DOWNTOWN MASTER PLAN

March 10, 2015

City of Marshfield

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City of Marshfield, Wis

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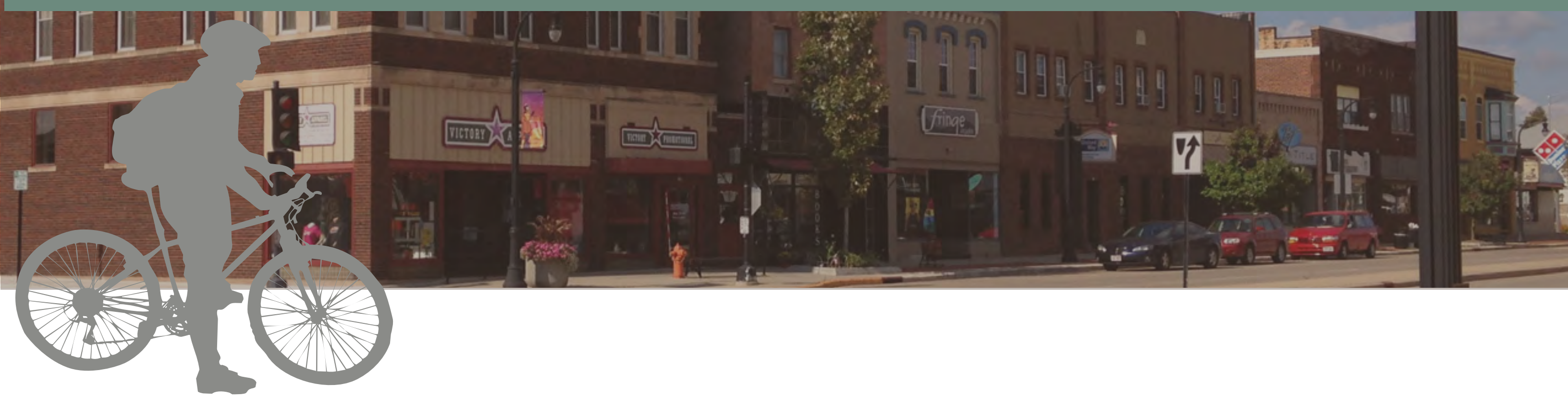
This document is the latest in a series of plans that have guided the concerted actions of the City of Marshfield, Main Street Marshfield, and their partners in helping to create and sustain a healthy downtown district. This plan builds upon prior efforts. It was formulated with many opportunities for stakeholders and the community to voice their opinions, offer ideas, and review recommendations. The strategies it contains reflect community consensus, are based in market realities, and are scaled to the capacity of local organizations to promote change toward the ultimate vision for downtown Marshfield.

INTRODUCTION



The History of Downtown Marshfield

Marshfield was founded later than many Wisconsin communities, following the arrival of the Wisconsin Central Railroad in 1871. The plat of the City, including most of the downtown, was recorded in 1875, and Marshfield was incorporated as a city in 1883.

Only a few years later, in 1887, a fire destroyed much of the city, including all but one of its commercial buildings. The City rebuilt, this time mandating that all commercial buildings be made of brick or other fireproof material.

Since its beginning the downtown has been home to a diverse mix of uses including retail stores, eating and drinking places, lodging establishments, banks, and offices. Industry located primarily along the railroad, which played an important role in the economy, as Marshfield is not located on any waterway. In fact, Marshfield holds the distinction of being the largest community in Wisconsin, that is not a suburb, that is not located on any water body.

Health care has played an important role in development of the city. This began with St. Joseph's Hospital, and expanded with establishment of the Marshfield Clinic in 1916. Originally located on the 600 block of South Central Avenue, the clinic moved to a new building next to the hospital in 1975. Its reputation draws patients from a great distance, helping to support a stable local economy and draw visitors who may patronize downtown businesses.

Prior Planning and Action

It should be noted that Marshfield has been dedicated to revitalizing its downtown for a considerable time. The City's Main Street Program is the second-oldest in Wisconsin, having been established in 1990 and continuing uninterrupted for over two decades. The City has been an important driver of revitalization through its continued investment in downtown parking and infrastructure, as well as other activities.

This plan is the latest in a series of plans for the downtown, updating a strategy prepared in 2006.

The City and Main Street Marshfield have accomplished or made significant progress on many of the goals contained in that plan, but notably, have not implemented some of the key recommendations related to tasks such as creating a public gathering space or fostering redevelopment. This current plan will pay extra attention to the market conditions and steps necessary to accomplish these tasks.

City and Main Street Marshfield staff conducted an exhaustive review of the 2006 plan, noting areas of progress as well as those areas in which additional effort is needed. The full report is included at the end of the report as Appendix A.

The Planning Process

To update the current Downtown Master Plan for Marshfield, the City and its consultant team worked collaboratively over a period of approximately eight months. Between May 2014 and February 2015 the following tasks were completed:

- Task One: Existing Conditions
- Task Two: Market Analysis
- Task Three: Vision, Values, Goals, and Objectives
- Task Four: Define Today's Downtown
- Task Five: Occupied Building Analysis
- Task Six: Redevelopment Areas
- Task Seven: Land Use Plan
- Task Eight: Alternatives Open House
- Task Nine: Implementation Strategy
- Task Ten: Draft and Final Plans

Throughout the planning period the City and its consultant team (the "project team") met regularly via phone and in-person to review existing conditions, gather public input, develop alternatives, and draft the plan itself.

Public Involvement

In conjunction with the tasks listed above the project team implemented a robust public participation strategy in order to ensure that the Plan update aligns with the interests, values, and aspirations of the community of Marshfield. A description of that strategy and the results are described in detail in Appendix B. Specific activities used to gather public input included the following:

- Vision and Placemaking Workshop, held on September 17, 2014, and open to the public.
- Resident Survey, conducted between October and November of 2014 (online).
- One-on-one interviews with key stakeholders identified by the City and Main Street Marshfield, along with randomly selected businesses.
- Project website, www.plandowntownmarshfield.com, used to keep the public informed of the process and upcoming events.
- Mind Mixer website, presenting online exercises.
- Open House, conducted on November 20, 2014, used to present preliminary concepts and gather feedback on proposed alternatives.
- Plan Commission (February 17, 2015) and Common Council (March 10, 2015) meetings to present the draft and final plans.

Project for Public Spaces Place-Making Diagram

BACKGROUND ANALYSIS

Patterns of Use

Downtown visitation is light during the morning hours. It appears that the majority of people commute through downtown rather than stop, and most on-street parking spaces are empty until mid morning. Eating places such as The Daily Grind and The Family Restaurant tend to draw patrons in these hours, when many other businesses are closed. By noon traffic has increased significantly and remains strong until late afternoon. Aside from the cinema and eating and drinking places, few businesses remain open in the evening.

A variety of uses help to anchor the downtown. Importantly, the downtown has a grocery store. The Pick ‘n Save was constructed with a suburban site plan featuring a store situated behind a large parking lot, but the use does draw customers who may shop other downtown businesses. The hardware store is another important retail anchor to the district. Rogers Cinema is the city’s only movie theater, and is therefore an important entertainment venue. City Hall and the post office are the most significant government anchors.

Area Demographics

By population, Marshfield is the 40th largest city in Wisconsin, and in the top ten percent. The city is estimated to have had 18,952 residents in 2012, which is a slight decrease since 2010. The city grew between 2000 and 2010. In general, the central Wisconsin region in which the city is located has a stable to declining population base, and is aging. People from smaller communities and rural areas have been migrating to the larger cities such as Marshfield, Wisconsin Rapids, and Wausau.

The central part of Marshfield is bounded by 14th Street on the south, Oak Avenue on the west, Doege Street to the north, and Vine Street on the east. This area has a greater concentration of multifamily housing as well as rental units, and holds about 15 percent of the city’s population. Housing stock is generally older here than outlying neighborhoods. While this includes some nicely restored Victorian and revival style homes, it also includes many nondescript properties that have not been as well maintained or updated to modern standards.

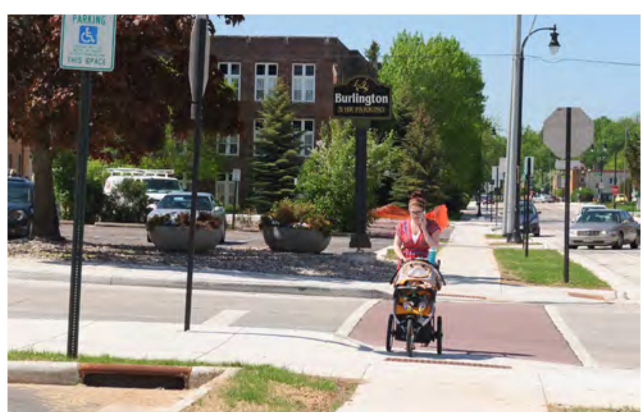
Demographically, the central area tends to be younger than Marshfield as a whole, with a median age of 37.1 years, compared to 41.3 years for the city. It is also poorer. At 1.94 persons, the average household size is slightly smaller than the 2.1 person average in the city. The area's median household income of $31,979 falls well below the city median of $40,570, as does the per capita income ($18,495 versus $25,989 for the city).

Vacancies are more common than elsewhere within the city. Citywide, 0.6 percent of owner occupied units are vacant, and 3.9 percent of rentals. The overall vacancy rate in the downtown area is 9.7 percent, or 164 units. This may be an indication, as the 2014 Marshfield Housing Study observed, that some older and lower-priced units have very little appeal to buyers or renters.

Business Mix

The central area contains 332 commercial buildings (including industrial space and mixed use buildings) with a total commercial floor area of 1,935,000 square feet. By floor area, industrial uses, warehousing, and trades occupy the largest share. Office, government or organizations, and retail have roughly similar proportions. Compared to similar communities, Marshfield has relatively few eating and drinking places in the downtown area. Eleven commercial spaces were identified as vacant in August of 2014, making up 1.9 percent of the total floor area.

- **Entertainment.** Entertainment uses include uses such as fitness centers, martial arts studios, dance studios, arcades, movie theaters, and similar businesses. These are six of these businesses in the downtown. Arguably, the most significant of these is Rogers Cinema, which is the only movie theater in Marshfield.
- **Eating and drinking.** These are 28 restaurants, drinking places, and snack and beverage places in the central area. These tend to be located at the northern and southern edge of the core downtown, where taverns offering drinks and a limited grill menu are the dominant format.
- **Government and organizations.** Twenty churches, government facilities, service clubs, the Chestnut Avenue Center for the Arts, and other organizations have their location in the downtown. Churches comprise nearly half of the total. Governmental uses include city functions such as City Hall, the library, and the U.S. Post Office. This total may not include some state or county government offices located in multi-tenant office buildings.
- **Industry, warehousing, and trades.** These uses tend to be located on the periphery of the downtown, either west of Chestnut Avenue or north of the railroad tracks. There are 38 businesses in total. The prevalence of these uses downtown is typical of most downtown districts, and the legacy of land use patterns common up until the last half century or so.
- **Lodging.** A single hotel is located in the downtown. The Holiday Inn and Convention Center is one of the city's largest and best hotels. Its restaurant, conference, and banquet facilities draw many potential patrons to the downtown district.
- **Offices.** Nearly 17 percent of the commercial space in the central area (over 326,000 square feet) is occupied by office uses. A precise count of businesses in this space is not available, as more than one business will often occupy space in the same building. Sixty-five distinct businesses were recorded, though the actual number will be much higher. Banking and financial services is included in this business grouping.
- **Personal services.** Salons and spas, laundry and dry cleaning services, photo studios, and similar kinds of uses are classified as personal services. There are a total of 23 of these businesses in the central area.
- **Rental services.** Businesses that primarily offer rental or rent-to-own products fall into this heading. Examples may include car rental, equipment rental, or movie and game rental establishments. Two of these businesses were identified in downtown Marshfield.
- **Repair services.** Automotive servicing, equipment repair, and similar services are considered repair services. There are six repair businesses in the downtown areas. This is a relative few compared to other cities.
- **Retail.** Retail is often the most visible use and the one most desired by community residents. It is also one that most communities struggle to support in their downtowns. Marshfield has 53 retail uses in the central area, more than any other type of use except offices. Both basic and specialty retail stores are well represented among the total.



Downtown Marshfield - Pedestrian enhancements

Buildings and Land Uses

Buildings in the core part of the downtown were constructed between 1870 and 2011, with an average construction date of 1936. Structurally, nearly all appear to be in good condition. While commercial buildings have been generally well maintained, this is not true of some residential properties. The City is currently in the process of developing a commercial and residential property maintenance code.

The City and Main Street Marshfield have made a tremendous effort to encourage commercial façade renovation. The City's façade renovation program has been active since 2009 and provides up to a 50-50 match to private investors. Approximately 36 properties have benefitted from the program, with the City's $250K investment resulting in over $1.3M in improvements. Some commercial buildings, as well as many residential properties in the surrounding neighborhoods still need attention.

Main Street Marshfield has a design guideline prepared in the 1990's, which is used to advise property owners concerning appropriate renovations. This guideline follows a format typical of Main Street programs in the era and is dated by current standards. It does not adequately address infill or redevelopment opportunities, does not offer guidance concerning techniques that can help to liven the district, and does not cover landscaping.

Stylistically, the majority of buildings can be described as commercial vernacular, with only a few buildings exhibiting a distinctive architectural style. The former City Hall (colonial revival), 211 South Central Avenue (art deco with bas relief panels), and 168-170 Central Avenue (with elements of Tudor and colonial revival styles) may be the most architecturally interesting buildings. Several buildings have been considerably altered from their original design. A portion of the downtown, roughly from 3rd Street north to Veteran's Parkway, has been listed on the National Register of Historic Places. Two of the city's historic structures, the former Wisconsin Central depot and the Thomas House, have been relocated from their original sites.

