export analysis and worker flow analysis to understand the influences of Wausau, Stevens Point and Marshfield, and the influences of Marathon and other neighboring counties on the Merrill area.

Additional analyses and were also conducted, and most of results are depicted graphically in attachments to this report. We also relied considerably on our professional experience in the industries of retail site selection and location analysis; land use economics; community and downtown planning; real estate investment and development; human geography and demographics; and interrelated topics. Finally, we also relied on sound professional judgment; experience in assisting other communities of similar size throughout the Upper Midwest; and subjective observations during our visits to Merrill.

The quantitative and qualitative analyses were then considered collectively with a heavy dose of creative and strategic thinking to formulate specific recommendations for the Merrill area and recommended business campus. These recommendations are presented in graphical and tabular formats within attached Appendices to this report.

## Section 5.2 – Review of Prior Studies

The City of Merrill has taken good initiatives in conducting the early due diligence for attracting future investment and development. To ensure that our work is being completed in an efficient manner, we have included a review of these prior studies, and intentionally avoided duplicating the work. Here is a summary of the reports that we reviewed:

### Merrill Area Studies and Reports

- 2009 – Eastside Waterfront Initiative Market Assessment; Baker Tilly
- 2009 – TIA for Wal-Mart Supercenter; Martenson & Eisele, Inc.
- 2007 – Project Plan for Creation of TID No. 4 Mixed Use District; Ehlers & Associates, Inc.
- 2006 – TIA for Wal-Mart SuperCenter; Traffic Analysis & Design, Inc.
- 2004 – Conceptual Engineering Report and Master Plan; Prairie Woods and Streams of America; REI
- 2004 – Project and Redevelopment Plan for TID No. 3 and RD No. 1; Vierbircher Associates, Inc.
- 2004 – Proposed Retail Development for Merrill, Wisconsin; May Center Advisors
- 2004 – Lincoln County Workforce Profile 2020; Wisconsin Dept. of Workforce Development
- 2002 – Business Park Market Feasibility Study; Vierbircher Associates, Inc.

### Wisconsin Department of Workforce Development

- 2004 – Wisconsin Jobs 2005
- 2004 – Wisconsin's Thirty Industries with the Most New Jobs, 2002-2012
- 2003 – Fostering Cluster Development in Wisconsin
- 2003 – A Regional Economic Growth Strategy

Unfortunately, with the exception of the most recent Baker Tilly market assessment, these other studies generally reflect a limited vision for the Merrill area. They meet their individual technical requirements, but only in responding to site plans that have been designed in a piece-by-piece manner and with little regard for highest and best use or land use adjacencies.

The plans addressed in these studies have done little more than carved-up larger parcels into smaller lots that risk promoting strip development and sprawl. They are also designed within the confines of rural roads, and the concept of land conservation is poorly applied. Upon completion of this study, we will present site plans that demonstrate a more visionary approach and the longer-term development potential for the Highway 51 corridor.

## Section 5.3 – Report Conclusion

This concludes the summary of the Economic Analysis conducted for The City of Merrill’s Highway 51 Corridor Strategy. Again, we are optimistic that the Highway 51 holds good long-term potential for economic growth in the Merrill area, and that your joint initiatives can be a success for neighboring townships as well as the city.

Questions regarding the findings, conclusions, recommendations, data, methodology and this report can be addressed to:  
Ms. Sharon M. Woods, Principal; LandUse|USA, LLC  
([SharonWoods@LandUseUSA.com](mailto:SharonWoods@LandUseUSA.com)).

Questions regarding the project status, progress and investment opportunities can be addressed to:  
Mr. Tony Chladek, City Administrator; City of Merrill  
([TChladek@ci.Merrill.wi.us](mailto:TChladek@ci.Merrill.wi.us))

Exhibit 1.1 City of Merrill, Wisconsin  
Types of Businesses to Target for a Mixed-Use Campus

Types of Build-to-Suit Office Anchors - Services

- 1 Information, telecommunications
- 2 Insurance call center
- 3 Electronic shopping & mail-order houses
- 4 Medical systems administration, record storage
- 5 Direct selling establishments
- 6 Newspaper, periodical, book, directory publishers
- 7 Hospital headquarter offices
- 8 Architectural, engineering, planning
- 9 Computer systems design
- 10 Financial / bank headquarter offices
- 11 Medical research center, laboratory

Small Tenants of Sublease Office Space

- 1 Agents and Brokers of Wholesale Trade
- 2 Videotaping, Marketing Services
- 3 Courier, Messenger Services
- 4 Offices of lawyers
- 5 Investigation & security services
- 6 Management consulting services
- 7 Advertising & related services
- 8 Telecom Business Solutions
- 9 Rental & leasing services
- 10 Lessors of residential buildings

Types of Build-To-Suit Warehouse, Distribution Tenants

- 1 Professional, Commercial Equipment, Supplies
- 2 Electrical Goods and Supplies
- 3 Hardware, Plumbing, Heating Equipment, Supplies
- 4 Farm and Garden Machinery, Equipment
- 5 Service Establishments Equipment, Supplies
- 6 Packaging, Distribution of Bottled Water
- 7 Heavy Farm Equipment Supplier
- 8 Internet Sales Packaging, Order Fulfillment
- 9 FedEx, UPS Distribution Center
- 10 Vending machine operators (small tenant)
- 11 Linen & uniform supply (small tenant)

Small Tenants of Sublease Medical Space

- 1 Home Care Dispatch Center
- 2 Mental health practice offices
- 3 Offices of other physicians
- 4 Physical, occupational, speech therapists
- 5 Child & youth services
- 6 Other individual & family services

Business Incubator Center

- 1 Computer Training Center, Corporate Training
- 2 Small Business Development Center
- 3 Human Resources, Employment Services
- 4 Business Management Consulting
- 5 Foundations, Social Assistance Agencies
- 6 Educational services

Source: Results of a deductive supply-demand model conducted by LandUse | USA, LLC; January 2010.

Exhibit 1.2 City of Merrill, Wisconsin - Optimal Scenario  
Maximum Build-Out of Retail Space - 2030

NAICS	Category Description	Maximum		Maximum Aggregate Square Feet	Location		Phase Like...(examples only)
		Market- Wide	Average Store Size		H = Hwy. D = DT	I-IV	
448140	Family clothing stores	1	3,000	3,000	D	1	Rugged outdoor, work wear, scrubs
446191	Food (health) supplement stores	1	2,000	2,000	D	1	GNC, natural food store
451110	Sporting goods stores	1	2,000	2,000	D	1	Bicycle and skate shop, Play it Again Sports
444220	Nursery, garden center, farm supply	1	6,000	6,000	H	1	TSC, Sears Hardlines, Farm & Fleet
4238	Farm machinery, equipment, supplies	1	2,000	2,000	H	1	TSC, Sears Hardlines, Farm & Fleet
443120	Computer & software stores	1	2,000	2,000	H	1	New computers, hardware, repair
517212	Wireless Telecommunications	1	1,000	1,000	H	1	Broadband service provider
4532	Office supplies, stationery	1	3,000	3,000	H	1	FedEx/Kinko's, Mailbox Etc.
811490	Household goods repair, maintenance	1	1,000	1,000	H	1	Sublease of Campus Office Space
448190	Other clothing stores, shoes	1	2,000	2,000	D, H	1	Payless Shoes, Local Independent
722110	Full-service restaurants	1	4,000	4,000	D, H	1	Quality national brands
448310	Jewelry stores	1	2,000	2,000	D	2	Local Independent
446120	Cosmetics, beauty supplies, perfume	1	2,000	2,000	D	2	Sally Beauty
453910	Pet & pet supplies stores	1	2,000	2,000	D	2	Aquarium Store, Small Pets
45211	Junior Department Store	1	90,000	90,000	H	2	JCPenney, Kohl's, etc.
4512	Books, periodicals	1	1,000	1,000	H	2	Book outlet, Waldenbooks
444190	Other building material dealers	1	10,000	10,000	H	2	Do-It Center Expansion
44311	Television, electronics	1	10,000	10,000	H	2	ABC Electronics with limited appliances
453110	Florists	1	2,000	2,000	H	2	Local Independent
451130	Sewing, needlework, piece goods	1	2,000	2,000	H	2	Silkscreening, Embroidery, Sportswear
624410	Child day care services	1	4,000	4,000	H	2	Kindercare, near business campus
451130	Sewing, needlework, piece goods	1	4,000	2,000	D, H	2	JoAnn Fabric, Ben Franklin Crafts
722110	Full-service restaurants	2	4,000	8,000	D, H	2	Quality national brands
72221	Limited-service eating places	2	1,000	2,000	D, H	2	WiFi coffee shop, cafés
7223	Special food services	1	1,000	1,000	D, H	2	Catering, Culinary Arts Classes
445110	Grocery, Food Stores	1	25,000	25,000	H	3	Value Outlets, IGA, Sav-A-Lot, Aldi, GFS
44229	Home furnishings stores	1	2,000	2,000	H	3	Upholstery, furniture restoration
444120	Paint & wallpaper stores	1	2,000	2,000	H	3	Sherwin Williams
713950	Family Bowling, Arcade Center	1	12,000	12,000	H	3	Local Independent
812320	Drycleaning & laundry services	1	1,000	1,000	H	3	Local Independent
721110	Hotels, Motels, Traveler Accommodations	1	60,000	60,000	H	4	Full-Service with Conference Ctr.
713910	Golf courses & country clubs	1	3,000	3,000	H	4	9 holes, business campus
812210	Funeral homes, services	1	10,000	10,000	H	4	Local Independent
561720	Janitorial services	1	1,000	1,000	H	4	Local Independent
4471	Gasoline stations	1	1,000	1,000	H	4	Second location among existing brands
441110	New car dealers	1	2,000	2,000	H	4	Depends on statutes for assigned geography
	Phase 1: 2010 - 2015	11	--	28,000			
	Phase 2: 2010 - 2020	16	--	138,000			
	Phase 3: 2010 - 2025	5	--	42,000			
	Phase 4: 2010 - 2030	6	--	77,000			
	Grand Total	38	--	285,000			

Source: Deductive results from a supply-demand analysis conducted by LandUse|USA, LLC; January 2010.

Exhibit 1.3 City of Merrill, Wisconsin  
Examples of Retail Categories NOT Recommended

- 1 Furniture stores
- 2 Warehouse clubs & supercenters
- 3 Gift, novelty, & souvenir stores
- 4 Hardware stores
- 5 Fitness & recreational sports centers
- 6 Beauty salons
- 7 Offices of chiropractors
  
- 8 Used car dealers
- 9 Used merchandise stores
- 10 Drinking establishments
  
- 11 Automotive parts, accessories, tires
- 12 Automotive mechanical repair, maintenance
- 13 Automotive body, paint, interior, & glass repair
- 14 Other automotive repair & maintenance
  
- 15 Travel arrangement & reservation services
- 16 Offices of dentists
- 17 Offices of real estate agents & brokers

Source: Deductive results from a supply-demand model  
conducted by LandUse|USA, LLC; January 2010.

Exhibit 1.4 City of Merrill, Wisconsin - Best Case Scenario  
 30-Year Draft Yield Plan - Highway 51 Economic Growth Strategy



Source: LandUse|USA in collaboration with One Source Consulting; 2010.

Note: Grid demonstrates general quadrants only, and is not intended to demonstrate proximity of uses to each other or to roads.

Assumes that a) current property owners follow a competitive land pricing strategy relative to Wausau and Stevens Point.

b) jurisdictions advertise attractive incentives (taxes rebates, TID bonds, etc.) to potential developers and tenants.

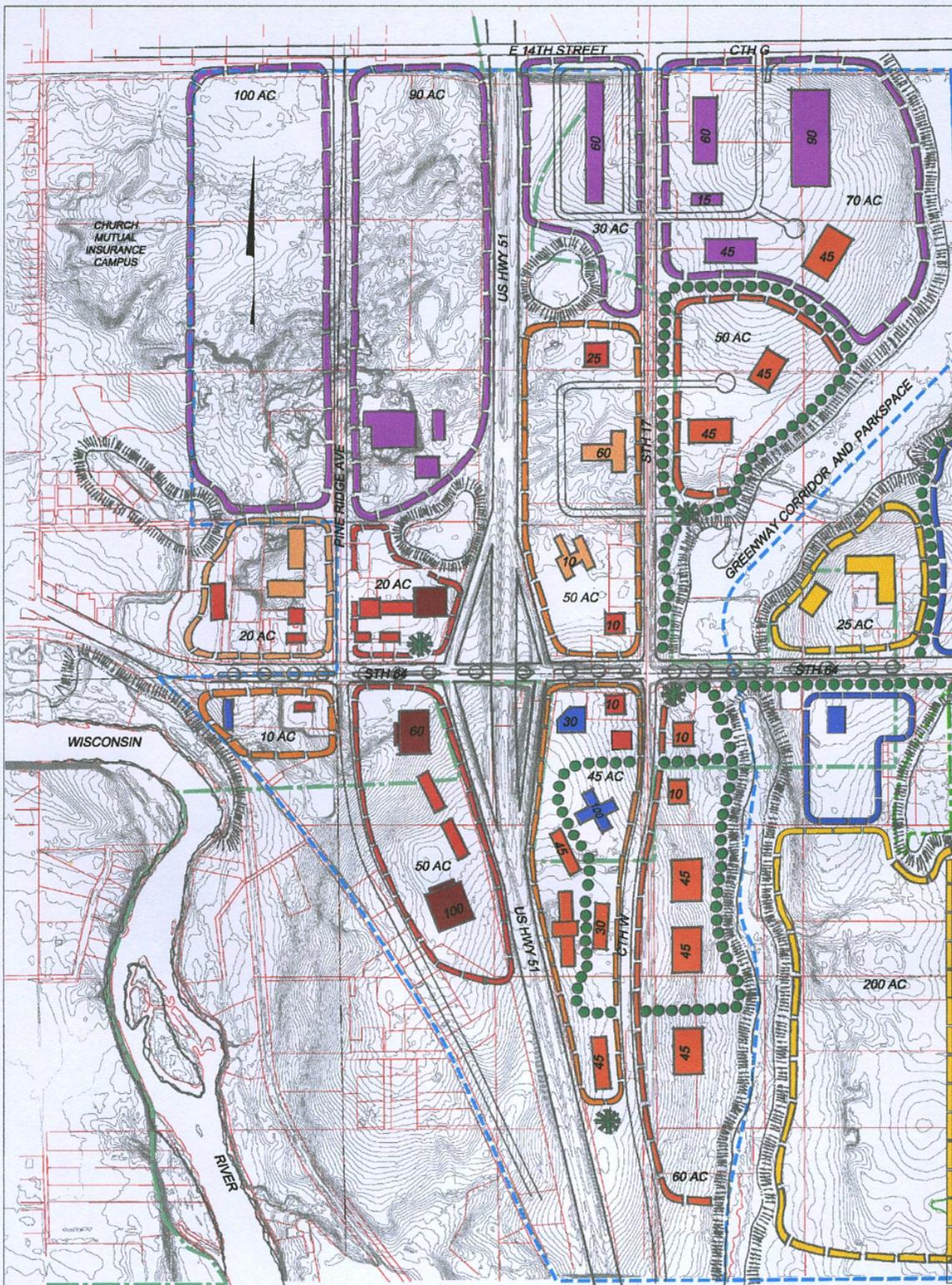
d) that adequate utilities can be provided on the east side of Highway 51.

c) the project is catalyzed by a new hospital or other headquarter type of build-to-suit anchor.

Exhibit 1.5 City of Merrill, Wisconsin - Best Case Scenario  
 30-Year Draft Yield Plan - Highway 51 Economic Growth Strategy

<p>Phase III:                  Heavy Farm Equipment Supplier  <i>Like John Deer Co. (15,000 sf)</i></p>			<p>Current Year = 2010                  Phase I = 2020                  Phase II = 2025                  Phase III = 2030                  Phase IV = 2035                  Phase V = 2040</p>
County Road G		County Road G	
<p>Phase III:                  Distribution (60,000 to 120,000 sf)                  Supporting Show Room (25,000 sf)</p> <p>Phase II: Hotel (100 rooms)                  with Conference Facility                  (60,000 sf)</p> <p>Phase III: Automotive Dealership                  (10,000 sf Showroom)</p> <p>Phase II: Travel Center (10,000 sf)                  Truck and RV Washing</p>	<p>Phase V:                  Distribution Center (90,000 sf)                  Distribution Center (60,000 sf)                  Maintenance (15,000 sf)</p> <p>Phase VI: Office Space                  (45,000 sf footprint)</p> <p>Phase V: Office Space                  (45,000 sf footprint)</p> <p>Phase IV: Office Space                  (45,000 sf footprint)</p>	<p>Phase V:                  Townhouses                  Rowhouses                  Condominiums</p>	<p>Park Space                  and Athletic Fields</p> <p>Phase V: Assisted                  Living Facility</p> <p>Phase IV: Age-In-Place                  Community</p> <p>Phase VI:                  Church                  Place of Worship</p>
Highway 64		Highway 64	
<p>Existing: KFC/Taco Bell</p> <p>Phase I:                  Convenience Retail (&lt;10,000 sf)                  No Restaurants or Gas Stations</p> <p>Phase I:                  New Hospital (up to 100,000 sf)</p> <p>Phase III:                  Medical Annex (45,000 sf)</p> <p>Phase II:                  Professional Space (30,000 sf)</p> <p>Phase III:                  Professional Space (45,000 sf)</p> <p>Existing: USDA Building</p>	<p>Phase II:                  Day Care Center</p> <p>Phase III:                  Professional Space (10,000 sf)</p> <p>Phase III: Office Space                  (45,000 sf footprint)</p> <p>Phase IV: Office Space                  (45,000 sf footprint)</p> <p>Phase V: Office Space                  (45,000 sf footprint)</p>	<p>Existing: Public School</p> <p>Phase IV: Multi-Family                  Community                  Creekside Views</p> <p>Phase V: Row Houses                  Condominiums                  Townhomes</p>	<p>Phase III: Single-Family                  Detached Houses                  Compact Design                  Combination of                  Density and                  Land Conservation</p>
Highway 51	County Road W	Creek, Gulley, Waterway, Trails	Community Connector

Source: LandUse|USA in collaboration with One Source Consulting; 2010.  
 Note: Grid demonstrates general quadrants only, and is not intended to demonstrate proximity of uses to each other or to roads.  
 Assumes that a) current property owners follow a competitive land pricing strategy relative to Wausau and Stevens Point.  
 b) jurisdictions advertise attractive incentives (taxes rebates, TID bonds, etc.) to potential developers and tenants.  
 d) that adequate utilities can be provided on the east side of Highway 51.  
 c) the project is catalyzed by a new hospital or other headquarter type of build-to-suit anchor.



- LEGEND:**
- STUDY AREA
  - WETLAND
  - SENIOR SERVICE AREA
  - PROPOSED BLDG SIZE IN 1000 SF
  - LAND USE AREA
  - PEDESTRIAN CONNECTIONS
  - PUBLIC GATEWAY ELEMENT
  - REGIONAL RETAIL
  - RETAIL
  - MIXED USE
  - OFFICE
  - WAREHOUSE/DISTRIBUTION
  - INSTITUTIONAL
  - HIGHWAY ORIENTED COMMERCIAL
  - MULTI-FAMILY
  - RESIDENTIAL

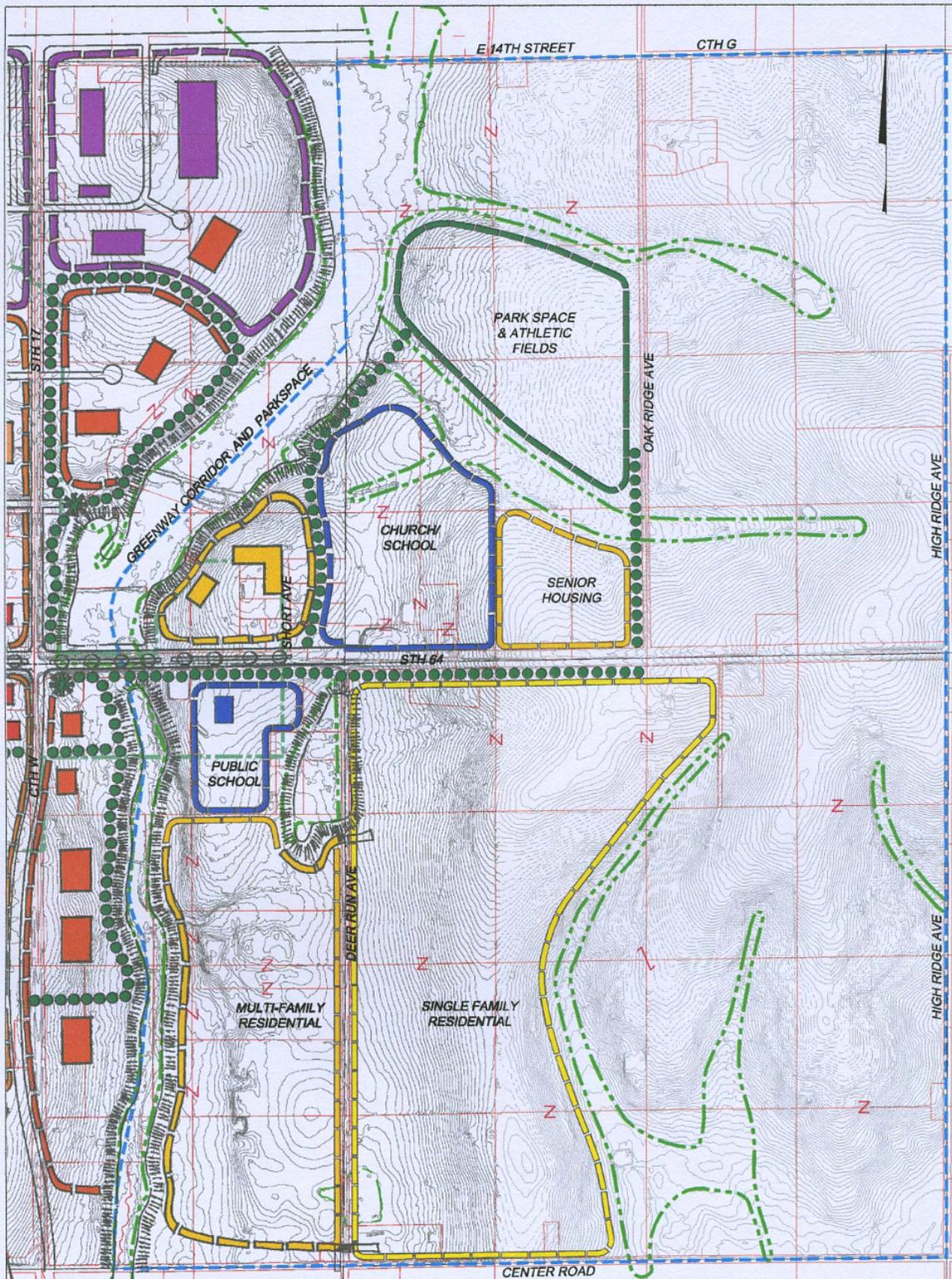


**CITY OF MERRILL**  
**HWY 51 ECONOMIC GROWTH STRATEGY**  
**YIELD PLAN**  
 ISSUED MARCH 30, 2010

EXHIBIT 1.6



One Source Consulting  
 CONSULTING SERVICES  
 1100 W. HAMPTON AVE  
 MILWAUKEE, WI 53225  
 (414) 462-9000  
 (414) 462-9009 (FAX)  
 www.onsourceconsult.com



- LEGEND:**
- STUDY AREA
  - WETLAND
  - SEWER SERVICE AREA
  - 45 PROPOSED BLDG (SIZE IN 1000 SF)
  - LAND USE AREA
  - PEDESTRIAN CONNECTIONS
  - ✱ PUBLIC GATEWAY ELEMENT
  - REGIONAL RETAIL
  - RETAIL
  - MIXED USE
  - OFFICE
  - WAREHOUSE/DISTRIBUTION
  - INSTITUTIONAL
  - HIGHWAY ORIENTED COMMERCIAL
  - MULTI-FAMILY
  - RESIDENTIAL
  - SPORT /RECREATION



**TOWN OF PINE RIVER  
HWY 51 ECONOMIC GROWTH STRATEGY  
YIELD PLAN  
ISSUED MARCH 30, 2010**

**EXHIBIT 1.7**



**One Source Consulting**  
Contracted Member of the Swinburn Group of Engineers  
 11805 W. HANFORD AVE  
 MILWAUKEE, WI 53228  
 (414) 482-9000  
 (414) 482-9008 (FAX)  
 www.onsourceconsulting.com



# Lincoln County, Wisconsin

## Highway 51 Economic Growth Strategy

### APPENDIX

Presented by:  
LandUse|USA, LLC



LANDUSE|USA

With:  
One Source Consulting



Construction Minded | Value Sensitive | Civil Engineers

# Appendix Outline

Appendix A – Community Amenities	Exhibits
1. Hospitals and Medical Care	A.1 – A.3
2. Colleges	A.4
3. Government Buildings	n/a
4. Airports	n/a
Appendix B – Retail Benchmarks	
1. Transacted Retail Sales	B.1 – B.2
2. Import-Export Analysis	B.3 – B.4
3. Midwest U.S.A. Retail Performance	B.5 – B.8
Appendix C – Commercial Land Prices	
1. For-Sale Land – including Retail	C.1 – C.2
2. For-Sale Land – including Industrial	C.3 – C.4
Appendix D – Business Inventory	
1. Number of Inventoried Retailers	D.2
2. Number of Inventoried Businesses	D.3
3. List of Inventoried Establishments	D.4 – D.14
Appendix E – Retail Demand	
1. Population and Income Distribution	E.1 – E.2
2. Total Person Income	E.3 – E.4
3. 5, 10, 15 Mile Rings	E.5 – E.10
4. Effective Trade Area	E.11
5. Demographic Summary	E.12
Appendix F – Unemployment, Seasonality	
1. 1948-2009 Unemployment Trends	F.1 – F.2
2. 1990-2009 Seasonal Unemployment	F.3 – F.5
3. Seasonality of Vacant Housing	F.6
Appendix G – Industry Trends	
1. Employment by Industry Sector	G.1
2. Change in Share of Total Employment	G.2 – G.5

## Appendix Outline (continued)

### Appendix H – Worker Flow

- |  |           |
|--|-----------|
| 1. Inflow Analysis                       | H.1 – H.2 |
| 2. Outflow Analysis                      | H.3 – H.4 |
| 3. Net Worker Outflow for Lincoln County | H.5       |

### Appendix I – Community Questionnaire

- |                                  |            |
|----------------------------------|------------|
| 1. Community Amenities and Needs | I.1 – I.4  |
| 2. Local Stores and Wants        | I.5 – I.7  |
| 3. Competing Cities and Stores   | 1.8 – I.11 |
| 4. Copy of the Questionnaire     | I.12       |

# Appendix A – Community Amenities

## Section A.0 – Introduction

In conducting similar studies for other American Cities, we have learned that successful business campuses and economic growth initiatives tend to benefit from proximity to specific regional amenities. Among the communities studied, we observed a consistent pattern where businesses target locations with the following combination of critical amenities: 1) hospitals; 2) colleges; 3) airports; and 4) county seats.

The Merrill area has an existing hospital; is proximate to many college choices in Wausau; has a municipal airport; and is the Lincoln County Seat. Preliminary strategy recommendations are focused on strengthening and leveraging all of these, including: 1) relocating and expanding the hospital; 2) cross-marketing with Wausau area colleges; 3) expanding and upgrading the local airport; and 4) retaining all county and city activities in the traditional downtown district. Each is described in greater detail in this section of our report.

## Section A.1 – Hospitals and Medical Care

Hospitals and clinics help attract additional businesses to an area by providing resident workers with the basic health care needed to live, work and raise a family. Without health care, a community cannot compete for working families; and without a labor force, a community will struggle to attract employers. Hospitals can also be valuable sponsors of new business campuses and can anchor projects to help attract additional businesses. Cross-marketing and other synergies can also play important roles.

Over time, Merrill's Good Samaritan Health Center has downsized its number of beds from its peak of 73 in the 1950's to just 25 currently. However, this is largely attributed to nation-wide improved outpatient care, which has lessened the need for overnight stays. Most other hospitals have also reduced the number of beds with increased outpatient services. In addition, a medical program established within Wisconsin in 2003 now provides financial incentives for Critical Hospital designations. Achieving this designation usually means improving critical access and care while further reducing the number of beds.

In the community questionnaire, 15 surveyed respondents mentioned Merrill as a destination for health care, and 8 mentioned that they drive all the way to Marshfield for alternatives. Only 3 mentioned Wausau as a destination for medical care. Interviewed stakeholders also seemed quick to complain about the quality of its emergency care and loss of its birthing center at the Good Samaritan. For perspective, the attached Exhibits A.1 through A.3 demonstrate the services that are available at other hospitals in the region, and that are not clearly available locally.

## Section A.2 – Colleges

The attached Exhibit 1.4 provides a summary of our observations regarding the availability of advanced learning opportunities in the Merrill area. As shown, the University of Wisconsin system has a two-year college in Marathon County; Globe University/Minnesota School of Business has a branch in Wausau; and Wausau also includes North Central Technical College and Rasmussen College.

If Merrill were not located so close to Wausau, then we would recommend that the area pursue a branch college along these same formats. However, Merrill residents and workers already have good choices in Wausau, so the recommendation is practically moot.

Even so, the established colleges in Wausau should be approached as potential sponsors of the Merrill area business campus, with great opportunities for cross-marketing along the important Highway 51 corridor. Smaller and more specialized learning centers might also be viable tenants for the project.

Meanwhile, Merrill does have a small North Central College occupying a facility within its existing industrial park. We have been informed that the branch is in fact interested in expanding into larger space but that it is committed to its current location for various reasons, some of which tie back to the original purchase of its property.

## Section A.3 – Government Buildings

County buildings can play important roles in attracting new business to communities and their presence have helped fill professional space. If county functions are located in a downtown, then the daytime workers can usually walk to restaurants and conveniences like banks and insurance agencies. Other categories like attorney office, accounting services and title companies have a more direct symbiotic relationship with county functions.

Numerous other cities throughout the U.S. have made the mistake of allowing county and/or city functions to relocate out of the downtown core. They are usually tempted by the idea of having a larger and more modern facility, and by the affordability of land in outlying locations.

Unfortunately, the loss of daytime workers, visitors and cross-over shoppers can be devastating for downtown districts.

In downtown Merrill, the original county building still houses offices for the clerk of court, coroner, district attorney, register in probate/juvenile court, sheriff, emergency and maintenance. However, most other operations have been relocated to Sales Street, which is still within the city limits but about one mile to the northeast and removed from the downtown core. The majority of county administrative functions, including the clerk's office; finance; treasurer's office; forestry, land and

parks; land information and conservation; zoning; veteran's services and I.T. department, are now located at 801 Sales Street. Social services, including child support; commission on aging and the health department have been relocated to 607 Sales Street.

Lincoln County's commitment to the City of Merrill and the city's loyalty to its own downtown should be valued and applauded. Longer term, we recommend that remaining county departments be retained in the historic county building (or other historic buildings within the downtown) rather than relocating along Sales Street. With downtown locations, county functions contribute daytime workers that can be converted into shoppers for downtown merchants. They also encourage support businesses to fill space within the downtown; help convey the county's commitment to historic preservation; and provide higher visibility for the county to both residents and visitors.

## Section A.4 – Airports

The City of Merrill has a public municipal airport that is in full-time operation and provides aircraft and car rental services. The following table provides a comparison between the City of Merrill Airport with others in the surrounding markets, including markets that are competing with Merrill in the health care industries. The analog airports are generally listed from north to south.

The table shows that Merrill's second runway is among the smallest and rated in "fair" condition. The Merrill Airport also reported 60 average daily operations in 2008, approaching the traffic levels of the Central Wisconsin Airport in Mosinee (62 per day) and the Marshfield Airport (71 per day). Yet, Rhinelander surpasses all of these with its relatively remote North Woods location and concrete runway.

County	Year	Runway	Runway	Avg. Daily	Runway	
<u>City Name</u>	<u>Name</u>	<u>Activated</u>	<u>Dimensions</u>	<u>Dimensions</u>	<u>Operations</u>	<u>Descriptions; Approach</u>
Eagle River	Vilas	1938	5,000' x 76'	3,400' x 60'	56	Both Good; RNAV
Minocqua	Oneida	1945	5,150' x 100'	3,600' x 75'	74	Good/Poor; RNAV
Rhinelander	Oneida	1944	6,800' x 150'	5,200' x 100'	80	Concrete/Good; ILS
Medford	Taylor	1965	6,900' x 75'	4,435' x 75'	21	Both Good; RNAV
Antigo	Langlade	1944	4,000 x 75'	3,400' x 75'	23	Both Good; RNAV
Tomahawk	Lincoln	1972	4,000' x 75'	n/a	20	Good; RNAV
Merrill	Lincoln	1938	5,100' x 75'	3,000' x 75'	60	Good/Fair; RNAV
Wausau	Marathon	1937	5,200' x 100'	3,080' x 100'	123	Both Good; ILS
Mosinee	Marathon	1968	7,650' x 150'	6,500' x 150'	62	Both Concrete; ILS
Marshfield	Wood	1945	5,000' x 100'	3,600' x 100'	71	Both Good; RNAV
<i>Merrill</i>	<i>STRATEGY</i>	<i>2015</i>	<i>6,800' x 150'</i>	<i>3,600' x 100'</i>	<i>80</i>	<i>Concrete/Good; ILS</i>

Source: Current data provided by [www.AirNav.com](http://www.AirNav.com); analysis by LandUse|USA, LLC; January 2010.

Notes: RNAV indicates remote or radar navigation; ILS indicates instrument landing system.

In general, concrete/grooved runways are considered better than asphalt at bearing the weight of larger jets. The nearest concrete runways are in Rhinelander and Mosinee.

Although Merrill does not have concrete runway, we have been told that the state and federal governing agencies recognize the Merrill Airport as a “commercial-type” facility due to other upgrades. Mainly, it has upgraded its weather approach and meteorological systems with GPS satellite lateral guidance precision, making it among the top two best systems in the entire state.

The Merrill Municipal Airport added its larger runway in 2002, which upgraded it from a utility to transport category airport. It has also improved its commercial hangar, but it has run out of space for more hangars. Future expansion will depend on an ability to acquire some adjacent property. Meanwhile, other improvements have been recently completed, including installation of a new jet refueling system, and bringing city utilities (sewer and water) to the main terminal and hangars.

Other plans are underway for additional improvements to aprons and terminals, plus a new parallel taxi lane. Near-term plans also call for rebuilding the smaller (and older) runway, ideally expanding it to 150 feet wide with the capacity to accommodate larger aircraft. Longer-term plans for the airport are also being formulated to accommodate growth twenty years out. Other considerations like year-round access (snow removal) and on-site support facilities could help improve its use.

The airport’s improvement and expansion plans will help it remain competitive in the state and region. Meanwhile, we have two additional recommendations that can help attract the airport gain wider recognition and potentially attract new businesses to the area:

- The airport currently has a link within the City of Merrill website (<http://www.ci.merrill.wi.us/airport/>), but it undersells the airport and its amenities. A professionally designed and attractive website should be developed that more effectively promotes its history; recent and planned improvements; credentials; and available services.
- The airport is currently named the Merrill Municipal Airport, which emphasizes its local use. A simple name change to the Merrill Regional Airport can help convey more prominence and geographic reach.
- Other marketing efforts could include advertisement along Highway 51 between Merrill and Wausau; social media (Facebook, blogging, etc.); and articles written for regional newspapers that announce and celebrate improvements and other events.

## Appendix B – Retail Benchmarks

### Section B.0 – Introduction

This section of the report provides a summary description of transacted retail sales and net import-export of retail expenditures for Lincoln County, followed by a description of retail performance measures for the Upper Midwest states. The first tests are intended to demonstrate the magnitude of retail “gap” in Lincoln County, although these gaps may not necessarily translate into a clear opportunity for new merchants. The magnitude of opportunity must also reflect unique site and locational attributes of each project. Regardless of the magnitude of market gap, a site in the wrong location or with the wrong configuration probably would offer few if any retail opportunities.