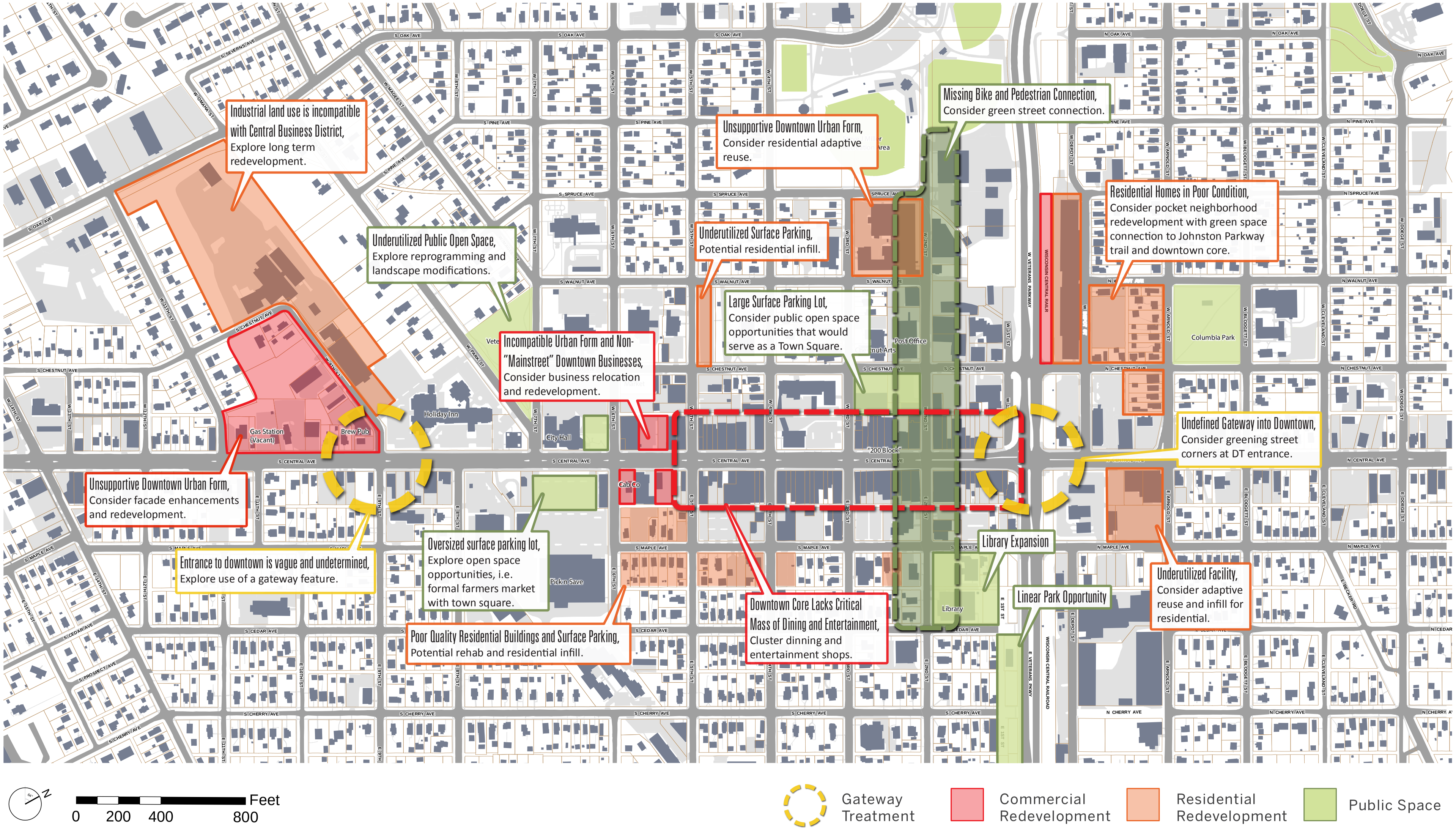
While ground floor space is well utilized, this is not always the case for additional levels. There are some examples of basement space that is used for offices. More commonly, upper levels are being used for offices or rental residential units. Still, several buildings have vacant upper levels that could be converted to productive uses.

Commercial uses are concentrated along Central Avenue and side streets between Chestnut Avenue and Maple Avenue. Industrial uses are located mainly along West 2nd Street and Depot Street. The surrounding neighborhood is made up of mostly one and two-family homes. Many of these have been converted to rentals.

There are two areas of relatively recent redevelopment. At the south end of downtown, a neighborhood commercial strip center is anchored by a Pick 'n Save grocery store. Across from it is a Holiday Inn with conference facilities. To the north of the railroad tracks, an existing building was rehabbed for Hudson's, a popular local restaurant. Two new buildings were constructed adjacent to that building, and sometime earlier, a Walgreen's drug store was built. Unfortunately, the area is now plagued by vacancies, as Walgreen's relocated, Hudson's was forced to close during the recession, and there are vacancies in one of the newer commercial buildings. Though smaller in scale, a new building was constructed on 6th Street to house The Market on 6th Street, selling wines and cheeses. Built in a bungalow style, it is an excellent example of infill commercial development.

Downtown Marshfield - Thimbleberry Books


Downtown Marshfield - Building mural



FORCES AND ISSUES

2015 DOWNTOWN MARSHFIELD MASTERPLAN UPDATE

Market Analysis

Recommendations for downtown Marshfield are based on a market analysis conducted during the planning process. Several opportunities for business attraction and real estate development were identified as possible over the next few years. The full market analysis is attached as Appendix B of the Downtown Plan, and a summary is provided here.

- **Housing. Marshfield's population will grow slowly over the coming decade, but there will be a significant shift in population by age. The fastest growth will be in the number of older households. This is due to a combination of factors including younger households moving out, older households moving in, increased longevity, and an increasing number of people in the older generations. In ten years, the oldest members of the Baby Boom generation will reach their 85th year. This will create demand for condominium and rowhouse development, as well as apartments. Both new construction (redevelopment) and renovation of existing buildings are possibilities.**
  - An average of 15 owner occupied condominium or rowhouse units can be supported each year, or 150 units over the next decade.
  - An average of 15 market rate rental units can be supported in each of the next ten years. Additional affordable housing development in the downtown area is discouraged
- **Retail. Downtown Marshfield has more store and more retail floor area than the mall. Building a stronger downtown retail community has its challenges, including the need to attract stores that will make it less necessary to leave the city for specialty shopping, and sustaining a critical mass or retail within the core (Central Avenue from the railroad south to 5th Street). The district can support more than 25,000 square feet of additional retail within likely categories such as:**
  - Specialty food stores
  - Health care and personal products
  - Sporting goods
  - Gift, novelty, and souvenir stores/home furnishings
  - Arts dealers
- **Eating and Drinking. The downtown's existing restaurants capture about a third of the market potential. Within the city, there is unmet demand for additional full service restaurants and unique limited service restaurants. In the downtown, there is a particular need for restaurants providing quick lunch items. Including the vacant Hudson's location, the downtown may support an additional 20,000 square feet of new restaurants. Examples of the kinds of eating and drinking places that could be viable include:**
  - Full service restaurants with a full service menu or specialty (ex., Italian, Mexican, etc.)
  - Limited service restaurants such as delis serving unique sandwiches, soups, and other quickly served, good quality foods.
  - Snack and beverage places, such as coffee shops or bagel/donut shops.
- **Office Uses. Marshfield is expected to add nearly 600 office-based jobs over the coming decade, generating a need for 116,128 square feet of office space. Not all of this will be captured in the downtown. Twenty to 40 percent of the demand would create a need for up to 46,450 square feet of office space. The city may want to consider discouraging office uses in the core blocks of Central Avenue in order to support retail and dining uses, and instead favor office uses**

Downtown Marshfield - Weber Building

Chestnut Avenue Center for the Arts

on upper floors and along secondary streets in the downtown. If the available vacant space in these locations is utilized, there would still be a need to create 10,000 to 30,000 square feet of new office space, either in new buildings or in renovated space.**

- **Lodging. Marshfield can support an additional midscale hotel such as a Hampton Inn, Comfort Inn, Best Western, or La Quinta Inn. Several places in the downtown might be redeveloped for this use. A parcel of 1.6 to 2.0 acres would be required for an 80-room, three story building with parking.**

Transportation and Infrastructure

In general, public infrastructure within the downtown and adjacent areas is in excellent condition and will present few challenges to downtown revitalization. There are some minor concerns related to parking management and wayfinding.

Both Central Avenue and Veteran's Parkway are state highways and carry the heaviest traffic within the city, though this still falls well below the volume that would be found in a more urban community. Traffic on Central Avenue in the core downtown falls within a range of 9,200 to 11,900 cars per day (2008 traffic counts). This compares to a peak of 16,100 cars per day in the city's north side commercial district. Traffic on Veteran's Parkway falls between 7,100 and 8,400 cars per day.

Developed with a simple grid pattern, the downtown is easily navigated. Traffic and visibility (due to zero setbacks and on-street parking) can make it difficult to make left turns onto Central Avenue at times. Most downtown users seem to account for this and plan their routes to cross Central Avenue at signalized intersections.

The City of Marshfield has made substantial investments in downtown streets, rebuilding South Central Avenue in 2009 and South Chestnut Avenue in 2013. Maple Avenue will be reconstructed in 2015. North Central Avenue, from Veteran's Parkway north to Arnold Street, is scheduled for resurfacing in 2019. Side streets and most neighborhood streets in the area are also in good condition.

The east-west railroad corridor through downtown was narrowed in 2007, however, it remains an impediment to both vehicular and pedestrian flow. The rail line is on a major route and sees heavy usage. As new development occurs it may be necessary to move forward with grade separation although there are no existing plans to do so.

There is a bicycle and pedestrian path on the south side of Veteran's Parkway, connecting to neighborhoods east and west, and to Steve J. Miller Park, where there is an overpass spanning Veteran's Parkway and the railroad. Bike lanes were added to Chestnut Avenue and are planned for Maple Avenue when the street is reconstructed in 2015. Bike racks have been installed downtown.

Not surprisingly, bicycle traffic in the downtown tends to be heaviest on the path along Veteran's Parkway. It is also heavy on Central Avenue, though over time this may change with the new bike lanes on Chestnut Avenue and the planned bike lanes on Maple Avenue. East-west traffic tends to use 4th Street and 7th Street. People are also using Vine Avenue and Oak Avenue to travel north and south.

The downtown district and surrounding area is very walkable, with wide sidewalks and good street crossings. Signalized intersections and center median refuges help to make crossings safer. The biggest challenge is the crossing of Veteran's Parkway, which carries a high volume of traffic at high speeds. The parallel railroad tracks and open lots on the corners help to create an impression that the crossing is wider than it actually is, and likely deters some people from moving between the central downtown and north downtown areas. The safety of crossings on Central Avenue and Veteran's Parkway continues to be a concern for many downtown stakeholders. Other challenges to walking the district relate mostly to amenities, such as the lack of protection from the elements and the relatively austere streetscape.

The City has invested in improvements to several public parking lots, including landscaping and signage. These, along with on-street parking, provide an ample supply of parking stalls apportioned uniformly throughout the district. Some private lots supplement the public spaces. Downtown business owners did not

Side streets can provide additional outdoor seating opportunities cite parking among their concerns for the district. Some landlords and tenants, however, expressed frustration with the requirement to purchase a parking permit, which they believe is a deterrent to living downtown.

Downtown has seen much of its utility infrastructure reconstructed in the past several years, in conjunction with street reconstruction projects. Overhead utilities have been buried or relocated to alleys

Public Buildings and Open Space

Several important civic buildings are located in the downtown, including City Hall Plaza, the Marshfield Public Library, and the Chestnut Avenue Center for the Arts. The library is currently in the initial stages of an expansion that will repurpose the existing building as a community center and construct a new library adjacent to it. The new two story building will have 38,000 square feet and feature outdoor seating. It will have a prominent presence on Veteran's Parkway.

Other public buildings are located within the downtown area. The U.S. Post Office is located on Chestnut Avenue and is an important downtown anchor. The City's garage complex is located on 2nd Street. This has been discussed as a potential long-term redevelopment opportunity. Other federal, state, and local government offices are located within downtown buildings.

There is little public open space in the downtown area. Veteran's Park and a small plaza adjacent to City Hall are the only two public spaces on Central Avenue. Neither is ideally located or adequately sized to host large events. Columbia Park, located on Chestnut Avenue and Blodgett Street, has a band shell, but no visibility from Central Avenue. It is also located north of Veteran's Parkway and the railroad tracks, some distance from the downtown core. Steve J. Miller Recreation Area is an interesting asset. Again, this park is located three blocks west of Central Avenue and is not directly connected to the downtown core. Its four ball fields and community center draw many people who might easily visit downtown businesses.

STH 13 Downtown Marshfield - Attractive Landscaping, however the Intersection with Central Ave. needs to convey a Stronger Sense of Arrival

Aesthetic Qualities

Central Avenue has been the focus of streetscaping efforts in the downtown. The City has adopted a simple design on Central Avenue, featuring concrete walks with brick paver inserts, decorative lighting and furnishings, and widely spaced trees. There may be an opportunity to do additional LED lighting retrofits as the City continues to upgrade lighting downtown. Banners have been provided on light poles. Crosswalks are colored. Although simple and easy to maintain, the streetscape may have a harsh feel, given the small number of trees and few planting areas.

Fewer amenities have been included in streetscape designs for secondary streets, on most blocks due to a lack of a larger right-of-way and a desire for on-street parking and bike lanes. Areas where there is no on street parking allow space for grassed terraces. The terraces across from the Post Office and next to the Police Department do have grass. A similar approach will be used on Maple Avenue.

Downtown lacks a sense of arrival, whether traveling on Central Avenue or Veteran's Parkway. Low brick walls were constructed on both south corners of Central Avenue and Veteran's Parkway, and gateway features were installed in the terrace of Veteran's Parkway at Cedar Street. Unfortunately, these are difficult to see. The situation may be somewhat improved when the new library is constructed, as it will be highly visible from Veteran's Parkway.

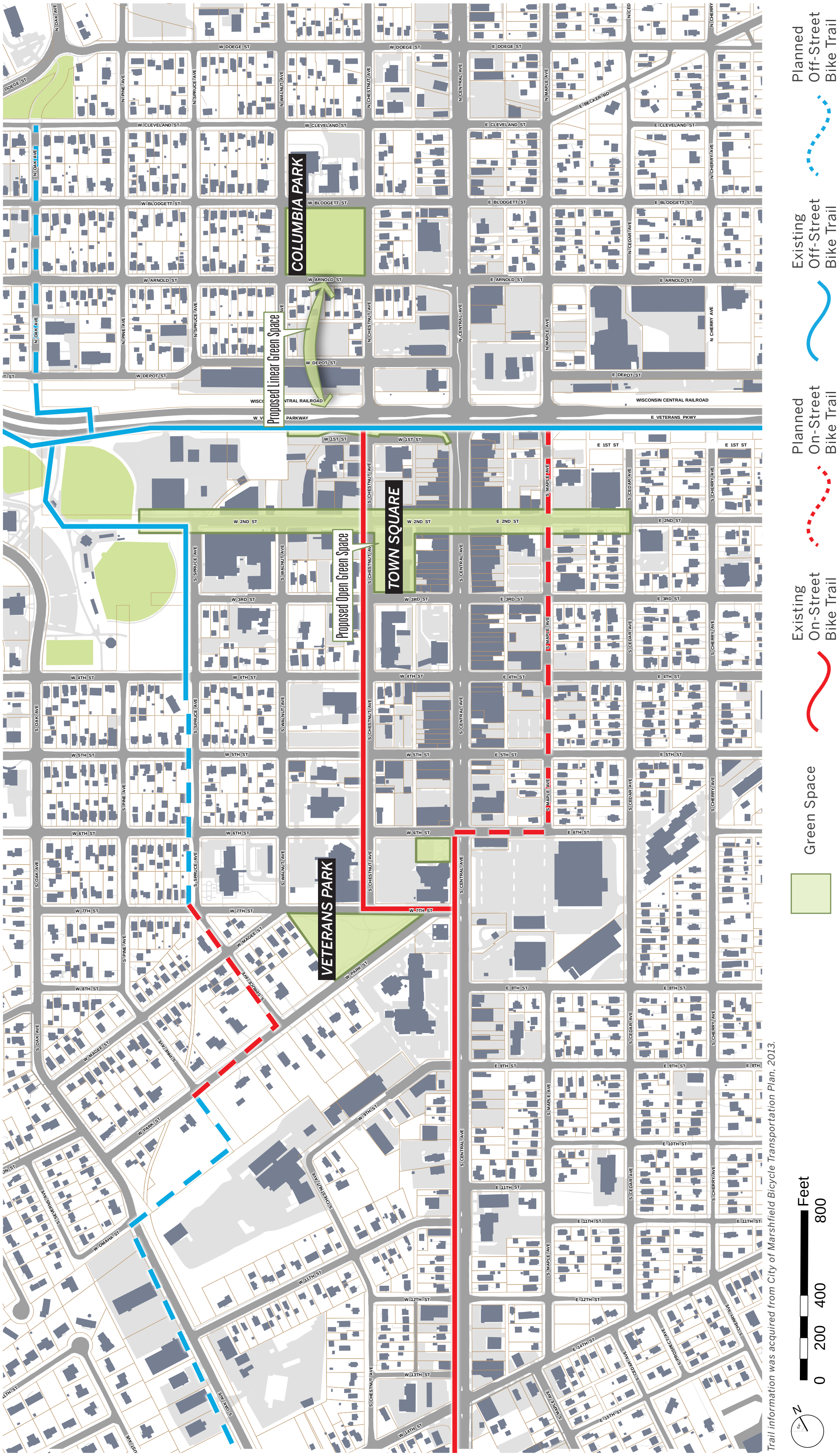
The City has installed some wayfinding signage directing people to the downtown. Within the district, there are few cues to help people navigate to anchor destinations or parking.

Private signage does not appear to be a significant concern. Most signage is professionally done and sufficient to advertise the business. The City recently updated is sign ordinance. The only concern is the presence of a small number of billboards that detract from the appearance of the district.

Business visibility is typical of a traditional downtown corridor. As several business owners noted, the ability to put merchandise, flowers, or other items out in front of their storefront helps to draw attention to the business. Overall, the appearance of the district and buildings is

GREEN SPACE AND CONNECTIVITY

2015 DOWNTOWN MARSHFIELD MASTERPLAN UPDATE



not unpleasant. There are no "eyesores" to contend with, and the district is very clean. At the same time there is no strong visual "hook" or feature that would grab a visitor's attention and leave them with an image to remember. It is all very ordinary.

Only a small number of properties have private landscaping. This tends to be minimal, such as at the Pick 'n Save, the former Walgreen's store, or Marshfield Monument. Because of the zero setback requirement in the Downtown Mixed Use Zone, there is no landscaping requirement.

Organization

Responsibility for activities contributing to downtown revitalization in Marshfield are split between several organizations.

- **City of Marshfield. The City of Marshfield has been a leading partner in efforts to improve the central business district and surrounding neighborhoods, providing leadership, financial support, planning, infrastructure, and services to restore and sustain its vitality. Important roles in downtown revitalization that are played by the City include:**
  - Providing planning to guide downtown revitalization activities.
  - Establishing and administering codes, such as zoning, sign regulations, building codes and inspection, and similar services that establish standards for downtown development.
  - Providing funding, including annual operational funding for Main Street Marshfield and project-specific funding for revitalization activities such as redevelopment.
  - Reconstructing streets, upgrading infrastructure, providing parking, constructing sidewalks and bicycle lanes, and installing streetscaping and other improvements that make downtown more functional, walkable, and attractive.
  - Maintaining the City's office functions in the downtown, which are a source of downtown employment and an anchor drawing patrons to the district.
- **Main Street Marshfield. Marshfield has the second-oldest Main Street Program in Wisconsin. Main Street is a model approach to business district revitalization developed by the National Trust for Historic Preservation. It is centered around a four-point approach encompassing organization, promotion, economic restructuring, and design. Newly formed organizations receive a great deal of technical assistance and training from Main Street staff within the Wisconsin Economic Development Corporation. As an established program, Main Street Marshfield may still participate in training programs and networking activities, and receive limited technical assistance from program staff. Main Street is organized as a 501(c)3 nonprofit organization. Some of its primary objectives include:**
  - Increase the investment and tax base in the downtown area
  - Encourage a broader array of services for downtown clients and customers
  - Identify retail gaps in the district
  - Help existing downtown businesses expand
  - Recruit new businesses to the downtown
  - Provide an organizational framework for long-term economic restructuring
  - Hire and train a full-time manager to coordinate Main Street activities and volunteers
  - Encourage, where appropriate, the restoration of commercial buildings to reflect the history of the City's commercial development
  - Increase social and cultural activities in the central business district
  - Enhance the appearance of downtown through public and private efforts
- **Marshfield Area Chamber of Commerce and Industry. The Chamber is an important player in economic development activities within the community.**

Other organizations may play a contributing role, including Chestnut Avenue Center for the Arts, Marshfield Public Library, and Centergy, the regional economic development organization

Downtown Revitalization Tools

Marshfield has some important tools at its disposal to assist in implementing any downtown revitalization recommendations. These include the following.

- **Tax Incremental Financing District #4. Tax Incremental Financing (TIF) is a tool used to fund improvements within a defined area. TIF districts do not reduce the property taxes paid. Rather, the difference between taxes paid in the initial year and subsequent years, referred to as the "increment", is used to pay for improvements. Where those improvements help to enhance**

property values, more increment will be generated.

Marshfield has created a total of nine TIF districts, four of which are now closed. Three of the nine districts have been in the downtown. In addition to TIF District #4, TIF District #2 was established to aid in redeveloping the Purdy School. TIF District #3, which is now closed, was used to help restore Tower Hall (the former City Hall building).

TIF districts may be used to fund many activities such as property acquisition, site clearance and environmental remediation, infrastructure development, and economic development programs. One of the primary uses of TIF District #4 has been to pay for the reconstruction of Central Avenue, Chestnut Avenue, and in 2015, Maple Avenue. TIF districts are allowed to incur new costs for a fixed period of time after their creation, and the expenditure period for TIF District #4 will expire in 2018.

The City may consider several options concerning the use of tax incremental financing to fund recommendations in this plan. Some areas addressed in the plan are not within the boundaries of any existing TIF district and may be included in a new one. A majority of sites, however, are located in TIF District #4. The City might consider making expenditures under the existing district prior to the 2018 deadline, waiting until the district is retired to establish a new one, or amending the district to remove properties that can be included in a new one.

- **Business Improvement District. A business improvement district (BID) is a tool used to fund additional services or investments within a specified area. It is created when a majority of the property owners within the area elect to levy a special assessment on their property. The Marshfield BID was established in 1990 and has been an important source of operational income for Main Street Marshfield. Objectives of the BID include:**
  - Retain a full-time executive director and part-time Staff Assistant to coordinate the Main Street Marshfield programs and fund the projects designated in the annual work plan.
  - Maintain an office in downtown Marshfield that will serve as the operating base for the Main Street Marshfield.
  - Fund advertising, promotions and other activities to enhance the economic, social and cultural vitality of downtown Marshfield.

A Business Improvement District Board of Directors manages the BID. Responsibilities of the Board include the implementation of the operating plans and preparation of annual reports. The Board also considers, on an annual basis, changes to the operating plan for consideration by the Common Council. The board consists of seven (7) members appointed by the Mayor and confirmed by the Common Council.

- **Façade Improvement Program. Marshfield's TIF District #4 has funded a 50/50 grant program to defray the cost of significant building façade renovation activities. Only commercial and mixed use buildings located in the district are eligible.**

Clinton, IA - Street Landscaping

Bayshore, WI - Town Square Park

Redevelopment Opportunities

Several redevelopment opportunities were identified during the planning process. The opportunities were identified based on staff meetings, public input, and results of the market research. Many of the same sites were recognized in prior plans. The redevelopment opportunities are organized into short term, longer term, and renovation/adaptive or re-use potentials.

In general, commercial uses are recommended for sites in the core downtown or immediately adjacent areas, with the remainder of sites being redeveloped with residential uses. Ideally, the City and its partners will attract additional owner occupied housing to the area in the form of rowhouses and condominiums. Rental units should be limited to market rate units. Given the concentration of lower income households in the central neighborhood, adding additional low income housing is not a desirable scenario.

Short Term Redevelopment Sites

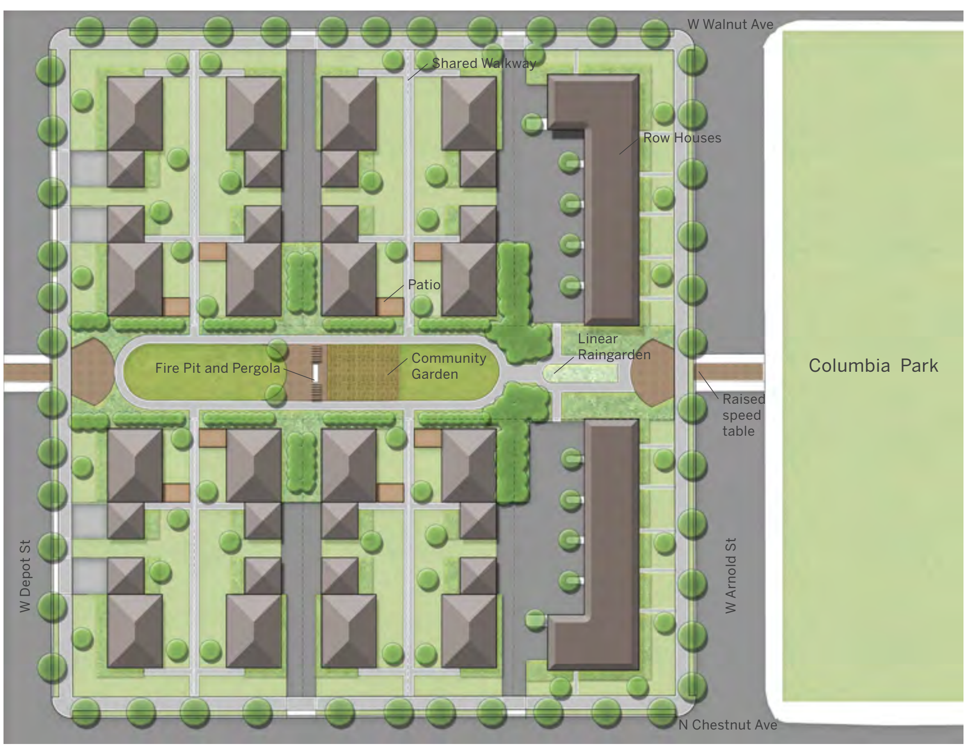
Theses sites are considered priority opportunities for redevelopment based on characteristics of the sites, their potential for positive impact on the downtown district, and market demand. Additional analysis and recommendations for these sites can be found in Appendix C – Redevelopment Sites.

- **Columbia Park / Felker Brothers Redevelopment Area**

This redevelopment opportunity would transform the mix of older industrial buildings, surface parking, and one- or two-family family homes south of Columbia Park. Residential uses are envisioned for the site, and may include some combination of townhomes, condominiums, apartments, or a pocket neighborhood. The pocket neighborhood might be located between Arnold Street and Depot Street.

Depending upon the final design the proposed development could preserve and incorporate a portion of the existing historic single family homes along Arnold Street adjacent Columbia Park. There is also the potential to preserve the office portion of the Felker Brothers property, located on Chestnut Avenue between Depot Street and the railroad, which is an attractive example of art modern architecture.

Redevelopment in this area should incorporate public or private greenspace (with public access), with an emphasis on providing a greenway corridor and bicycle and pedestrian improvements from Columbia Park to the railroad corridor, and along the railroad corridor north to where it ties into the existing path



0 15' 30' 60' 90'

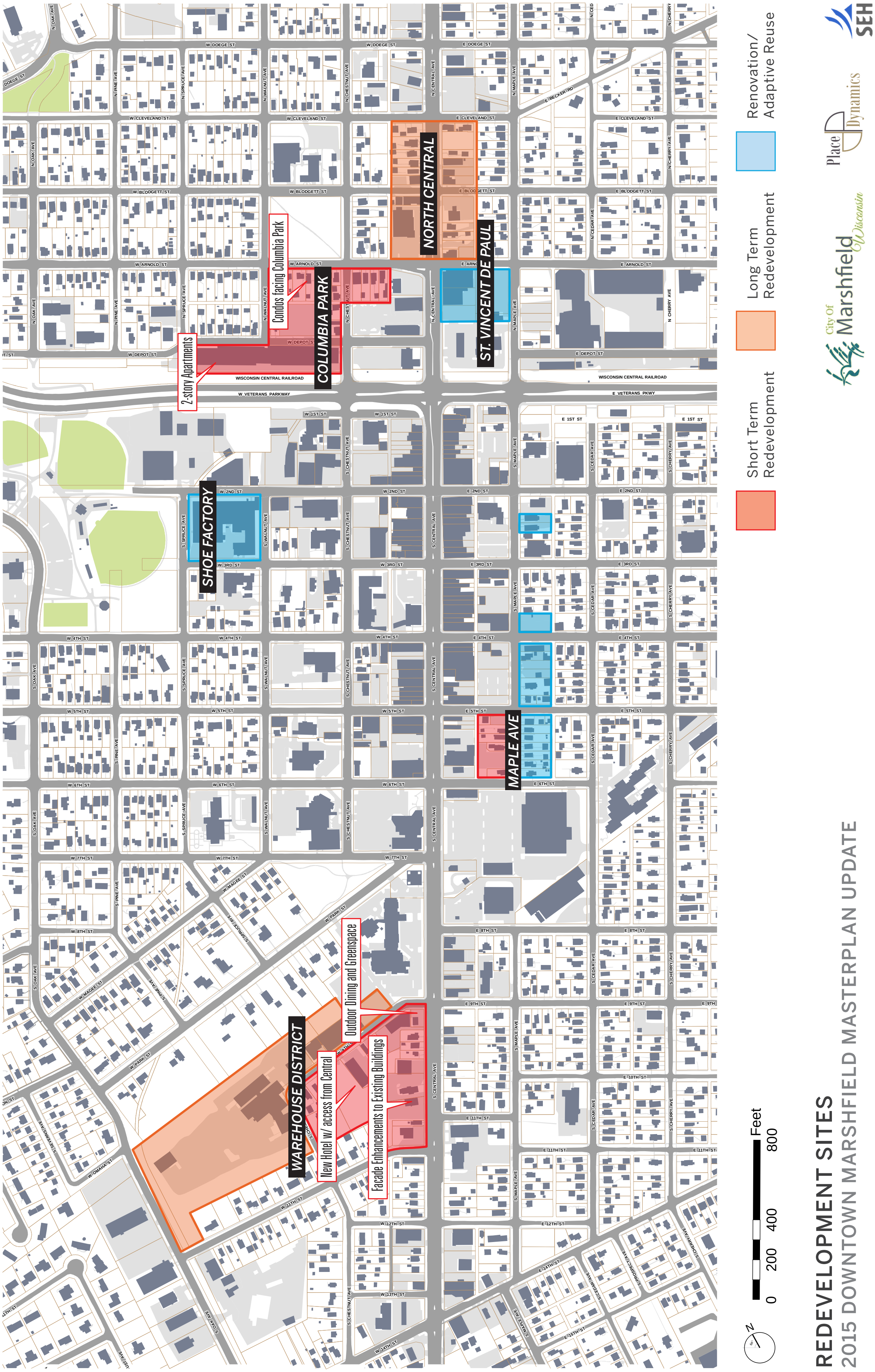
What is a Pocket Neighborhood? Pocket Neighborhoods are about nearby neighbors sharing and caring for common ground. Pocket neighborhoods increase residential density by clustering homes around a shared green space.

http://www.rosschapin.com/

http://newearthliving.net/

COLUMBIA PARK POCKET NEIGHBORHOOD
2015 DOWNTOWN MARSHFIELD MASTERPLAN UPDATE

REDEVELOPMENT SITES
2015 DOWNTOWN MARSHFIELD MASTERPLAN UPDATE



system.