### Section B.1 – Transacted Retail Sales

The first test of retail gap is based on a comparison between transacted retail sales for comparative counties. In this case, we have compared Lincoln County to its nearest neighbors south along Highway 51, including Marathon County (Wausau) and Door County (Stevens Point.) To enable direct comparisons, we first adjust for differences in population size between these counties by calculating Sales per Capita. To further adjust for differences in income levels, we also calculate a measure of market share, or Sales per Capita as a share of Per Capita Income.

Sales per Capita = (Total Transacted Retail Sales) / (Total Population)

Market Share = (Sales per Capita) / (Per Capita Income)

## Section B.2 – Import-Export Analysis

We also conducted a retail import-export analysis, which demonstrates that the export of expenditures out of Lincoln County is actually being offset by import (Exhibit B.1). Residents of Lincoln County are travelling to Marathon County for shopping excursions, but this is offset by visitor import (mostly vacationing families staying at local hotels and eating at local restaurants?)

Additional materials were collected during our assessment of retail import-export, including an inventory of selected destination stores in Wausau (Exhibit B.2). Wausau offers a compelling mix of retail choices that encourage Merrill’s residents to export their shopping expenditures.

We also tallied the number of times that competing stores were mentioned in responses from 46 completed community questionnaires (Exhibit I.9 in Appendix I.) Respondents to the questionnaire most frequently mentioned restaurants and coffee shops, and also mentioned big-box retail destinations like Fleet Farm, Menards, Home Depot, Lowe’s, Sam’s Club, Target, Wal-Mart, Shopko and Kohl’s.

A portion of the retail sales “leakage” can be intercepted by a few carefully chosen retail categories designed to offer local shoppers choices among prices and product mix. With the right choices, they are more likely to stay local for the shopping excursion. This usually translates into more cross-shopping among other local stores, particularly services, downtown shops, and other small merchants.

## Section B.3 – Upper Midwest Retail Performance

Exhibits B.3, B.4 and B.5 are provided as retail benchmarks for City leaders, property owners and local developers. They demonstrate median performance among neighborhood and convenience shopping centers throughout the U.S.A.’s Midwest Region, which includes Wisconsin, Illinois, Ohio, Michigan and a few other states.

As shown in Exhibit B.3, the largest tenants in smaller centers tend to be pharmacies and dollar stores, followed by women’s apparel, video rental stores, banks, restaurants, convenience stores and liquor stores. The median size among supermarkets is 40,000 square feet, and pharmacies have a median size of about 10,000 square feet.

Supermarkets achieve the highest annual sales levels with a median approaching \$14.0 million, or just under \$270,000 in weekly sales (see Exhibit B.4.) Pharmacies have median sales of \$5.0 million, and most other stores have sales of \$1.0 million or less.

Although supermarkets tend to achieve higher sales than pharmacies, they are not necessarily more productive. In fact, drug stores achieve median sales of over \$500 per square foot, compared to \$350 per square foot for grocery stores. The pharmacy department as well as hard-line merchandise categories (small electronics, cameras, etc.) can also contribute to higher sales productivity for drug stores. In comparison, most limited service restaurants, mailing services and hair salons also tend to achieve sales of at least \$200 per square foot, whereas most other categories have sales of \$150 to \$200 per square foot (see Exhibit B.5.)

Of course, the actual range will vary considerably between market sizes, competitive levels, locations, store sizes and brands. Store visibility; parking and access; corporate, regional and store management; stocking levels; service and cleanliness can also have significant influence on sales performance. When local merchants close in downtown districts, it is often tempting to conclude that the market simply could not support them. More often than not, it is a combination of other factors that contributed.

## Appendix C – Commercial Land Prices

### Section C.0 – Introduction

This section of the Appendix provides the results from an analysis of available, for-sale commercial space throughout the State of Wisconsin, with results displayed in Exhibits C.1 through C.4. On each of the four charts, one dot equals a single parcel of commercial land that is offered for sale, keeping in mind that some parcels may include commercial buildings, and others do not.

On each chart, the size of the parcel is noted on the x-axis, and the advertised price per acre is noted on the y-axis. Overall, smaller parcels tend to have larger prices per acre, and larger parcels tend to have smaller prices per acre. This is somewhat market-driven, and the “best” commercial corners tend to be chopped up into smaller parcels to sell the quickest.

The first two charts summarize the results for properties advertised as “commercial” and “office,” along with “retail.” The second two charts summarize the results for “commercial” and “office,” along with “industrial.” The last difference between the charts is the scale along the x-axis, which goes up to 120 acres for the first chart, and then takes a closer look at parcels up to just 20 acres in the second chart.

### Section C.1 – Commercial, Office and Retail

Exhibit C.1 demonstrates that the vast majority of available retail parcels are small and typically less than 5 acres. Among for-sale commercial properties, the largest ones tend to be advertised generically as “commercial” rather than “office” or “retail.” The larger parcels tend to be priced at \$50,000 or less per acre.

Exhibit C.2 zooms in on the data and takes a closer look at parcels with 20 or fewer acres. Having done many similar types of analyses throughout the U.S., we know that the data tends to follow an inverse, logarithmic relationship. That is, the price per acre decreases as the total parcel size increases, but at a decreasing rate. The smallest parcels of 2.0 acres or less could be priced as high as \$250,000 to \$500,000 per acre. The larger parcels of 3 or more acres tend to be priced at \$150,000 or less per acre.

The data was collected from throughout the State of Wisconsin, so shows many exceptions to these general guidelines. Parcels tend to have higher values when they a) include quality buildings; b) have vista views; c) are visible to highways with high traffic counts; d) are located within established business campuses (with colleges, golf courses and hospitals); and/or e) are within large, established metropolitan areas (Milwaukee, Madison, etc.).

Based on our assessment of Merrill and parcels along Highway 51, the “normal” trend line should represent a reasonable target for land owners seeking potential buyers, with reasonable adjustments for parcel size and highway visibility. As stated within the main body of our report, property owners may need to sell at prices that are lower than Wausau in order to compete. In fact, if property owners inflate their land prices based on the optimal market strategy presented in this report, then it could actually backfire, leaving Merrill with a reputation of being too expensive rather than competitive. As a result, the optimal strategy could be seriously undermined and even fail.

## Section C.2 – Commercial, Office and Industrial

Exhibits C.3 and C.4 demonstrate the same data for commercial and office space in Wisconsin, but this time with industrial space instead of retail. Industrial parcels tend to be larger (at least 2 acres) and also tend to be more affordable. Industrial parcels tend to be advertised for less than \$100,000 per acre and are more likely to be \$50,000 per acre or less. Again, outliers among the commercial data probably include properties with existing and quality commercial buildings.

To address the topic of property values, we have conducted an analysis of land listed for-sale among several online broker listing sites, with results detailed in Exhibits 2.1 through 2.4. The first two exhibits focus on land listed as “commercial” or “office”, together with land listed as “retail.” The next two exhibits also show “commercial” and “office” categories, plus “industrial”. Within each set, the first chart includes all observations up to 120 acres, and the second chart shows observations of 20 acres or less. The x-axis shows the total parcel size for each observation, and the y-axis shows the calculated price per acre.

### For Sale Land; Commercial, Office and RETAIL

Exhibit 2.1 – Parcels up to *120* acres

Exhibit 2.2 – Parcels up to *20* acres

### For Sale Land; Commercial, Office and INDUSTRIAL

Exhibit 2.3 – Parcels up to *120* acres

Exhibit 2.4 – Parcels up to *20* acres

It should be noted that outliers, or commercial parcels with exceptionally high prices per acre relative to the total parcel size, tend to have unique attributes that position them above the market. These attributes may include existing structures of quality construction and design; exemplary views of surrounding terrain (waterfront, sports arenas, golf courses, etc.); and access to transportation hubs, particularly at the intersections of interstate highways; and proximity to regional destinations (hospitals, colleges, airports).

Outliers aside, the data results tend to follow an inverse, logarithmic relationship. In other words, the larger a parcel's size, the lower the price per acre. Furthermore, the price per acre declines at a decreasing rate with an increase in parcel size. As shown in Exhibit 2.1, commercial land that is 20 or more acres in size tends to be priced at \$75,000 or less, with most being priced at \$50,000 or less, and many at \$25,000 or less.

As shown in Exhibit 2.1, commercial properties with 2.5 acres or less have the greatest variation in price, and could be as low as \$50,000 per acre, or as high as \$325,000 per acre. Properties listed for office use can also be found as low as \$50,000 per acre, but the prices peak higher, in the range of \$350,000 to \$425,000. In comparison, parcels in the size range of 2.5 to 7.0 acres rarely exceed \$300,000 per acre and could be as low as \$50,000 per acre. Parcels with 8.0 to 12.0 acres are more likely to be priced at \$150,000 per acre or less, and could be priced as low as \$25,000 per acre.

# Appendix D – Business Supply

## Section D.0 – Introduction

This section of our report provides a list of the businesses that were inventoried during our field analysis and research. In collecting the data, the goal was not to capture every single business, but rather to gather a representative sample of businesses in a systematic fashion. By doing so, we are able to gauge the overall prevalence of certain categories, and potential gaps in others. Based on our field analysis, we estimate that the inventory is about 90% complete.

In addition, the goal was not to precisely assign each specific business to one category, but rather to demonstrate the collective strength or weakness among general categories. Finally, we did not field-verify every business reported on the internet, so there may be some businesses in the listing that have since closed. In short, we are asking the reader in advance to forgive any imperfections in the data.

## Section D.1 – Summary Results

Those caveats aside, Exhibits D.1 and D.2 provide summaries of the businesses inventories, by retail and business category. As shown, eating establishments and bars & grills were more prevalent in the inventory than any other traditional retail category. Other leading categories include art, gift and novelty stores; new and used motor dealers (including marine, RTV, etc.); used merchandise stores; gasoline and convenience stores; and home improvement stores (including flooring, cabinets, etc.).

Among other business categories, hair salons and other personal care (tanning, nail, etc.) establishments are prevalent, followed by automotive repair; financial and business services; chiropractors, dentists and opticians; and other medical/health care offices. A closer review of the detailed inventory (Exhibits D.3 through D.14) shows that the following categories appear to offer the fewest number of choices – although they may not necessarily be gaps:

- Sporting Goods (two stores)
- Office supplies (one store)
- Books (one store)
- Day Care Centers (2 establishments)
- Furniture (2 stores)
- Full-Line Grocery (2 stores)
- Farm & Garden Stores (one store)
- Veterinarians (two establishments)
- Pharmacy (two stores)
- Funeral Homes (one establishment)

Determining whether these categories have gaps involves additional analysis, including a closer look at transacted retail sales, sales per capita, and market share. We have also reviewed the quality and sizes of choices among these and other categories, and have considered the importance of local independent merchants, particularly in downtown locations.

Strategy recommendations have been developed with business retention in mind. Stores like VIP Office Supplies, Book World, Courtside Furniture, Miller's Home Furnishings, Dave's Country Market, Drew's Piggly Wiggly and Johnson Drug are valued merchants that should not be compromised by the lure of big boxes and national chains.

## Appendix E – Retail Demand

### Section E.0 – Introduction

In the retail industry, expenditure potential is measured on the basis of share of total personal income, which is a combination of population and per capita income. These variables make it possible to calculate sales per capita and market share, which are important measures for gauging market gaps and opportunities. Accordingly, this section of our report focuses on these three variables for Lincoln County; surrounding counties; 5, 10 and 15 mile rings around Merrill; and retail trade area for the Merrill area.

### Section E.1 – Regional Comparisons

The demographic analysis includes a review of the distribution of population (Exhibit E.1) and income (Exhibit E.2) in the region. These maps were used to help us delineate an effective trade area for Merrill’s retailers and demonstrate the population concentration around Wausau and Stevens Point. Merrill’s proximity to Wausau makes it difficult for its retailers to compete, but it can also be leveraged to compete with Wausau for business campus tenants and anchors.

Exhibit E.3 and E.4 demonstrate the small size of Lincoln County compared to other counties markets in Wisconsin. Although Lincoln County has a relatively small total personal income (TPI), its proximity to Marathon County can be leveraged for its workforce, colleges, airport and other regional amenities.

We also delineated 5, 10, and 15 mile rings around Merrill (see Exhibit E.5) and other communities throughout the region to provide better perspective. Merrill has a small population within 5 miles (Exhibit E.6), but within 15 miles it has nearly as many residents as Marshfield. These residents translate into a labor force or pool of potential workers that can be tapped by Merrill – including future anchors of a business park.

## Section E.2 – Retail Trade Area

The Merrill area should view all of Lincoln and Marathon Counties as its competitive region for commercial land, businesses and employees. However, the trade area for retailers in Merrill is significantly smaller (see Exhibit E.11), and recognizes that competing retail destinations in Wausau are currently pulling shoppers from Merrill. Exhibit E.12 provides a demographic profile for the trade area and shows that it is about 20% larger than Lincoln County.

Merrill’s trade area population is approaching 35,000 residents, which is still marginal for most national retail chains. The trade area has a total personal income of \$802.3 million. Adjusting for import, the market can support roughly \$115.0 million of retail sales GAFO retail categories (general merchandise, apparel, furniture and other miscellaneous categories like sporting goods and pets.) The median sales volume for grocery stores in neighborhood centers is about \$14 million, so figuratively this “capacity” is roughly equivalent 8 full-line grocery stores.

# Appendix F – Unemployment, Seasonality

## Section F.0 – Introduction

The economic analysis includes a study of seasonality in the market and based on three measures, including: a) month-to-month fluctuations in unemployment; and b) seasonal occupancy among residential units. Both approaches are summarized in this section of the report. Seasonality is important because it helps us gauge the magnitude of seasonal sales import for retail establishments in Merrill.

Residents within the retail trade area may have the income to support \$115.0 million in GAFO categories, but the retail potential should also consider the influences of seasonal visitors, particularly given Merrill's important location as a gateway into Wisconsin's north woods country. Viewed from the other side, the results may also point to a real need for improving year-round jobs opportunities in Merrill.

## Section F.1 – Unemployment Rates

Exhibit F.1 demonstrates the long-term unemployment trends for the State of Wisconsin, with comparisons to other states in the Upper Midwest. The prior economic recession of 1983 is easy to identify and we can see that the more recent 2008-2009 recession has followed a similar pattern. Recovery should also be similar in its pattern. It took at least a year for us to climb into the recession, and will probably take at least two years for us to climb back out.

Exhibit F.2 provides a closer snapshot of the data since 1990, and is usually the way that alarmists will portray the data in an attempt to demonstrate just how severely unemployment has grown. The data also shows that a gradual recovery is now underway, beginning with the past three months and Minnesota and Wisconsin faring better than Michigan and Illinois.

## Section F.2 – Unemployment Seasonality

Exhibit F.3 demonstrates that on average, unadjusted seasonal unemployment rates for the State of Wisconsin do not fluctuate much. However, the fluctuations are also muted by the large geography, and greater fluctuations should be apparent when studying smaller geographies like counties.

Exhibit F.4 demonstrates how unemployment fluctuates dramatically between seasons for Oneida, Langlade, Price and Taylor Counties. Lincoln County is shown in Exhibit F.5 with Marathon, Brown and Dane Counties, only for additional perspective (i.e., not because they are considered to be comparable). Finally, Exhibit F.6 demonstrates that among Lincoln County’s “vacant” residential units, about 65% are actually seasonally occupied. The results are remarkable and demonstrate just how seasonal Lincoln County’s economy, and suggests a need for improving year-round job choices.

## Appendix G – Industry Trends

### Section G.0 – Introduction

This section of our report involves an analysis of employment by industry sector for Lincoln County compared to other counties in the region. Results can reveal industry sectors where the county is particularly strong and therefore representing opportunities to leverage clusters and synergies. Viewed from the other side, results can also point to sectors where the county is weak, which may be interpreted as opportunities to diversify the economy and become more resilient to future recessions.

### Section G.1 – Share of Employment by Industry Sector

We began by comparing Lincoln County to its neighbors on the basis of employment by industry sector (see Exhibit G.1). Results show that Lincoln and Marathon Counties are both strong in the manufacturing industry sector. Lincoln has a larger share of its employment in government and is holding its own in finance, insurance and real estate. However, it falls comparatively short on share of employment in the retail trade and health care industries.

### Section G.2 – Change in Share over Time

We also completed a more detailed analysis of employment by industry sector, and specifically compared the change in share of total employment over time. Results for Wisconsin (Exhibit G.2) are muted by highs and lows throughout the state, but nevertheless shows that the Services and FIRE (finance, insurance and real estate) and Construction categories had all been growing as a share of total employment, offsetting losses in the Manufacturing industry sector. The construction industry has since declined with the soft housing and real estate market, which are intertwined with the recent recession.

Exhibits G.3 and G.4 provide comparisons for Portage County (Stevens Point) and Marathon County (Wausau), respectively. In Stevens Point, growth in services as a share of total employment has offset declines in agriculture, and manufacturing has held its own. In Marathon County, services are again among the strongest growing categories, together with wholesale trade.

Finally, Exhibit G.5 demonstrates the results for Lincoln County, and shows that wholesale trade and FIRE have had significant gains in employment as a share of total, and most other categories have sustained their share with the exception of agriculture and small declines in manufacturing. From these charts, it is easy to deduce that Lincoln is outpacing Portage and Marathon Counties in the wholesale trade and FIRE categories, but not keeping up on growth in the services categories.



# Appendix H – Worker Flow Analysis

## Section H.0 – Introduction

The last series of exhibits in the economic analysis demonstrate results of a worker flow analysis, which begins with a study of a) the share of employees working in Lincoln County who live in some other county; and b) the county of residence for those imported workers. Then the flip side of the analysis is also considered, with a study of a) the share of employed residents of Lincoln County who are working in some other county; and b) the employing county for those exported workers.

## Section H.1 – Inflow and Outflow

As shown in Exhibit H.1, nearly 20% of Lincoln County workers are living in some other county but this figure does not seem disproportionately high or low compared to other counties in the region. The majority of those workers are coming from Marathon and Oneida Counties (Exhibit H.2). On the flip side, Lincoln County is exporting nearly 28% of its workers to other counties (Exhibit H.3), and this export *is* disproportionately high for the region.

The vast majority of Lincoln County's commuting workers are going to Marathon County (Exhibit H.4), which reinforces the concept that Merrill is truly an extension of the Wausau market. In real numbers, Lincoln County is currently exporting 4,000 of its workers every day to jobs in other counties. To reduce the 28% export down to 20%, it would need to add at least 1,000 new jobs for its resident workers.

## Section H.2 – Net Worker Outflow

The net results are provided in Exhibit H.5, with the import of workers failing to fully offset export. This supports local observations that there is a real and tangible need to create more local jobs in Lincoln County. It also speaks to a real opportunity for new businesses seeking locations with an available workforce and labor pool. Businesses locating in Merrill should find plenty of available workers willing to trade for a shorter commute. As shown earlier in Exhibit F.5, Lincoln County also has a high unemployment rate compared to Marathon County, so new businesses should also find plenty of workers happy for new job opportunities in their own community.

# Appendix I – Community Questionnaire

## Section I.0 – Introduction

In mid-November 2009, we conducted a public meeting and collected completed questionnaires from its participants. A copy of the questionnaire is provided at the last page of this appendix, in Exhibit I.12. As shown, the respondents were asked to respond to five open-ended essay-style questions, as follows:

1. What businesses and services do you visit the most in Merrill and/or Lincoln County? What are your local destinations for a) advanced education; b) shopping; c) medical services; d) business services; and/or e) entertainment/sports?
2. What businesses and services have you visited outside of the area, and where do you mainly go? What are your main reasons for visiting Wausau, Green Bay, Milwaukee or other destinations?
3. What benefits, amenities and assets do Merrill and/or Lincoln County offer? What makes the area unique and special? What do you enjoy most about living and/or working here?
4. What other types of businesses, retailers or destinations would you like to see in Merrill and/or in Lincoln County? Please elaborate as much as possible.
5. What do you think are the biggest challenges for Merrill and Lincoln County going forward? Tell us what you think about job choices, housing, resources, amenities and/or overall quality of life.

With just 46 responses, the data sample is not large enough to generate statistically significant results. Nevertheless, the responses provided good information and have been helpful in qualify the analytic results and formulating strategy recommendations. However, they should not be interpreted as representing the opinions or preferences of the general population of Merrill. With those caveats, this last section of the report provides a summary of the responses.

## Section I.1 – Community Amenities

Results from the 46 questionnaire responses were distilled down by the number of times that each topic received an honorable mention, regardless of which question the topic related to. For example, Exhibit I.1 shows that 17 respondents mentioned Merrill’s small town character as a local amenity or strength, although some mentioned it in response to the third question, and other mentioned it in response to the last. Other amenities and strengths that received high praise included recreational opportunities; friendliness and service levels; and the area’s natural beauty. Eight respondents specifically mentioned the Council Ground State Park (Exhibit I.3).

## Section I.1 – Shopping Preferences

Among Merrill’s local retailers, Ace Hardware received the highest number of honorable mentions, followed by Wal-Mart, Dave’s Country Market, and Drew’s Piggly Wiggly. The First Street Coffee shop appeared as the most popular downtown merchant, followed by Walgreen’s (Exhibit I.4).

Respondents were also asked to identify retail wants and needs, and 14 of the respondents mentioned restaurants, cafés, pubs and clubs. In comparison, only 6 respondents mentioned a need for small shops and downtown businesses. Collectively, 11 respondents said that they wanted a Target discount, Bass Pro Shop, Cabela’s, Kohl’s Department Store, and/or other big-box and national chain retailers (Exhibit I.7).

Exhibit 1.8 is particularly important because it reinforces the strong ties that Merrill residents and shoppers have with Wausau. This certainly makes it difficult for Merrill’s retailers to compete for shopping expenditures, but on the flip side, it also means that Merrill can leverage Wausau’s resources to attract new businesses, employers and residents.

In describing the stores that respondents visit outside of Merrill (and mostly in Wausau), restaurants and coffee shops were again mentioned most frequently. Brand names that received honorable mentions included Fleet Farm, home improvement stores (specifically Home Depot, Lowe’s and Harbor Freight Tools), big-box stores (Sam’s Club, Target, Wal-Mart, Shopko and Kohl’s), and other national chain retailers like Best Buy and Bed, Bath and Beyond.

## Section I.1 – Medical Care and Colleges

Among destinations for medical care, the 46 questionnaire respondents mentioned local services most often, with 15 notations about the Good Samaritan Health Center, Marshfield Clinic and/or Aspirus. Surprisingly, only 3 respondents mentioned Wausau as a destination for health care, but 8 said that they go to Marshfield. Local residents may be going to Wausau for their shopping, but the survey results suggest that they value their local health care providers and would respond favorably to a new hospital.

Finally, Exhibit I.11 shows that the survey respondents mentioned Wausau’s North Central Technical College 8 times as a destination for advanced education. Other colleges in Wausau, including the UW College of Marathon County, Globe University (Minnesota Business College), and Rasmussen College were not mentioned. If Merrill chooses to explore sponsorship from a Wausau area college for its new business campus, then North Central Technical College might be a great partnership.



# APPENDIX A - COMMUNITY AMENITIES

Exhibit A.1 Comparison between Selected Hospitals in the Ministry Health Care Network  
Prepared for the City of Merrill, Wisconsin

Merrill - 25 beds (61 peak in 1951) Good Samaritan Health Ctr. (1926)	Park Falls - 25 beds Fambeau Hospital (1922)	Minocqua - 99 Beds; 110,000 sf Howard Young Med. Ctr. (1977)	Eagle River - 41 beds Memorial Hospital (1961)	Tomahawk - 18 beds; 55,700 sf Sacred Heart Hospital (2003)
ALL AVAILABLE SERVICES	NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN
Anesthesia Services	Ear, Nose and Throat (ENT)	Behavioral Health Services	Children's Services	Behavioral Health Services
Cancer Services	Home Health Services	Birthing Services	Dermatology	Dermatology
Children's Services	Internal Medicine	Dermatology	Family Medicine	Ear, Nose and Throat
Diabetes Services	Nephrology Nutrition	Ear, Nose and Throat	Internal Medicine	Family Medicine
Diagnostic Imaging	Physical Medicine	Family Medicine	Palliative Care	Internal Med. Lab. Services
Dialysis Services		Hospitalists (Inpatient MD)	Physical Medicine	Nutrition Counseling
Emergency Services/Trauma		Internal Medicine		Obstetrics/Gynecology
Gastroenterology		Nephrology Neurosciences		Palliative Care
Heart Services		Nuclear Medicine		Pediatric/Adolescent Med,
Hospice Services		Nutrition Counseling		Physical Medicine
Laboratory Services		Obstetrics/Gynecology		Rheumatology
Library Serv. Nuclear Medicine		Pain Management		Sports Medicine
Occupational Health		Palliative Care		
Ophthalmology (Eye Diseases)		Pediatric/Adolescent Medicine		
Orthopedics		Physical Medicine		
Pharmacy		Rheumatology		
Rehabilitation		Sleep Disorders		
Respiratory Care				
Spiritual Services				
Surgical Services				
Urgent Care/Walk-In				
Urology				
Bone & Joint Clinic				
Physical Therapy				
Rehabilitation Services				

Data Source: Ministry Health Care Network; Analysis by LandUse | USA, LLC; January 2010.

Exhibit A.2 Comparison between Selected Hospitals in the Ministry Health Care Network  
Prepared for the City of Merrill, Wisconsin

Merrill - 25 beds (61 peak in 1951) Good Samaritan Health Ctr. (1926)	Rhinelanders St. Mary's Hospital	Wausau / Weston St. Clare's Hospital (2005)	Stevens Point; 110,000 sf St. Michael's Hospital (1998)	Marshfield - 504 beds St. Joseph's Hospital
NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN
Anesthesia Services	Weight Management	Birthing Services	Bariatric Surgery	Audiology
Cancer Services	Sports Medicine	Ear, Nose and Throat	Behavioral Health Services	Bariatric Surgery
Children's Services	Rheumatology	Family Medicine	Birthing Services	Behavioral Health Serv.
Diabetes Services	Physical Medicine	Hospitalists (Inpatient MD)	Clinic	Birthing Services
Diagnostic Imaging	Pediatric/Adolescent Med.	Internal Medicine	Dental Services	Dermatology
Dialysis Services	Palliative Care	Library Services	Dermatology	Ear, Nose and Throat
Emergency Services/Trauma	Pain Management	Transp. Services Nephrology	Ear, Nose and Throat	Home Health Services
Gastroenterology	Orthopedics	Neurosciences	Internal Medicine	Hospitalists (Inpatient MD)
Heart Services	Obstetrics/Gynecology	Nuclear Medicine	Nephrology (Kidney)	Internal Medicine
Hospice Services	Nutrition Counseling	Nutrition Counseling	Neurosciences	Medical Transp. Serv.
Laboratory Services	Neurosciences	Obstetrics/Gynecology	Nutrition Counseling	Neonatal Intensive Care
Library Serv. Nuclear Medicine	Nephrology (Kidney)	Palliative Care	Obstetrics/Gynecology	Nephrology (Kidney)
Occupational Health	Internal Medicine	Pediatric/Adolescent Med.	Palliative Care	Neurosciences
Ophthalmology (Eye Diseases)	Hospitalists (Inpatient MD)	Physical Medicine	Pediatric/Adolescent Med.	Nuclear Medicine
Orthopedics	Ear, Nose and Throat	Rheumatology	Sleep Disorders	Nutrition Counseling
Pharmacy	Dermatology		Sports Medicine	Obstetrics/Gynecology
Rehabilitation	Children's Services			Palliative Care
Respiratory Care	Birthing Services			Pediatric/Adolescent Med.
Spiritual Services	Behavioral Health Services			Physical Medicine
Surgical Services	Audiology			Rheumatology
Urgent Care/Walk-In				Pediatric Unit
Urology				Pediatric Intensive Care
				Pediatric Trauma Care
Bone & Joint Clinic				Pediatric Cancer Care
Physical Therapy				Neonatal Intensive Care
Rehabilitation Services				Child Life Program
				Injury Prevention

Exhibit A.3 Selected Hospitals in the Aspirus Network (non-profits)  
 Compared with Good Samaritan Health Center in Merrill, Wisconsin

Merrill - 25 beds (61 peak in 1951) Good Samaritan Health Ctr. (1926)	Merrill - No beds Aspirus Clinic	Wausau - 321 beds Wausau Hospital	Medford - 25 beds Memorial Health Ctr.	Antigo - 25 beds Langlade Hospital (1933)
ALL AVAILABLE SERVICES	SPECIALTY SERVICES	NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN	NOT AVAIL. AT SAMARITAN
Anesthesia Services	Pulmonary & Critical Care	Health Foundation	Birthing & Delivery	Health Foundation
Cancer Services	Hospital Care	Bariatrics	Children's Health	Birthing Center
Children's Services	Oncology Care	Behavioral Health Services	Women's Health	Sleep Lab
Diabetes Services	Sports Injury Care	Birthing Center/Newborn ICU		Sports Medicine
Diagnostic Imaging	Womens Health	MedEvac Helicopter		
Dialysis Services	Bone Densitometry	Pain Clinic		
Emergency Services/Trauma	Intensive Care	Pulmonary Medicine		
Gastroenterology	Mens Health	Reference Laboratory		
Heart Services	Pediatric Care	Regional Sleep Rehabilitation		
Hospice Services	Laboratory Services	Spine & Neurosciences		
Laboratory Services	Geriatric Care	Women's Health		
Library Serv. Nuclear Medicine				
Occupational Health				
Ophthalmology (Eye Diseases)				
Orthopedics				
Pharmacy				
Rehabilitation				
Respiratory Care				
Spiritual Services				
Surgical Services				
Urgent Care/Walk-In				
Urology				
Bone & Joint Clinic				
Physical Therapy				
Rehabilitation Services				

Exhibit A.4 Universities and Colleges in Selected Northcentral Wisconsin Communities  
 Prepared for the City of Merrill, Wisconsin

UW Colleges	Phoenix University	Globe Univ. MN Business	Northcentral Tech. College	Nicolet Area Tech. College	Mt. Senario Educ. Ctr.	Rasmussen College
<i>Nearby:</i> Marathon Co.	<i>Nearby:</i> - none -	<i>Nearby:</i> Wausau	<i>Nearby:</i> Wausau	<i>Nearby:</i> - none -	<i>Nearby:</i> - none -	<i>Nearby:</i> Wausau
<i>Others:</i> UW-Madison <sup>1</sup> UW-Milwaukee <sup>1</sup> UW-Stevens Point <sup>1</sup> Wood Co. College	<i>Campus:</i> Madison Milwaukee	<i>Others:</i> Madison Eau Claire LaCrosse Middleton	<i>Satellites:</i> Minocqua Phillips Antigo Medford Merrill Spencer Wittenberg	<i>Campuses:</i> Minocqua Rhineland	<i>Campus:</i> Ladysmith	<i>Others:</i> Green Bay <sup>1</sup>

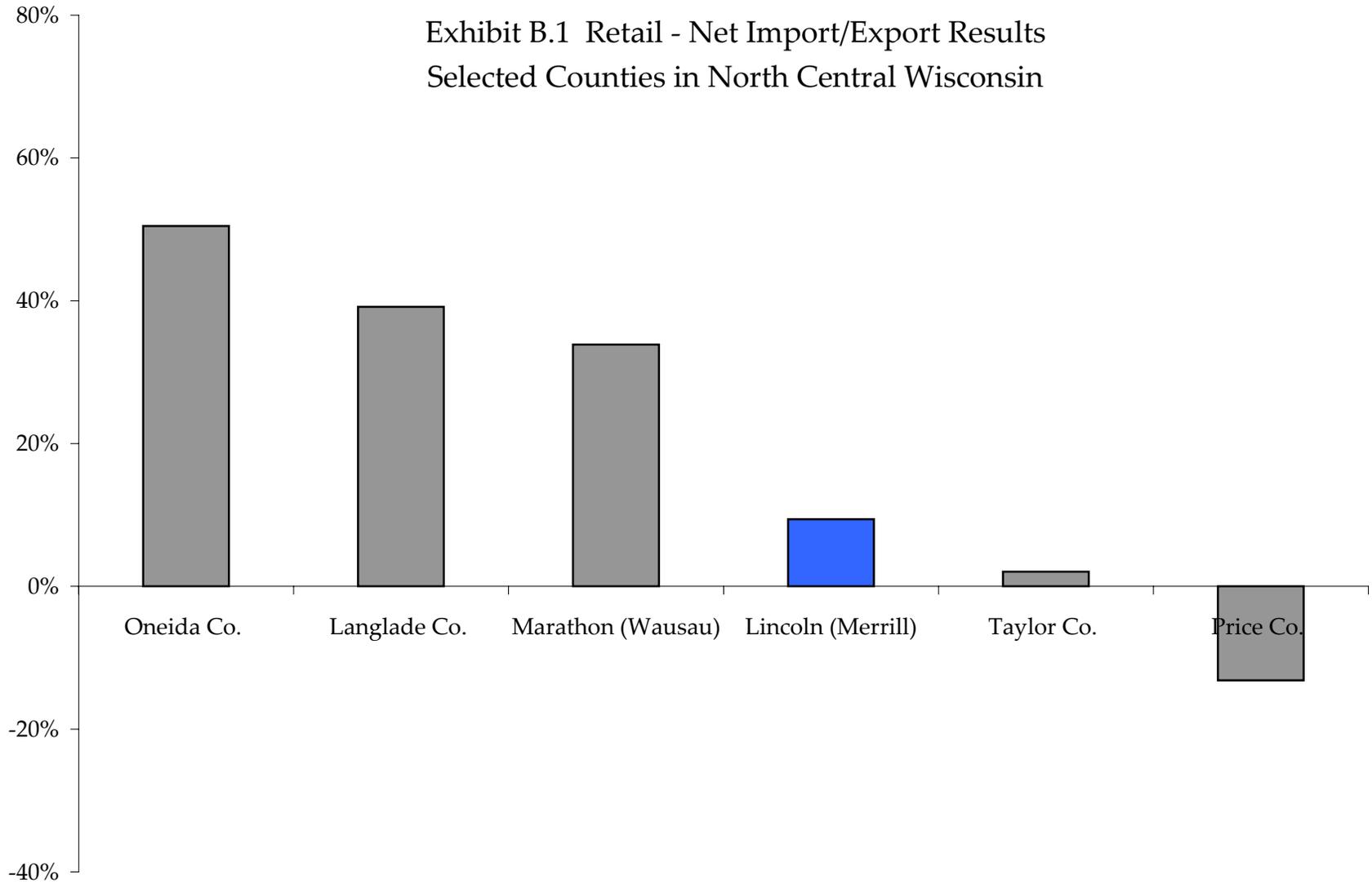
<sup>1</sup> Four-Year Colleges.

Source: Various websites and internet research conducted by LandUse|USA, LLC; January 2010.