- **Maple Avenue Redevelopment Site**

This redevelopment opportunity would transform a block of existing single family homes in poor condition into a block of urban rowhouses. The development would provide new options for ownership or market-rate rental housing in downtown on Maple Ave. between 5th Street and 6th Street. This concept could be used in similar situations on the periphery of downtown to add density while rehabilitating the City's housing stock.

- **South Gateway Redevelopment District**

This redevelopment opportunity would improve the southern gateway into the downtown retail core through a combination of new development, landscaping and façade improvements, and redevelopment. The focus is on the parcels located between 9th Street and 11th Street west of South Central Avenue. The 2006 downtown plan identified a larger "gaslight district" at this location, which included the adjacent warehouse district.

The focus of redevelopment is to create a more attractive gateway, increase the density as well as quality of development, and attract new businesses to the downtown. The elements of this redevelopment opportunity could be built incrementally, with a short term focus on aesthetic improvements that will improve the image of downtown Marshfield and create a sense of arrival for visitors entering downtown Marshfield. Longer term, the market study suggests the potential for commercial development that might include a hotel at this site. A new hotel would play off the existing Holiday Inn and its conference facility, support nearby restaurants, and bring more potential shoppers downtown.

Long Term Redevelopment Sites

Downtown Marshfield and its surrounding neighborhoods have several sites that could be considered for future redevelopment. These sites may be characterized as being occupied by uses not likely to move in the foreseeable future or having less market demand than sites identified for short term redevelopment.

- **Warehouse District Redevelopment Area**

This redevelopment opportunity builds on shorter term improvements in the south gateway planning area. The 2006 Downtown Master Plan identified this area as the 9th street redevelopment district that would include a mix of housing, artist studio spaces, additional restaurants and green space.

This plan update recommends that the City concentrate its efforts on long term conversion to residential uses at this location. Art galleries, studio space, or similar commercial uses should be

Visualization - Maple Ave
Infilling with urban style row houses can provide new options for ownership or market-rate rental housing in downtown.

Existing Conditions - Maple Ave

concentrated instead in the Downtown West planning area. Concentrating these types of uses in that area would leverage the Chestnut Avenue Center for the Arts and help create a cluster of creative destinations that would support the core downtown retail area.

- **North Central Avenue Redevelopment Area**

This redevelopment opportunity would occur in the north part of downtown between Cleveland Street and Arnold Street along North Central Avenue. The location includes a combination of underutilized and vacant commercial properties, as well as several businesses and a few residential properties. The vacant Walgreens at the corner of North Central Avenue and West Arnold Street would be a key parcel in any future redevelopment at this location. This redevelopment area is located at the major northern gateway into the retail core of downtown. In its current state this site does not provide an inviting and attractive entrance to the downtown.

- **2nd Street Redevelopment Area and City Garage Complex**

The City of Marshfield owns a large site with several buildings housing public works functions (city garage). This site has frontage on 2nd Street and Veteran's parkway, and is bordered to the west by Steve J. Miller Park. Several light industrial, warehouse, and repair businesses are located in buildings on the north frontage of 2nd Street between the city garage and Chestnut Avenue. These older, predominantly metal-sided buildings seem candidates for eventual redevelopment.

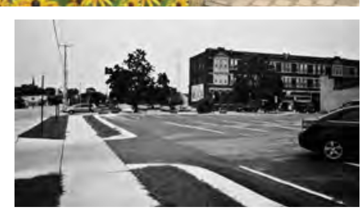
The central location, excellent visibility, and proximity to amenities found at this location suggest the potential for a high quality redevelopment that should be planned as a unified site to provide guidance to individual redevelopers. A mixed use neighborhood can include job-generating office development along with residential uses.

- **South Central Avenue Infill Sites**

From 7th Street to north 4th Street, along Central Avenue, there are a handful of undeveloped parcels currently used for parking. These include the parking lot for City Hall. Opportunities could arise for development proposals on these sites.

Visualization - Town Square

Creating a central public green space can help support downtown business as well enhance civic identity



Existing Conditions - Town Square

THE TOWN SQUARE

2015 DOWNTOWN MARSHFIELD MASTERPLAN UPDATE

Renovation and Adaptive Re-Use

Several buildings in the downtown core and surrounding neighborhood have the potential to be renovated and adapted to new uses as current tenants change. In some cases, renovating these buildings can significantly enhance the appeal of the downtown, and simultaneously create unique space with a character unavailable in new construction. Some buildings stand out as strong possibilities for adaptive reuse.

- **Weinbrenner Shoe Factory Site**

The City of Marshfield sponsored the opening of a new shoe factory in downtown Marshfield during the Depression era. Today it continues to lease the building to Weinbrenner Shoe Company, with a large number of employees at the site (currently 106).

This three story industrial vernacular building displays some Art Deco characteristics and is primarily constructed of brick with large metal casement windows. It is listed on both the State and Federal historic registries.

The most likely redevelopment scenario would convert a majority of the building to market rate loft apartments and/or condominium units. It should be noted that this opportunity would only make sense if and when the current business is no longer viable, or if a suitable alternative location was deemed desirable by the current business owners.

- **St. Vincent de Paul**

The Society of St. Vincent de Paul is a world-wide organization serving the needy with food, clothing, housing and guidance. The organization's Marshfield facilities are located at 149 North Central Avenue. The site includes a large, early 20th century industrial building and other commercial or warehouse structures.

A variety of services are located at this site, including a medical clinic, transitional housing services, food pantry, and thrift store. The site is identified as a potential renovation in order to encourage aesthetic and pedestrian enhancements to the building and its surroundings, which would further improve the northern gateway to downtown. Upper floors of the building might be used for some combination of offices and residential units.

Modern Mixed Use Building - Integrated into Historic Downtown

Butte, MT - 2nd Floor outdoor dining

Cumberland, MD - Mural and Kiosk

GOALS & STRATEGIES

Goals and strategies are the heart of the plan. They set achievable targets and lay out a set of actions to help the community reach them. Many of the strategies are highly interrelated, and the degree to which any of them are implemented may affect the outcomes of several goals or objectives.

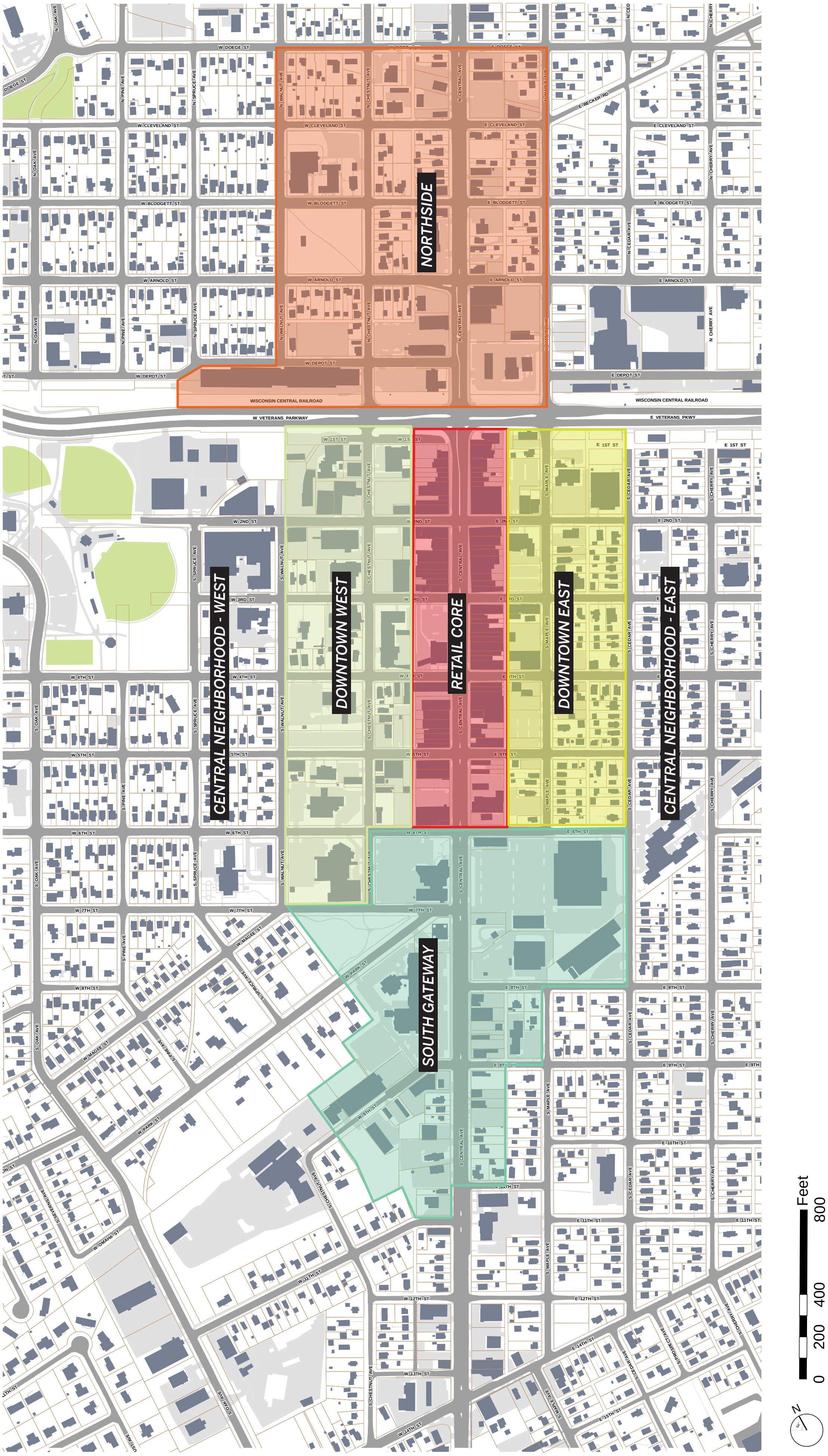
The goals and strategies for downtown are laid out briefly in this chapter of the plan, and more detailed implementation measures are detailed in the implementation section of the plan.

One of the first topics to be explored in the planning process was the question of how to define the boundaries of downtown. Opinions range from a very narrow definition of a few blocks of Central Avenue, to the boundaries of the business improvement district, to very broad definitions taking in nearby neighborhoods. Downtown Marshfield is, in fact, comprised of several distinct areas, each with their own character, needs, and opportunities. Each of these areas may play a somewhat different role, yet they all are closely related and contribute to creating the broader downtown district.

Retail Core. The retail core is located on either side of Central Avenue from 6th Street north to Veteran's Parkway. This is the principal commercial street where the majority of downtown's retail and dining businesses are located. It include most of the district's historic properties, and is where the greatest investment in revitalization has occurred. This area is intended to remain the commercial core of the district.
New development along Central Avenue should generally have at least two stories and a zero foot setback. Building setbacks may be increased to accommodate a courtyard area, with high quality landscaping in the setback area.

South Gateway. The South Gateway includes areas of more recent redevelopment (Pick 'n Save and the Holiday Inn) along with much of the "gaslight district" proposed in the 2006 Downtown Master Plan, and properties along South Central Avenue as far south as 11th Street. It serves as an important entry to the downtown core, with a mix of businesses that serves neighborhood or community shopping needs.
The South Gateway is poised to see redevelopment contributing to the vitality of the core. Buildings set back from the street already exist in the area, and a continuation of this pattern may be considered. Ideally, the setback area will be used to provide attractive landscaping or outdoor seating, with the majority of parking to the side and rear of the building. Low walls, and landscaping should be used to screen parking from the street.

DISTRICTS
2015 DOWNTOWN MARSHFIELD MASTERPLAN UPDATE



Downtown – West. Blocks west of the retail core include a number of important public and private commercial uses, transitioning to residential uses further west. The U.S. Post Office, banks, and other commercial uses are located in this part of the downtown. This area can grow in importance as an office location, along with retail and dining uses, and provide opportunities for redevelopment.

Downtown – East. The transition to residential uses occurs more quickly east of the retail core. Still, several commercial uses are located in the area, and the library is an important anchor of this part of downtown. Residential redevelopment and renovation can add new housing close to the downtown core. New commercial development can provide office, restaurant, and retail space.

North Side. Veteran's Parkway and the railroad isolate this area from the core. Historically, this has served as an important part of the downtown with a concentration of commercial and manufacturing uses, though these have grown less significant over the past several decades. This area can still play an important role as a commercial gateway with new office, retail, and dining uses, and offers opportunities to increase residential density within walking distance to downtown.

Central Neighborhood West. Moving further west from the downtown core, there are a number of attractive older residential neighborhoods where housing is within walking distance. This area also features Steve J. Miller Park and long term redevelopment sites such as the Weinbrenner Shoe Factory and the City's garage complex. In addition to residential development, the City should also consider allowing low intensity commercial uses, along Walnut Avenue, that blend in with the surrounding neighborhood.

Central Neighborhood East. The neighborhood east of downtown also offers housing in close proximity to the district. This area can be targeted for renovation programs to improve the housing stock and encourage more owner occupied units. In addition to residential development, the City should also consider allowing low intensity commercial uses, along Cedar Avenue, that blend in with the surrounding neighborhood.

Downtown Marshfield - A Place for Everyone

Downtown Vision

Marshfield's Downtown Master Plan is built around a shared vision for the future of the district. This vision statement has its origin in prior planning, and reflects a broad consensus of the community:

"Downtown is a dynamic mixed use center and heart of the community. More than any other part of the city, downtown defines Marshfield and embodies its character, history, culture, and commerce. Marshfield will continue to sustain and build upon those assets and qualities that make it a distinctive and cherished part of the community: its urban character, history, cultural resources, welcoming businesses, people, and diversity of uses. These efforts will be carried out through a partnership of city officials, Main Street Marshfield, business leaders, property owners, and others committed to strengthening the social, cultural and economic position of the downtown. Together, we will make downtown Marshfield a more welcoming, attractive and vibrant place to live, work, shop, learn and play."

Bozeman, MT - Public Art

Goals for the Downtown District

The Downtown Plan is comprised of goals and targeted strategies that can help to achieve. This section of the plan presents those goals and strategies in an overall coordinated approach to revitalization. A detailed action plan or implementation strategy is laid out in a following section.

The following goals have been established for this Downtown Plan:

- **Create an attractive downtown environment through investments in streetscaping, art installations, parks and greenspaces, and quality private redevelopment projects.**
- **Support the growth and retention of existing downtown businesses while attracting new businesses that compliment existing ones and fill gaps in the district's business mix.**
- **Promote downtown as the City's preeminent shopping, dining, and entertainment destination, featuring a mix of specialty retail businesses, eating and drinking places, arts and cultural offerings, recreational opportunities, and events.**
- **Encourage redevelopment, infill development, and renovation or restoration of historic properties, resulting in high quality commercial or residential space, increased value, and an attractive appearance.**
- **Establish the downtown and adjacent neighborhoods as a preferred location for housing, offering a high quality rental and owner occupied units in new and historic buildings, including opportunities for condominium and townhouse development on redevelopment sites.**
- **Build upon existing improvements to make the downtown more bicycle and pedestrian-friendly, safely accommodate motorized traffic, provide ample and convenient parking to a variety of users, and orient visitors to the downtown and significant destinations in the district.**
- **Provide a centrally-located, visible, and functional gathering space where residents and visitors can congregate informally or during downtown events.**
- **Coordinate the activities of multiple organizations with overlapping roles and responsibilities for downtown revitalization.**

Parklet with outdoor seating

Recessed facade allows outdoor dining

Encinitas, CA - Archway over Street

Downtown Revitalization Strategies

Marshfield embraced the Main Street Program almost a quarter century ago. Reflecting its four-point approach, the strategies that make up this plan are grouped under the headings of design, economic restructuring, organization, and promotion.

Design

Stakeholders, residents, and visitors all share the desire for a highly functional, easily navigated, safe, clean, well maintained, and attractive downtown. These are basic building blocks of an environment conducive to gathering, shopping, and participating in activities that bring life to the downtown. The following strategies will help to shape the downtown environment.

1. **Invest in improvements to the physical appearance of downtown.**
2. **Continue to implement transportation enhancements that will make the downtown area more welcoming to pedestrians and bicyclists.**
3. **Provide new and improved public gathering spaces within the downtown, while continuing to enhance connectivity to parks in the adjoining neighborhoods.**
4. **Expand upon existing gateways and wayfinding to foster a sense of entry and guide users to parking, anchor institutions, parks, and other features.**
5. **Foster high quality building design including renovations, infill, and redevelopment.**
6. **Assess opportunities to incorporate sustainable design features into the downtown environment.**

Economic Restructuring

Economic restructuring refers to programs and initiatives that enhance downtown economic conditions by strengthening the business community and promoting real estate development. Diverse and healthy businesses bring traffic to the district on a daily basis, generating the revenue that, in turn, provides capital to reinvest in the district. New and improved buildings improve the appearance of the district while promoting historic preservation and adding new residents, businesses, and visitors.

7. **Foster redevelopment of priority sites through property assembly, site clearance, and developer solicitation.**
8. **Encourage renovation of existing owner occupied and rental housing within the central neighborhood.**
9. **Promote restoration and adaptive reuse of key historic buildings as opportunities arise.**

Clinton, IA - Street landscaping celebrating local history

Glenwood Springs, CO - Outdoor seating area downtown

Murphys, CA - Landscaped streetscaping

10. **Establish a core retail area within the downtown, on both side of Central Avenue, from 6th Street north to Veteran's Parkway.**
11. **Continue and expand upon existing efforts to retain, expand, and attract new businesses to the downtown.**

Organization

The tasks that make up an overall approach to downtown revitalization in Marshfield are carried out by several organizations. Defining clear responsibilities and providing a structure through with these organizations can come together, collaborate, assess progress, and consider changes will be essential to achieving the consensus vision for the district.

12. **Define a management structure for the downtown.**
13. **Assess needs for revitalization tools and programs to revise existing programs and establish new ones.**

Promotion

14. **Promoting the district is an essential component of revitalization, sharing knowledge and resources to create awareness and a positive image of the district.**
15. **Market downtown as a destination for local shopping, unique products, quality dining, entertainment, and an active environment.**
16. **Collect information to monitor visitation, business participation, and visitor patterns.**
17. **Evaluate existing events, and assess new activities that will draw people to the downtown, and Increase programming to bring more people downtown.**

Park City, UT - 2nd Floor deck over sidewalk

Walla Walla, WA - Small outdoor recessed seating area


Grand Forks, ND - Outdoor market canopies

IMPLEMENTATION PLAN

The implementation plan is intended to provide greater detail to assist the City, Main Street Marshfield, and others in taking specific actions to act on the plan's recommended strategies.

Strategy No. 1: New and improved landscaping, amenities, and other enhancements to the physical environment will help to create an attractive setting for residents, workers, and visitors to downtown Marshfield.

1. **Implement streetscape enhancements with an emphasis on adding landscaping, street furnishings, art installations, and other features that soften the appearance of the pedestrian zone.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

   Marshfield has already made significant improvements to its public streetscape. Enhancements may include additional landscaping to soften the appearance of the district, streetscape furnishings and art installations to help liven the space, and creation of new opportunities to provide outdoor dining.

   a) Install additional landscaping in the public right of way, especially on Central Avenue. This should include street trees along with planters and/or flower beds. A maintenance plan should also be included in any new planter and flower bed installation.

   b) Identify needs and locations for additional amenities in the downtown streetscape. These may include art installations, "functional art", and other streetscape improvements such as benches, tables, bike racks, fountains, etc.

   c) Determine the logistical and regulatory feasibility of using temporary platforms to expand outdoor dining opportunities in the district.

2. **Require a greater amount and quality of landscaping on private development projects within the downtown area, where there will be a setback from the street.**

   Project Lead: Main Street Marshfield

   Timeline: 2015

   New private redevelopment should be required to provide high quality landscaping in the street yard, with additional consideration for creating public or private gathering places, such as pocket parks, on larger sites. The City should work to improve landscaping at the street edge of the Holiday Inn, Pick 'n Save, and former Walgreen's sites.

   a) Incorporate a landscaping standard into new design guidelines prepared for the downtown. Require larger redevelopment sites (such as the area around Columbia Park) to provide public green space tying the site into the larger neighborhood.

b) Evaluate changes to the Downtown Mixed Use zoning district to require landscaping where there will be a setback from the street.

c) Collaborate with the owners of the Pick ’n Save and Holiday Inn sites to improve landscaping along the street edge, screening parking and presenting a more attractive appearance to the south end of the district.

3. **Work with owners to remove billboards from the downtown.**

Project Lead: City of Marshfield

Timeline: Ongoing – dependent upon leases

Billboards are inconsistent with the image that the community wants its downtown to portray, and the City should work with owners to remove them.

a) Work with the billboard owners to remove billboards once current leases expire.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street	These organizations will want to see a return on investment relative to both a sense that the appearance of the downtown has significantly improved and that the enhancements are helping to draw more visitors to the district.
Customers	Residents, Businesses, Patrons	Residents and patrons will assess the appearance, comfort, and ultimately, vitality of the district. Businesses will assess success through increases in customer traffic, and customer satisfaction with the improvements.
Resources	Initial funding for installation can be high relative to the investment in other revitalization activities. Ongoing maintenance will be a concern for city staff in terms of both hourly and financial commitments.	
Learning and Growth	Performance, and public response to specific improvements should be monitored to determine what may merit replication and where improvements may need to be made. Other cities should be observed to learn what improvements are having a significant impact, and may be considered in Marshfield.	

Strategy No. 1

Case Study: Rear Building Facades - Tylertown, Mississippi

In places where the backs of buildings are visible from heavily traveled streets, or where there is ample parking at the rear of buildings, fixing up the rear facades to create attractive new entries can help to overcome perceptions that there is a lack of parking, create more visibility for businesses, and make it easier for customers to shop. In Marshfield, the City has provided very attractive parking lots along Chestnut Avenue and Maple Avenue. Many of the buildings along Central Avenue are exposed to these lots, yet few of the businesses have taken advantage of this exposure.

Tylertown, Mississippi offers an example of how rear building façade enhancements can help downtown businesses. Entering the downtown from the west on Highway 48, the first thing drivers see on the left is the parking lot and front façade of the Sunshine Market, a grocery that is the anchor retailer in the district. To the right is another parking lot, and the rear facades of several early 20th century buildings, that together are larger than the grocery and Family Dollar on the other side of the street. These facades were very visible, but only one business had made any effort to open its rear to the parking lot.

Recommendations for the downtown included restoring a portion of the town square to a park, where the entire space had been covered with asphalt to create parking. The building that would be most affected were the same ones adjacent to the parking lot on Highway 48. To address this, the plan called for a wide sidewalk along the rear facades of these buildings, along with façade improvements to put a "front door" on the parking lot. In effect, this continued the impression of a "retail strip" on both sides, and perpendicular to the highway.

Public improvements have since been installed and some of the property owners have made improvements facing the parking lot. At the time of the plan there were several vacant properties in this block, including some where the owners have made improvements. All of the buildings are now occupied. Improved visibility and access to parking has been a factor in this change.

Strategy No. 2: Continue to implement transportation enhancements that will make the downtown area more welcoming to pedestrians and bicyclists.

Great progress has been made in this area in recent years with completed or planned reconstruction of Central Avenue, Chestnut Avenue, Maple Avenue, and side streets. Incremental improvements can be made over time as new issues or opportunities are identified.

Learning and Growth City staff should monitor new technologies to make crossings safer and evaluate their potential for Marshfield's unique challenges.

1. **Provide additional crossing improvements as techniques are identified.**

   Project Lead: City of Marshfield

   Timeline: Ongoing

   The City may consider adopting new approaches or technologies that will make crossings safer for pedestrians.

   a) Innovative approaches can be monitored and adopted as they become available.

2. **Improve connectivity to adjacent neighborhoods.**

   Project Lead: City of Marshfield

   Timeline: 2015 and ongoing

   Good connections to nearby residential areas will promote more walking with downtown as a destination. This will become more important as redevelopment and renovation occur within these neighborhoods.

   a) Continue to develop pedestrian and bicycle paths and networks that improve mobility and safety.

   b) Develop greenway corridors on 2nd Street and in the proposed Columbia Park redevelopment area.

3. **Consider installing bike lockers or decorative bike racks.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

   Bike lockers will be attractive to people who commute to downtown to work, and for downtown residents to store their bikes. Thee often provide people staying in the district for a longer period of time a better option for storing bikes, helmets, and other items. Bike racks can be designed as artistic or sculptural elements to add interest to the streetscape.

   a) Assess the desire for bike lockers by downtown residents and commuters. Potential locations may include parking lots in the downtown core.

   b) Decorative bike racks add visual appeal to the streetscape and can be a means of advertising businesses in the district. Whitewater and Platteville have installed similar features that can serve as models.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street, Police Department	These organizations will be concerned with ensuring the safety of persons in the downtown, as well as creating an environment that is easily walked and biked.
Customers	Residents, Businesses, Patrons	Businesses will be primarily concerned with the ease in which people can move up and down Central Avenue to link trips to multiple stores. Users of the downtown will be primarily concerned whether they can safely walk or ride a bike without needing to take extraordinary care.
Resources	Depending on the improvement, the financial commitment may be minimal or fairly large. It may be necessary to educate the general public on how new safety measures are employed. Police enforcement may be required.	
Learning and Growth	City staff should monitor new technologies to make crossings safer and evaluate their potential for Marshfield's unique challenges.	

Strategy No. 2

Case Study: Downtown Street Closure, Petoskey, Michigan

People know of downtown street closures to create pedestrian malls, but less commonly, Secondary streets in a downtown may be closed to create park space or greenways. In downtown Petoskey, Michigan, two blocks of Park Street and the adjacent, nearly abandoned railway corridor were closed and converted into a very popular downtown park.

The design for the space is very simple. It features a sloped grass lawn filled with mature trees. A wide sidewalk lines the side where buildings now front on the park instead of onto a public street. Other paths cut diagonally across the space. The only furnishings are benches and a few tables where people will often stop to rest in the shade on a summer day.

In some instances, buildings with frontage on another street back up to the park. In these areas there has been a concerted effort to develop the backs of these buildings with an attractive façade facing the park. Elsewhere, buildings that once fronting a public street now have no direct street access. This has not proved to be an impediment. All of the buildings are occupied with a mix of retail, service, and dining uses. The location has proven to be very attractive for restaurants including both full service establishments along with options such as coffee shops and gelato shops.

Strategy No. 3: Provide new and improved public gathering spaces within the downtown, while continuing to enhance connectivity to parks in the adjoining neighborhoods.

Marshfield has long recognized the need to provide a central gathering place in the downtown core, to function as a recreational asset and location for events

1. **Develop a new park on the half block bordered by Chestnut Avenue, 2nd Street, and 3rd Street.**

Project Lead: City of Marshfield

Timeline: Beginning in 2015 and including several phases in following years

This site offers many advantages. It is central to the core retail and dining district. It is located across the street from the Chestnut Avenue Center for the Arts, presenting the opportunity for outdoor arts programming. The site is owned by the City and can be developed in phases.

a) Investigate the feasibility of utilizing the News-Herald site and adjacent parking lot for the proposed park use. This site was recommended by the consultant team and received a great deal of favorable public feedback. The site is preferred due to its proximity to the downtown core, location along the 2nd Street corridor, and adjacency to the Chestnut Center for the Arts, which may offer programs in the space.

b) The initial phase of development can be implemented in the first year, and can be little more than sodding the parcel formerly occupied by the News-Herald Building. Benches and picnic tables can benefit users in the short term, while planning for the park is completed.

c) Planning, engineering, and fundraising for the future park can take place within a one to two year time frame. This should begin by determining the uses that will be accommodated in the park and securing commitments from the appropriate organizations to program the space. Designs should be based on those intended uses. Design drawings and cost estimates can be used to help raise funds for development, with possible sources including the City, state and private foundation grants, and a local fundraising campaign.

d) Development may be timed to various sections of the park. The former News-Herald site can be developed first as it requires little additional preparation. Meanwhile, the parking lot can be closed of as needed to provide additional space during large events, with its redevelopment as a park to follow.