## APPENDIX B - RETAIL BENCHMARKS

Exhibit B.1 Retail - Net Import/Export Results  
Selected Counties in North Central Wisconsin



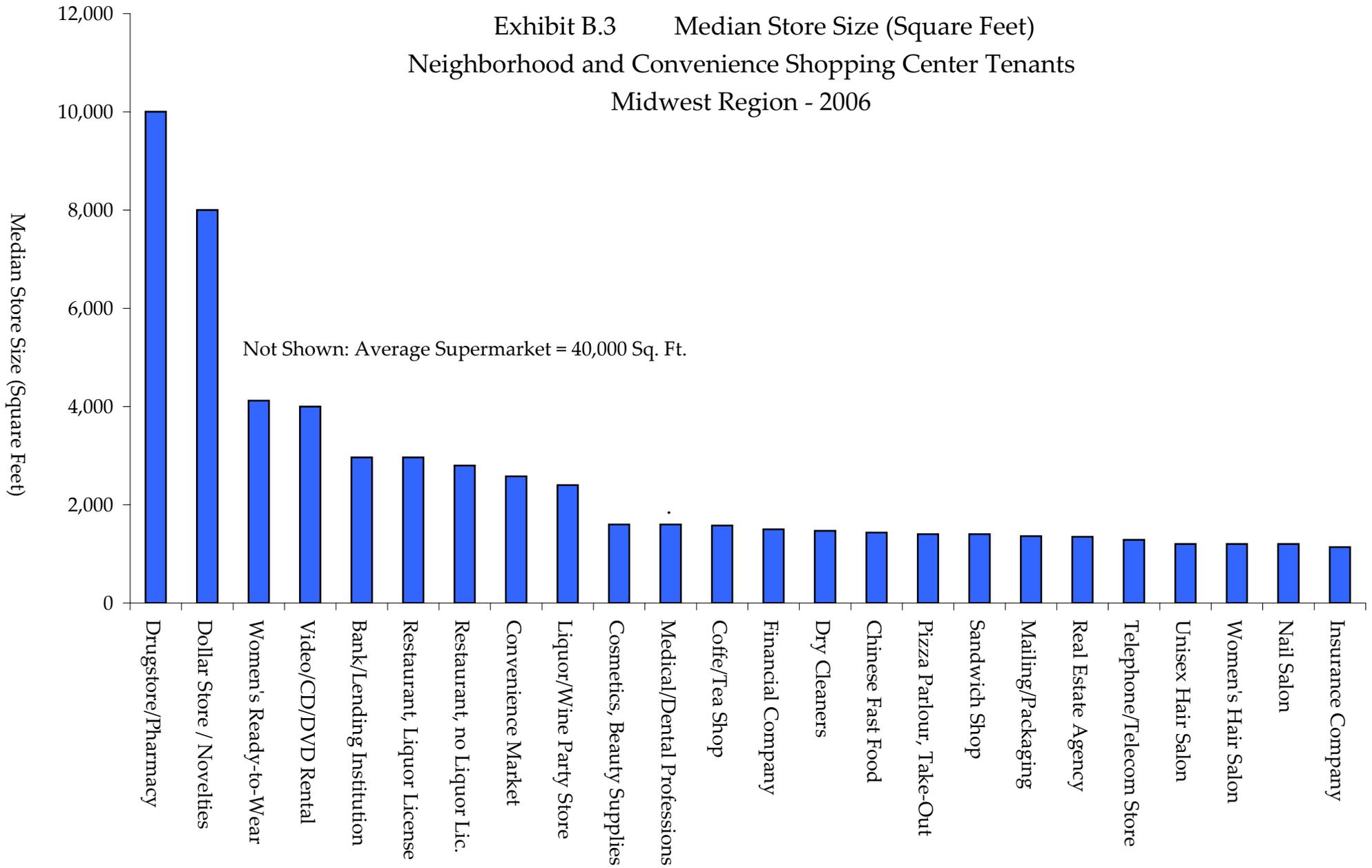
Source: Underlying data by the U.S. Economic Census, 1990 and 2000 Population Census;  
Analysis by LandUse|USA; October 2009.

Exhibit B.2 Selected Destination Stores in Wausau, Wisconsin  
 Prepared for the City of Merrill, Wisconsin

Store Name	Store Name
29 Super Foods	Mall Furniture
Aldi	Marathon Savings Bank
Barnes & Noble	Michael's Crafts
Best Buy	Mills Fleet Farm
Big Apple Bagels	Office Max
Borders Books	Payless Shoes
Computer Renaissance	Petco
Dunham's Sporting Goods	Pick & Save
Fantastic Sam's Subs	Pier One
Farm & Fleet	Rogan's Shoes
Gander Mountain	Sam's Club
Goodwill Stores	Sears
Hallmark	Shopko
Harley Davison	Slumberland
Home Depot	Target
IGA	TJMaxx
JC Penney	Walgreens
JoAnn Fabrics	WMSC
Kohl's Dept. Store	Younkers
Lane Bryant	

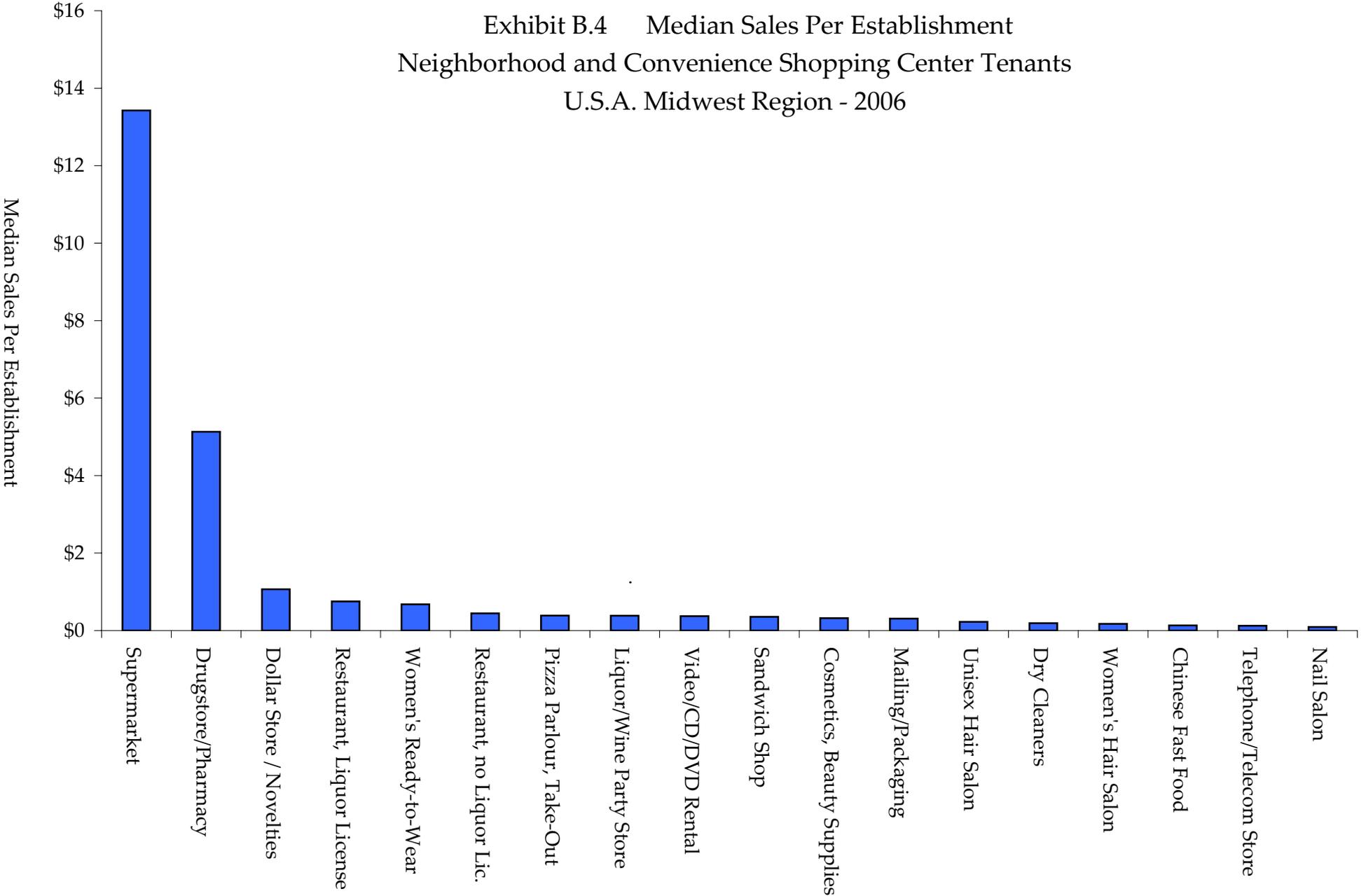
Note: This is a preliminary list that will be expanded upon for the final report.  
 Source: LandUse|USA, LLC; January 2010.

Exhibit B.3 Median Store Size (Square Feet)  
 Neighborhood and Convenience Shopping Center Tenants  
 Midwest Region - 2006



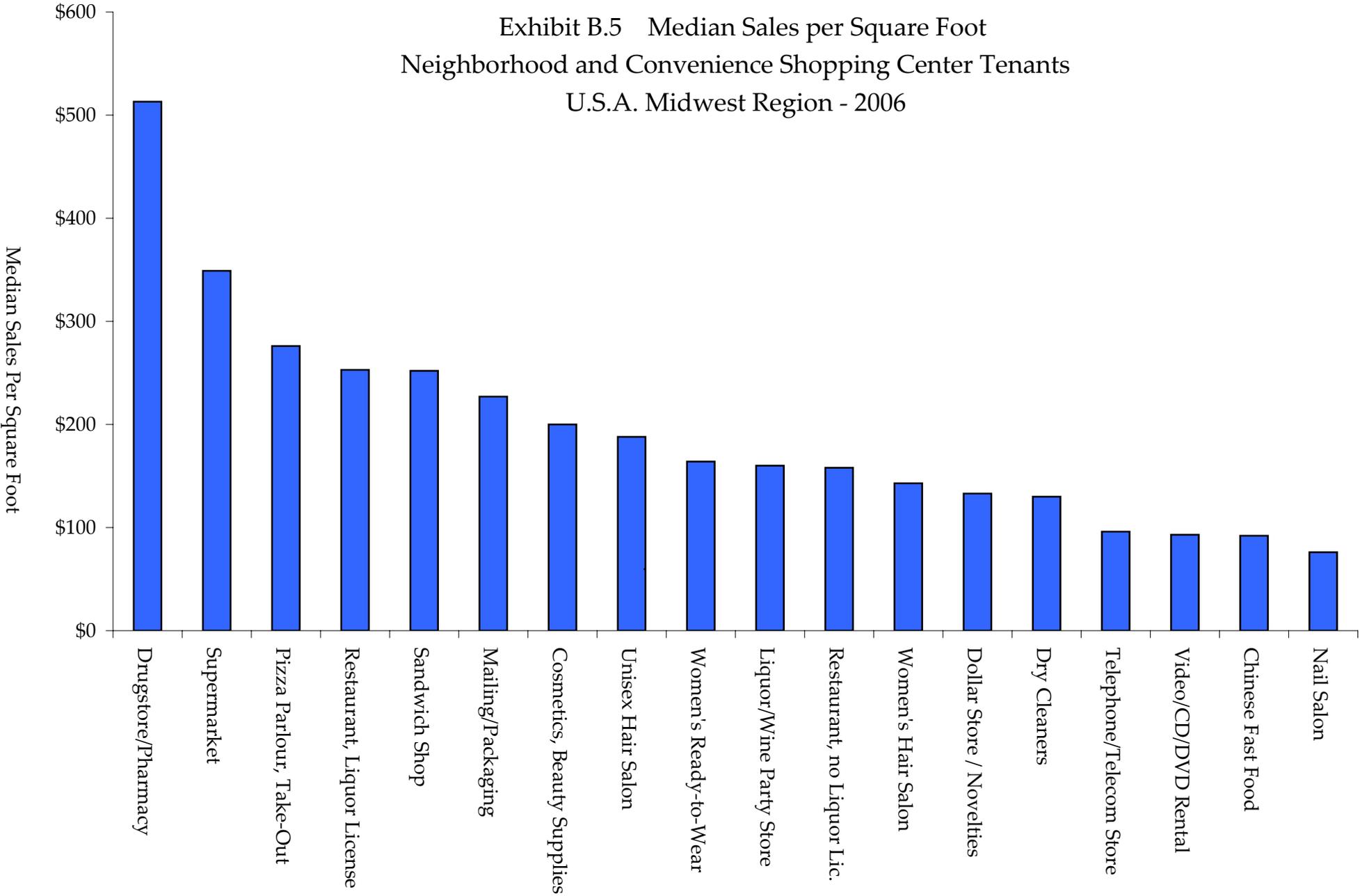
Source: Underlying data from the Urban Land Institute and ICSC; Dollars & Cents of Shopping Centers; The Score 2006;  
 Analysis by LandUse|USA, LLC.

Exhibit B.4 Median Sales Per Establishment  
 Neighborhood and Convenience Shopping Center Tenants  
 U.S.A. Midwest Region - 2006



Source: Underlying data from the Urban Land Institute and ICSC; Dollars & Cents of Shopping Centers; The Score 2006;  
 Analysis by LandUse|USA, LLC.

Exhibit B.5 Median Sales per Square Foot  
 Neighborhood and Convenience Shopping Center Tenants  
 U.S.A. Midwest Region - 2006

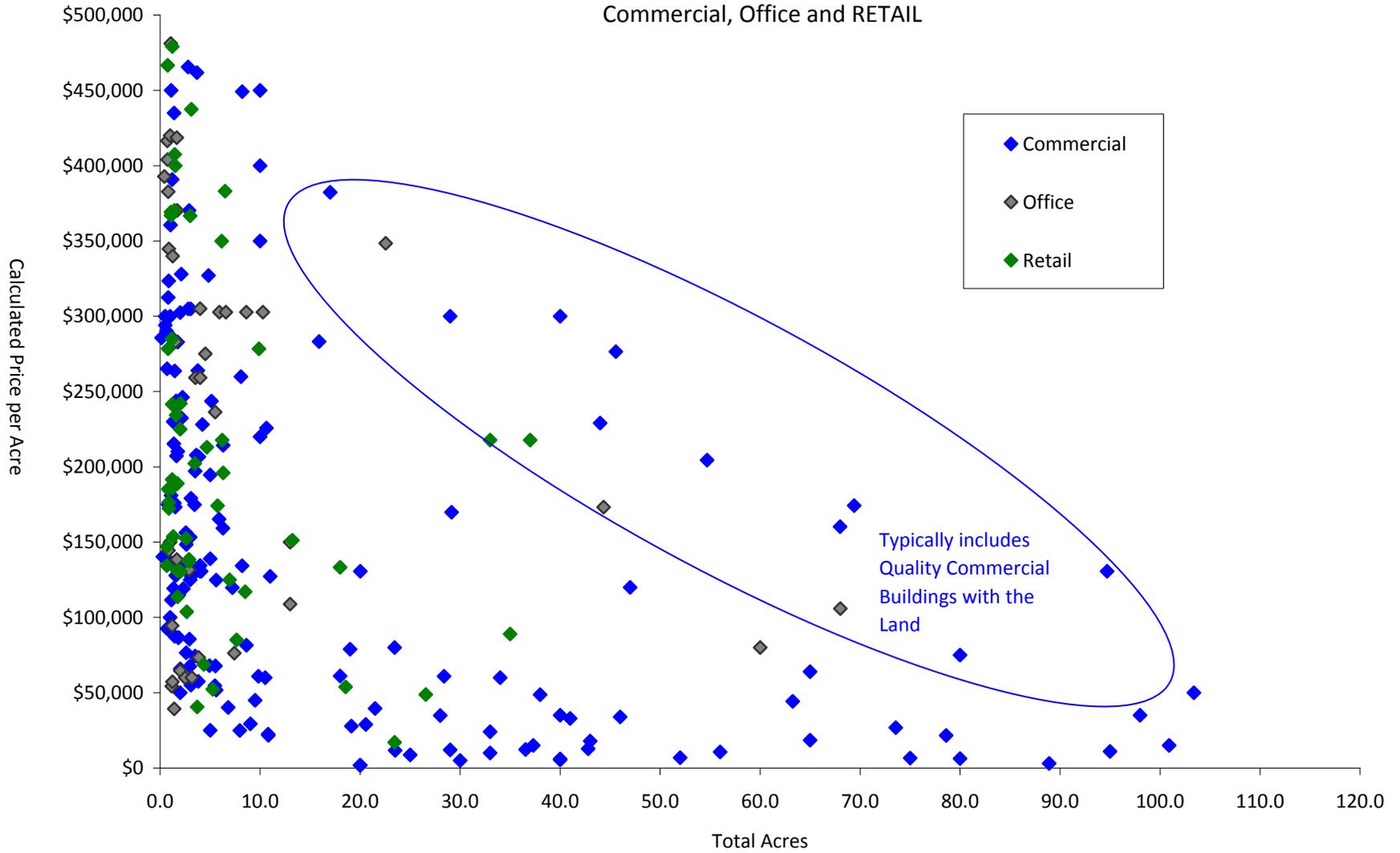


Source: Underlying data from the Urban Land Institute and ICSC; Dollars & Cents of Shopping Centers; The Score 2006;  
 Analysis by LandUse|USA, LLC.



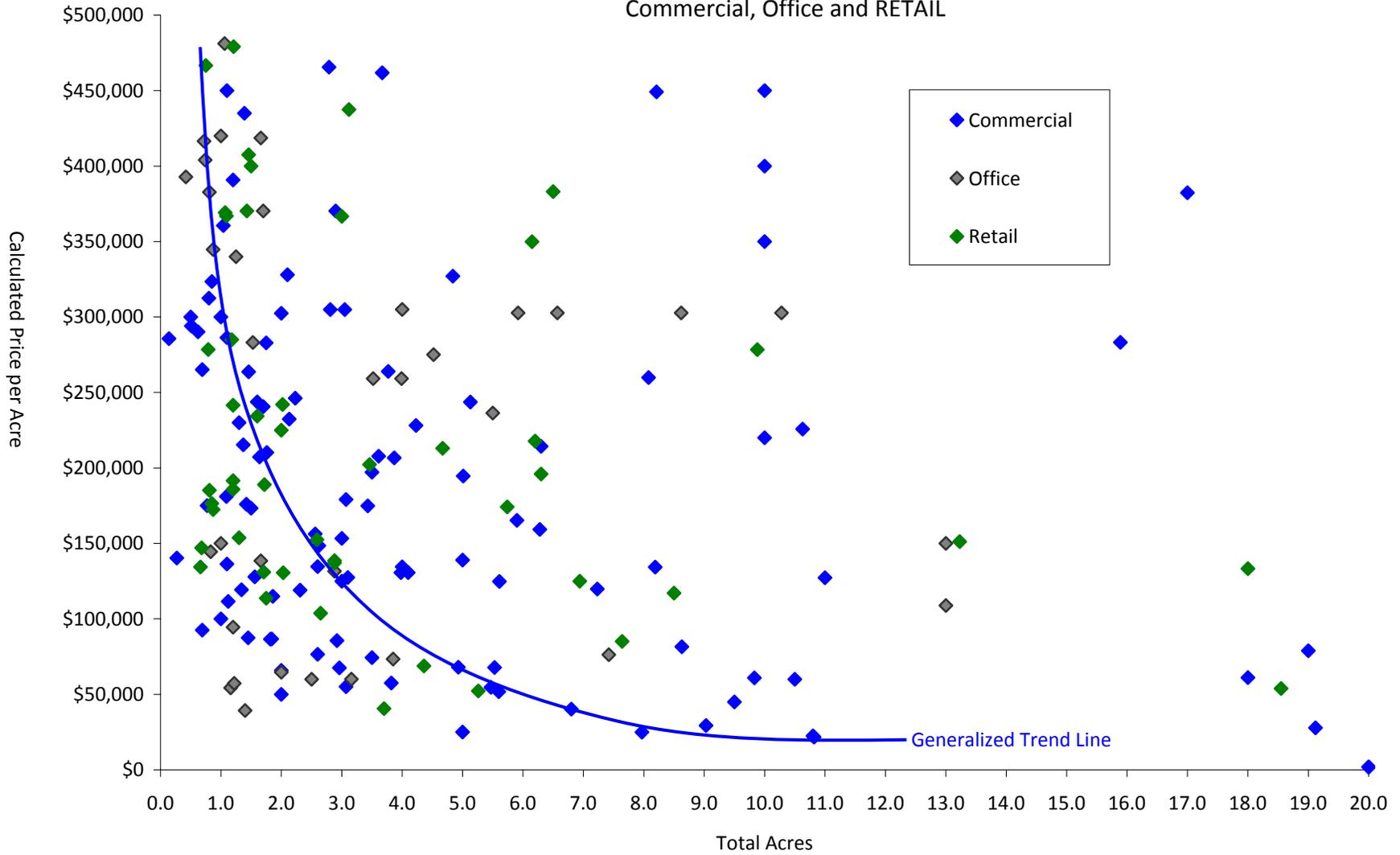
# APPENDIX C - COMMERCIAL LAND PRICES

Exhibit C.1 For-Sale Land in Wisconsin  
With and Without Buildings; January 2010  
Commercial, Office and RETAIL



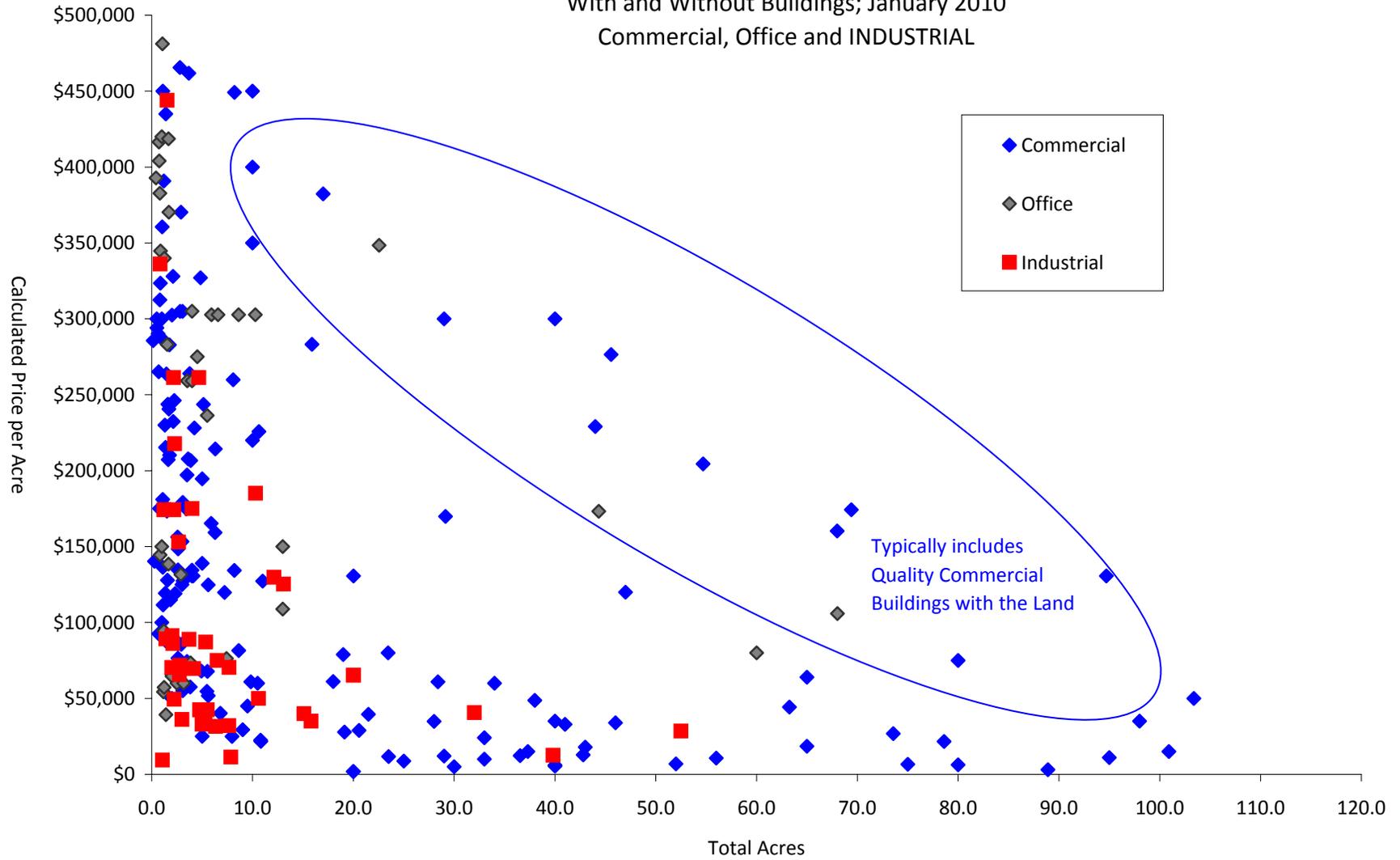
Analysis by LandUse | USA, LLC; January 2010.

Exhibit C.2 For-Sale Land in Wisconsin  
With and Without Buildings; January 2010  
Commercial, Office and RETAIL



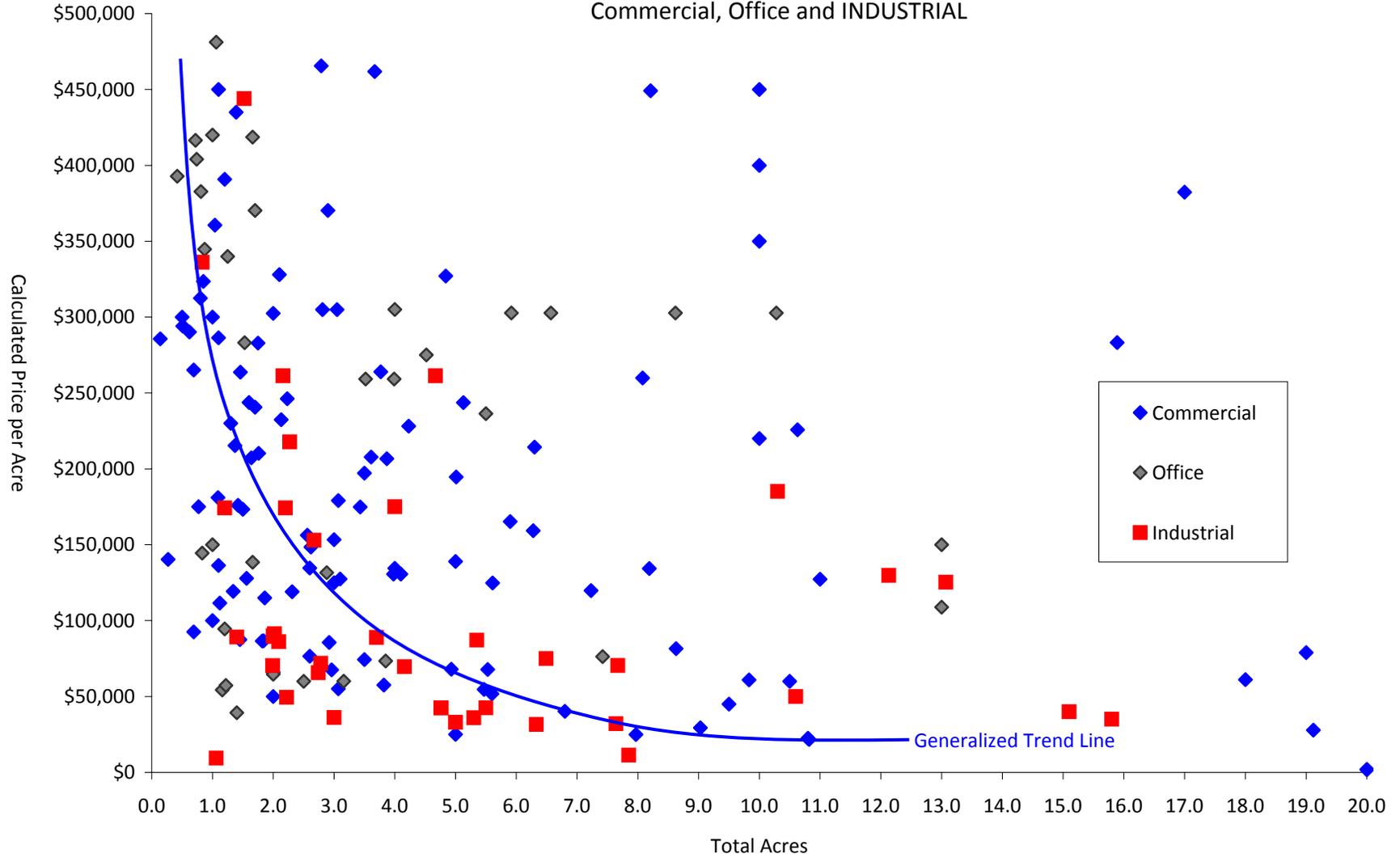
Analysis by LandUse|USA, LLC; January 2010.

Exhibit C.3 For-Sale Land in Wisconsin  
With and Without Buildings; January 2010  
Commercial, Office and INDUSTRIAL



Analysis by LandUse|USA, LLC; January 2010.

Exhibit C.4 For-Sale Land in Wisconsin  
With and Without Buildings; January 2010  
Commercial, Office and INDUSTRIAL

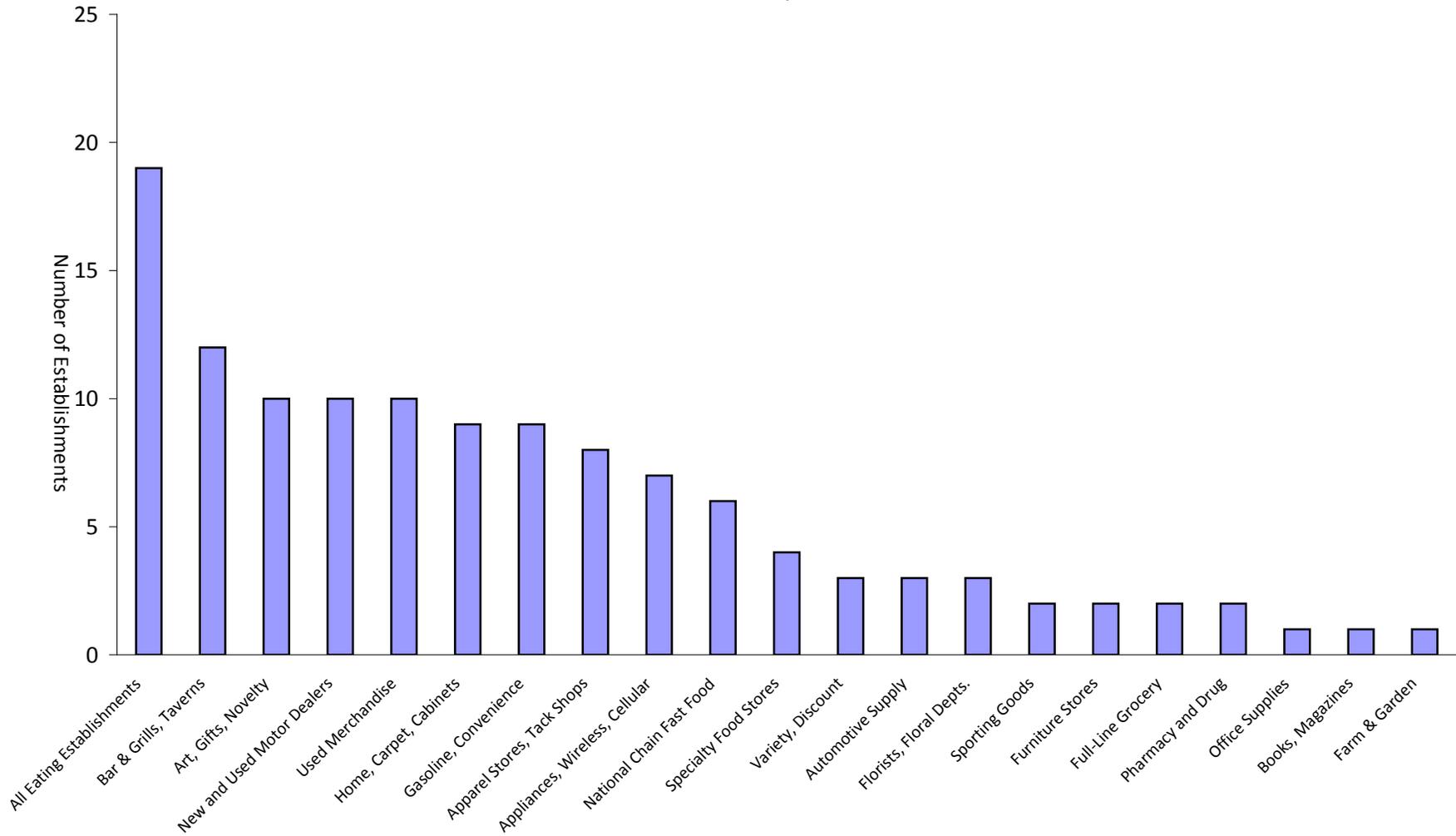


Analysis by LandUse|USA, LLC; January 2010.



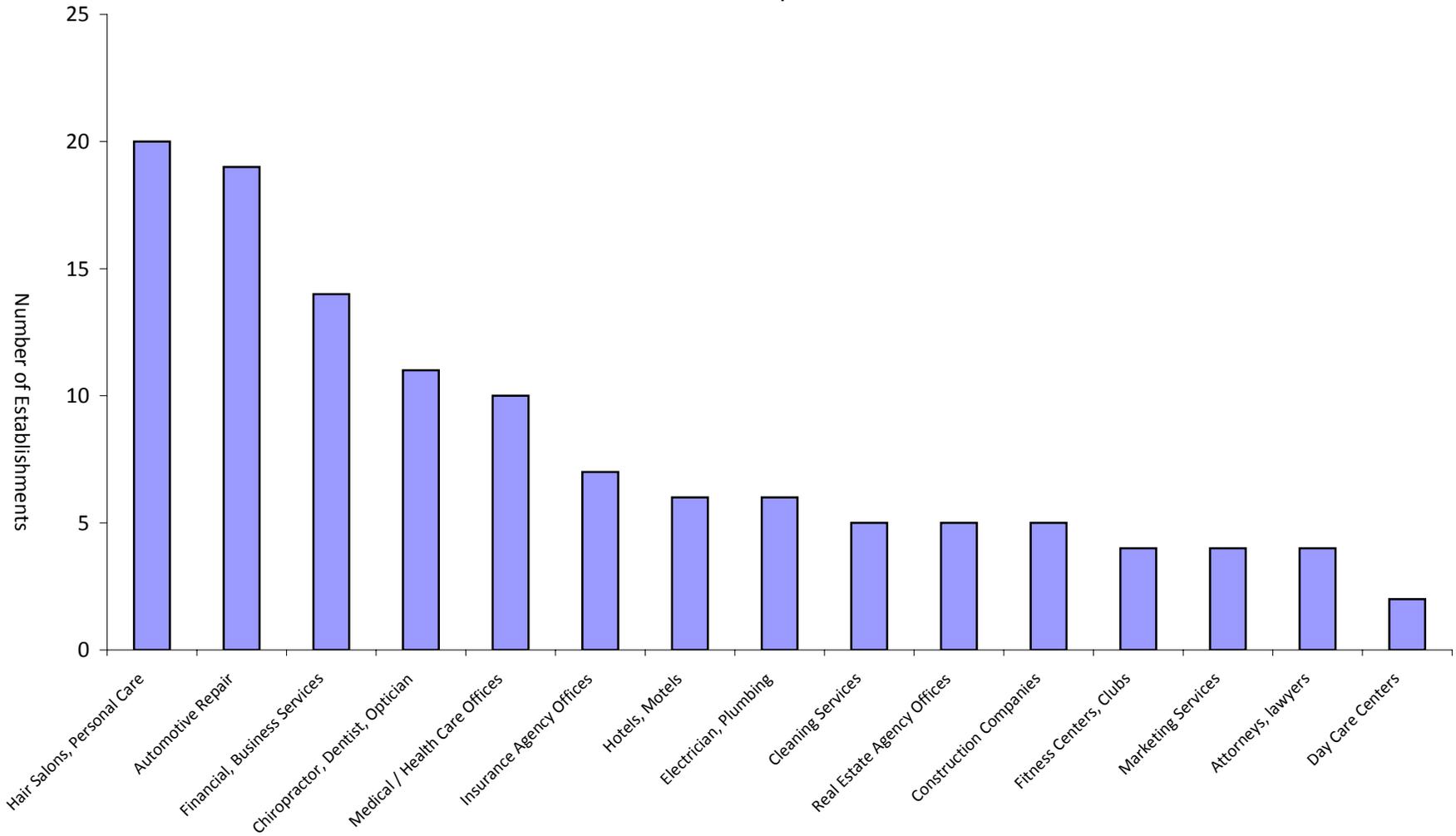
## APPENDIX D - BUSINESS SUPPLY

Exhibit D.1 City of Merrill, Wisconsin  
Number of Inventoried Retail Establishments  
January 2010



Source: Retail inventory by LandUse|USA, LLC; January 2010

Exhibit D.2 City of Merrill, Wisconsin  
Number of Inventoried Business Categories  
January 2010



Source: Retail inventory by LandUse | USA, LLC: January 2010

Exhibit D.3 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

Count	Business Name	Generalized Category
1	Wal-Mart Stores	Variety, Discount
2	Dollar Tree	Variety, Discount
3	Family Dollar	Variety, Discount
1	Gun Repair Shop	Sporting Goods
2	Backwater Sports, Outfitters	Sporting Goods
1	VIP Office Supplies	Office Supplies
1	Book World	Books
1	Caylors Corner Dept. Store	Apparel
2	Guy's Shop Men's Apparel	Apparel
3	Thelma's Fashions	Apparel
4	Satins Plus Silks by Janelle	Apparel
5	Weinbrenner Factory Shoe Outlet	Apparel
6	Fox Point Sportswear Store	Apparel
7	Blue Haven Stables Clothing & Tack	Apparel
8	Tack & Treasures	Apparel
1	Checkered Churn Café & Framing Shop	Art, Gifts, Novelty
2	Dorkfathers Cards & Comics	Art, Gifts, Novelty
3	Taffy's Hallmark	Art, Gifts, Novelty
4	Northwoods Co. Christmas Decorations	Art, Gifts, Novelty
5	Johnson Gifts & Home Décor	Art, Gifts, Novelty
6	Merrill House of Music	Art, Gifts, Novelty
7	Miller Photography	Art, Gifts, Novelty
8	Merrill Glass Framing	Art, Gifts, Novelty
9	Fun Stuff Hobbies & Games	Art, Gifts, Novelty
10	Ziesemer Photography	Art, Gifts, Novelty

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.4 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	Five Star Chrysler-Plymouth-Dodge-Jeep	Automotive Dealership
2	Janssen's RV's Sales & Service	Automotive Dealership
3	Breaman's Ford Dealership	Automotive Dealership
4	Chrysler Automotive Dealership	Automotive Dealership
5	Koss Marine & Sports, Inc.	Automotive Dealership
6	Featherlite Trailers	Automotive Dealership
7	Midwest Trailer Sales	Automotive Dealership
8	Park City Auto Sales	Automotive Dealership
9	Breaman's Budget Auto	Automotive Dealership
10	G and G Auto Sales	Automotive Dealership
1	Napa Auto Parts	Automotive Supply
2	Car Quest Auto Parts	Automotive Supply
3	Janssen's Truck Care & Accessories	Automotive Supply
1	Auto Jockey Repair Shop	Automotive Repair
2	RPM Body & Custom, LLC	Automotive Repair
3	Muffler and Brake Specialists, LLC	Automotive Repair
4	Super Wash Car Wash	Automotive Repair
5	Oil's Garage, Inc.	Automotive Repair
6	Auto Body and Custom, Inc.	Automotive Repair
7	Taller Mecanico El Paso Cel	Automotive Repair
8	Wonder Wash Car Wash	Automotive Repair
9	Z Best West Car Wash	Automotive Repair
10	One Way Collision Center	Automotive Repair
11	KB Body Shop, Inc.	Automotive Repair
12	Westside Service Shop	Automotive Repair
13	Holiday Car Wash	Automotive Repair
14	Bob's West 64	Automotive Repair
15	Mike's Garage	Automotive Repair
16	Willie's Tire Center	Automotive Repair
17	Auto Diels	Automotive Repair
18	Stark Collision Center	Automotive Repair
19	Best Car Wash	Automotive Repair

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.5 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	Classic Cleaners, Housekeeping Services	Cleaning
2	Coin-op Laundry	Cleaning
3	24 Hour Laundry	Cleaning
4	Rainbow Laundry	Cleaning
5	West Side Laundry	Cleaning
1	Parkside Pre School Center, Ltd.	Day Care
2	Trinity Preschool	Day Care
1	Janssen's Heating & Cooling	Electrician, Plumbing
2	York Custom Design Heating, Cooling	Electrician, Plumbing
3	Bryant Heating, Cooling	Electrician, Plumbing
4	Merrill Sheet Metal Works, Inc.	Electrician, Plumbing
5	Krueger Plumbing	Electrician, Plumbing
6	Lee's Equipment, Inc. - Amana	Electrician, Plumbing
1	AT&T Wireless	Electronics, Appliances
2	CPR Computer Service, Cellcom Internet	Electronics, Appliances
3	Verizon Wireless Solutions	Electronics, Appliances
4	Radio Shack / Sprint Wireless	Electronics, Appliances
5	Hargrave Appliances, Sales & Service	Electronics, Appliances
6	Gruett's GE Appliance Warehouse	Electronics, Appliances
7	Kramer's GE Repair Shop	Electronics, Appliances

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.6 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	Merrill Mini Golf	Entertainment
2	Dorikda's Dance Studio	Entertainment
3	Cosmo Theater	Entertainment
4	Travel Adventures Agent	Entertainment
5	All Aboard Pool, Darts, Shuffelboard	Entertainment
6	Scott Public Library	Entertainment
7	Les & Jims Lincoln Lanes Bowling	Entertainment
8	Merrill Golf Club	Entertainment
9	Family Video, Video Stores	Entertainment
10	Lincoln Video	Entertainment
1	Curve's for Women	Fitness
2	Merrill Health & Fitness Club	Fitness
3	Snap Fitness	Fitness
4	Riverside Athletic Club	Fitness
1	Piggly Wiggly, Floral	Florist
2	Burmans Floral & Gifts	Florist
3	J. W. Perry, Inc. Wholesale Florist	Florist
1	Courtside Furniture	Furniture
2	Miller's Home Furnishings	Furniture

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.7 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	BP Gasoline	Gasoline, Convenience
2	Holiday Gas Station	Gasoline, Convenience
3	Shell Gasoline	Gasoline, Convenience
4	Kwik Trip Gasoline, Convenience	Gasoline, Convenience
5	Cenex Gasoline	Gasoline, Convenience
6	Mobil Gasoline	Gasoline, Convenience
7	Murphy's Gas & Mini Mart	Gasoline, Convenience
1	Rich's Discount Center	Convenience
2	Carl's Liquor Store	Convenience
1	Customer One Co-op Feed Store	Farm & Garden
1	Country Market; Dave's	Grocery
2	Piggly Wiggly, Drews Grocery	Grocery
1	Ace Hardware	Home Improvement
2	Three Wishes Interior Design	Home Improvement
3	Trantow Do-It Center	Home Improvement
4	WM Kamke & Sons	Home Improvement
5	Nelson's Power House	Home Improvement
6	Heat Masters SS	Home Improvement
7	Central Carpet & Flooring	Home Improvement
8	CV Contracting Kitchen Cabinets	Home Improvement
9	G C Carports	Home Improvement
1	Super 8 Motel	Traveler Accommodation
3	Newitt Manor Bed & Breakfast	Traveler Accommodation
4	Candlewick Bed & Breakfast	Traveler Accommodation
5	Prairie Motel	Traveler Accommodation
6	Pine Ridge Inn (motel)	Traveler Accommodation
2	AmericInn	Traveler Accommodation

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.8 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	J. Pauls Hari Salon	Hair Salons, Personal Care
2	Shear Essencials Salon & Spa	Hair Salons, Personal Care
3	Looks Limited, Barber, Cosmet., Tanning	Hair Salons, Personal Care
4	Suzi's on Mane	Hair Salons, Personal Care
5	L.A. Salon, Tans	Hair Salons, Personal Care
6	Designers Plus Studio & Spa	Hair Salons, Personal Care
7	Images Hair & Tanning	Hair Salons, Personal Care
8	Hair For All Design Team	Hair Salons, Personal Care
9	Leroy's Hair Care Center	Hair Salons, Personal Care
10	North Central Hairlines	Hair Salons, Personal Care
11	Beauty Nook Family Hair Care	Hair Salons, Personal Care
12	Waves Hair Salon	Hair Salons, Personal Care
13	A Cut Above	Hair Salons, Personal Care
14	Josepha's Full Service Salon	Hair Salons, Personal Care
15	Mike's Barber Shop	Hair Salons, Personal Care
16	Daul's Barber Shop	Hair Salons, Personal Care
17	Salon 64	Hair Salons, Personal Care
18	Center Attractions Hair & Tanning	Hair Salons, Personal Care
19	Studio 500 Hair Design	Hair Salons, Personal Care
20	Cost Cutters	Hair Salons, Personal Care
1	Johnson Drug	Pharmacy
2	Walgreens	Pharmacy

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.9 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	Culver's	National Chain Fast Food
2	Dairy Queen	National Chain Fast Food
3	Hardee's	National Chain Fast Food
4	KFC / Taco Bell	National Chain Fast Food
5	McDonald's	National Chain Fast Food
6	Subway	National Chain Fast Food
1	Arena, Sports Bar & Pizzeria	Bar & Grills, Taverns
2	Gail's Place Bar & Grill	Bar & Grills, Taverns
3	Humphrey's Pub	Bar & Grills, Taverns
4	Northway Billiard, Dart Club	Bar & Grills, Taverns
5	Old Style Beer Tavern	Bar & Grills, Taverns
6	One More Bar	Bar & Grills, Taverns
7	Pabst Blue Ribbon Central Bar	Bar & Grills, Taverns
8	Pabst Blue Ribbon West Side Bar	Bar & Grills, Taverns
9	Park City Bar	Bar & Grills, Taverns
10	Rustic Pine Bar & Grille	Bar & Grills, Taverns
11	S&S Bar	Bar & Grills, Taverns
12	Victory Lane Bar	Bar & Grills, Taverns
1	3's Company Dining & Cocktails	Eating Establishments
2	Ballyhoo's Chicken, Pizza	Eating Establishments
3	Champ's Restaurant	Eating Establishments
4	China Inn	Eating Establishments
5	Chip's Restaurant	Eating Establishments
6	Club 64 Restaurant	Eating Establishments
7	Club Modern Cocktails, Dining	Eating Establishments
8	Cozy Corner Eatery	Eating Establishments
9	First Street Coffe, Coffee Shops	Eating Establishments
10	Grecian Delight Gyros	Eating Establishments
11	Hugo's Pizza	Eating Establishments
12	Kathy & Cal's Restaurant	Eating Establishments
13	Kozy Korner Restaurant	Eating Establishments
14	Michael's Family Restaurant	Eating Establishments
15	Pine Ridge Restaurant	Eating Establishments
16	Queenie Ron's Pizza	Eating Establishments
17	Salvo's Pizza, Pasta	Eating Establishments
18	Shell Restaurant	Eating Establishments
19	Skipper's Family Restaurant	Eating Establishments

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.

Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.10 Retail and Business Inventory  
Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	Cup-N-Cone	Specialty Foods
2	Pine Grove Cheeses	Specialty Foods
3	Fresh Bakery	Specialty Foods
4	Briq's Soft Serve	Specialty Foods
1	Airport Flea Market (seasonal)	Used Merchandise
2	Aunt Lu's Antiques	Used Merchandise
3	St. Vincent DePaul Store	Used Merchandise
4	Sweet Repeats	Used Merchandise
5	Cindy's Attic	Used Merchandise
6	Thrift Store	Used Merchandise
7	5-10 Helping Hands	Used Merchandise
8	Old Fashioned Antique Shop	Used Merchandise
9	Parkview Building Flea Market	Used Merchandise
10	Change of Seasons Gallery	Used Merchandise

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.11 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	St. Vincent DePaul Outreach Center	Charitable Agency
2	St. Vincent DePaul Community Care Center	Charitable Agency
1	First Weber Realtors	Real Estate
2	GTS Guaranty Title Services, Inc.	Real Estate
3	Park City Realty	Real Estate
4	Century 21 Realty	Real Estate
5	Lincoln County Abstract Co.	Real Estate
1	Merrill Courier News & Happenings	Marketing
2	Murray Bonnell & Associates	Marketing
3	WJMT Radio Station	Marketing
4	Anderson Printing Service	Marketing
1	Park City Credit Union	Financial, Business Services
2	Check n Go	Financial, Business Services
3	River Valley Bank	Financial, Business Services
4	H&R Block	Financial, Business Services
5	Advance America Cash Advance	Financial, Business Services
6	Associated Bank	Financial, Business Services
7	Lincoln Community Bank	Financial, Business Services
8	Riebe Country Financial	Financial, Business Services
9	Merrill Federal Savings & Loan Assoc	Financial, Business Services
10	M&I Bank	Financial, Business Services
11	Thrivent Financial	Financial, Business Services
12	Edward Jones	Financial, Business Services
13	Mamer Certified Public Accountant	Financial, Business Services
14	RAJ Services; Spoehr Tax; Ament Payroll	Financial, Business Services
1	Public Defenders	Attorneys
2	Schmitt & Koppelman SC	Attorneys
3	Ament, Wulf, Frokjer, Hersil	Attorneys
4	Laufenberg Law Offices	Attorneys

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.12 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	Farmers Insurance Group	Insurance
2	American Family Insurance	Insurance
3	Knab Insurance Agency	Insurance
4	Murphy Insurance Group	Insurance
5	State Farm Insurance	Insurance
6	Kreager Insurance Center	Insurance
7	Personal Insurance Co.	Insurance
1	Good Samaritan Health Center - Ministry	Medical / Health Care
2	Aspirus - Merrill Clinic	Medical / Health Care
3	Marshfield Clinic - Merrill Center	Medical / Health Care
4	Bone & Joint Clinic SC	Medical / Health Care
5	Dr. Wolf, MD	Medical / Health Care
6	Home Medical Service	Medical / Health Care
7	Hearing Services	Medical / Health Care
8	Central WI Psychological Services, LLC	Medical / Health Care
9	Advanced Foot & Ankle Center	Medical / Health Care
10	Soul-Full Solutions Counseling Ctr.	Medical / Health Care
1	Aprill Family Chiropractic	Chiropractic
2	Abegglen Chiropractic	Chiropractic
3	Wintee Chiropractic	Chiropractic
4	Gress Chiropractic	Chiropractic
5	Allied Health Centers Chiropractic	Chiropractic
6	Mueller Chiropractic Office	Chiropractic
1	Quirt Family Dentistry (new)	Dentist
2	Oak Park Dental	Dentist
3	Family Dentistry	Dentist
1	Wolf Optometrist	Eye Care
2	Rezin Optical	Eye Care
1	Best Friends Animal Care Center, LLC	Veterinarian
2	Rockwood Hospital for Pets	Veterinarian

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.13 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	Mitchell Metal Products	Metal, Wire Fabrication
2	Merrill Iron & Steel	Metal, Wire Fabrication
3	Northern Wire Corporation	Metal, Wire Fabrication
4	Wire Products Manufacturing	Metal, Wire Fabrication
1	J&J Mini Storage	Storage
2	Franklin Storage	Storage
1	B&D Motors	Transportation / Communication
2	Burgener Contract Carriers	Transportation / Communication
3	Park City Motorways	Transportation / Communication
4	Peterson Bus Service	Transportation / Communication
5	Pioneer Transportation Limited	Transportation / Communication
6	Len Polak, Inc.	Transportation / Communication
7	Crabbman's Driver's Education	Transportation / Communication
1	Fastenal Co.	Other, Fasteners
2	Wisconsin Public Service Corporation	Other, Utilities
3	C & H Packaging Company	Other, Flexible Packaging
4	Church Mutual Insurance	Other, Insurance
5	Reindl Printing, Inc.	Other, Printing Company
6	Weinbrenner Shoe Company	Other, Shoe Manufacturer
7	Riverbend Builders, LLC	Other, Builders
8	Hornung Well Drilling, LLC	Other, Drilling
1	Merrill Pavers, LLC	Construction
2	Systems Technology, Inc.	Construction
3	Taylor Insulation	Construction
4	Agra Industries, Inc.; Merrill Fab, Inc.	Construction
5	River View Construction, Inc.	Construction

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.

Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.

Exhibit D.14 Retail and Business Inventory  
 Prepared for the City of Merrill, Wisconsin

	Business Name	Generalized Category
1	Haven, Inc.	Other
2	Northern Specialty Co.	Other
3	Merrill Tool & Water Jet Co.	Other
4	Merrill Manufacturing Corporation (vac)	Other
5	Zastrow The Beer Man	Other, Distribution
6	Barrel O'Fun Distributors	Other, Distribution
7	Trident Supply	Other, Commercial Janitorial Supplies
1	Waid Funeral Home	Personal Care
1	Knispel & Latzig, Inc.	Wholesale Trade
2	Peterson-Latzig Company, Inc.	Wholesale Trade
3	Van Der Geest Dairy Cattle, Inc.	Wholesale Trade
1	Cornerstone Millwork Patio Doors	Wood, Windows / Patio Doors, Plastics
2	Packaging Corp. of America	Wood, Windows / Patio Doors, Plastics
3	Hurd Millwork	Wood, Windows / Patio Doors, Plastics
4	Lincoln Wood Products	Wood, Windows / Patio Doors, Plastics
5	Semling-Menke Company	Wood, Windows / Patio Doors, Plastics
1	Lincoln County Government	Government
2	McNaughton Correctional Facility, Tomahawk	Government
3	Lincoln Hills School Correctional Facility	Government
4	Lincoln County Jail	Government
5	USDA Farm Service, Natural Resources	Government
6	Merrill Rangers Station, DNR	Government
7	Job Connection	Government

Source: Field inventories and market tours conducted by LandUse|USA, LLC; January 2010.  
 Note: Lists are not intended to be all-inclusive, and imperfect designations are unintentional.



## APPENDIX E - RETAIL DEMAND



## Exhibit E.2 Median Household Income 2009

County  
See Appendix for Geographies

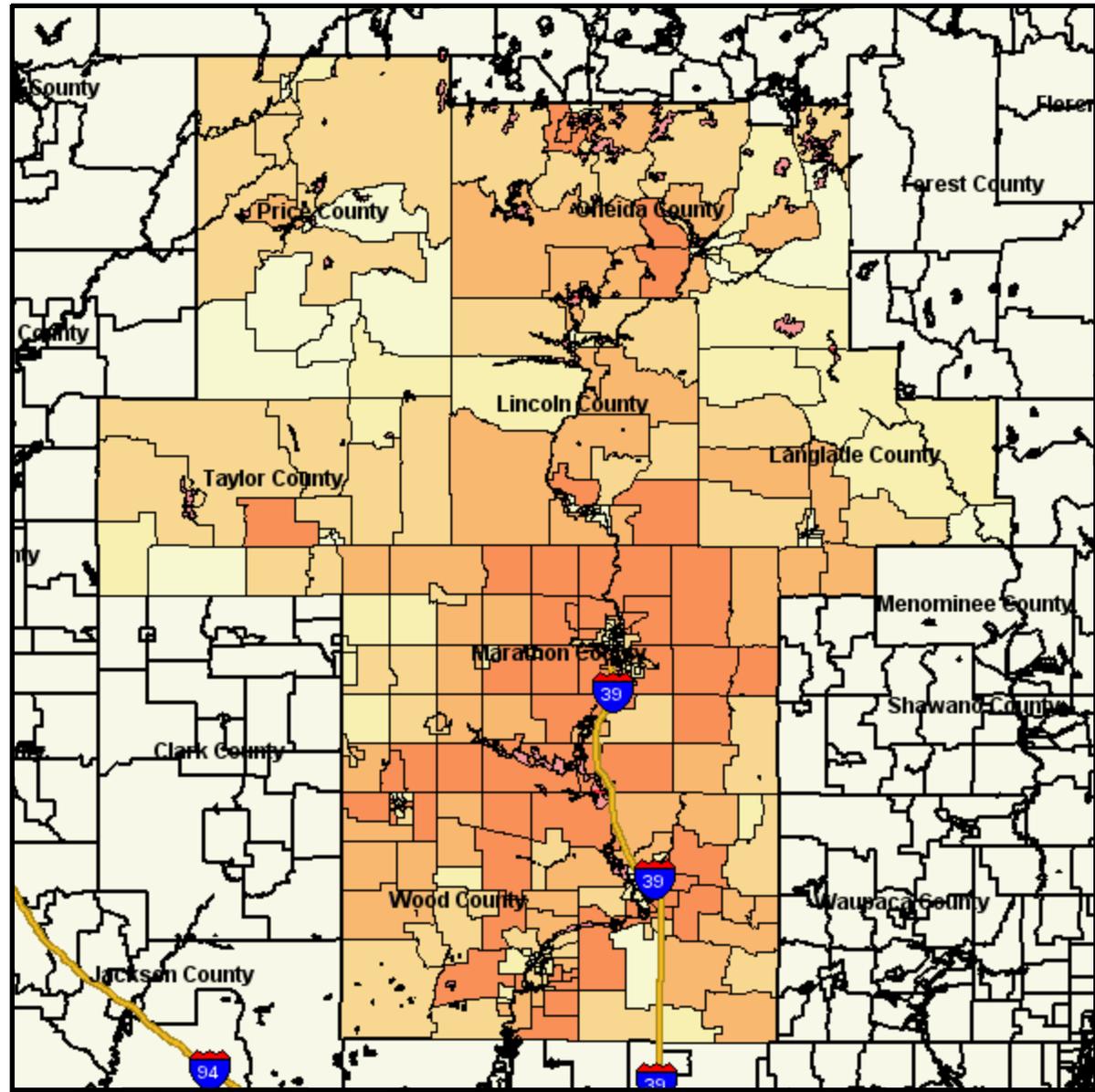
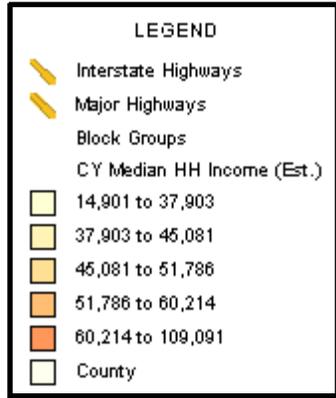
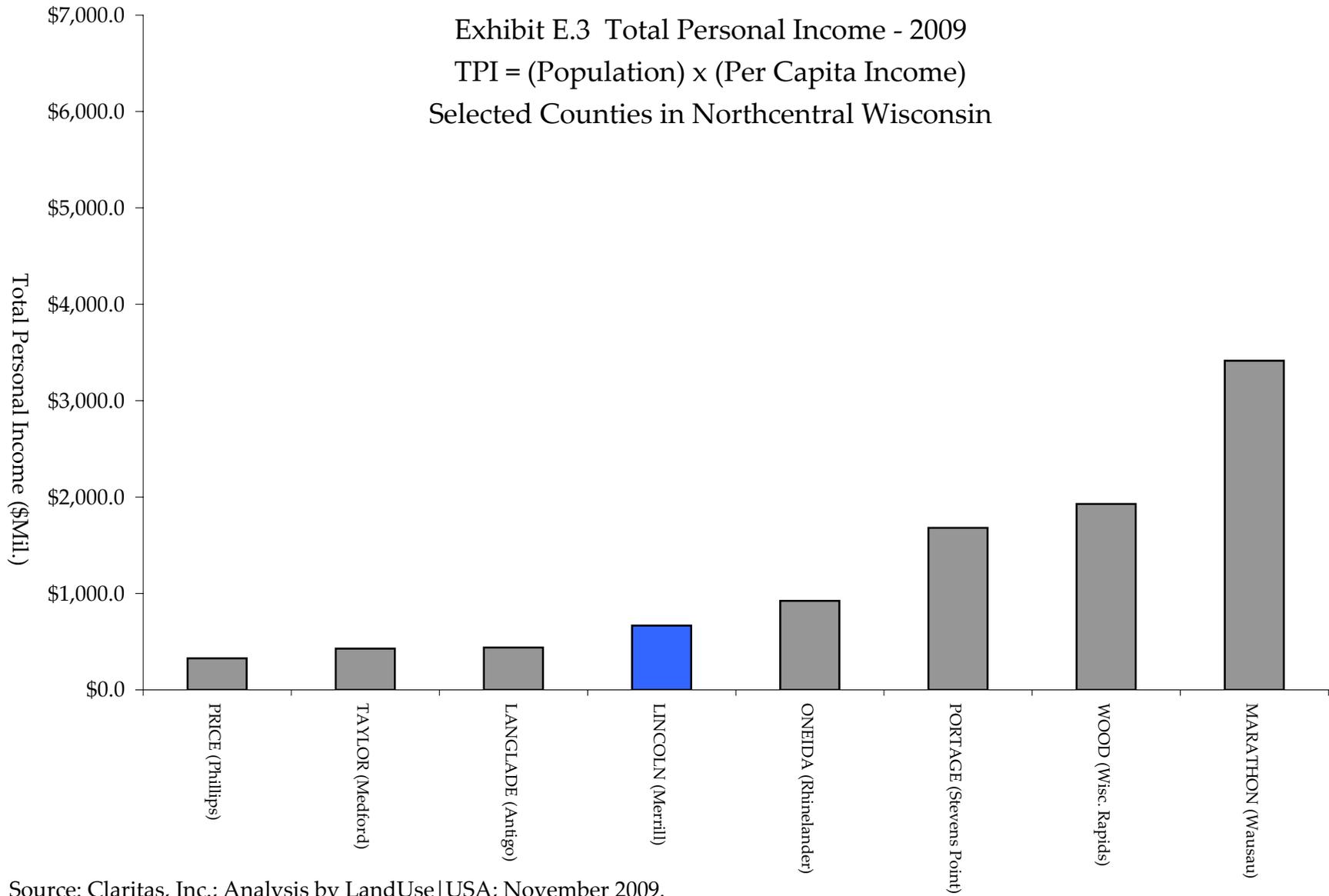
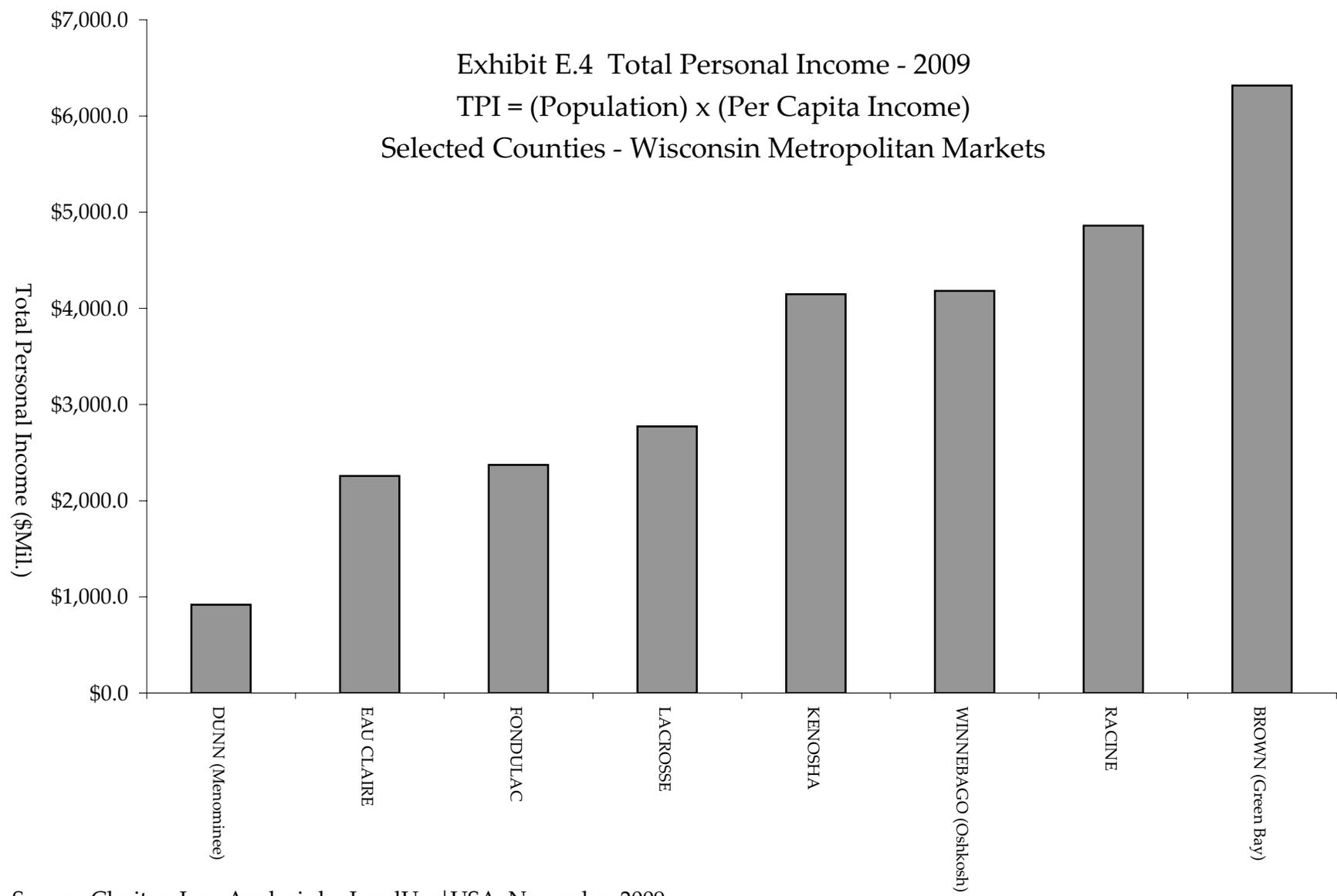


Exhibit E.3 Total Personal Income - 2009  
TPI = (Population) x (Per Capita Income)  
Selected Counties in Northcentral Wisconsin



Source: Claritas, Inc.; Analysis by LandUse|USA; November 2009.

Exhibit E.4 Total Personal Income - 2009  
 TPI = (Population) x (Per Capita Income)  
 Selected Counties - Wisconsin Metropolitan Markets



Source: Claritas, Inc.; Analysis by LandUse|USA; November 2009.

## Exhibit E.5 Population Distribution 2009 (1 dot = 100 persons)

5 10 15 MILE RINGS,

Coord: 45.180900, -89.648500  
Radius - See Appendix for Details

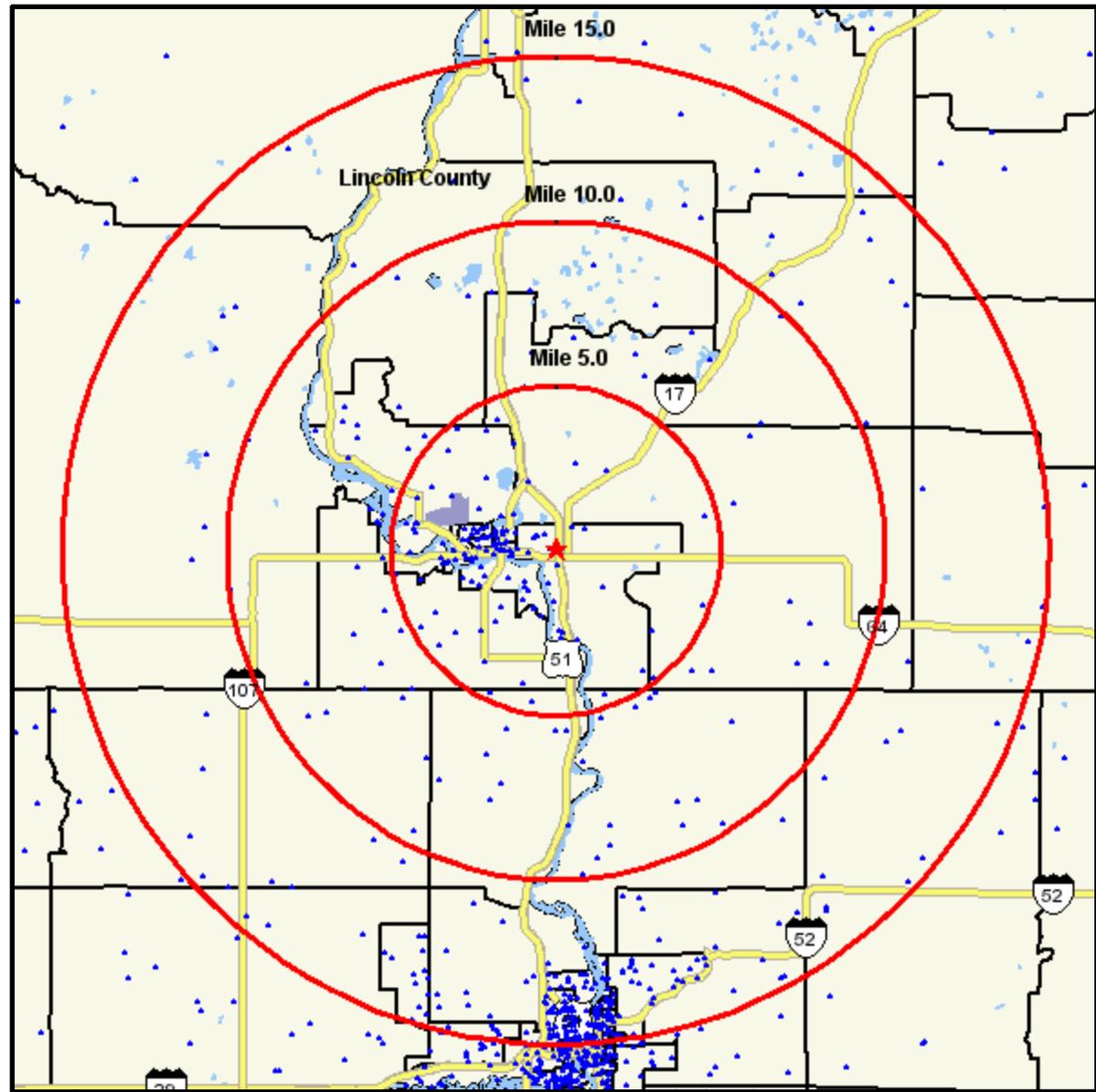
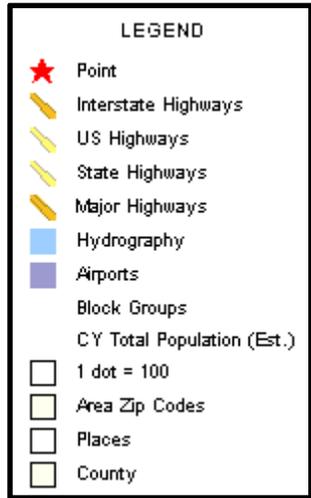
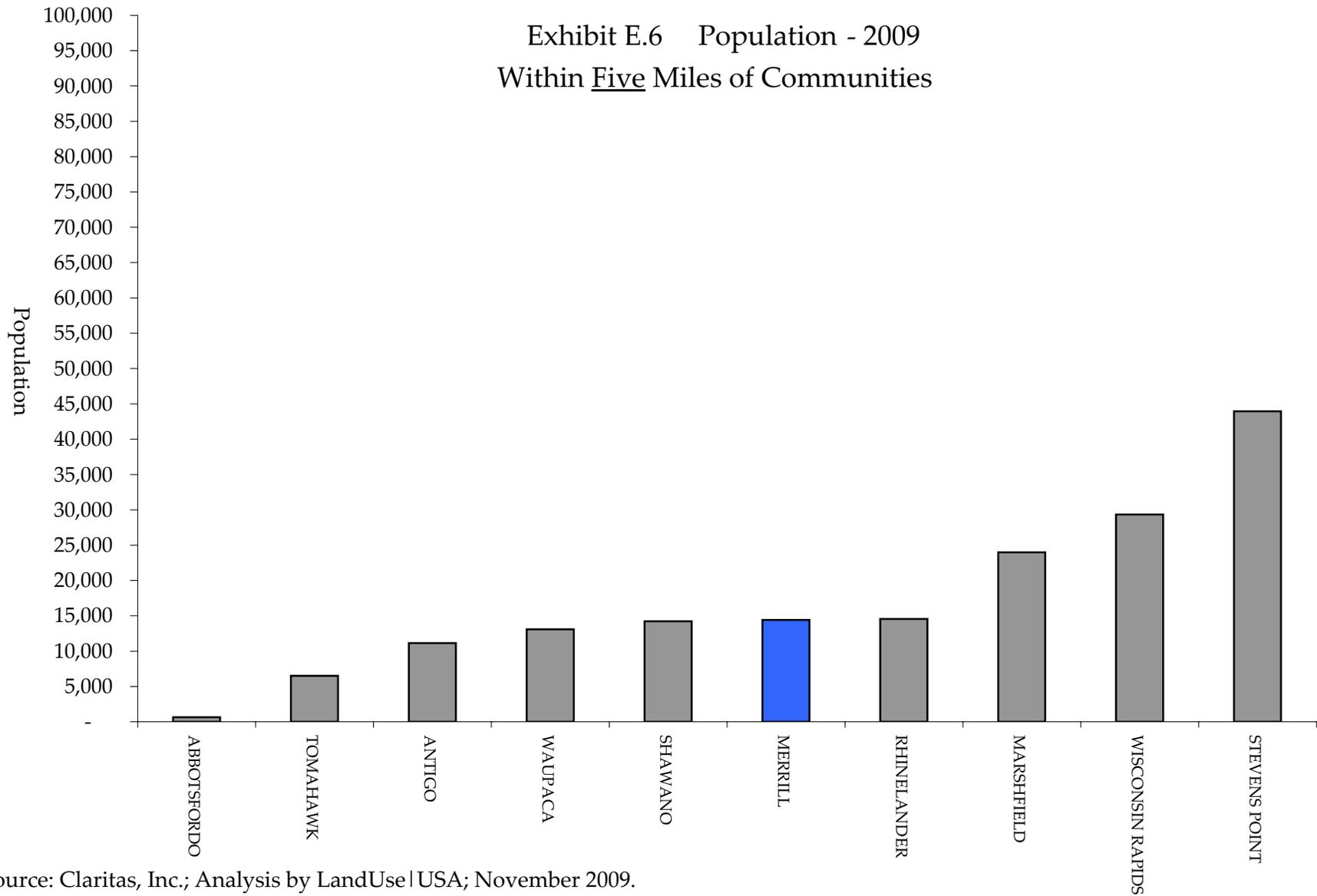
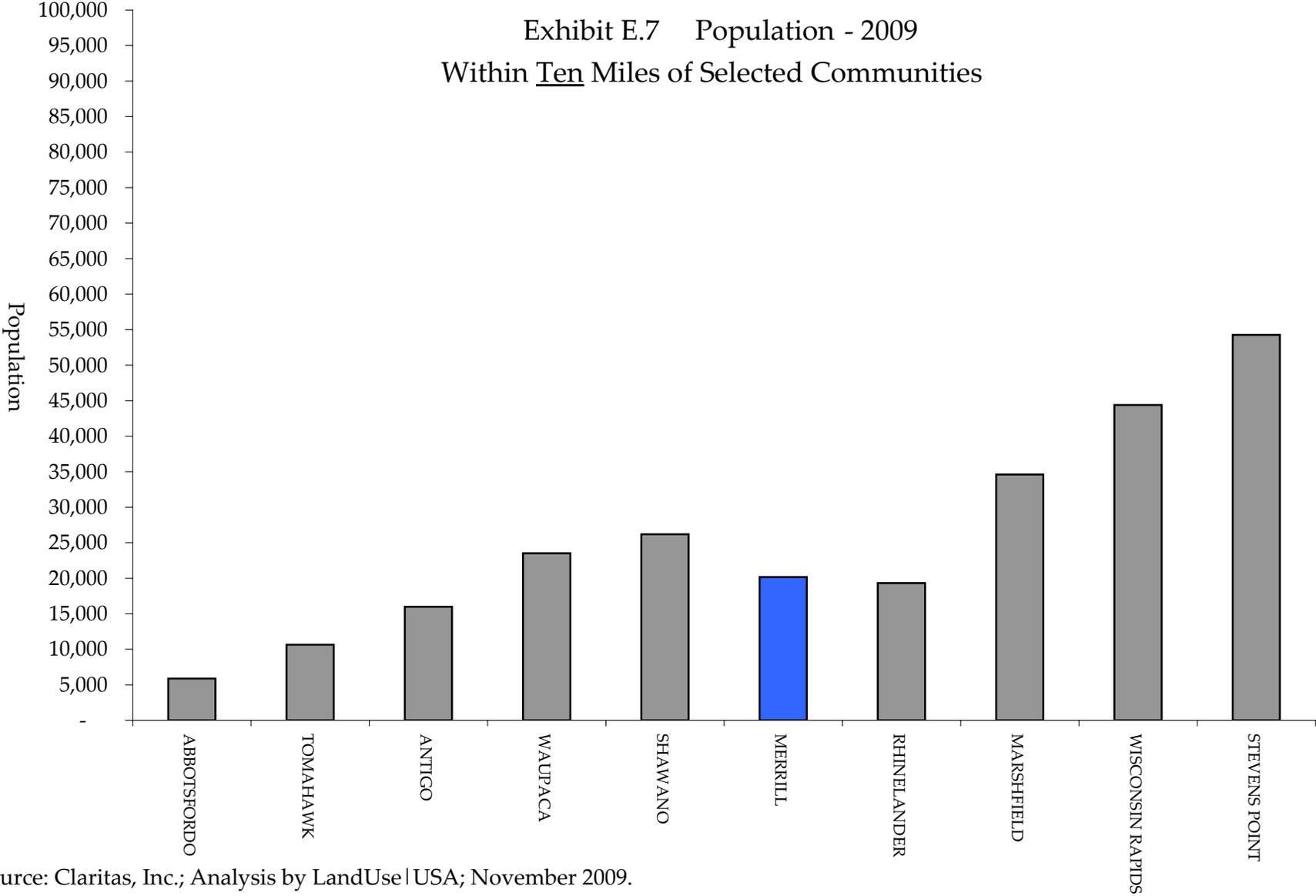