2. **Redevelop 2nd Street as a green street corridor.**

Project Lead: Main Street Marshfield and City of Marshfield

Timeline: Beginning in 2015

2nd Street connects the expanded library, core downtown, proposed park, and Steve J. Miller Park. This street can be redeveloped with significant landscaping, art installations, traffic calming, and other bicycle and pedestrian improvements to tie these resources together. The green corridor can be an incentive to promote eventual redevelopment of public and private properties along West 2nd Street.

a) Develop a design for the corridor, incorporating street calming measures, bicycle and pedestrian accommodations, significant vegetative landscaping, street amenities, and art installations.

b) Based on the adopted design, identify a timeline for improvements. Many features can be added incrementally as nearby development occurs. Features such as sculpture, murals, or other art installations can be added annually to create a continually evolving street scene.

3. Columbia Park redevelopment

Project Lead: City of Marshfield

Timeline: 2015 to 2017

Columbia Park is an underappreciated asset. This park could be improved and better-integrated into the north downtown. Pocket parks and a linear greenspace, extending south and parallel to Chestnut Avenue, can be incorporated into future redevelopment projects in the area.

a) Review public comments about the park to develop and implement a plan of improvements, that might include removing pine trees, adding signs, and improving lighting.

<table>
<tr><th>PERSPECTIVE</th><th>INTERESTS</th><th>CONCERNS</th></tr>
<tr><td>Stakeholders</td><td>City</td><td>The city will weigh development and maintenance costs against the benefits of having a long-needed public space.</td></tr>
<tr><td>Customers</td><td>Main Street, Other civic organizations, Residents, Visitors</td><td>The park will be assessed based on how well its design responds to programming needs of various organizations that will use it.
Residents and visitors will consider how well the park accommodates both programmed activities and informal use.</td></tr>
<tr><td>Resources</td><td colspan="2">Park development can have a significant cost, but may be partially offset by grants and fundraising.</td></tr>
<tr><td>Learning and Growth</td><td colspan="2">Functionality should be the critical planning consideration in park design. Decisions will need to be made based on committed programming for park spaces, and assessed over time as uses evolve.</td></tr>
</table>

Strategy No. 3

Case Study: Valparaiso, IN – Central Park Plaza

The City of Valparaiso, Indiana was successful in transforming a drive-thru ATM and blighted commercial property into a new outdoor civic space in the heart of their historic downtown. Through strong public private partnerships and innovative funding models it has succeeded financially while helping strengthen downtown as the central social district for the community.

The City created a public gathering space that is prominent, flexible, sustainable, and meets the needs of the modern user. The park has become a very important venue for a variety of informal and formal entertainment, while serving residents and visitors alike. City leaders are strategically savvy about building a strong "hospitality niche" in which Central Park Plaza is seen as an essential cornerstone. Restaurants and watering holes are the other key downtown components of this niche.

Valparaiso, a city with strong music and art programs, rallied support for a performance pavilion within the park. The pavilion anchors the park plaza, blending with downtown buildings and optimizing views across the open area for performances. Built with local brick and Indiana limestone, the pavilion includes public restrooms and a transit waiting area that was partially funded by a successful transit grant application. A grand pergola, walkways and open lawns, trees and rain gardens, seating, and a splash pad complete a list of the park's features. The park includes many sustainable design features.

Shopping opportunities are available at the Central Park Plaza Market two mornings a week, June through September. The Market offers fresh local produce, handmade products and beautiful plants and flowers. There are several in-event opportunities for people to be active, not just passive audience members. These seem to especially revolve around eating and drinking, like the Popcorn Festival, the Valparaiso Brewfest and the Valparaiso Wine Festival. CPP has also become a popular location for private events in which attendees might be active, such as weddings, parties, business meetings, church services, etc. These events provide rental income to support programming. Central Park Plaza is the site of events on 80 days during the year and last year they attracted about 130,000 people.

The park is deemed to be a success in that it draws people to the downtown and creates an incentive for them to stay, building a better quality of life and generating traffic for nearby businesses. This is certainly true during programmed events, but importantly, the park was developed with features that continue to draw people even when no activities have been scheduled. People living, shopping, and working downtown, as well as residents of the whole community may enjoy a variety of activities in the park.

Strategy No. 4: Expand upon existing gateways and wayfinding to foster a sense of entry and guide users to parking, anchor institutions, parks, and other features

The downtown district lacks a definite sense of entry from either Central Avenue or Veteran's Parkway. Additional landscaping and more prominent entry features can help to distinguish the district from the remainder of the strip. Additional signage is needed to direct people to key destinations in the downtown, especially when these are located off of Central Avenue.

1. **Improve gateways into the downtown.**

   Project Lead: City of Marshfield

   Timeline: Completed by 2020, as opportunities arise

Gateways play an important role in defining the character of a district and distinguishing it from the remainder of the city. A well designed gateway can help to signal that a district is worth stopping, instead of simply driving through or past it.

a) The wide street, considerable setbacks, and railroad corridor combine to make it difficult to distinguish the entry into downtown from Veteran's Parkway. Existing gateway features are difficult to notice. The placement and architecture of the new library addition will help to rectify this problem. Additional landscaping and signage, particularly on the north side of Veteran's Parkway, would be a further improvement.

b) Planned resurfacing of North Central Avenue may create an opportunity to install distinctive entry features. Options may include a center island or narrowing the street cross-section with bump-outs, on which gateway features can be installed.

c) Gateway features on South Central Avenue may be erected in concert with redevelopment of the frontage between 9th Street and 11th Street.

2. **Provide additional wayfinding to guide visitors to key downtown destinations.**

   Project Lead: City of Marshfield

   Timeline: Beginning in 2015

Marshfield currently has a signage program that provides some elements of wayfinding. A full wayfinding program is comprised of significantly more, creating a consistent identity reflecting the "brand" of the district, and simplifying navigation through cues that may include landscaping, street furnishings, lighting, architecture, gateways, and other features. It may even incorporate technology such as the Internet and mobile applications. The program should be designed for multiple travel modes and recognize distinct phases of travel such as planning, approach, entry, parking, and walking to the destination. Phases of a wayfinding development program include:

a) Inventory, map and assess the downtown visitor experience: patterns of approach, travel routes through the district, key destinations, visitor behavior, needs for information, existing wayfinding cues, brand and identity, marketing aspects, etc.

b) Prepare a comprehensive wayfinding plan identifying components and their locations, messaging, and a cohesive design approach. Integrate physical elements with web and mobile resources.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street, businesses	Wayfinding educates the public and enhances the functionality of investments the City has made in features of the downtown.
Customers	Residents, Shoppers, Visitors	Wayfinding simplifies navigation and makes the district more user-friendly.
Resources	Outside expertise may be needed to develop the wayfinding program. Funding will be required for its installation and upkeep.	
Learning and Growth	Wayfinding needs must be continually monitored to respond to change. Some elements of the program, such as web content or names of businesses may change, necessitating frequent updates.	

Strategy No. 4

Strategy No. 5: Foster high quality building design including renovations, infill, and redevelopment.

Main Street Marshfield has guidelines that were prepared more than two decades ago. These do not reflect many current practices or offer guidance on design approaches to bring more activity to the street.

1. **Update the design standards manual prepared by Main Street Marshfield to reflect more current standards for building design and landscaping.**

   Project Lead: Main Street Marshfield

   Timeline: 2016

The design manual should address historic rehabilitation, renovation on non-historic structures, and new construction. Landscaping recommendations should be included. The City may consider adopting the manual either as a guideline or requirement, in addition to Main Street Marshfield.

a) Confer with the Wisconsin Main Street Program to help identify issues within Marshfield that may be considered in and updated design manual, and to identify examples from other communities that can be used as a model.

b) Prepare an updated design manual.

c) Explore options for how the manual will be upheld, ranging from an advisory guide to a policy formally adopted by the City.

2. **Preserve historically and architecturally significant buildings while allowing for the adaptation or replacement of other buildings in the downtown.**

   Project Lead: City of Marshfield

   Timeline: 2017

Marshfield has a downtown historic district where preservation standards should apply, and historic preservation tax credits may be available to offset some costs of rehabilitation. More flexibility can be offered in outlying areas to allow modern architectural styles, a greater variety of materials, and creativity in both renovation and new construction. Main Street Marshfield and the North Wood County Historical Society are anticipated to play a significant role in this strategy.

a) Identify buildings where there is a preference for historic restoration as opposed to renovation or redevelopment.

b) Make available information concerning requirements for rehabilitation of historically-designated buildings, as well as state and federal tax credits that can allow owners to recover eligible restoration costs.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	Main Street, City, Building owners	Main Street and the City will benefit from a more attractive district and improved property values. Building owners will have more marketable buildings, but may be concerned about costs.
Customers	Tenants, Users of downtown	Downtown will be more attractive as a destination, and buildings will be better designed to showcase the businesses within.
Resources	Preparing design guidelines requires technical expertise that may not be available in-house.	
Learning and Growth	Current best practices have changes since the original design guidelines were created, and will continue to evolve.	

Strategy No. 5

3. **Promote an urban design character that supports a pedestrian-friendly business district.**

   Project Lead: City of Marshfield

   Timeline: Ongoing

All building design should follow recognized practices of having largely transparent façades, frequent openings, and quality materials that contribute to a district that is enjoyable to walk. Buildings that do not conform to these design standards may be targeted for renovation or restoration.

a) Inventory the downtown to identify buildings that do not meet the adopted standards.

b) Approach owners to explore options for renovation or replacement, utilizing incentives such as the City's façade loan program or tax incremental financing on large-scale projects.

4. **Use innovative approaches such as recessed façades, balconies, rooftop terraces, and temporary platforms to convert on-street parking (parklets) to create space for outdoor dining.**

   Project Lead: City of Marshfield

   Timeline: 2016 and ongoing

Downtown Marshfield is challenged by a wide four-lane highway and relatively narrow sidewalks that make it difficult to place merchandise or seating outside. Techniques such as recessed facades, fully-opening windows, second floor balconies, rooftop patios, sidewalk bump-outs, and temporary platforms are some approaches that have been used to create outdoor space when sidewalk space is limited.

a) Educate building owners and tenants about innovative building design practices that can create outdoor dining or sales space.

b) Identify regulatory barriers and other conflicts that may hamper the ability of building owners to create outdoor space using the approaches that are promoted.

c) Create a demonstration program for temporary curbside dining platforms.

5. **Promote continued rehabilitation of visible rear facades to create building entries and improve appearances.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

Marshfield has many parking lots on the back half of blocks fronting on Central Avenue. This exposes the rear façade, which if ignored may be unattractive, but if fixed up may be an asset to encourage people to take a more direct entry into the building. Rear facades fronting on the proposed Chestnut Avenue park may be of particular importance.

a) Identify priority locations for rear façade improvements. This may include sites like the block facing Chestnut Avenue, between 2nd Street and 3rd Street, that will be exposed to the proposed park.

b) Identify case studies, or examples where rear façade improvements have had a positive impact on the building, tenants, and community at large.

c) Work with property owners to encourage rear façade renovations on priority sites.

Strategy No. 6: Assess opportunities to incorporate sustainable design features into the downtown environment

As Marshfield continues to develop the district and its infrastructure, the City should monitor current best practices and opportunities to incorporate sustainable design features that can serve as demonstration projects, save city costs, and have positive environmental impacts. Examples may include installing LED lighting, promoting storm water infiltration, and specifying native plants in landscaping.

No specific recommendations are being made with regard to sustainable design. As public projects are considered in the downtown area, City staff and their consultants should review and consider available green technologies and sustainable design practices on a case-by-case basis to determine where they may be appropriate.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City	The City will want to look for long term savings as well as environmental stewardship.
Customers	Various users of downtown	Users will assess these features based on how well they serve and enhance the district.
Resources	Enhancements will generally be cost neutral, either directly or by offsetting other expenses. Features should be selected to minimize the need for additional staffing or maintenance.	
Learning and Growth	Learning is a significant requirement as staff may need to gain education concerning sustainability practices and users may need to learn how to interact with new features or practices. Performance should be monitored to determine if the techniques are suitable for replication elsewhere in the city.	

Strategy No. 6

Strategy No. 7: Foster redevelopment of priority sites through property assembly, site clearance, and developer solicitation.

Several priority sites have been identified that could be redeveloped to meet the anticipated demand for commercial and residential space within the next five to ten years. These are:

- **Columbia Park / Felker Brothers Redevelopment Area**

This site includes the Felker Brothers buildings, the block bounded by Chestnut Avenue, Arnold Street, Walnut Avenue, and Depot Street, and four homes on Arnold Street east of Chestnut Avenue.

- **Maple Avenue Redevelopment Site**

The Maple Avenue sites includes all of the parcels fronting the west side of Maple Avenue, between 5th Street and 6th Street.

- **South Gateway Redevelopment District**

This redevelopment area is a portion of what had been designated the gaslight district in the 2006 downtown plan. It includes the commercial frontage on the west side of Central Avenue between 9th Street and 11th Street, as well as the commercial or industrial parcels on the south side of 9th Street.

- **News-Herald Redevelopment Site**

The City of Marshfield acquired this property on the northeast corner of Chestnut Avenue and 3rd Street in 2015. This plan recommends that the site forms part of a larger park meeting the longstanding needs of a central gathering place in the downtown. If that does not occur, the site would best be redeveloped with a mixed use building, having office or other commercial space on the ground floor, and residential units above.

The City and its partners can take an active role in promoting these redevelopment opportunities. A greater level of detail concerning these sites and redevelopment concepts is provided in Appendix C – Redevelopment Sites.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Property owners	City concerns will include blight elimination, growing the tax base, and fostering new business and residential growth. Property owners will be concerned with displacement or profitable redevelopment.
Customers	Residents	Residents will have a more attractive downtown and new choices for housing or businesses.
Resources	Redevelopment is likely to require city participation. Staff time and even outside expertise may be required to initiate and execute redevelopment projects. Financial commitments may come in the form of TIF, state grants, or other sources.	
Learning and Growth	Staff may need to gain specific expertise to facilitate projects. The public may benefit from education about the redevelopment process and the City's role in promoting it. Successful redevelopment projects will demonstrate market demand to spur additional private investment.	

Strategy No. 7

1. **Work with property owners to acquire priority development sites and recruit developers to these opportunities.**

   Project Lead: City of Marshfield

   Timeline: Ongoing

   Many Wisconsin communities have been working proactively to spur on redevelopment by acquiring targeted properties and soliciting development proposals consistent with concept plans for the site. This would be a new role for Marshfield.

   a) Prepare redevelopment concepts for targeted sites. Depending on the scale of the project, these may go beyond the recommendations in this plan. This concept plan will guide potential developers as to the character of uses, density, site planning, and design that the City expects of any redevelopment proposal.

   b) Secure property control through either direct acquisition or option to purchase. Site control is necessary to effectively negotiate with potential developers.

   c) Solicit development proposals through a request for qualifications or request for proposals.