Exhibit E.6 Population - 2009  
Within Five Miles of Communities



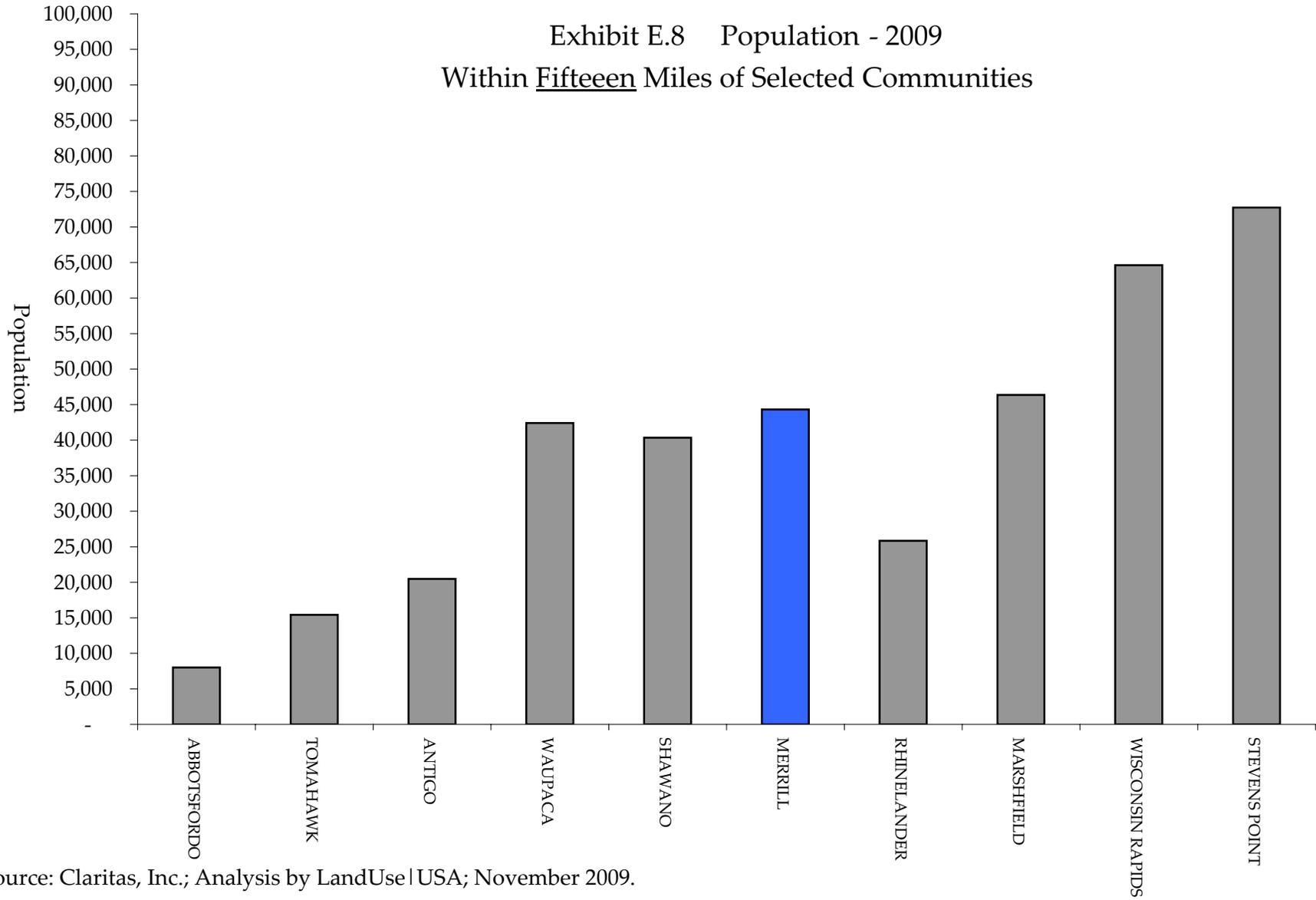
Source: Claritas, Inc.; Analysis by LandUse|USA; November 2009.

Exhibit E.7 Population - 2009  
Within Ten Miles of Selected Communities



Source: Claritas, Inc.; Analysis by LandUse|USA; November 2009.

Exhibit E.8 Population - 2009  
Within Fifteen Miles of Selected Communities

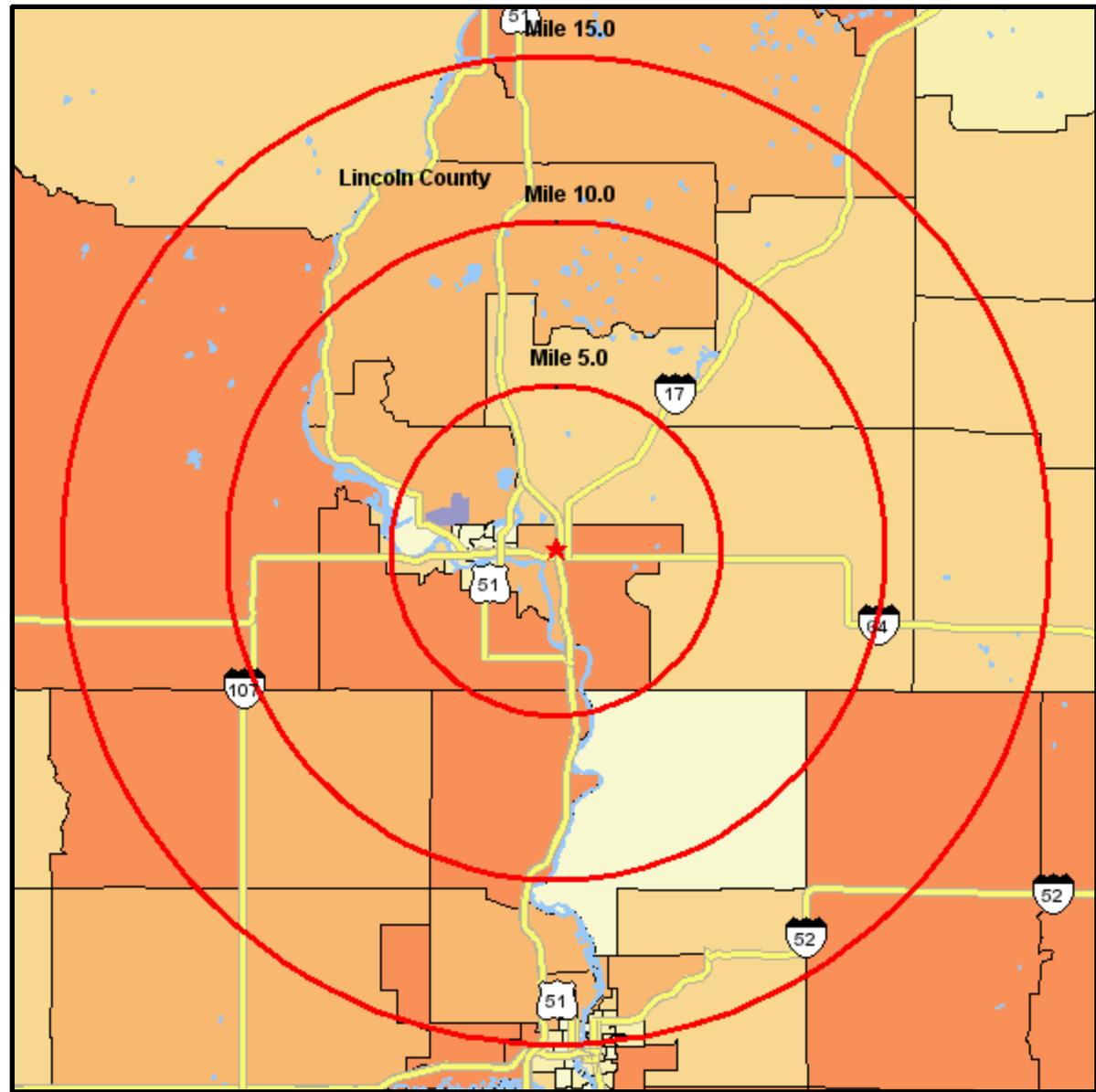
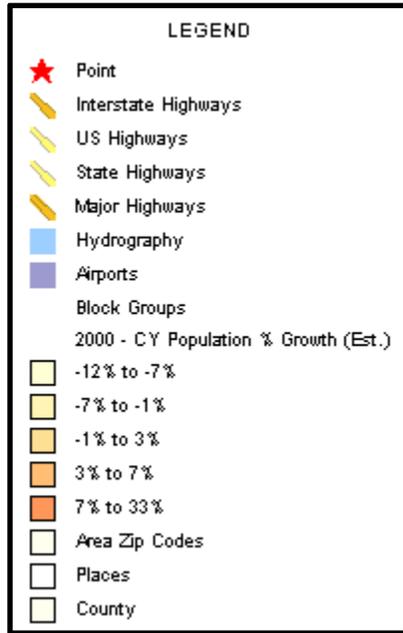


Source: Claritas, Inc.; Analysis by LandUse|USA; November 2009.

# Exhibit E.9 Population Growth 2000 to 2009

5 10 15 MILE RINGS,

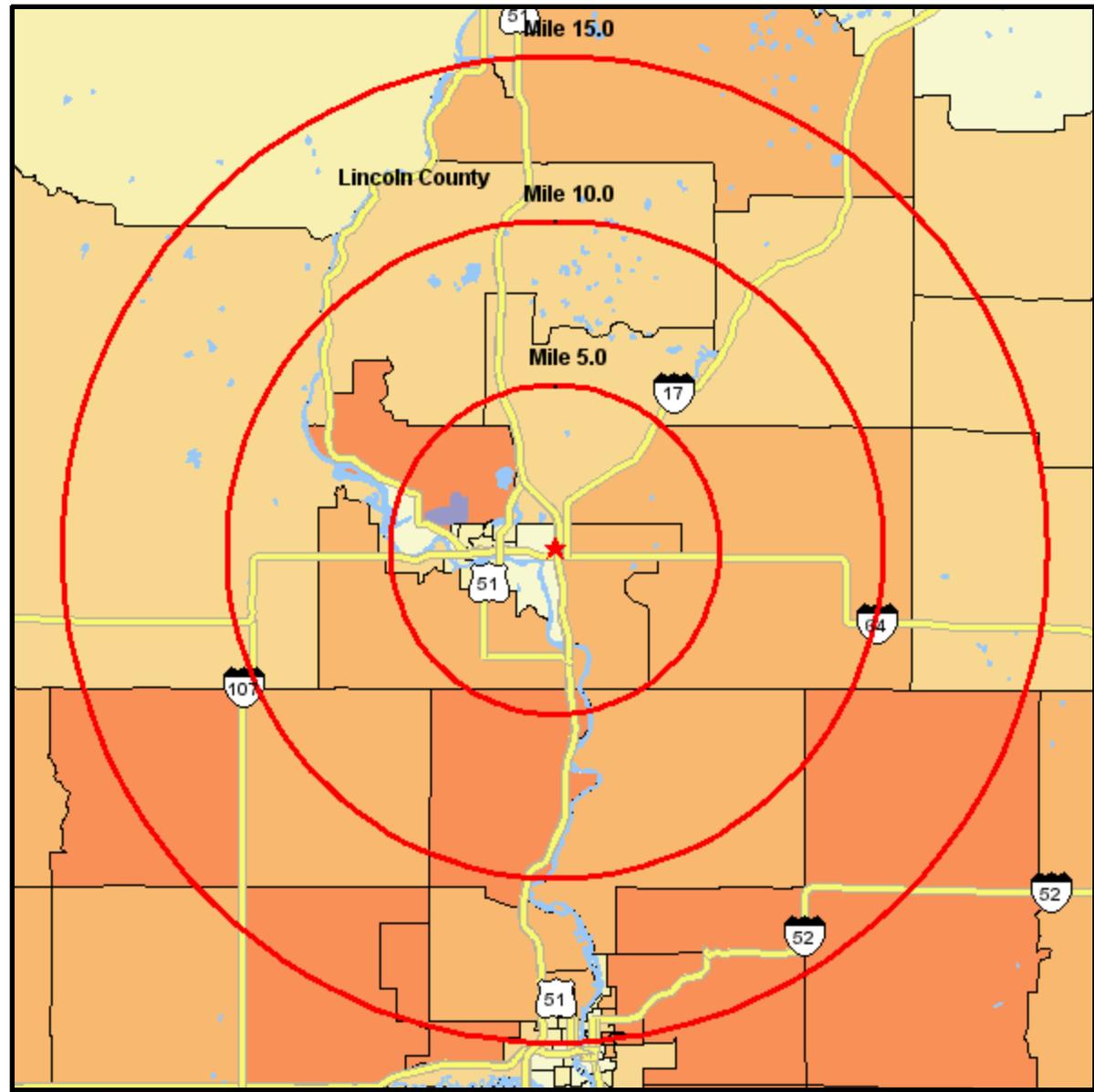
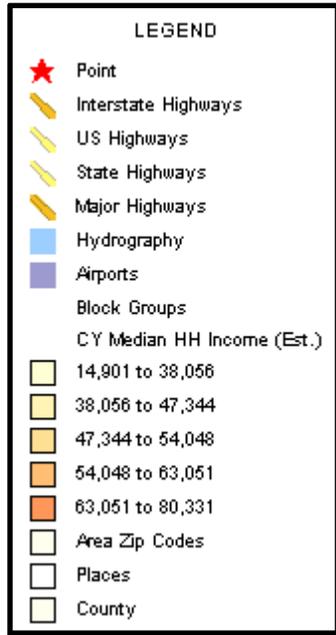
Coord: 45.180900, -89.648500  
 Radius - See Appendix for Details



# Exhibit E.10 Median Household Income 2009

5 10 15 MILE RINGS,

Coord: 45.180900, -89.648500  
 Radius - See Appendix for Details



# Exhibit E.11 Population Distribution 2009 (1 dot = 100 persons)

MERRILL ETA 2,

Coord: 45.180900, -89.648500  
Polygon - See Appendix for Points

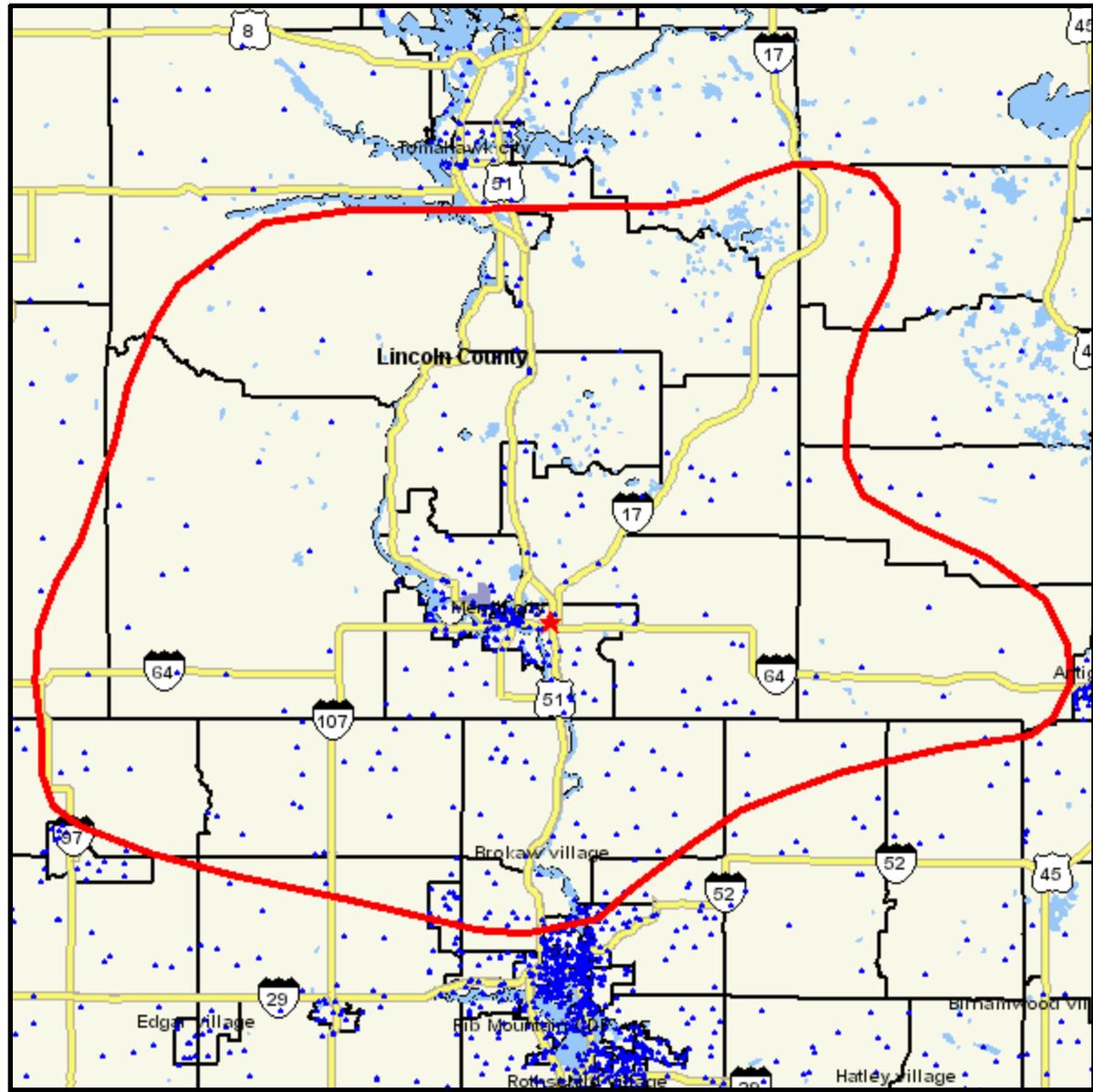


Exhibit E.12 Demographic Analysis for Merrill, Wisconsin  
Comparisons for the 70% Trade Area

	MARATHON (Wausau) COUNTY	LINCOLN (Merrill) COUNTY	MERRILL 15 Miles	MERRILL 10 Miles	MERRILL 5 Miles	MERRILL Trade
<b>Population</b>						
1990 Census	115,400	26,993	40,942	18,851	13,816	30,295
2000 Census	125,834	29,641	43,547	20,024	14,581	32,502
2002 Interpolation	127,323	29,723	43,717	20,057	14,545	32,655
2009 Estimate	132,674	30,010	44,317	20,175	14,420	33,195
2010 Estimate	133,457	30,051	44,403	20,192	14,402	33,273
2014 Forecast	136,689	30,278	44,909	20,325	14,377	33,647
2015 Forecast	137,506	30,332	45,028	20,355	14,368	33,738
2020 Forecast	141,725	30,665	45,791	20,573	14,368	34,259
<b>Population Growth Rates</b>						
1990 - 2000	0.87%	0.94%	0.62%	0.61%	0.54%	0.71%
2000 - 2010	0.59%	0.14%	0.19%	0.08%	-0.12%	0.23%
2010 - 2015	0.60%	0.18%	0.27%	0.15%	-0.06%	0.27%
2015 - 2020	0.61%	0.22%	0.34%	0.21%	0.00%	0.31%
<b>Per Capita Income</b>						
1999 Census	\$20,703	\$17,940	\$20,354	\$18,306	\$18,045	\$19,547
2002 Interpolation	\$22,102	\$19,135	\$21,680	\$19,468	\$19,062	\$20,805
2009 Census	\$25,743	\$22,242	\$25,120	\$22,475	\$21,664	\$24,064
2010 Estimate	\$26,310	\$22,779	\$25,714	\$22,993	\$22,109	\$24,627
2015 Forecast	\$29,338	\$25,669	\$28,903	\$25,769	\$24,471	\$27,642
2020 Forecast	\$32,715	\$28,924	\$32,487	\$28,880	\$27,087	\$31,027
<b>Income Growth Rates</b>						
1999 - 2009	2.2%	2.4%	2.4%	2.3%	2.1%	2.3%
2010 - 2020	2.2%	2.4%	2.4%	2.3%	2.1%	2.3%
<b>Total Personal Income (\$Mil.)</b>						
2000	\$2,605.2	\$531.8	\$886.3	\$366.6	\$263.1	\$635.3
2009	\$3,415.4	\$667.5	\$1,113.2	\$453.4	\$312.4	\$798.8
2010	\$3,511.3	\$684.6	\$1,141.8	\$464.3	\$318.4	\$819.4
2020	\$4,636.5	\$887.0	\$1,487.6	\$594.1	\$389.2	\$1,063.0
<b>TPI Growth Rates</b>						
2000-2010	3.0%	2.6%	2.6%	2.4%	1.9%	2.6%
2010-2020	2.8%	2.6%	2.7%	2.5%	2.0%	2.6%
2009 TPI Ratio to Lincoln Co.	5.12	1.00	1.67	0.68	0.47	1.20

Source: Claritas, Inc. 2009; Analysis by LandUse|USA, LLC.

Exhibit E.13 Demographic Analysis for Merrill, Wisconsin  
Comparisons for other Markets

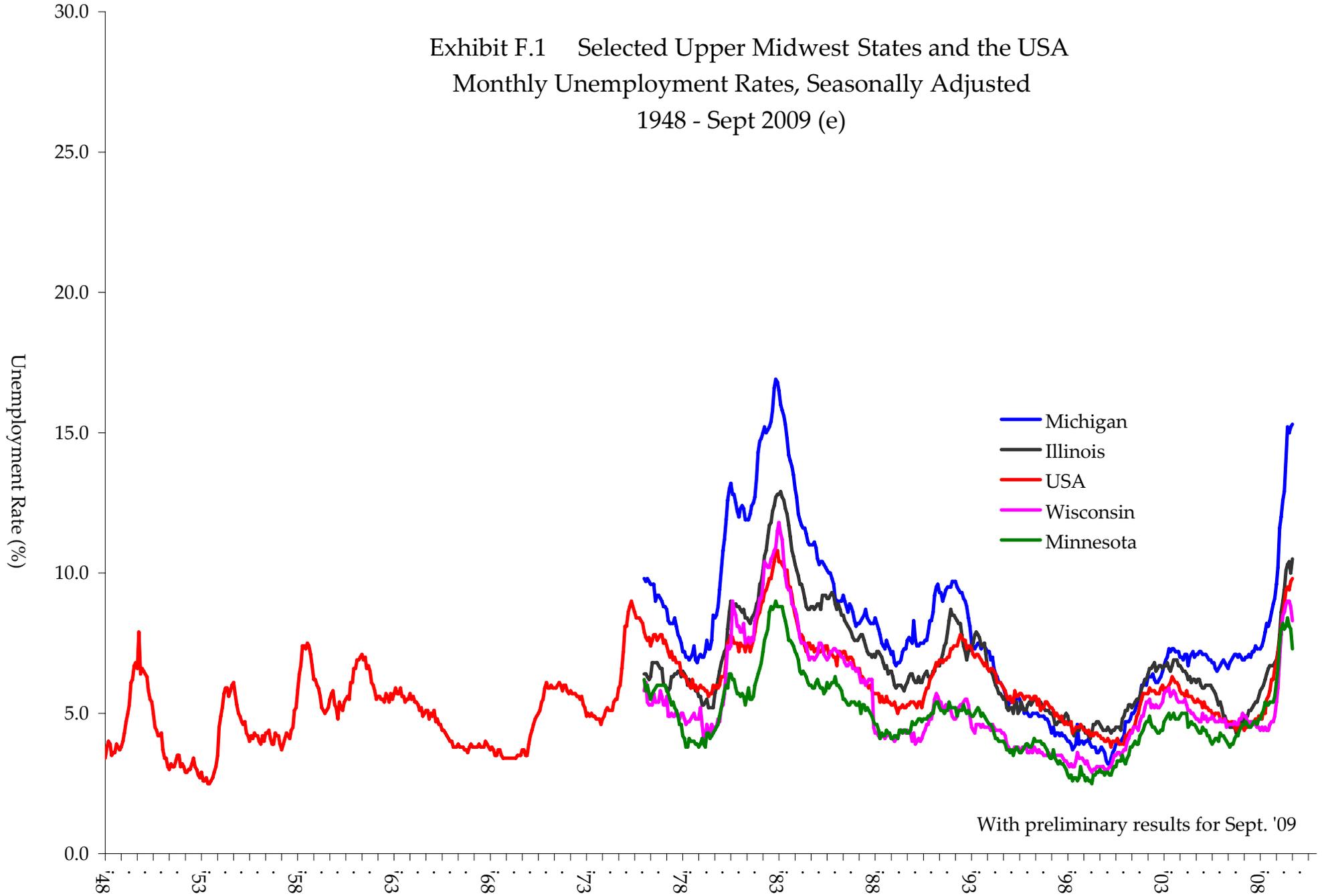
	PRICE (Phillips)  COUNTY	TAYLOR (Medford)  COUNTY	LANGLADE (Antigo)  COUNTY	ONEIDA (Rhineland)  COUNTY	PORTAGE (Stevens Point)  COUNTY	WOOD (Wisc. Rapids)  COUNTY
<b>Population</b>						
1990 Census	15,600	18,901	19,505	31,679	61,405	73,605
2000 Census	15,822	19,680	20,740	36,776	67,182	75,555
2002 Interpolation	15,648	19,657	20,758	36,890	67,626	75,423
2009 Estimate	15,055	19,575	20,822	37,293	69,203	74,964
2010 Estimate	14,972	19,563	20,831	37,351	69,431	74,899
2014 Forecast	14,672	19,561	20,914	37,658	70,456	74,810
2015 Forecast	14,597	19,558	20,932	37,731	70,709	74,779
2020 Forecast	14,251	19,558	21,072	38,176	72,096	74,779
<b>Population Growth Rates</b>						
1990 - 2000	0.14%	0.40%	0.62%	1.50%	0.90%	0.26%
2000 - 2010	-0.55%	-0.06%	0.04%	0.16%	0.33%	-0.09%
2010 - 2015	-0.51%	-0.01%	0.09%	0.19%	0.36%	-0.04%
2015 - 2020	-0.48%	0.00%	0.13%	0.23%	0.39%	0.00%
<b>Per Capita Income</b>						
1999 Census	\$17,837	\$17,570	\$16,960	\$19,746	\$19,854	\$20,203
2002 Interpolation	\$18,926	\$18,762	\$18,110	\$21,135	\$21,092	\$21,720
2009 Census	\$21,733	\$21,867	\$21,106	\$24,771	\$24,290	\$25,718
2010 Estimate	\$22,216	\$22,405	\$21,625	\$25,403	\$24,840	\$26,418
2015 Forecast	\$24,793	\$25,300	\$24,419	\$28,814	\$27,785	\$30,209
2020 Forecast	\$27,669	\$28,570	\$27,574	\$32,682	\$31,078	\$34,544
<b>Income Growth Rates</b>						
1999 - 2009	2.2%	2.5%	2.5%	2.6%	2.3%	2.7%
2010 - 2020	2.2%	2.5%	2.5%	2.6%	2.3%	2.7%
<b>Total Personal Income (\$Mil.)</b>						
2000	\$282.2	\$345.8	\$351.7	\$726.2	\$1,333.8	\$1,526.4
2009	\$327.2	\$428.0	\$439.5	\$923.8	\$1,680.9	\$1,928.0
2010	\$332.6	\$438.3	\$450.5	\$948.8	\$1,724.7	\$1,978.6
2020	\$394.3	\$558.8	\$581.0	\$1,247.7	\$2,240.6	\$2,583.2
<b>TPI Growth Rates</b>						
2000-2010	1.7%	2.4%	2.5%	2.7%	2.6%	2.6%
2010-2020	1.7%	2.5%	2.6%	2.8%	2.7%	2.7%

2009 TPI Ratio to Lincoln Co.



# APPENDIX F - UNEMPLOYMENT, SEASONALITY

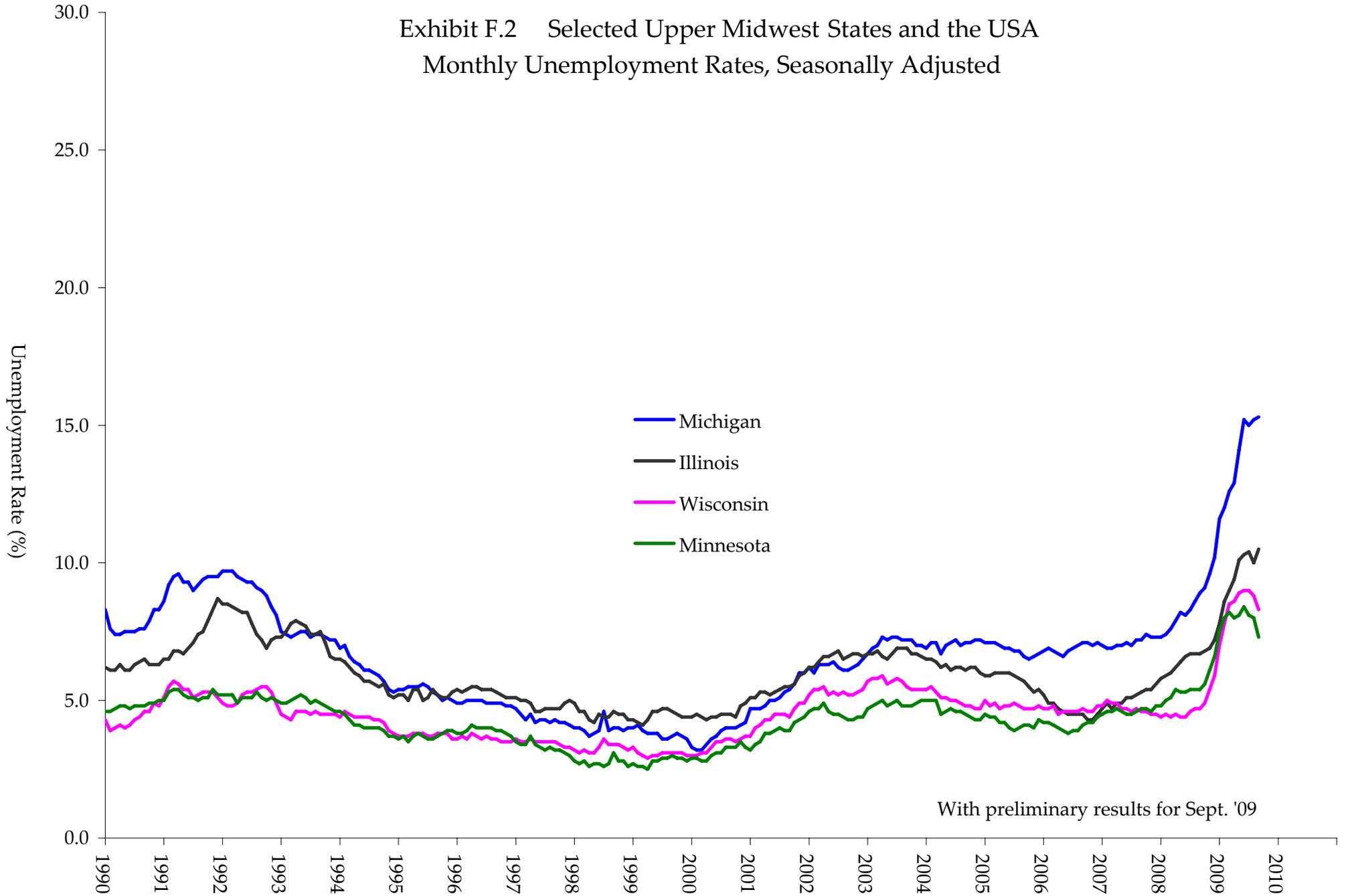
Exhibit F.1 Selected Upper Midwest States and the USA  
Monthly Unemployment Rates, Seasonally Adjusted  
1948 - Sept 2009 (e)



With preliminary results for Sept. '09

(e) All numbers are seasonally adjusted; July and Aug. 2009 are preliminary estimates. All figures are percents of the total Labor Force Age 16+.  
Source: Bureau of Labor Statistics - July 2009; Analysis by LandUse|USA, LLC.

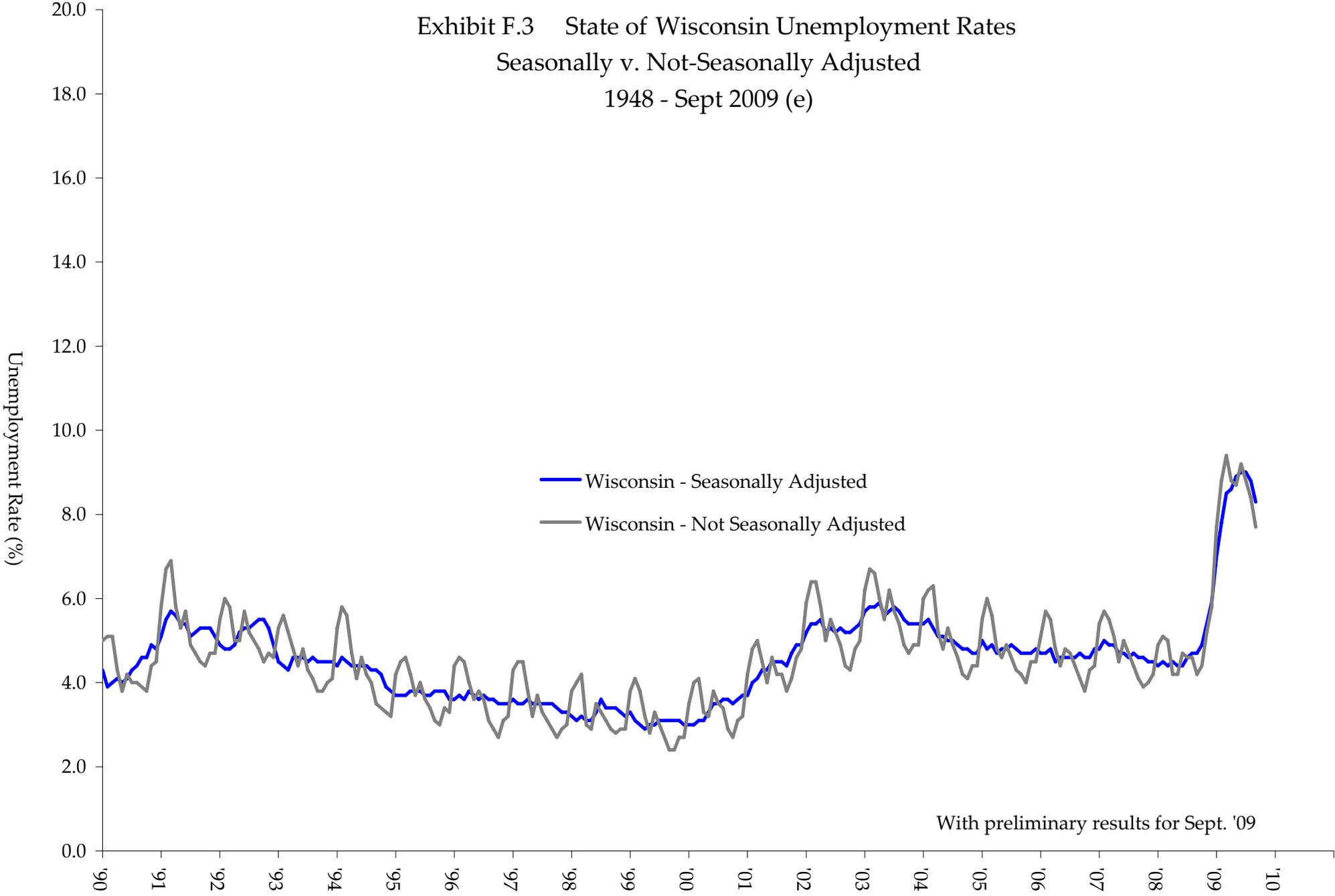
Exhibit F.2 Selected Upper Midwest States and the USA  
Monthly Unemployment Rates, Seasonally Adjusted



(e) All numbers are seasonally adjusted; July and Aug. 2009 are preliminary estimates. All figures are percents of the total Labor Force Age 16+.

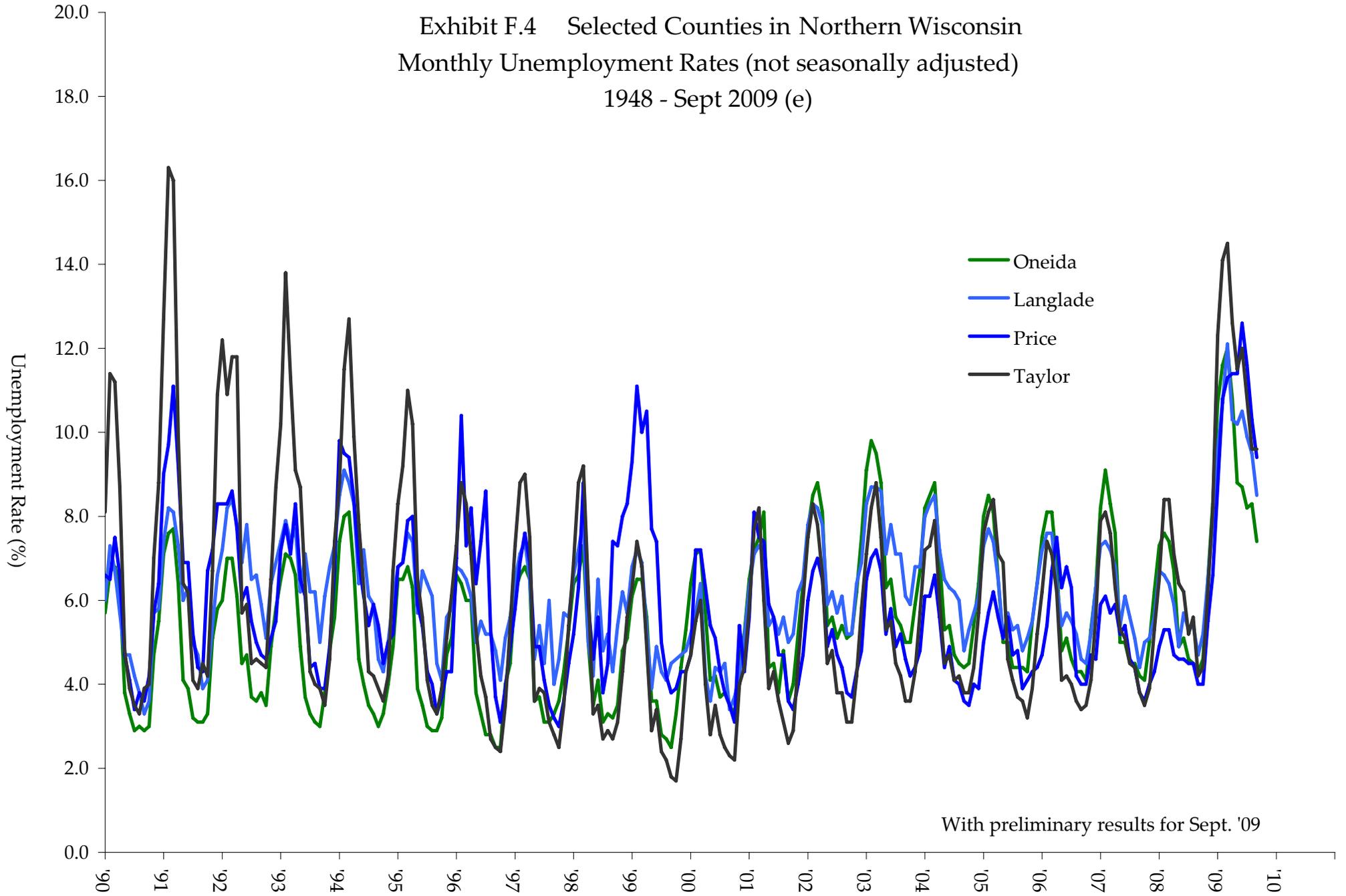
Source: Bureau of Labor Statistics - July 2009; Analysis by LandUse|USA, LLC.

Exhibit F.3 State of Wisconsin Unemployment Rates  
 Seasonally v. Not-Seasonally Adjusted  
 1948 - Sept 2009 (e)



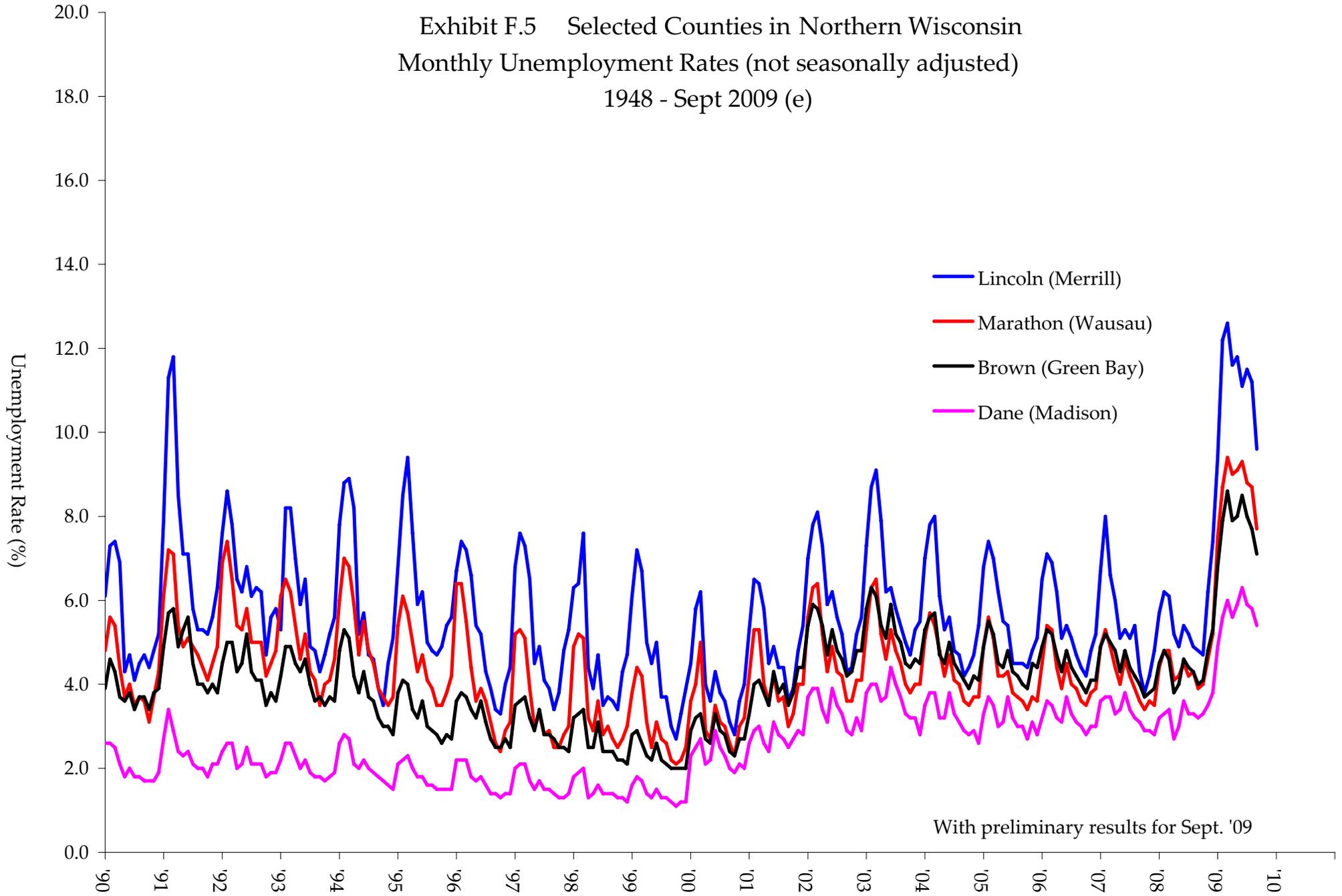
(e) All numbers are seasonally adjusted; July and Aug. 2009 are preliminary estimates. All figures are percents of the total Labor Force Age 16+. Source: Bureau of Labor Statistics - July 2009; Analysis by LandUse|USA, LLC.

Exhibit F.4 Selected Counties in Northern Wisconsin  
 Monthly Unemployment Rates (not seasonally adjusted)  
 1948 - Sept 2009 (e)



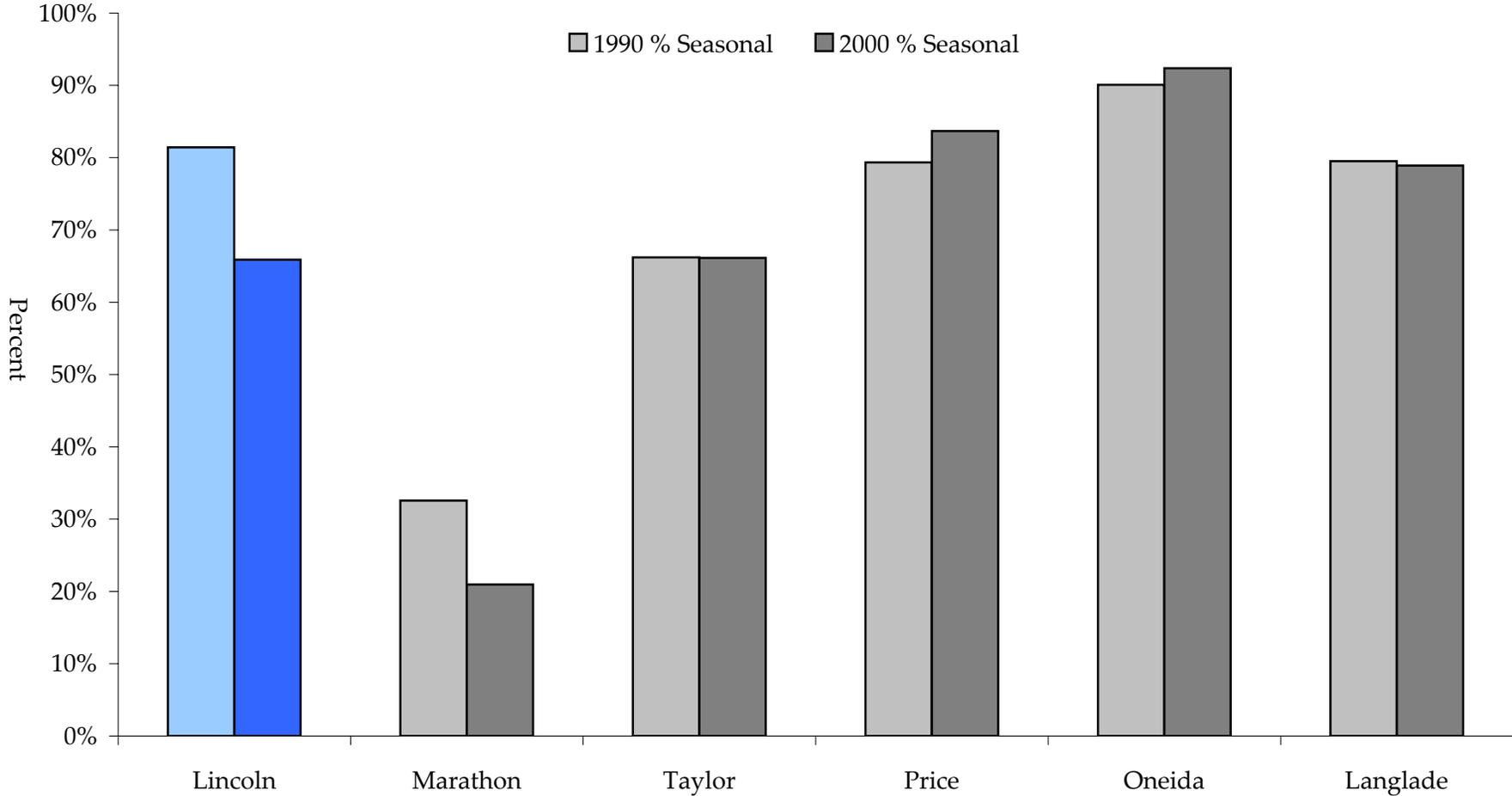
(e) All numbers are seasonally adjusted; July and Aug. 2009 are preliminary estimates. All figures are percents of the total Labor Force Age 16+.  
 Source: Bureau of Labor Statistics - July 2009; Analysis by LandUse|USA, LLC.

Exhibit F.5 Selected Counties in Northern Wisconsin  
 Monthly Unemployment Rates (not seasonally adjusted)  
 1948 - Sept 2009 (e)



(e) All numbers are seasonally adjusted; July and Aug. 2009 are preliminary estimates. All figures are percents of the total Labor Force Age 16+.  
 Source: Bureau of Labor Statistics - July 2009; Analysis by LandUse|USA, LLC.

Exhibit F.6 Percent of Vacant Units  
Occupied Seasonally (i.e., not a primary homestead)  
Selected Counties (Clockwise around Lincoln)

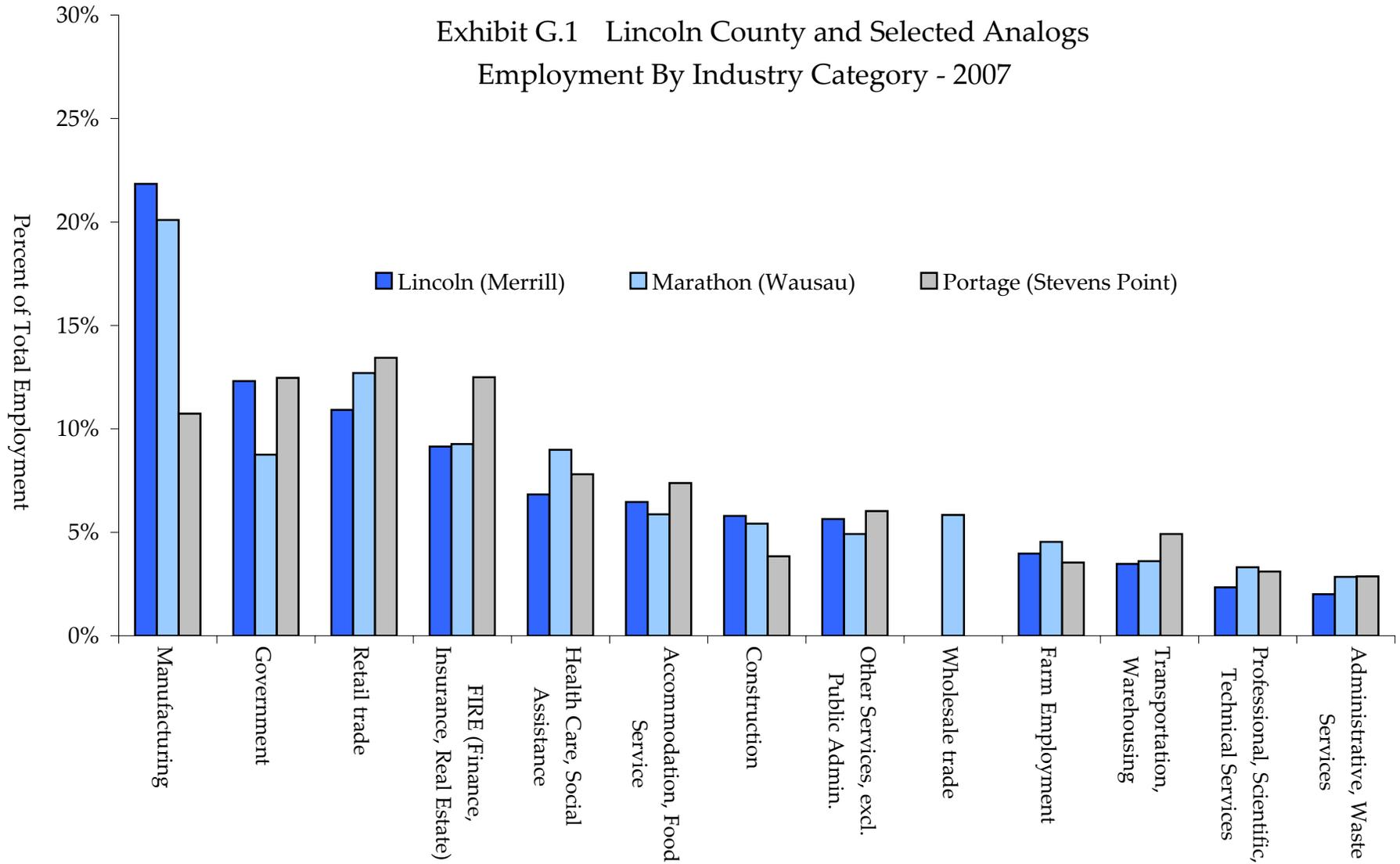


Source: 1990 and 2000 U.S. Population Census; analysis by LandUse|USA, November 2009.



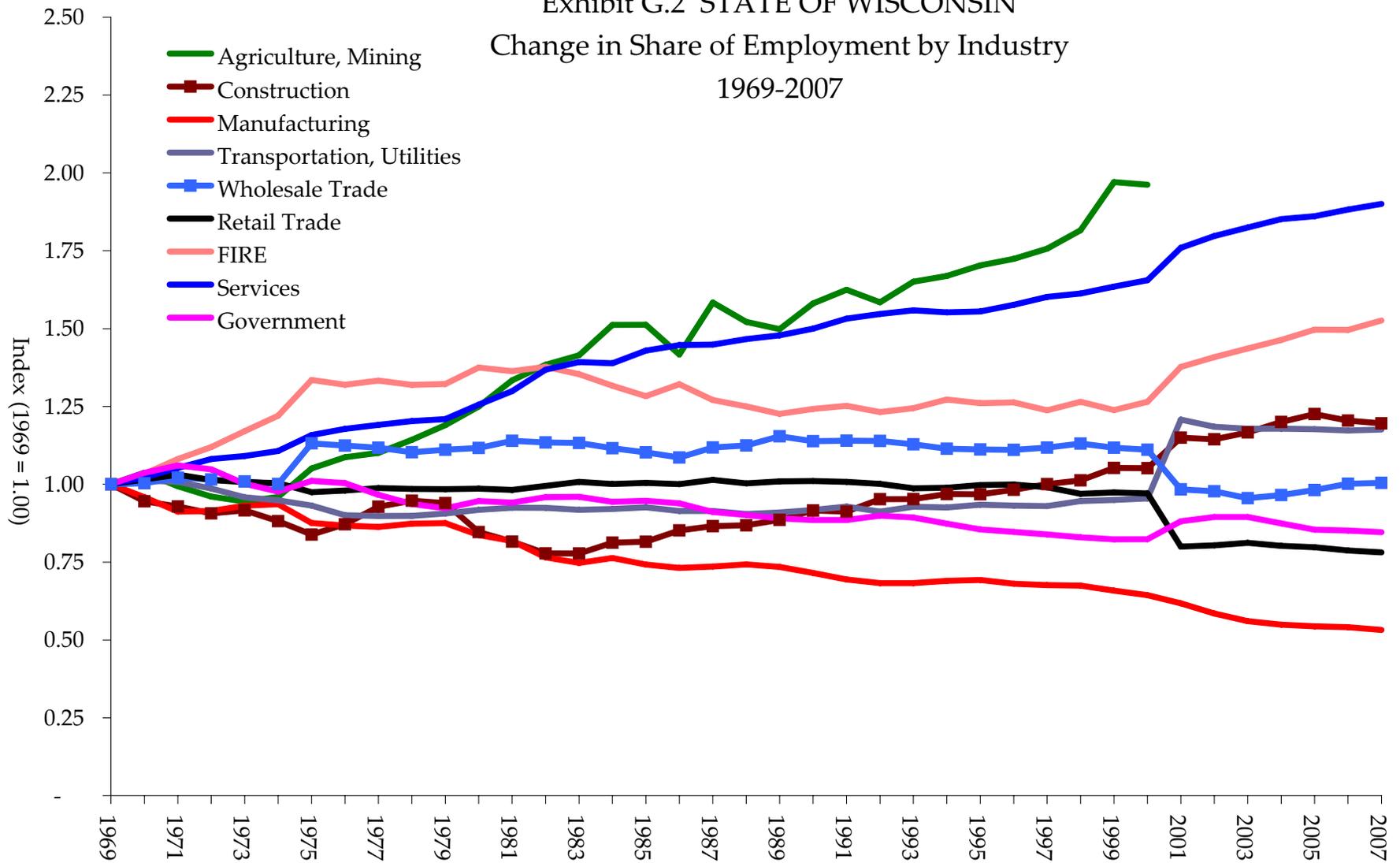
# APPENDIX G - INDUSTRY TRENDS

Exhibit G.1 Lincoln County and Selected Analogs  
Employment By Industry Category - 2007



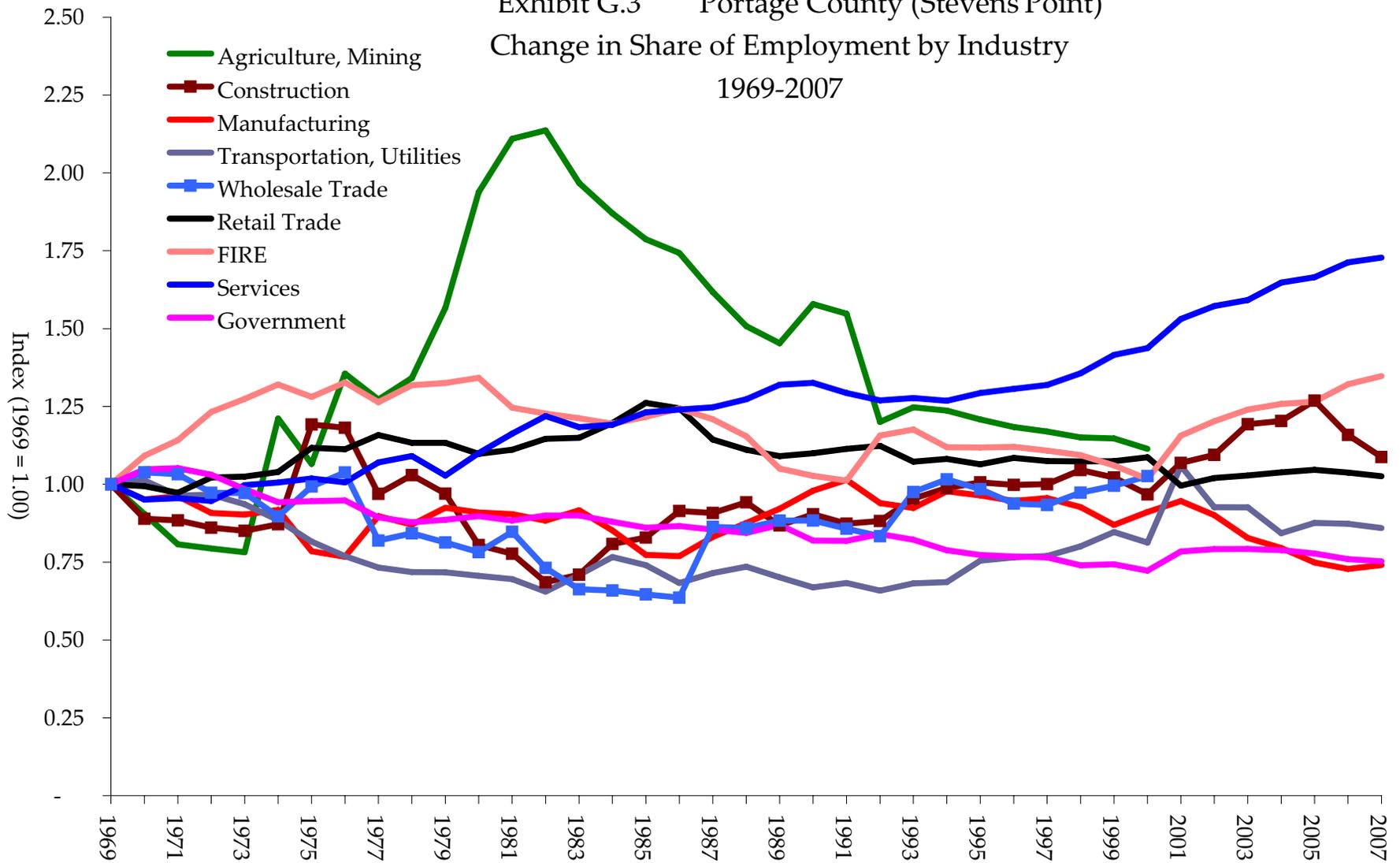
Source: Bureau of Economic Analysis; Analysis by LandUse | USA, November 2009.

### Exhibit G.2 STATE OF WISCONSIN Change in Share of Employment by Industry 1969-2007



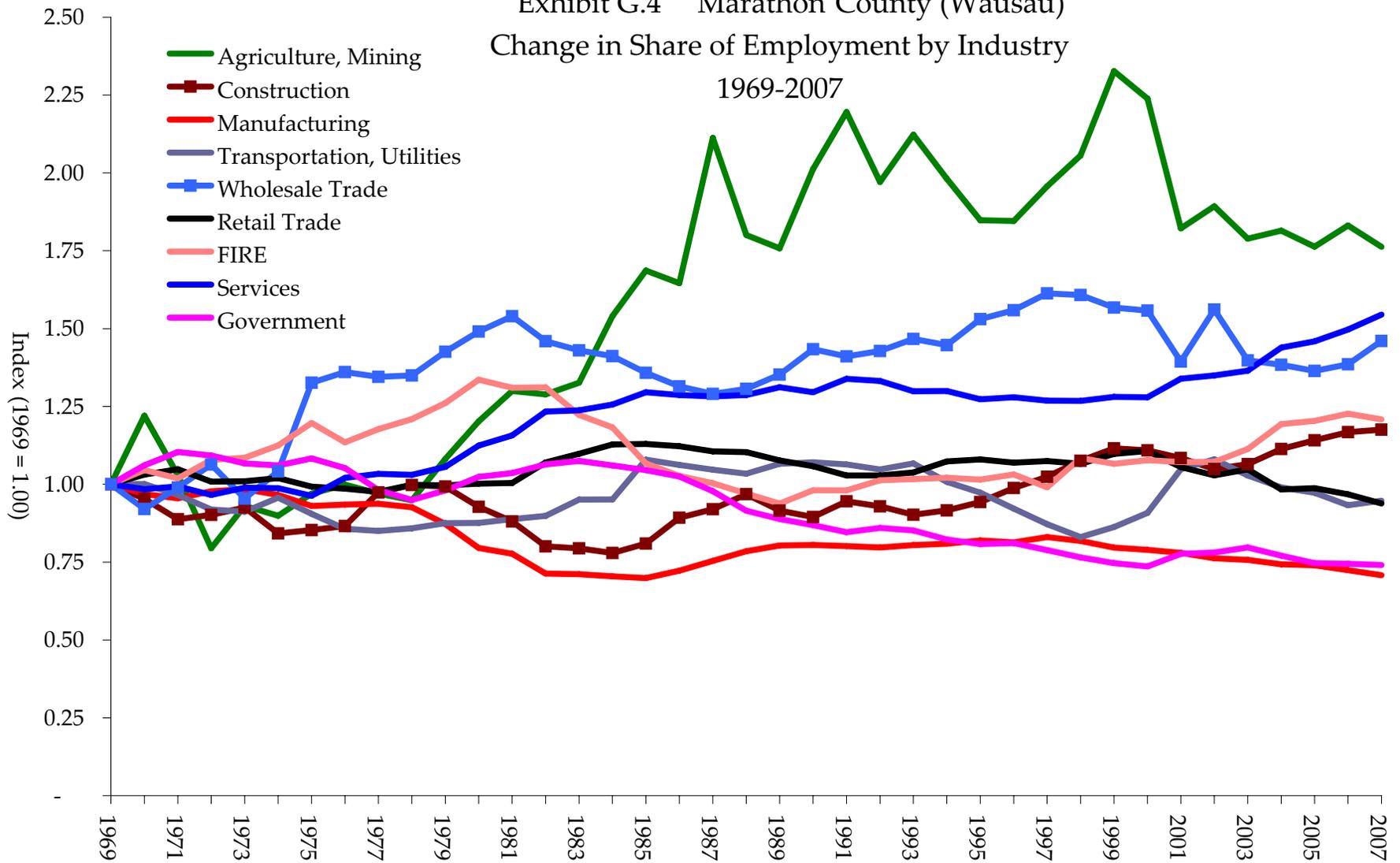
Source: Underlying data by the Bureau of Economic Analysis; Analysis by LandUse|USA, November 2009.

Exhibit G.3 Portage County (Stevens Point)  
 Change in Share of Employment by Industry  
 1969-2007



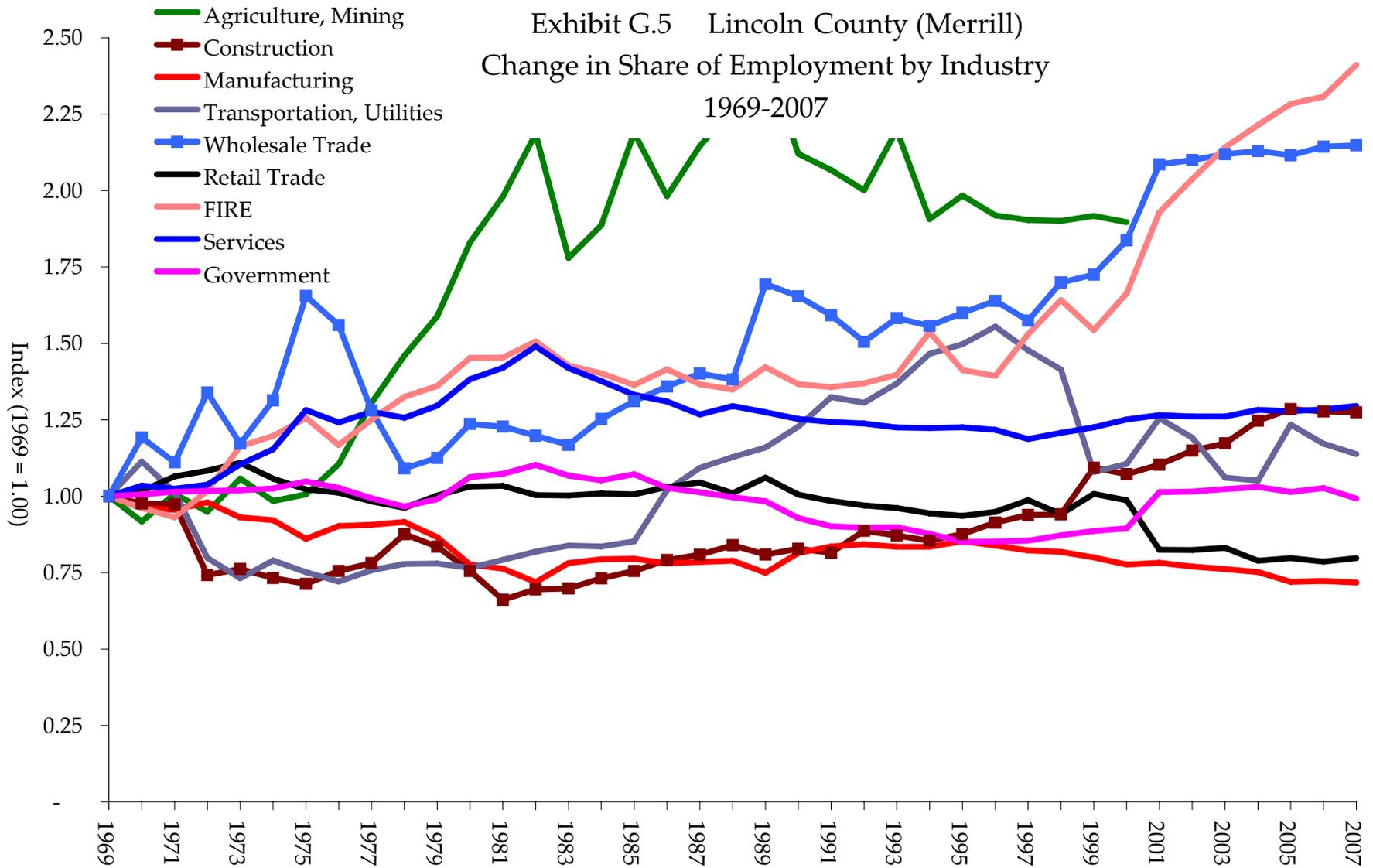
Source: Underlying data by the Bureau of Economic Analysis; Analysis by LandUse|USA, November 2009.