2. **Promote restoration and adaptive reuse of existing historic buildings as opportunities arise.**

   Project Lead: City of Marshfield

   Timeline: Ongoing

   Demand for residential units and commercial space may be met through the renovation and adaptation of underutilized buildings in the downtown, such as the St. Vincent DePaul building or the Weinbrenner Shoe Factory. As these opportunities arise, the City should review proposals and consider appropriate actions to encourage quality projects.

   a) Meet with the owners of buildings with potential for renovation. Provide information about the available market for uses and programs to assist in recovering a portion of redevelopment costs.

   b) Provide appropriate assistance (financial or technical) to help owners carry out renovations.

3. **Transition industrial sites in the downtown area to commercial, residential, or mixed uses as the current occupants vacate space.**

   Project Lead: City of Marshfield

   Timeline: Ongoing

There are several industrial uses located in the downtown or in adjacent neighborhoods. The City will not seek their removal, yet at the same time, must be prepared to seize upon opportunities to transition these uses as they depart. Sites might be considered for redevelopment or renovation, depending on the buildings on the site.

a) Annually meet with the property owners or operators of businesses at targeted sites, to ascertain their future plans for the business and site.

b) On a case-by-case business, consider acquisition of properties as they become available. It may be in the City's best interests to acquire smaller properties until several can be assembled into a larger site that can be offered for redevelopment.

c) Provide appropriate levels of financial or technical assistance to support redevelopment projects.

4. Continue policies that review parking needs with each new proposed development project.

Project Lead: City of Marshfield

Timeline: Ongoing

The City has adopted policies that review parking needs of any new development or redevelopment project in the downtown. Projects with a significant impact on parking requirements may be obliged to provide private parking meeting some or all of the newly generated need, or the City may need to consider providing additional public parking.

Strategy No. 8: Encourage renovation of existing owner occupied and rental housing within the central neighborhood.

Downtown Marshfield and the surrounding neighborhoods should be perceived as a desirable location to live. For this to happen, the City will need to partner with owners to rehabilitate deteriorating units, encourage conversions to owner occupied units, and develop a mix of new housing.

1. **Eliminate the requirement for a downtown residential parking permit.**

   Project Lead: City of Marshfield

   Timeline: One to two years

   Residents of the downtown are currently required to purchase an annual parking permit if they leave their vehicles overnight in public lots. This is an added cost of living in the downtown that puts downtown apartments at an additional disadvantage relative to apartments elsewhere in the city. Eliminating the requirement will help downtown units compete for tenants.

   a) Identify alternative approaches to managing resident parking in the downtown. This might involve designating specific parking lots or stalls within lots for long term parking, allowing overnight parking in different lots on different nights, or other strategies.

   b) Assess the potential to phase out the requirement for parking permits. This added cost is a disincentive for people to live in the downtown.

2. **Prioritize redevelopment, infill, and renovation over adding second floor units in Central Avenue commercial buildings.**

   Project Lead: City of Marshfield

   Timeline: Ongoing

   Several of the buildings on Central Avenue have vacant second floor space that could be converted to offices or apartments. While residential units can be developed, the challenges of parking, potential conflicts with ground floor uses, and desirability of creating upper level offices to preserve space on the ground floor for retain and dining, suggest that residential conversions should not be actively promoted.

   a) Inventory unused upper level space in the downtown to assess the potential for conversions.

   b) Provide information to owners about market opportunities and requirements, particularly with regard to creating office space.

3. **Create programs to encourage renovation and conversion of substandard rental properties to owner occupied housing.**

   Project Lead: City of Marshfield

   Timeline: One to three years to develop, then ongoing implementation

   As also recommended in the 2014 Marshfield Housing Study, the City should develop incentive programs to assist in rehabilitating housing in the central area.

   a) Examine available funding sources along with successful programs adopted in other communities, with an emphasis on converting rental properties to home ownership, and targeting market rate housing.

   b) Conduct an analysis of upper level living units in the downtown, and a study of parking available to these units.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City	Any investment of public funds will need to demonstrate clear impact on the quality of the neighborhoods.
Customers	Residents, Property owners	Residents will look to the quality of neighborhoods once programs have been put in place. Property owners will consider the value of any programs, and whether they are an adequate incentive.
Resources	Both a funding and staff commitment are necessary. Staff will be required to design, market, and administer the program. Funding is required to offer incentives. Some outside funding, such as competitive CDBG-Housing grants are available but will be limited to benefitting lower-income households.	
Learning and Growth	Staff may need education about housing programs and training to administer programs such as CDBG-Housing. The City will need to track activity under any program it creates to assess impact and consider modifications.	

Strategy No. 8

Strategy No. 9: Promote restoration and adaptive reuse of key historic buildings as opportunities arise.

The downtown includes a National Register historic district along with many other buildings eligible for listing. Where enough of the historic fabric exists, these buildings may be restored to their historic character.

1. **Create an inventory of downtown buildings that are eligible for listing on the National Register of Historic Places.**

   Project Lead: Main Street Marshfield

   Timeline: 2016

The North Wood County Historical Society should be a partner in this initiative.

a) The City of Marshfield has an historic building survey that can be updated to assess existing buildings in the downtown area.

b) Determine individual buildings where preservation is a preferred option. Not every old building is significant enough to merit preservation. New buildings in the downtown core should be designed to blend in with historic buildings, but more design flexibility can be provided elsewhere.

2. **Provide information and technical assistance to owners of targeted historic properties to assist them in planning and conducting restoration activities.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

a) Consider programs to help historic building owners, such as providing technical assistance to apply for preservation tax credits.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street Marshfield, Building owners	The City and Main Street will realize a benefit from improved buildings and history that is preserved. Building owners will see an increase in value and revenue streams from the building.
Customers	Residents, Users of downtown	Residents will appreciate historic preservation and the improved appearance of buildings, that may help to attract new businesses.
Resources	This will require a commitment of staff time and expertise, along with the potential for some funding.	
Learning and Growth	Some technical knowledge may need to be acquired. As local knowledge of preservation and techniques grows, subsequent projects can be easier to implement.	

Strategy No. 9

Strategy No. 10: Establish a core retail area within the downtown, on both side of Central Avenue, from 6th Street north to Veteran's Parkway.

A critical mass of businesses are needed to cultivate a successful retail district. Residents and business owners have both noted that the downtown recently supported a greater number of retail businesses, but that a growing number of storefronts are now occupied by nonretail uses. Several actions may be considered to discourage uses other than retail and dining, which supports a destination district, from taking up space in the core downtown.

1. **Recognize the core retail district on both sides of Central Avenue, from 6th Street north to Veteran's Parkway. Educate property owners and business owners about the importance of maintaining a critical mass of retail and closely related businesses, if the district is to remain a specialty retail destination.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

2. **Alternative approaches can be used to discourage uses other than retail and dining from occupying space in the core area. Together with initiatives to recruit retail and dining businesses, some combination of the following approaches may be considered.**

   Project Lead: Main Street Marshfield / City of Marshfield

   Timeline: Ongoing

a) Where particular buildings are considered vital to supporting the specialty retail environment, consider acquisition or enter into leases with the right to sublease the space. Main Street Marshfield's 501(c)3 designation may make it the appropriate organization to take on this role. Ownership or control of the lease will prevent inappropriate uses from locating in the space and will provide time to secure an appropriate tenant.

b) The zoning code may be amended to make uses other than retail and dining a conditional use, establishing the opportunity for the plan commission to reject other used where their concentration may have an adverse impact on the retail district as a whole.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Property owners, Retailers	The City has an interest in preserving downtown as a specialty retail district, but will have concerns about the potential impact on property owners. Some property owners will be concerned about limiting opportunities to lease buildings. Retailers will realize a benefit by having a greater concentration of like and contributing businesses in the district.
Customers	Residents, Visitors, Business patrons	Sustaining a vibrant retail environment and attracting additional restaurants are high priorities of most residents. Visitors and customers will be attracted by a greater number of these businesses.
Resources	Financial commitments may vary considerably based on the approaches taken.	
Learning and Growth	It is important to track the downtown business mix over time, to develop an accurate understanding of how it is transitioning. Mapping these uses will help to assess where retail and dining are concentrated, and where other uses may be disrupting the district.	

Strategy No. 10

Strategy No. 11: Continue and expand upon existing efforts to retain, expand, and attract new businesses to the downtown.

The market analysis demonstrated solid demand for additional retail, dining, and office uses that can be located in the downtown district. Current efforts to recruit new businesses can be targeted to the sectors that have been identified. It is equally important to work with existing businesses to help them increase profitability and plan for major changes.

1. **Work with businesses to improve their online presence.**

   Project Lead: Main Street Marshfield

   Timeline: Immediate and ongoing

It is critical for businesses to have a strong online presence if they are going to attract customers, retain them, and grow sales. It is not uncommon for the successful independent businesses to get a significant share of their sales through the internet. In addition to being transactional, businesses should be managing their presence on sites such as Yelp, Expedia, Foursquare, and other directory and rating sites.

a) Conduct an internet search for businesses in the downtown district. Assess their own managed presence through business web sites and social media sites. Evaluate business ratings on sites such as Yelp, Google, Urban Spoon, and Trip Advisor.

b) Identify priority needs in terms of business online presence training. Prepare case studies of businesses that have realized a substantial benefit from web marketing or sales.

c) Develop training programs that may include class sessions or one-on-one training, depending on the subject matter.

2. **Encourage new eating and drinking establishments to locate within the downtown and create the conditions that support a quality dining experience.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

The market analysis demonstrates the potential for new eating and drinking places in the downtown. These businesses draw visitors on their own, and have a symbiotic relationship with specialty retail that helps to extend the length of stays in the district.

Detailed recruitment strategies are enumerated in Appendix E – Business Development Strategies.

3. **Monitor, and if appropriate, promote the opportunity to develop a new hotel in the downtown.**

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street	These organizations desire a strong downtown business community to maintain the district's economic and social vitality.
Customers	Businesses, Property owners, Residents, Visitors	A broad selection of desirable businesses provides interesting shopping, quality dining, and necessary services to residents and visitors. Quality businesses pay good rents to building owners, who in turn maintain and improve their buildings. Businesses benefit from a critical mass of like businesses that makes the district a destination for customers.
Resources	This activity requires a substantial commitment of time, along with some level of financial resources.	
Learning and Growth	Staff must have an understanding of business location principles and attraction techniques, which may be acquired through training. Continued implementation will help to identify the most effective techniques for Marshfield's particular circumstances.	

Strategy No. 11

   Project Lead: City of Marshfield

   Timeline: Ongoing

The Convention and Visitor's Bureau and Main Street Marshfield are important partners in this task. A new hotel can be successful in Marshfield. There are at least two viable locations where it could be sited in downtown redevelopment areas.

a) Regularly confer with Convention and Visitor's Bureau staff concerning the need for an additional hotel to meet demand and expectations.

b) Discuss the potential market for a new hotel with the owners of sites deemed best suited for the use.

c) Include discussions with hotel operators when the City or Main Street staff participate in activities such as ICSC's Dealmaker events.

4. **Support new office development through conversion of the upper levels of buildings in the retail core, renovation of other buildings in the downtown, and new construction on infill or redevelopment sites.**

   Project Lead: City of Marshfield

   Timeline: Ongoing

There is demand for additional office space in the community, and a portion of this can be located downtown. It is preferable to locate this use outside of the core retail and dining district, either on the upper levels of Central Avenue buildings, or on side streets.

a) Downtown is a viable, and often highly desirable business location. Downtown buildings and sites should be marketed and recommended to businesses recruited by City and regional economic development staff, where the use is appropriate. A downtown location can offer many advantages not available in a business park.

b) On a long term horizon, consider the development of a high quality mixed use district between Chestnut Avenue, Veteran's Parkway, 2nd Street, and Steve J. Miller Park. This district may contain a combination of offices and residential units in single- or multiple-use buildings.

Strategy No. 12: Establish a management structure to implement the downtown plan.

A management structure is necessary to coordinate the activities of multiple partners, to maintain progress on initiatives in the plan, and to consider responses to changing conditions within the district or the broader economy.

1. **Define roles for City, Main Street Marshfield, Marshfield Area Chamber of Commerce and Industry, and others involved in downtown activities.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

   Plans are more likely to be implemented when responsibilities are clearly known and accepted. This plan assigns the lead responsibility for implementing each project or initiative. As the plan is implemented these responsibilities should be reviewed, and a lead organization should be assigned to new initiatives that arise due to changing conditions.

   a) Assignments are flexible and not limited to what is in the plan. Roles may change over time depending on issues like technical ability and the resources available. Assignments should be reconsidered as necessary.

2. **Establish a downtown management team to coordinate plan implementation activities.**

   Project Lead: Main Street Marshfield

   Timeline: Immediate

   The plan management team will consist of key staff representing organizations with large roles in implementing the plan. At a minimum, it will include staff from the City of Marshfield, Main Street Marshfield, and the Marshfield Area Chamber of Commerce and Industry.

   a) Review the composition of the team periodically to consider whether other organizations may need to be represented, based on the projects being executed.

3. **Adopt a process for periodic plan review, coordination, and adaptation.**

   Project Lead: Main Street Marshfield

   Timeline: Immediate and ongoing

   a) Conduct regular meetings of the downtown management team to share information, coordinate activities, and discuss emerging opportunities, trends, etc.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street, partners	There is a shared desire for a plan that results in action, rather than "sitting on a shelf". The management structure helps to ensure that the plan's recommendations are acted upon.
Customers	Investors in downtown revitalization	A well designed, coordinated downtown revitalization effort will produce results, demonstrating progress that will sustain interest from supporters, volunteers, and the general public.
Resources	A minimal staff effort is required to periodically review, discuss, and coordinate revitalization activities.	
Learning and Growth	As priorities shift, capabilities or resources expand or contract, some initiatives are completed while other arise, it may be necessary to shift roles and adapt to new approaches.	

Strategy No. 12

b) Conduct an annual review of progress in implementing the plan, assessing whether targets have been met, considering possible changes to the plan, and identifying needs for the upcoming year. This should occur prior to the City and Main Street Marshfield' annual budgeting meetings.

Strategy No. 13: Assess needs for revitalization tools and programs to revise existing programs and establish new ones.

Tax increment financing is the City's primary tool for funding revitalization. The current district covers much of the downtown and will have its spending window close in 2018. The City and its partners should consider alternative approaches that may be used to fund future initiatives. The City has already established a downtown business improvement district.

1. **Create a blue ribbon panel with representation form elected officials, downtown advocates, and persons with relevant technical knowledge to examine funding mechanisms for downtown improvements and ongoing operational funding.**

   Project Lead: Main Street Marshfield

   Timeline: 2016

   a) This panel may examine approaches used in other communities and call on outside expertise to present ideas.

   b) Develop a multi-year funding strategy to ensure continued momentum for downtown revitalization.