Exhibit G.4 Marathon County (Wausau)  
 Change in Share of Employment by Industry  
 1969-2007



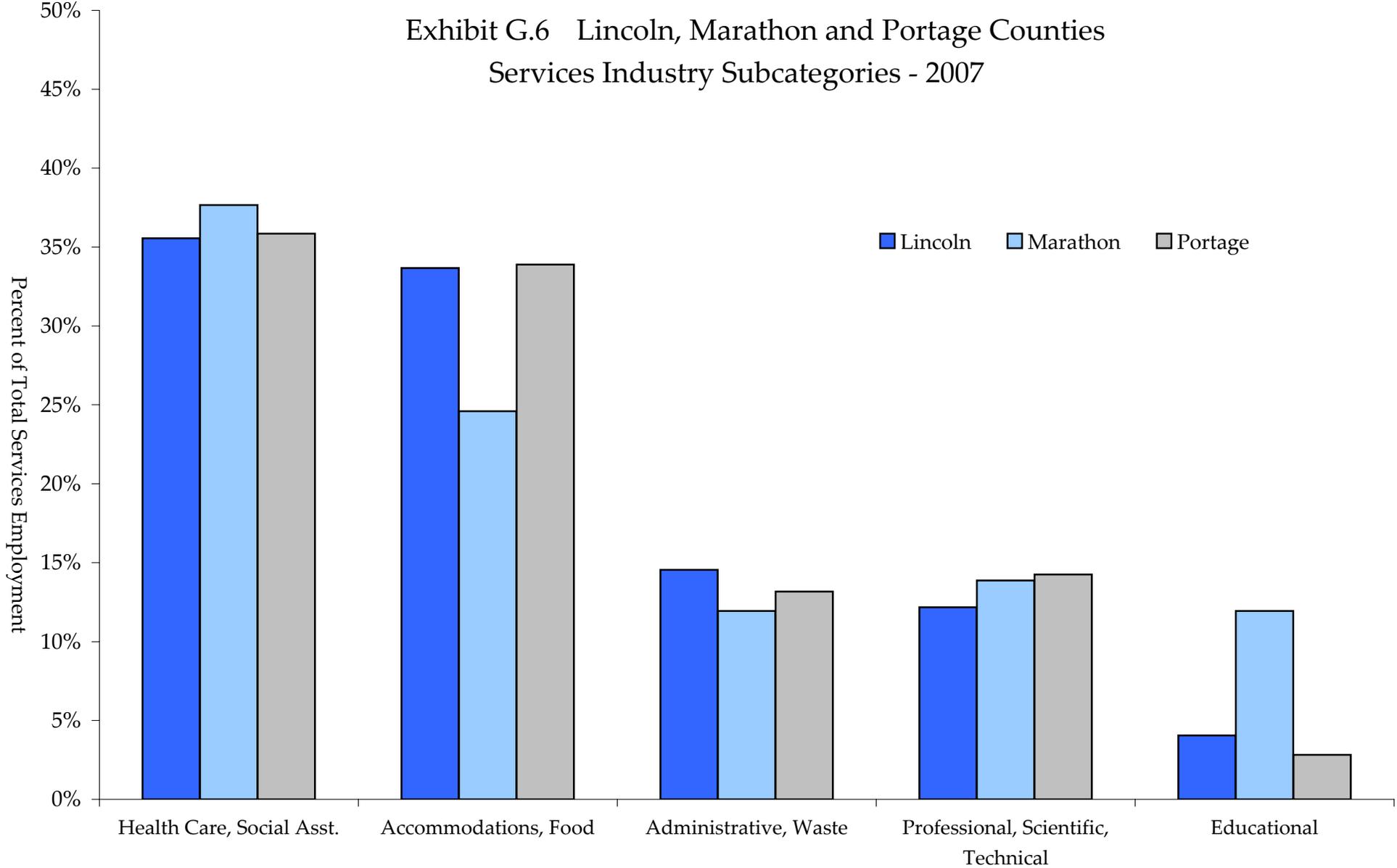
Source: Underlying data by the Bureau of Economic Analysis; Analysis by LandUse|USA, November 2009.

Exhibit G.5 Lincoln County (Merrill)  
 Change in Share of Employment by Industry  
 1969-2007



Source: Underlying data by the Bureau of Economic Analysis; Analysis by LandUse|USA, November 2009.

Exhibit G.6 Lincoln, Marathon and Portage Counties  
 Services Industry Subcategories - 2007

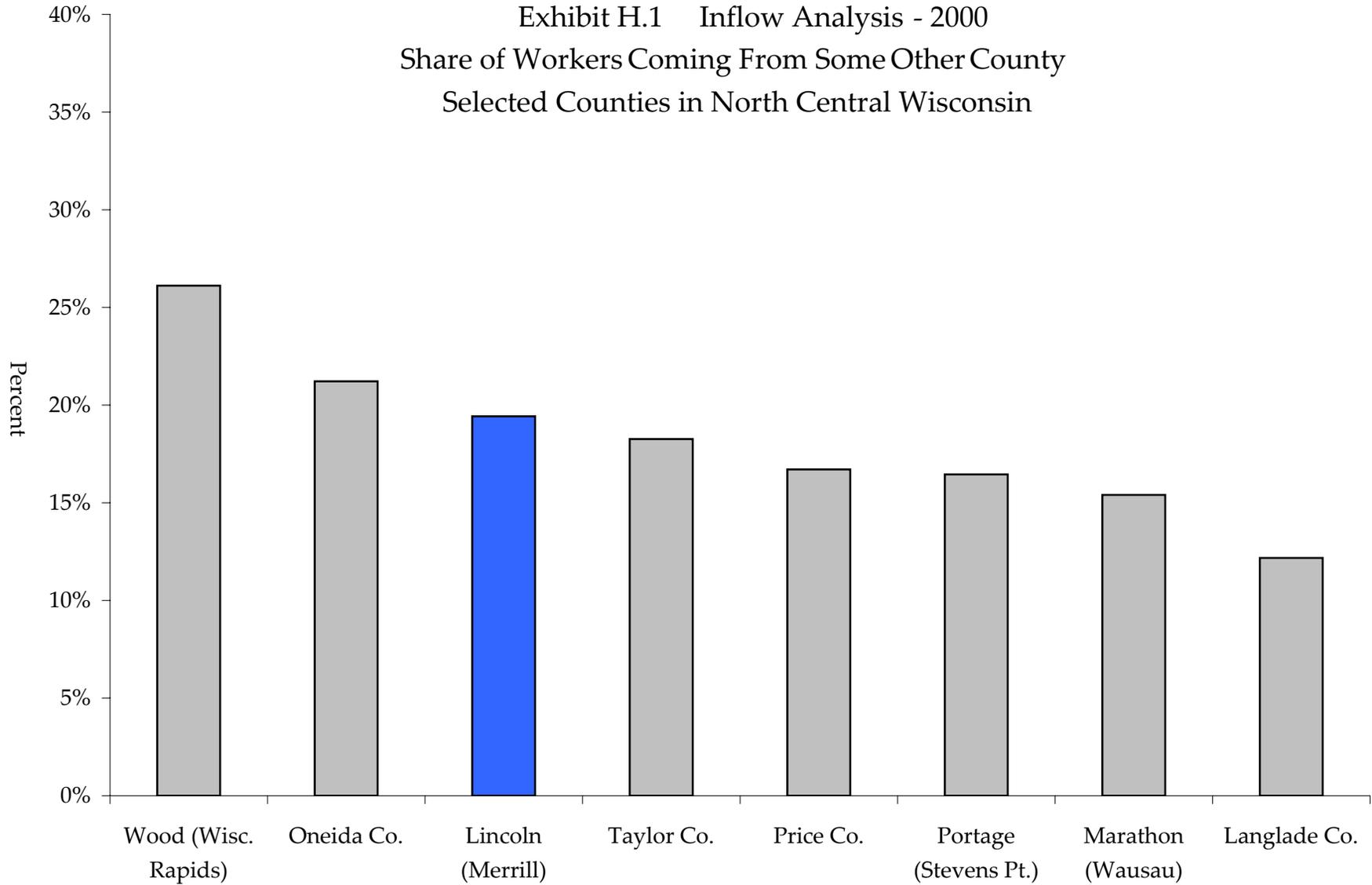


Source: Bureau of Economic Analysis; Analysis by LandUse|USA, November 2009.



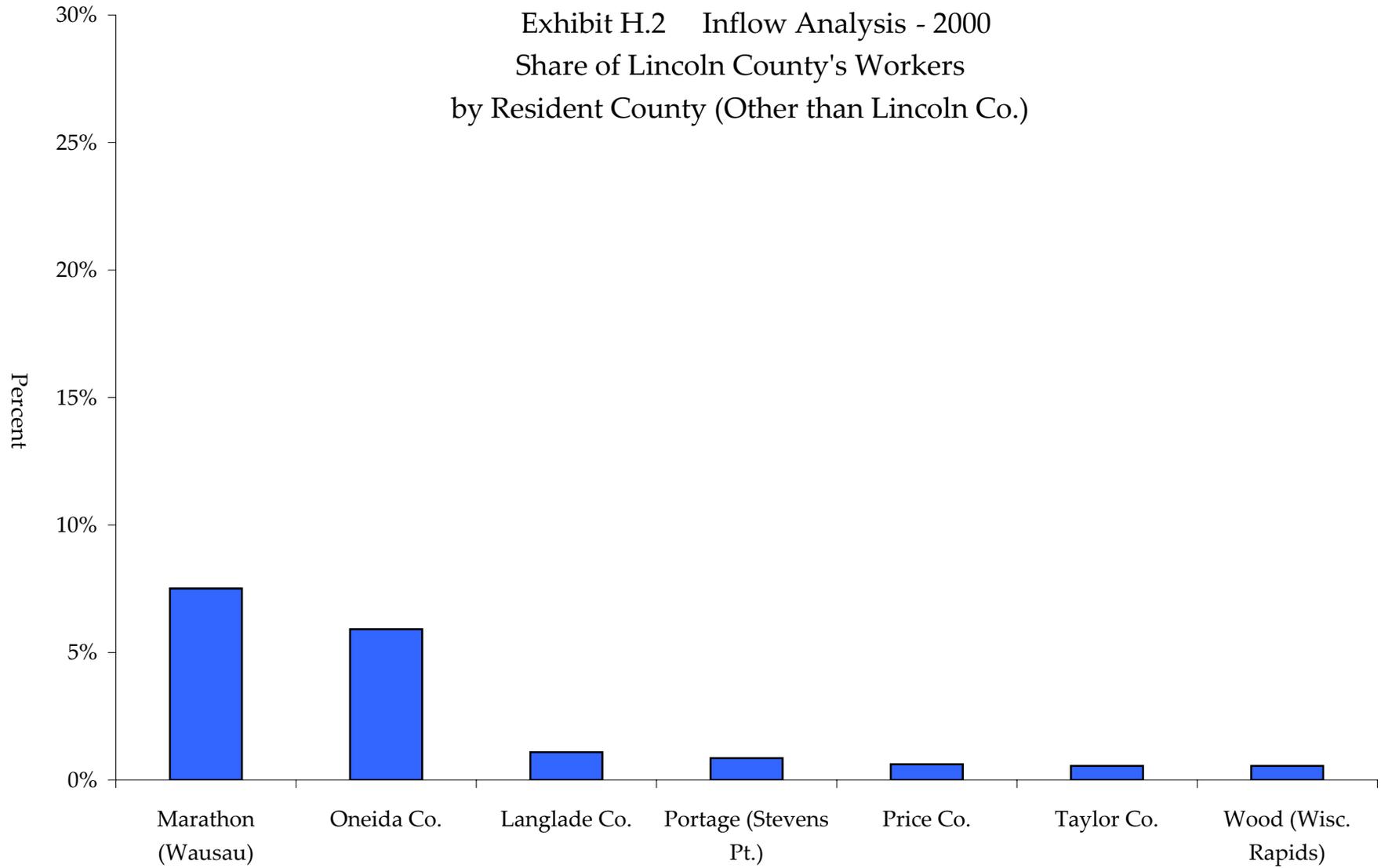
# APPENDIX H - WORKER FLOW

Exhibit H.1 Inflow Analysis - 2000  
Share of Workers Coming From Some Other County  
Selected Counties in North Central Wisconsin



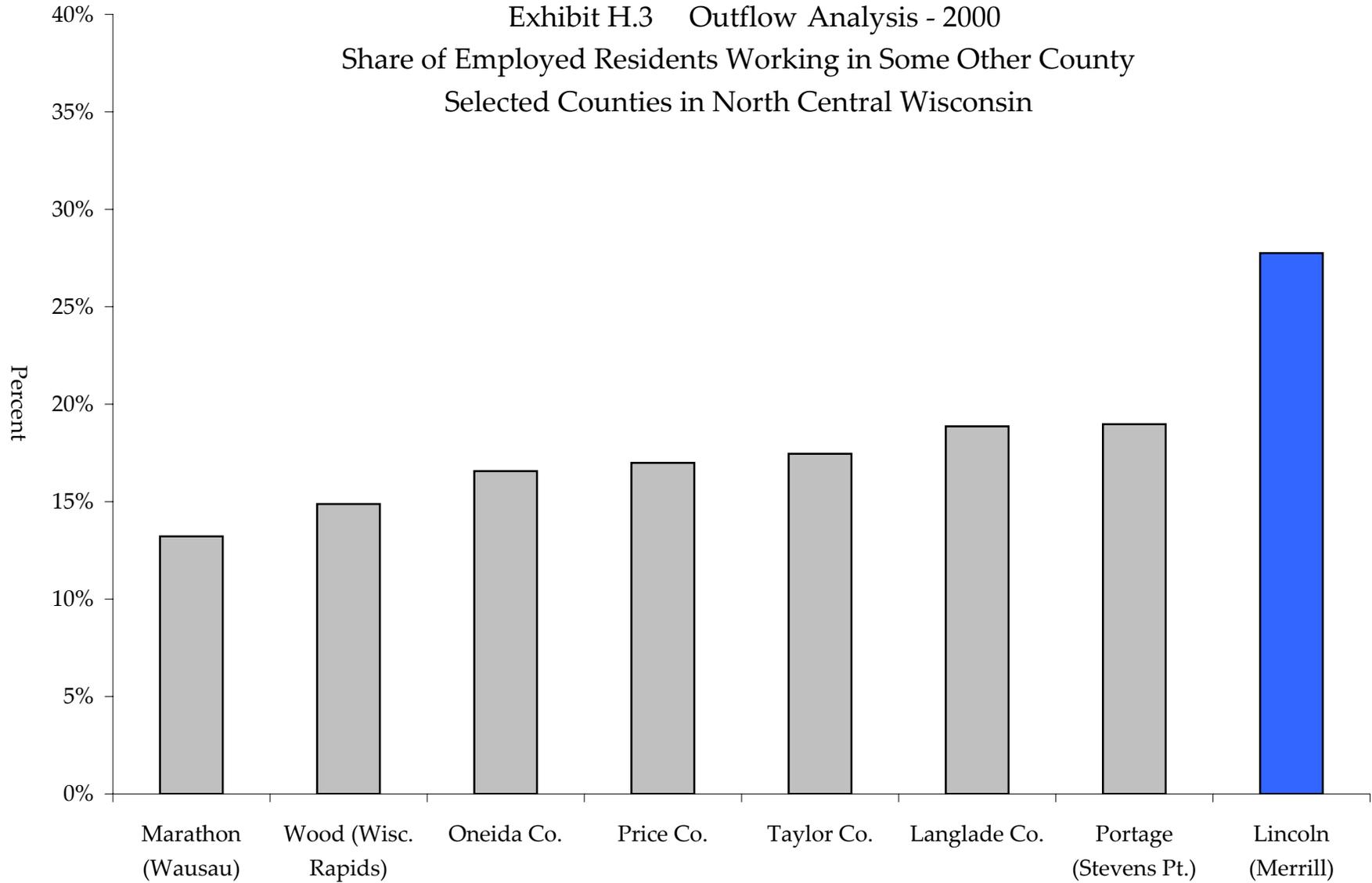
Source: 2000 Population Census; Analysis by LandUse|USA, November 2009.

Exhibit H.2 Inflow Analysis - 2000  
Share of Lincoln County's Workers  
by Resident County (Other than Lincoln Co.)



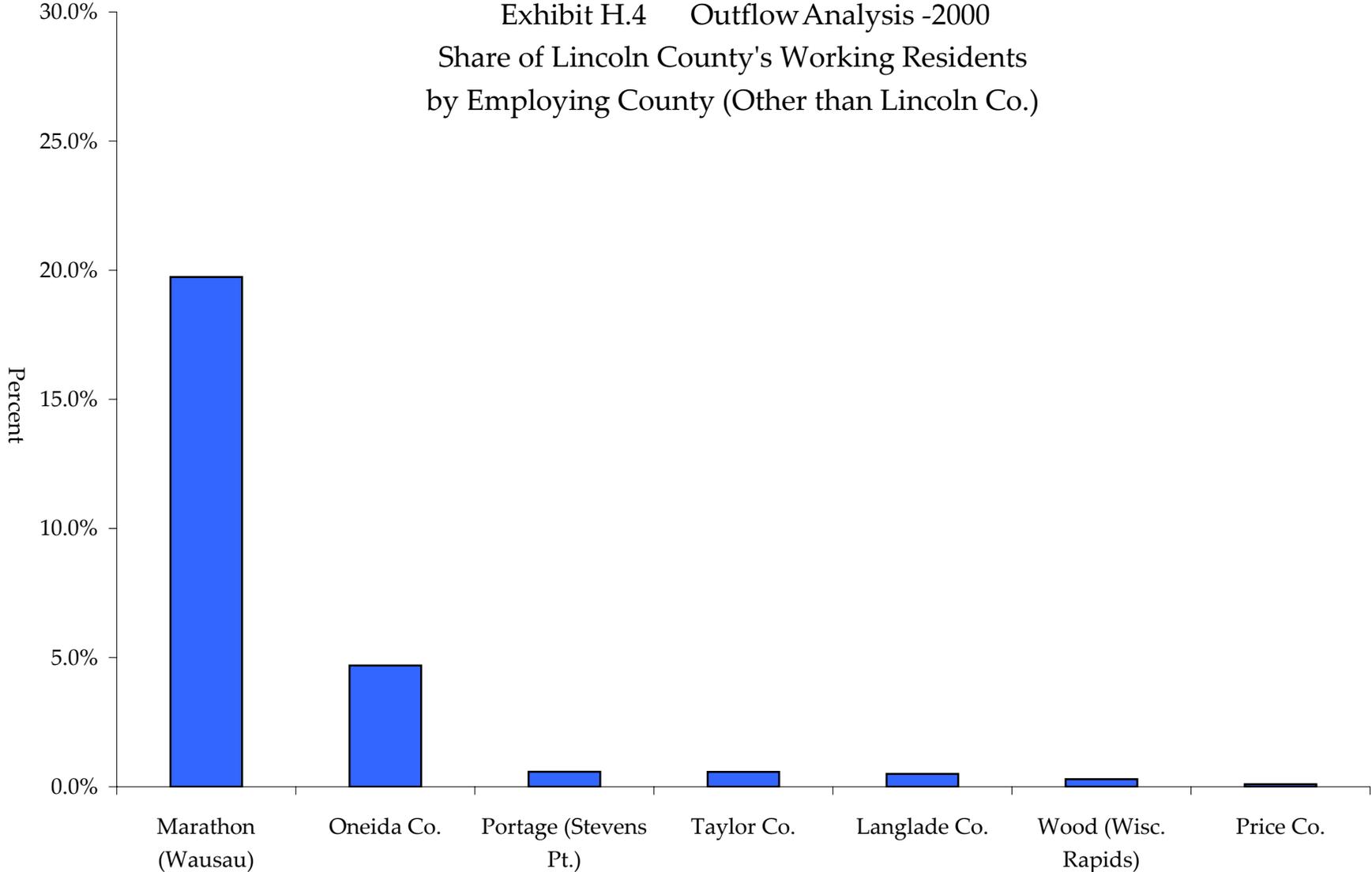
Source: 2000 Population Census; Analysis by LandUse|USA, November 2009.

Exhibit H.3 Outflow Analysis - 2000  
Share of Employed Residents Working in Some Other County  
Selected Counties in North Central Wisconsin



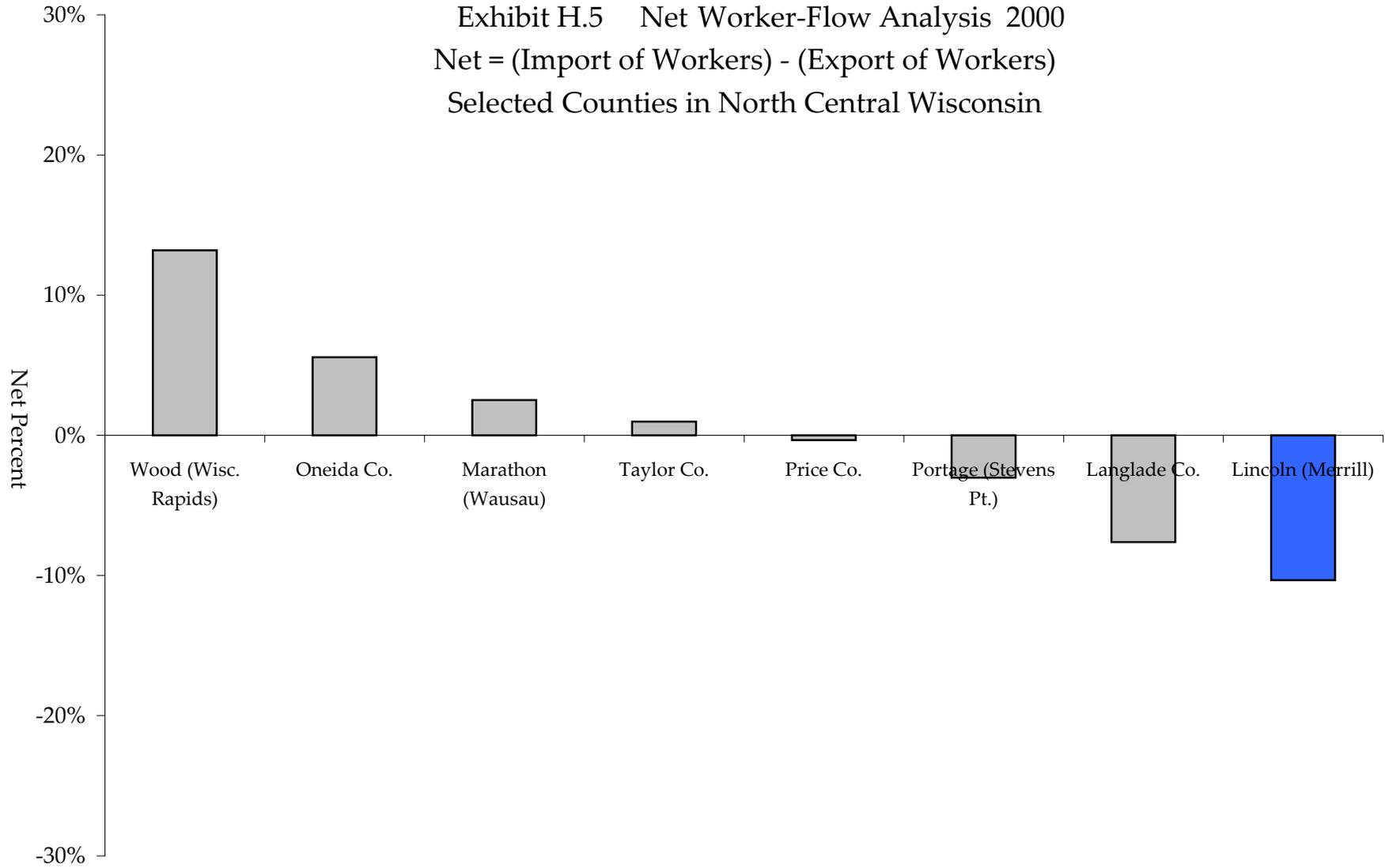
Source: 2000 Population Census; Analysis by LandUse|USA, November 2009.

Exhibit H.4 Outflow Analysis -2000  
Share of Lincoln County's Working Residents  
by Employing County (Other than Lincoln Co.)



Source: 2000 Population Census; Analysis by LandUse|USA, November 2009.

Exhibit H.5 Net Worker-Flow Analysis 2000  
Net = (Import of Workers) - (Export of Workers)  
Selected Counties in North Central Wisconsin

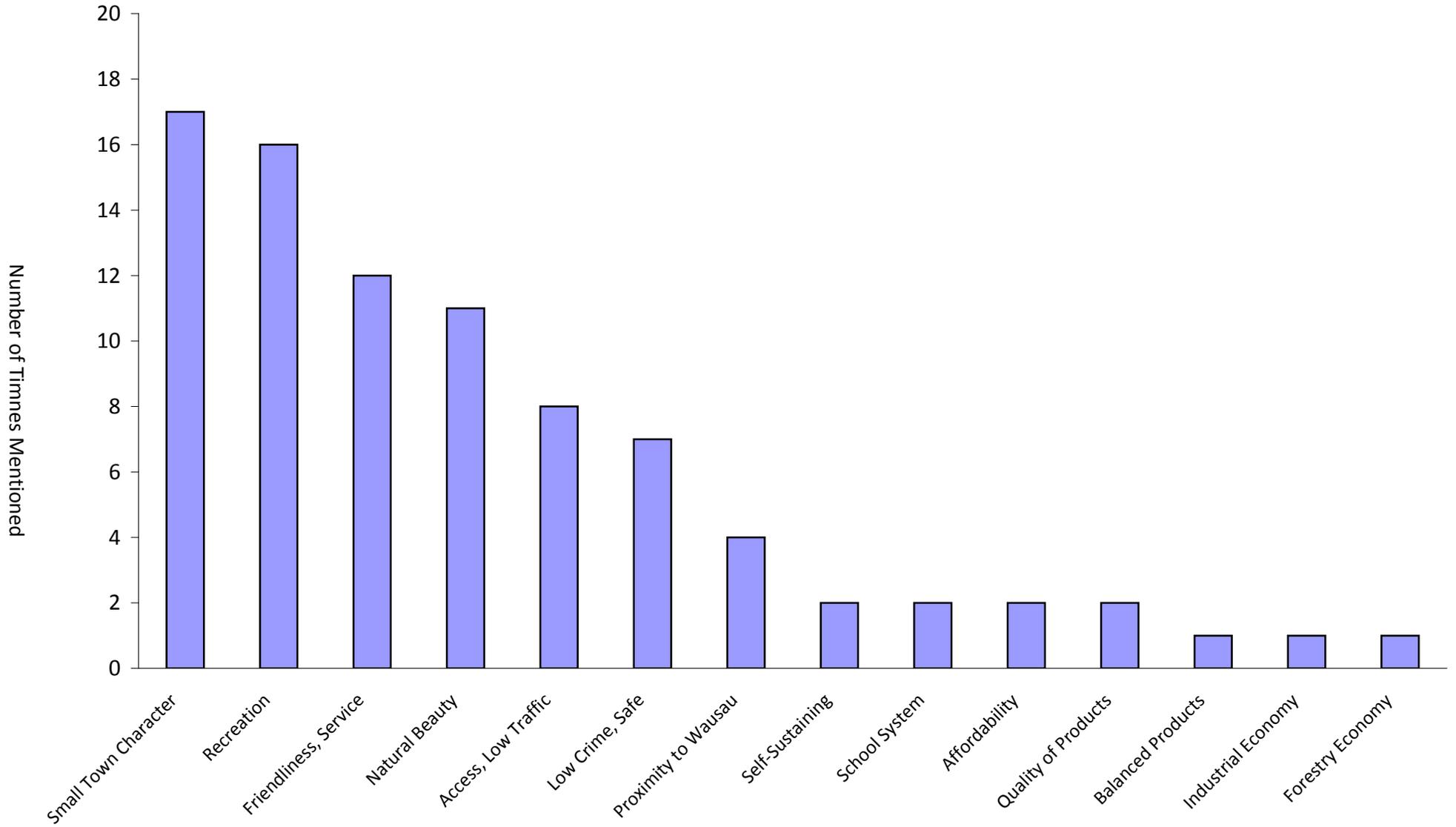


Source: 2000 Population Census; Analysis by LandUse|USA, November 2009.



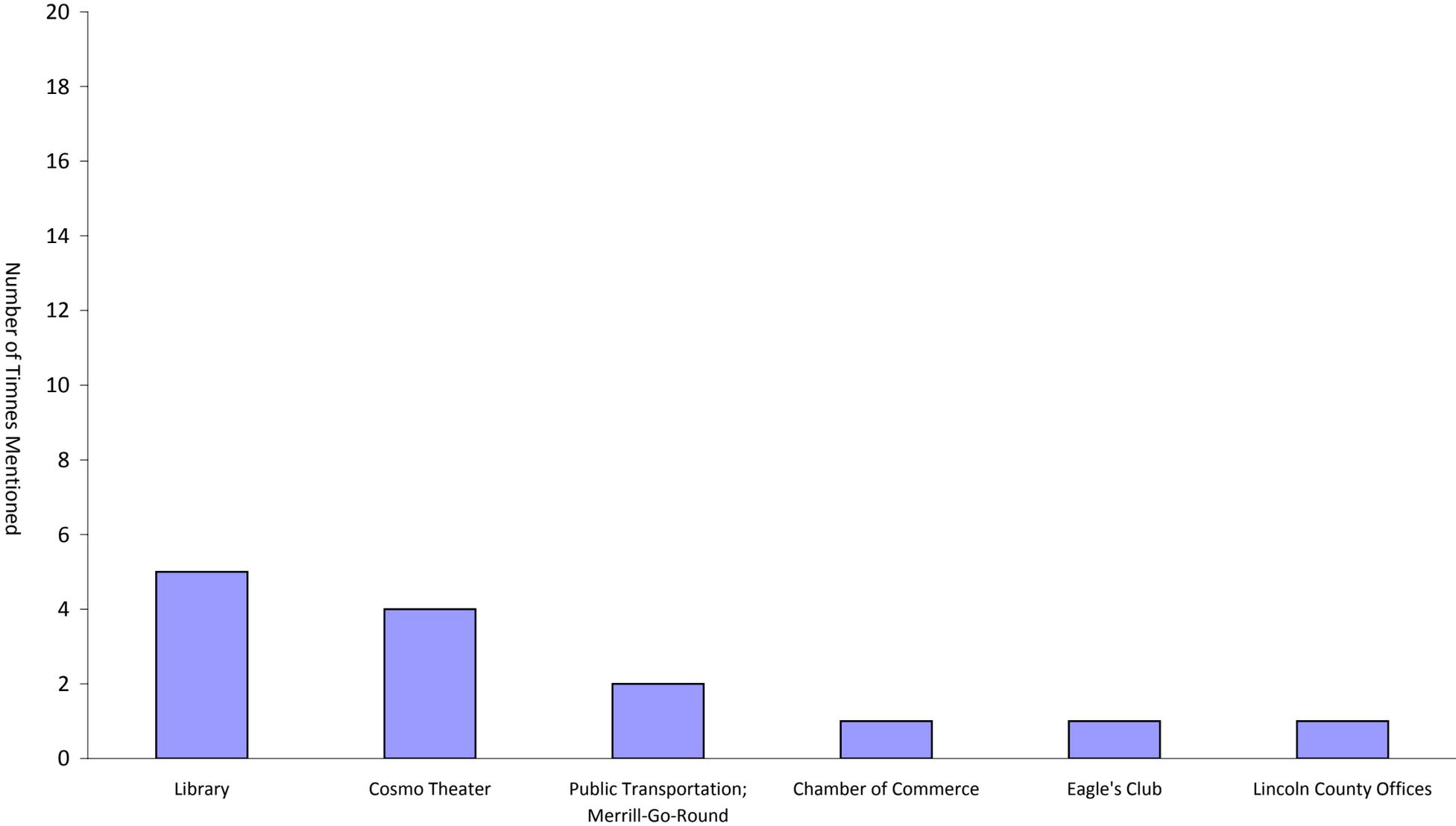
# APPENDIX I - COMMUNITY QUESTIONNAIRE

Exhibit I.1 City of Merrill, Wisconsin  
Local Amenities, Strengths - Number of Times Mentioned  
Survey Results - Fall 2009



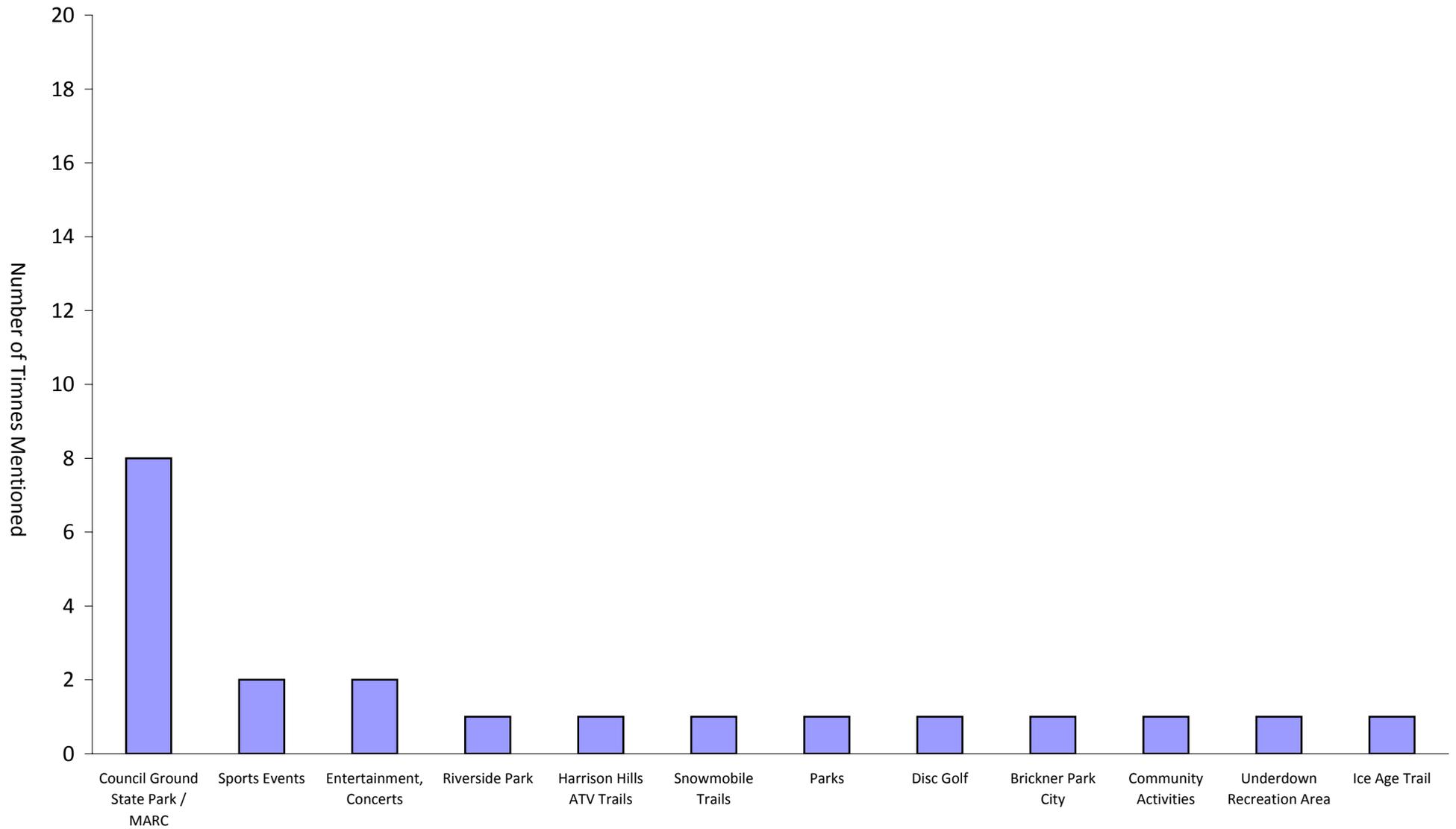
Source: Survey and analysis by LandUse|USA, LLC; Fall 2009.

Exhibit I.2 City of Merrill, Wisconsin  
Community Amenities - Number of Times Mentioned  
Survey Results - Fall 2009



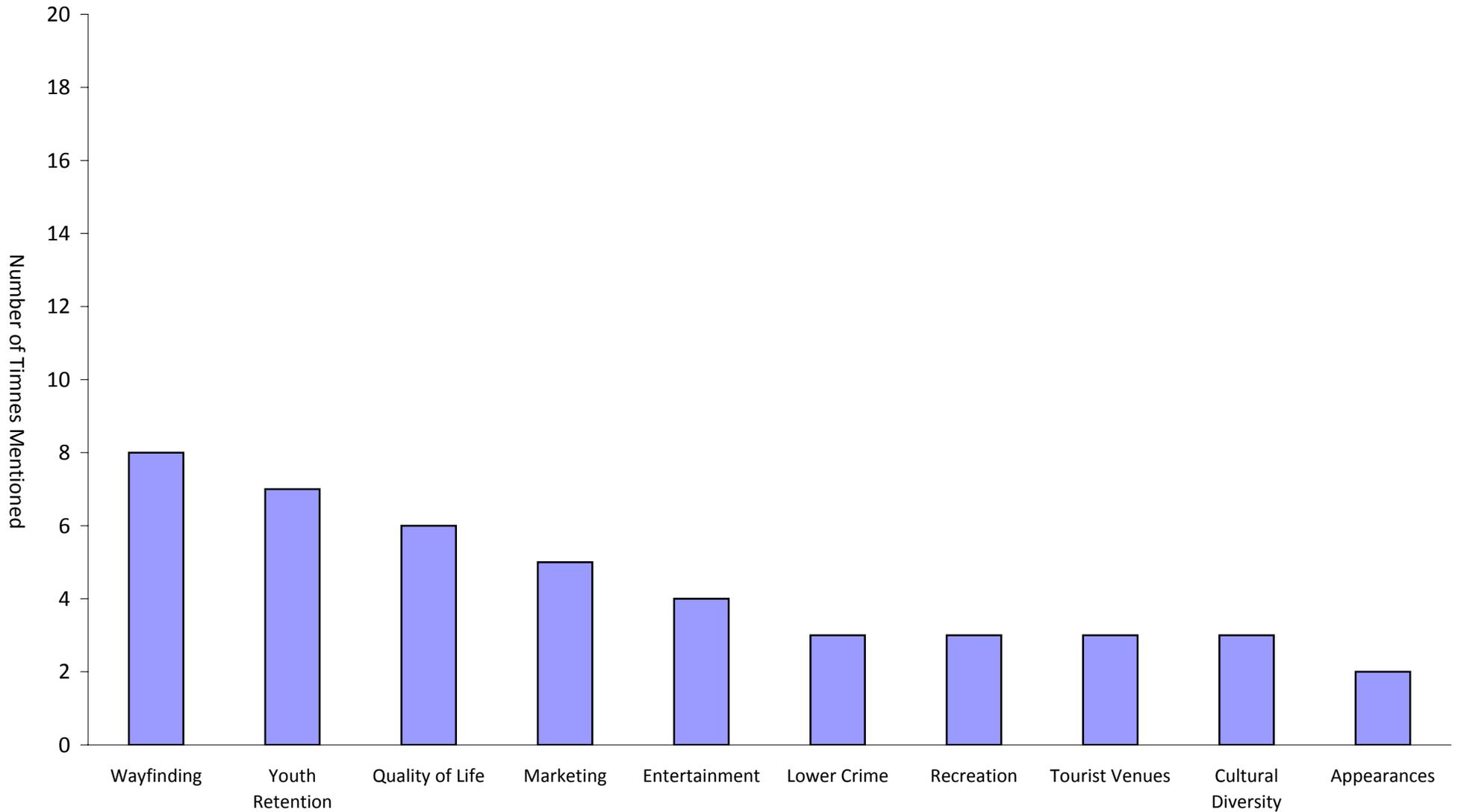
Source: Survey and analysis by LandUse | USA, LLC; Fall 2009.

Exhibit I.3 City of Merrill, Wisconsin  
Recreational Amenities - Number of Times Mentioned  
Survey Results - Fall 2009



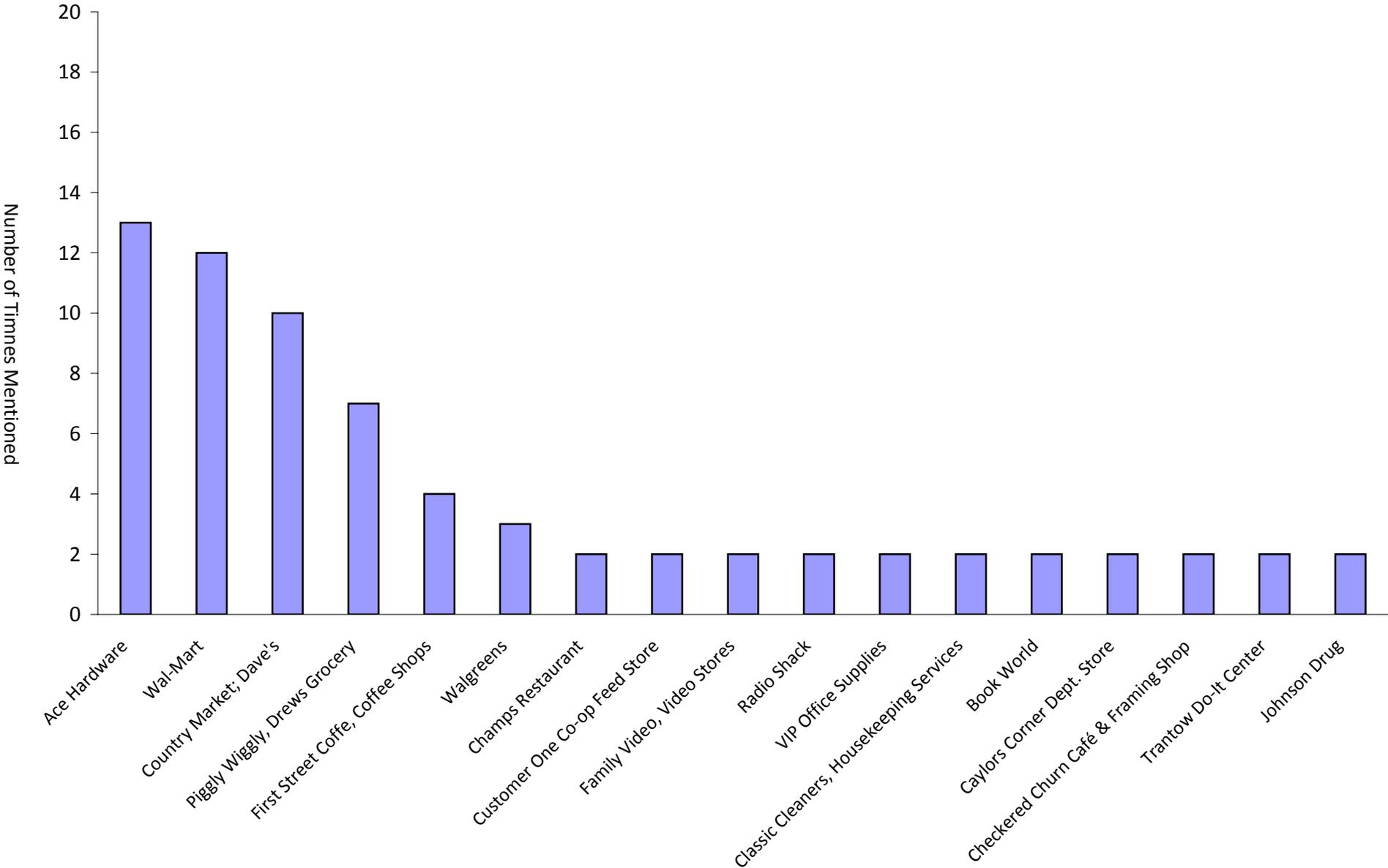
Source: Survey and analysis by LandUse|USA, LLC; Fall 2009.

Exhibit I.4 City of Merrill, Wisconsin  
Community "Needs" - Number of Times Mentioned  
Survey Results - Fall 2009



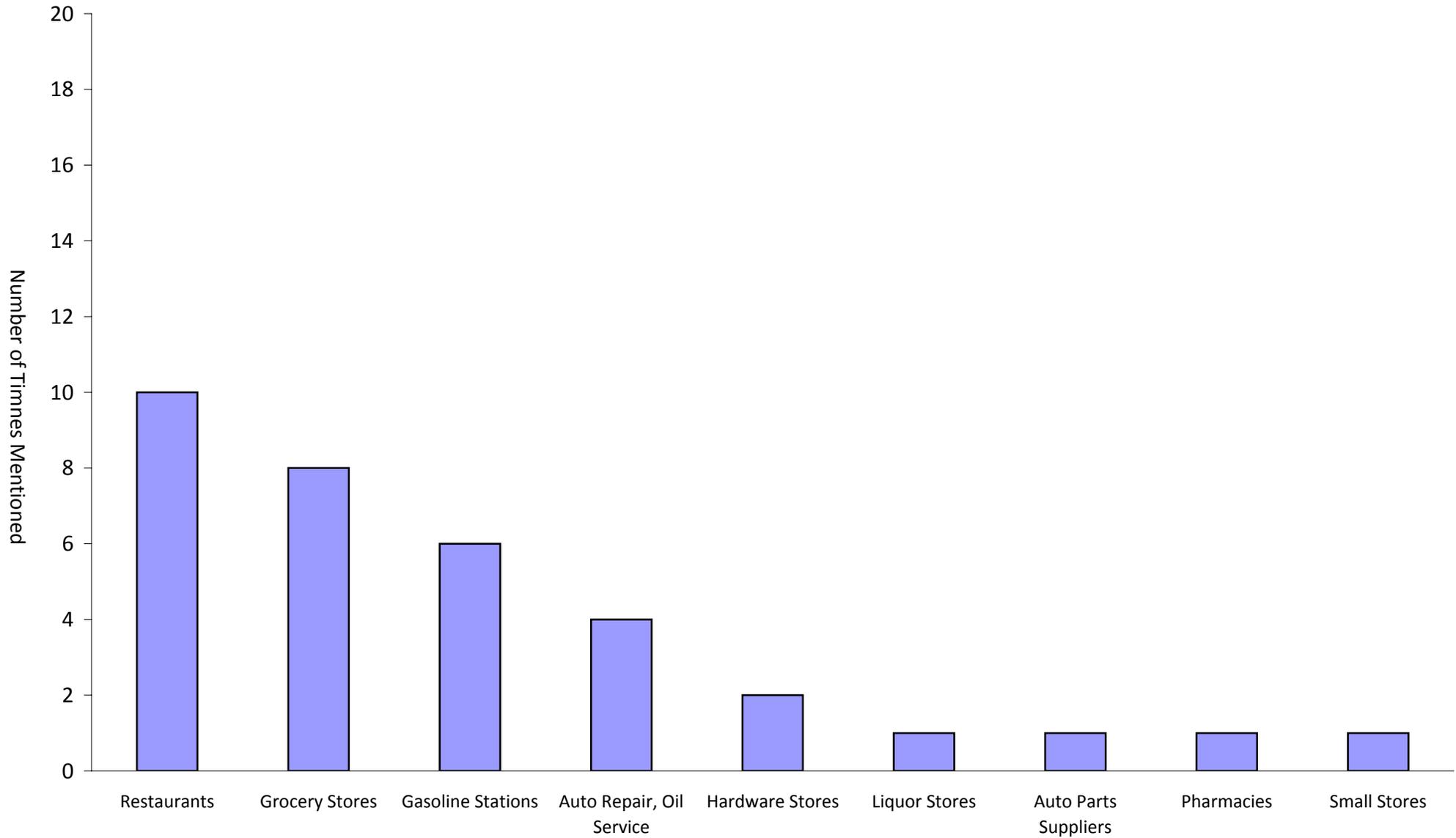
Source: Survey and analysis by LandUse|USA, LLC; Fall 2009.

Exhibit I.5 City of Merrill, Wisconsin  
 Local Store Names - Number of Times Mentioned (if twice or more)  
 Survey Results - Fall 2009



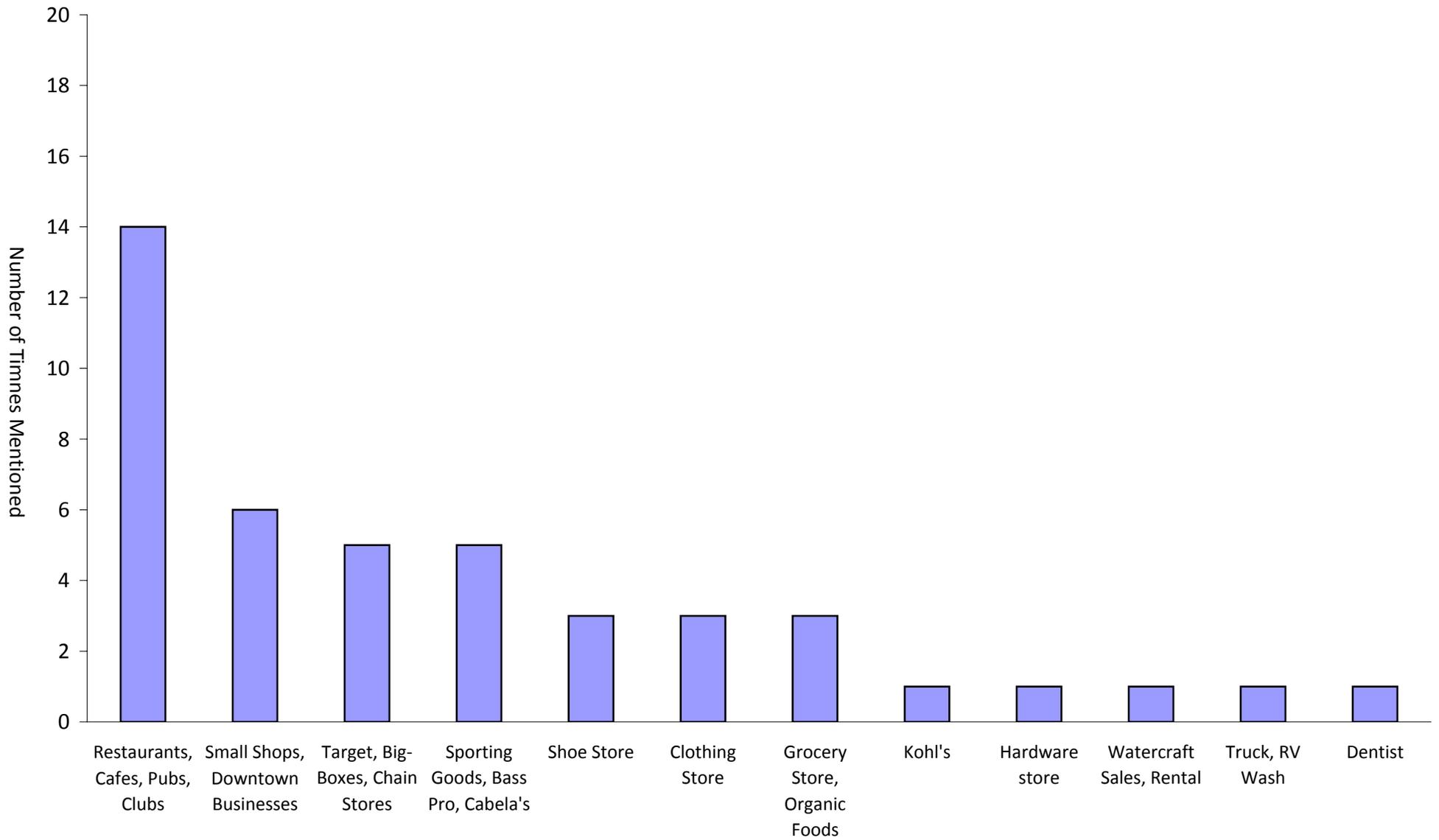
Source: Survey and analysis by LandUse|USA, LLC; Fall 2009.

Exhibit I.6 City of Merrill, Wisconsin  
Local Stores Categories - Number of Times Mentioned  
Survey Results - Fall 2009



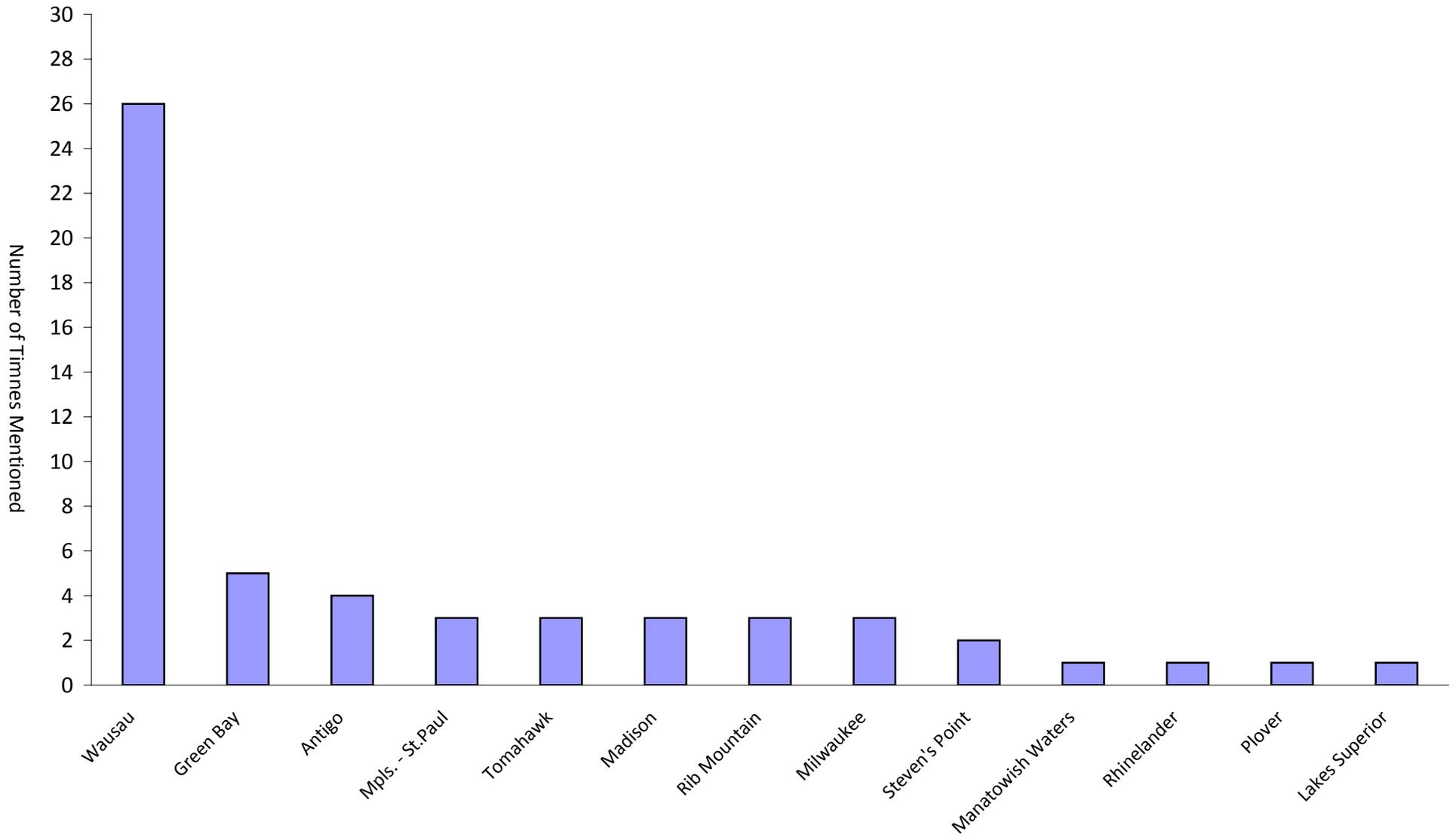
Source: Survey and analysis by LandUse | USA, LLC; Fall 2009.

Exhibit I.7 City of Merrill, Wisconsin  
Retail Wants - Number of Times Mentioned  
Survey Results - Fall 2009



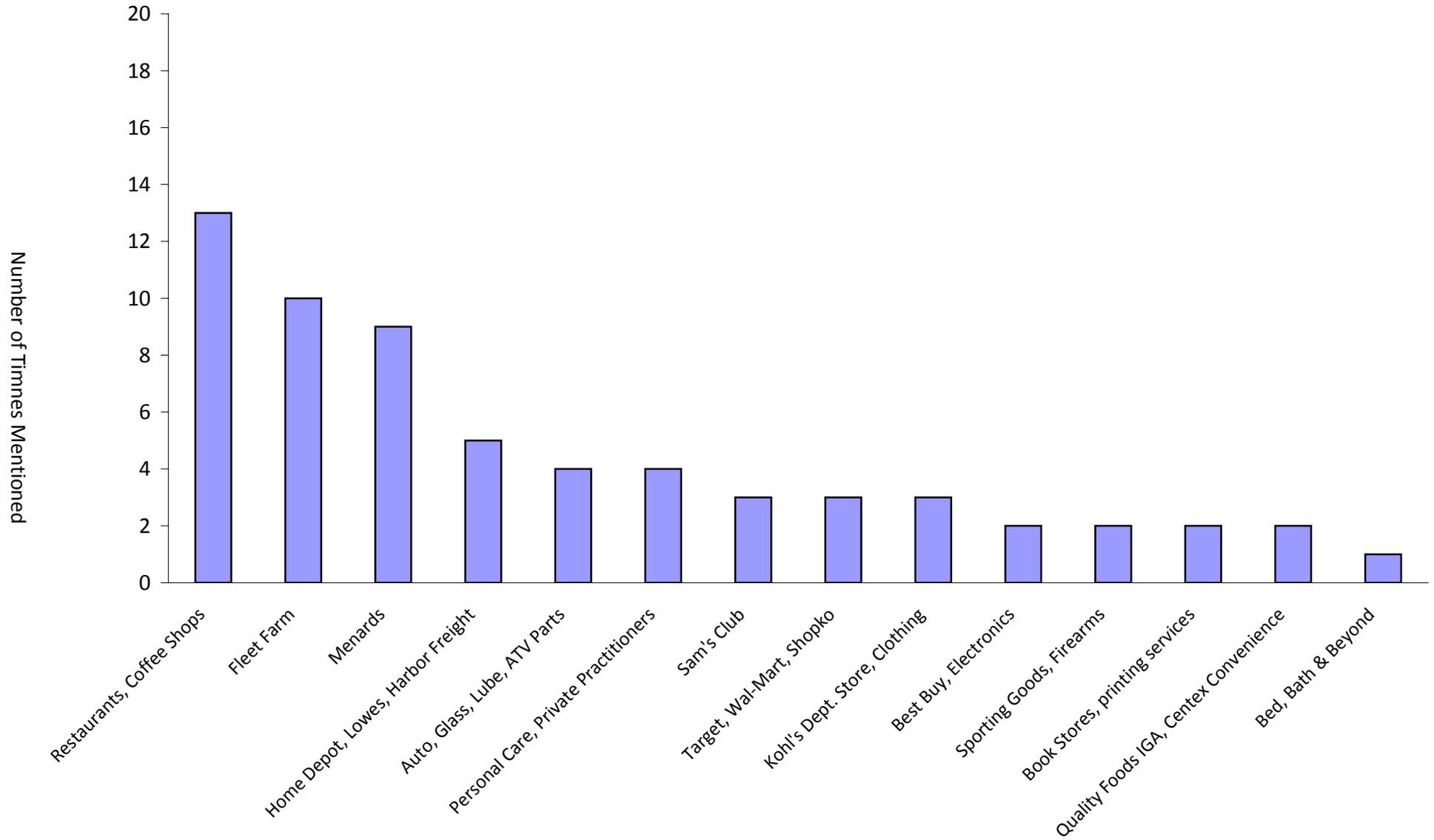
Source: Survey and analysis by LandUse|USA, LLC; Fall 2009.

Exhibit I.8 City of Merrill, Wisconsin  
Competing Cities - Number of Times Mentioned  
Survey Results - Fall 2009



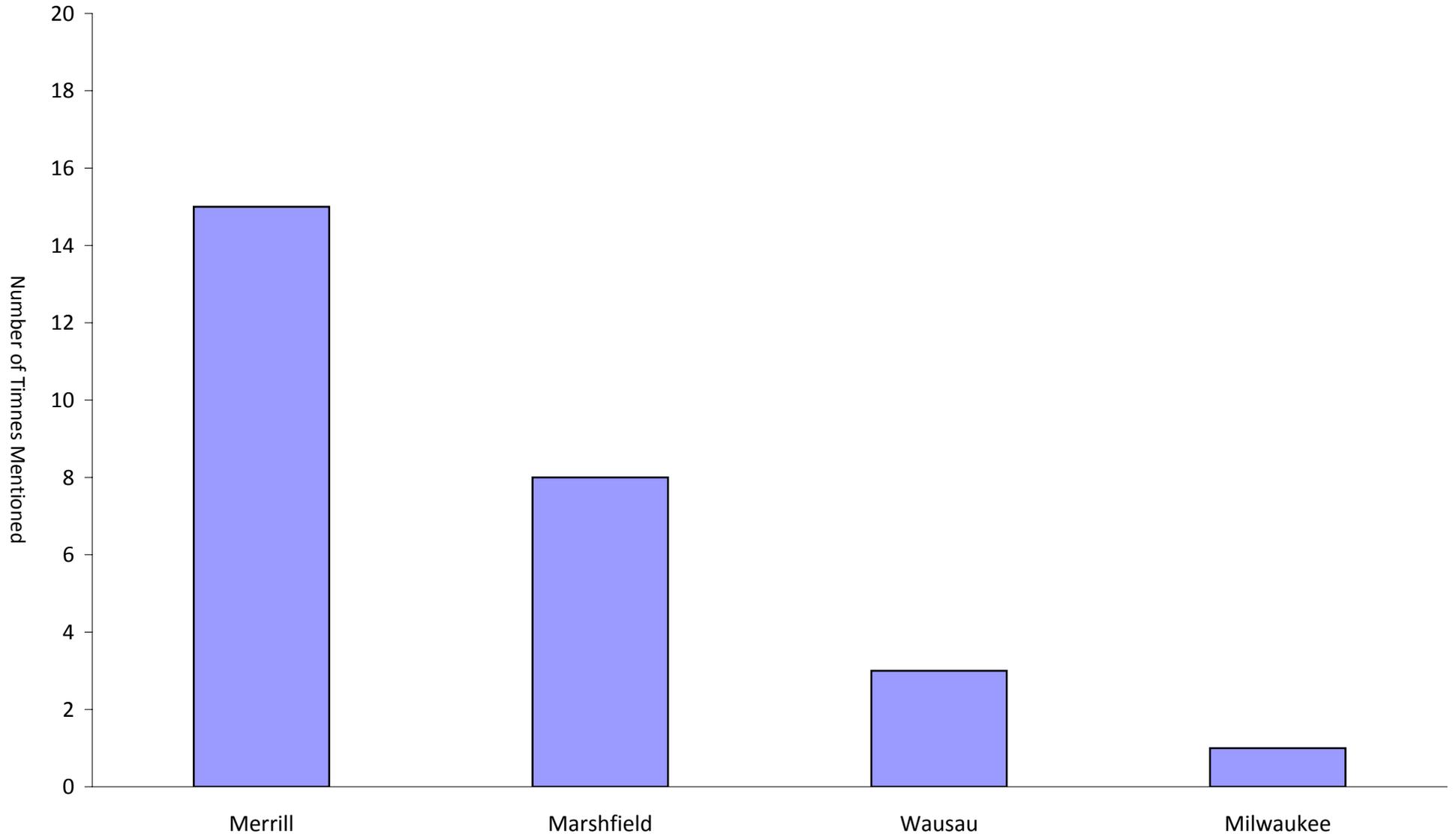
Source: Survey and analysis by LandUse|USA, LLC; Fall 2009.

Exhibit I.9 City of Merrill, Wisconsin  
Competing Stores (not in Merrill) - Number of Times Mentioned  
Survey Results - Fall 2009



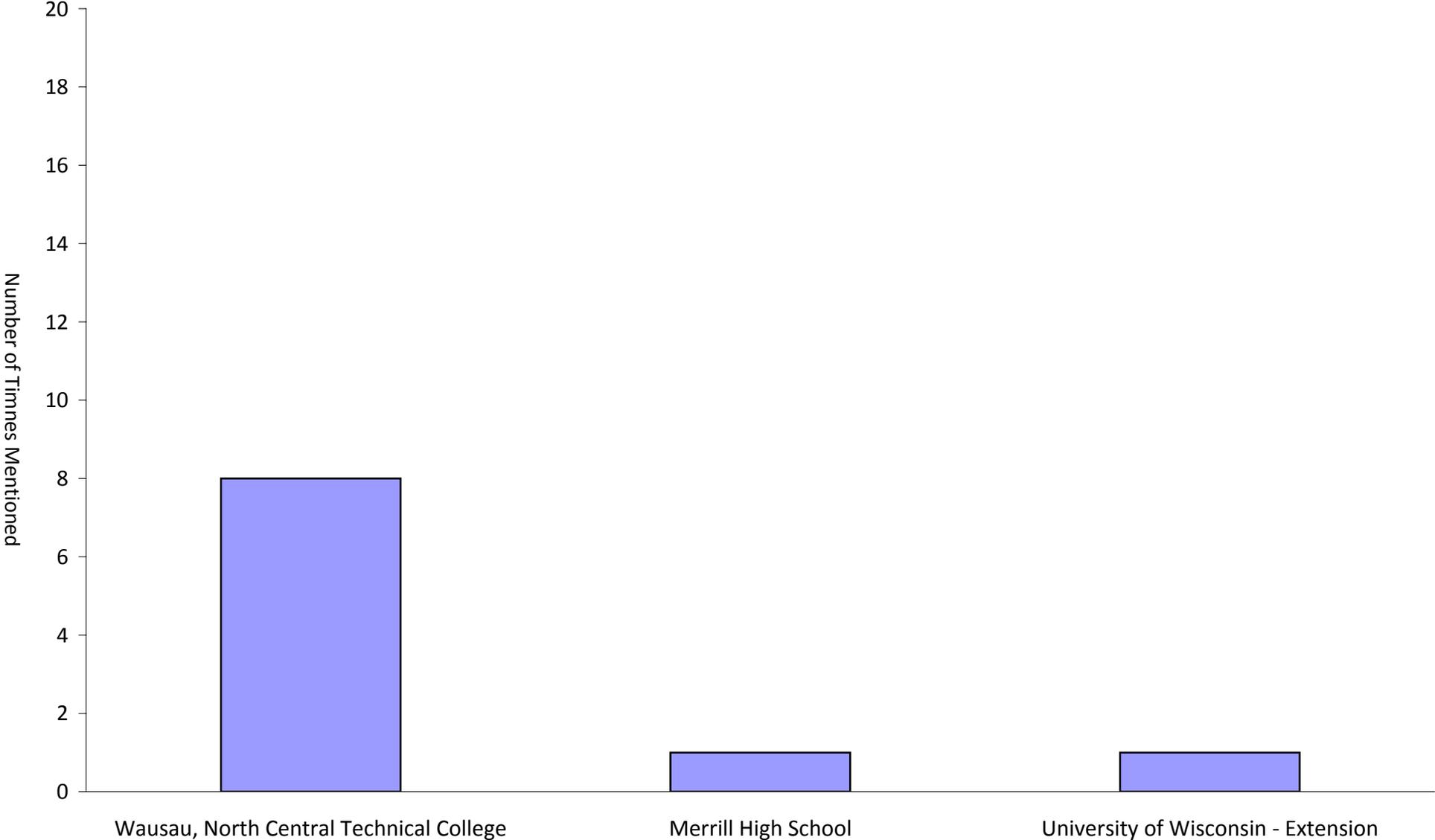
Source: Survey and analysis by LandUse | USA, LLC; Fall 2009.

Exhibit I.10 City of Merrill, Wisconsin  
Destinations for Medical Care - Number of Times Mentioned  
Survey Results - Fall 2009



Source: Survey and analysis by LandUse|USA, LLC; Fall 2009.

Exhibit I.11 City of Merrill, Wisconsin  
Destinations for Advanced Education - Number of Times Mentioned  
Survey Results - Fall 2009



Source: Survey and analysis by LandUse | USA, LLC; Fall 2009.

The sources of all responses are held confidential. These are open-ended questions; please be positive but honest and elaborate wherever possible. Use the back side of this form if you would like more space to write. Thank You!

- 1. a) What community do you LIVE in?.....
- b) Where do you WORK?.....
- c) How long have you lived in the area?.....

- 2. What businesses and services do you visit the most in Merrill and/or Lincoln County? What are your local destinations for a) advanced education; b) shopping; c) medical services; d) business services; and/or e) entertainment / sports?  
.....  
.....  
.....

- 3. What businesses and services have you visited outside of the area, and where do you mainly go? What are your main reasons for visiting Wausau, Green Bay, Milwaukee or other destinations?  
  
.....  
.....  
.....

- 4. What benefits, amenities and assets do Merrill and/or Lincoln County offer? What makes the area unique and special? What do you most enjoy about living and/or working here?  
  
.....  
.....  
.....

- 5. What other types of businesses, retailers or destinations would you like to see in Merrill and/or in Lincoln County? Please elaborate as much as possible.  
  
.....  
.....  
.....

- 6. What do you think are the biggest challenges for Merrill and Lincoln County going forward? Tell us what you think about job choices, housing, resources, amenities and/or overall quality of life.  
  
.....  
.....  
.....

**MAIL IT BACK:**

LandUse | USA, LLC  
6971 Westgate Drive  
Lake Victoria, MI 48848

**DROP IT OFF:**

Mr. Tony Chladek  
City Administrator  
1004 East First Street  
Merrill, WI 54452

**CONFIDENTIAL INTERVIEWS:**

Sharon M. Woods  
(517) 290-5531  
8:00 am - 8:00 pm  
Through Dec. 2009