2. **Carry out steps necessary to secure funding streams identified by the panel.**

   Project Lead: TBD

   Timeline: TBD

   These tasks will be determined through the outcomes of the process.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street	These organizations need to understand options and locate stable funding for revitalization initiatives.
Customers	Residents, Businesses, Property owners	These and other stakeholders will be called upon to provide support through taxes, special assessments, or contributions. Clearly identifying uses and demonstrating positive outcomes will earn support.
Resources	Staff support will be required to coordinate activities and locate appropriate experts t assist in the work.	
Learning and Growth	This task is generally a learning effort aimed at understanding the community's long term options for funding its downtown programs and initiatives.	

Strategy No. 13

Strategy No. 14: Market downtown as a destination for local shopping, unique products, quality dining, entertainment, and an active environment.

Downtown Marshfield has more specialty shops, more retail square footage, and more dining establishments than Marshfield Mall (Shoppes at Wood Ridge). The district and community should recognize this fact and downtown should be similarly marketed as the premier destination district in the city.

Additional information concerning marketing is found in Appendix E – Business Development Strategies.

1. **Implement a comprehensive marketing campaign for the downtown district.**

   Project Lead: Main Street Marshfield

   Timeline: Immediate and ongoing

a) Marketing should be targeted to the primary and secondary trade areas identified in the market analysis. Additionally, tourism marketing should feature the downtown prominently.

b) Develop a unified message and look to all marketing materials to reinforce the district's brand. Ensure that the Main Street Marshfield web site is listed to direct people to additional information about the district.

c) Promote historic tourism in the downtown.

d) Track the impact of marketing investments to determine their impact.

e) A diverse set of marketing approaches can be considered to target different audiences or promote different activities.

- *Printed materials.* Printed items may include brochures, flyers, posters, mailings, or similar pieces, and are usually targeted to a single purpose or activity, such as a business directory, downtown guide, or event poster.

Downtown information should be provided to area hotels and made available in every room to encourage visitors to shop and dine downtown.

- *Novelty items.* Key chains, balls, magnets, and other small promotional devices are an excellent tool to help promote the district or specific activities. These may be printed with the downtown website and additional information, such as the dates of major events.

- *Media advertising.* Radio, magazine, and newspaper advertising can be the largest marketing expense. Investments in advertising should prove their return if they are to be replicated. Some organizations have created cooperative marketing programs that share advertising between the downtown organization and businesses that contribute funding.

- *Web strategies.* The downtown needs to maintain an up-to-date web presence through its web site and social media.

- *Mobile application.* Mobile applications can be used to help drive traffic to the district. They can provide information such as business directories or historical information, assist in general navigation or to find businesses and parking, can provide tracking information to gather customer insight, and push marketing messages to potential customers. As an example, a person using a mobile application may elect to have a list of lunch specials sent to them every weekday.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	Main Street	Limited marketing dollars call for careful decisions on marketing approaches, based on their effectiveness.
Customers	Businesses, Customers	Businesses are investors and partners in marketing and will measure value by how well these efforts work at bringing customers into the district. Customers want to receive the information they want at the time they want it and in the format they want it.
Resources	This task requires staff time and expertise, supplemented by outside expertise such as graphic design capabilities. There is a need for ongoing funding of marketing.	
Learning and Growth	Marketing must be tracked to determine effectiveness and maximize the return on resources. Many downtown programs learn about new techniques through other downtown organizations and state Main Street staff.	

Strategy No. 14

Strategy No. 15: Collect information to monitor visitation, visitor patterns, business mix, program participation, and other data concerning the district.

Tracking information over time is essential to understanding the impact of programs and initiatives carried out by the City, Main Street Marshfield, and their partners. This information can be used to demonstrate progress, evaluate the effectiveness of programs, and fine tune marketing, as well as for other purposes.

1. **Develop a program of surveys to get stakeholder feedback.**

   Project Lead: Main Street Marshfield

   Timeline: Immediate and ongoing

Surveys can be an effective tool to gather information and to assess perceptions. Surveys can be easily conducted online using applications such as Constant Contact, at a cost of less than $200 per year.

a) Business surveys can gather information about the impact of activities on sales by asking questions such as whether the business saw an impact on sales (percentage difference during an event or change in sales over the same day in the prior year, etc.), or how the owner perceived a change in customer traffic.

b) Customer surveys can ask questions like:

- Was the customer aware of a particular ad campaign and did it influence their decision to shop in the district?
- Did the customer visit businesses or make purchases during a particular event?
- How often, and in what format does the customer prefer to receive information about the district?

2. **Track internet marketing metrics**

   Project Lead: Main Street Marshfield

   Timeline: Immediate and ongoing

Internet-based marketing is relatively easy to track using industry standard measures. A tool such as Google Analytics should be built into the web site to enable more effective tracking of hits.

a) Web site traffic can be measured using several metrics. These include the number of unique visitors, total page views, and bounce rate (the number of people immediately leaving after landing on the site).

b) Social media metrics include the number of followers, likes and shares on posts, and comments.

c) Email campaigns are easily measured using metrics such as the percentage of emails opened and the click-thru rate to links provided in the email.

3. **Evaluate the benefits of developing a mobile application for the district.**

   Project Lead: Main Street Marshfield

   Timeline: Immediate and ongoing

Emerging mobile technology presents some unique means of collecting data. Proximity sensors (such as i-beacons) can detect when a person with the appropriate mobile application passes a specific site. In addition to collecting data to help measure visitation, the application can push targeted marketing messages to that person's smart phone.

4. **Work tracking approaches into advertising campaigns.**

   Project Lead: Main Street Marshfield

   Timeline: Immediate and ongoing

Response rates to a call for action. Many advertising campaigns are designed to prompt a potential customer to take a specific action. For instance, the marketing may ask a customer to bring a coupon in to be redeemed, visit a web site, etc. Counting how many people take this action provides a measure of market penetration for the campaign.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street	This information is needed to measure return on investment.
Customers	Businesses, Downtown supporters	By demonstrating a good return and the commitment to measure program effectiveness, value is created and a case can be made for investment.
Resources	Staff commitment is necessary both to plan and put mechanisms in place for data collection, and to gather and analyze information. A minimal financial commitment will be needed.	
Learning and Growth	Some training may be required to build the capacity to gather meaningful data.	

Strategy No. 15

Strategy No. 16: Evaluate existing events, and assess new activities that will draw people to the downtown, and Increase programming to bring more people downtown.

Interest in particular events may grow or decline over time. Organizations should not be committed to hosting any event without understanding if it is widely desired, achieves expected outcomes, or may be less favored than other activities. By monitoring and assessing each event or activity, Main Street Marshfield or others will be in a position to objectively decide if that event should continue. At the same time, the organizations will want to evaluate ideas for new events or activities that can have significant impact.

Follow a practice of evaluating events and activities immediately after they are conducted, using feedback gathered from people attending. Identify if changes can be made to improve the activity. On an annual basis, consider whether particular activities or events should be replaced with potentially more effective ones.

Project Lead: Main Street Marshfield

Timeline: Immediate and ongoing

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	Main Street	Events require a substantial commitment of time and should have a commensurate impact.
Customers	Residents, Visitors, Businesses	Residents and visitors will be attracted to events that can offer interest. Businesses will look to additional customer traffic as a means to determine if the event is successful.
Resources	Staff and volunteer time commitments are substantial. Costs may be significant, although some types of events may produce income.	
Learning and Growth	Other communities should be monitored to understand trends and get ideas from successful programs. Events should include a strategy to get feedback from people attending.	

Strategy No. 16

Strategy No. 17: Establish the district as a regional center for arts, culture, and entertainment.

Downtowns often play a role as the cultural center of the community, housing activities such as museums, theaters, and galleries. This is true in Marshfield, where the library, Chestnut Avenue Center for the Arts, Rogers Cinema, and Upham Mansion are all in the downtown. Arts, cultural activities, and entertainment will draw people to a location. By building on these resources, Main Street Marshfield, the City and their partners will bring additional patrons to the downtown, benefitting shops and restaurants in the district.

1. **Continue ongoing programs that promote the arts, and cultural activities within the downtown district.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

Public art installations and cultural programs can have a positive effect on the image of the district. Promoting the area arts with a goal to retain or create business clusters from them is a win-win strategy. The arts can celebrate industry and creativity, attract visitors, and become a magnet for regional income. Arts, cultural, and historic organizations in the area will be key partners in this effort.

a) Look to establish key streetscape enhancements using art within area cultural themes, such as the city's railroad history.

b) Many communities have established a goal to add a new installation every year. This might begin with a project to install small pieces throughout the downtown, and then move to larger art pieces such as murals, historical place markers, educational pieces about the history of buildings, and reenactments. While many of these may be public, private property owners can also install art on their buildings that adds to the atmosphere of the district.

2. **Make the preservation and presentation of culture and history as an important role for the downtown district, and for its connection to business development.**

   Project Lead: Main Street Marshfield

   Timeline: Ongoing

The cultural arts have been a success in Marshfield. Continued celebration of the railroad as a creator of the community has been very successful, and led to preservation of the depot and the Thomas House. Many of the industrial businesses located in Marshfield have ties to the railroad for lumber and steel resources.

a) Expand upon the popular Hub City Days theme as a component of a comprehensive business and quality of life strategy.

PERSPECTIVE	INTERESTS	CONCERNS
Stakeholders	City, Main Street, Sponsors	Businesses, property owners, and others may be sponsors of art installations or activities.
Customers	Residents, Visitors,	Arts, culture, and entertainment improve the quality of life and attract visitors.
Resources	Consistent funding is needed to offer programs and install art works. Staff time is needed to coordinate activities.	
Learning and Growth	Activities should be evaluated to identify what is having the greatest impact on business vitality and visitation.	

Strategy No. 17

MARSHFIELD

DOWNTOWN PLAN

PART TWO: MARKET ANALYSIS

CONTENTS

HOUSING MARKET

Marshfield will continue to grow slowly through the next decade. A combination of additional residents, shrinking household size, and moves to different housing will create a demand for new owner and renter occupied units. The downtown and adjacent neighborhoods should be considered a priority location for a portion of this new housing, including owner occupied townhomes and condominiums, apartments targeting the region's growing elderly population, and market rate rental units.

HOUSING NEEDS ANALYSIS

Marshfield completed a housing study in April of 2014. The results of this analysis are generally consistent with the findings of that study, adding additional detail concerning demand, and specific analysis of the downtown area.

The *2014 Marshfield Housing Study* made several observations concerning the market, and having a bearing on the downtown area.

Marshfield has a significant shortage of condominium units, which may be a viable target for downtown housing development.

- There are 152 condominiums and 18 townhouse units in the entire city, representing only about two percent of the total number of units. This is about half the rate typical of Marshfield's peer cities. The study identified a need to provide additional townhome and condominium units to meet market demand. According to the survey conducted for the study, 11.5 percent of households would consider purchasing a condominium.
- The average single family home had a 2013 value of $129,033, while the average sale price of homes on the market was $121,868. There are a large number of lower-valued homes in the city, concentrated in the central area. These are often older homes that may need work, and lower-valued homes are often converted to rentals.
- A significant amount of the city's housing is old, with 34 percent of owner occupied housing constructed prior to 1939, and 52 percent of all multifamily housing built by 1980. While the study notes that age can be an indicator of the need for maintenance, it is also true that older housing may not meet modern desires concerning layout (all on one floor and open floor plans) or amenities (large rooms, attached garages, etc.).
- Renters have expressed concerns about the quality of many units on the market, and the study identifies a concern with some of the older single family housing that has been converted to rental units. At the same time, it notes that there is a "rent gap" with few higher-end rentals over $1,000 per month. Only two percent of the city's rental units fall into this price range, versus eight percent in peer communities. Just four percent of households renting in Marshfield pay $1,000 or more per month, while one in five renting households has an income in excess of $50,000 and can afford to pay more. This is eight percent of the market.
- There have been an average of 3.3 new multifamily units added in each year of the past decade (2004 to 2013), while the average was 9.2 in the prior decade (1994 to 2003). Several of the housing needs itemized in the study related to rental housing.
    - There is an inadequate supply of short term rentals.
    - There is an inadequate supply of pet-friendly rentals.

- There is an inadequate supply of acceptable rental units at the lower end of the rent scale.
- There is an inadequate supply of higher-end rental units.

DOWNTOWN AREA HOUSING

The central part of Marshfield reflects the conditions noted in the housing study. Available data was collected for an area bounded by 14th Street on the south, Oak Avenue on the west, Doege Street to the north, and Vine Street on the east. This area has a greater concentration of multifamily housing as well as rentals. Housing stock is generally older. While this includes some nicely restored Victorian and revival style homes, it also includes many nondescript properties that have not been as well maintained or updated to modern standards.

Demographically, the central area tends to be younger than Marshfield as a whole, with a median age of 37.1 years, compared to 41.3 years for the city. It is also poorer. At 1.94 persons, the average household size is slightly smaller than the 2.1 person average in the city. The area's median household income of $31,979 falls well below the city median of $40,570, as does the per capita income ($18,495 versus $25,989 for the city).

Vacancies are more common than elsewhere within the city. Citywide, 0.6 percent of owner occupied units are vacant, and 3.9 percent of rentals. The overall vacancy rate in the downtown area is 9.7 percent, or 164 units. This may be an indication, as the *2014 Marshfield Housing Study* observed, that some older and lower-priced units have very little appeal to buyers or renters.

MARSHFIELD'S CENTRAL AREA

Population	2,969
Median Age	37.1
Households	1,534
Avg. Household Size	1.94
Median Hhold Income	$31,979
Per Capita Income	$18,495
Housing Units	1,698
Owner Occupied	697 (41.0%)
Renter Occupied	835 (49.2%)
Vacant	164 (9.7%)
Detached Units	46.5%
Multifamily Units	53.5%

GENERAL MARKET TRENDS

Changing generational preferences are impacting housing markets in large and small communities across the country. This starts with the Silent Generation born during the Depression and World War II years. Now in their 70's and older, they have proven to be less likely than their parents to move to places like Arizona and Florida. As they tend to be more affluent than other generations, they have traded up to larger housing, and may now seek to move into housing (such as condominiums) that is easier to maintain and designed for people who have mobility concerns.

The Silent Generation and those that follow have an expectation and desire to remain active and independent well into their old age. An ever greater number will live well into their 80's and beyond, and the ranks of the very old will continue to swell. By 2025 the first of the Baby Boomers will reach the age of 80. Driven by a need for greater levels of assistance and proximity to services, these older households will be inclined to move from rural areas and outlying communities to urban centers such as Marshfield, that can better meet their needs.

As already mentioned, the Baby Boomers are aging. Half have already reached retirement age, yet they are more likely than prior generations to keep working beyond the age of 65. At this time they are still occupying suburban single family homes, but show more of an inclination than prior generations to choose condo living and to select a mixed use neighborhood. Each successive generation shows a greater propensity to select this type of neighborhood (though still a minority of the total).

Generations X and Y are presently the prime market for purchases of new and existing homes. Economic realities – these generations may not be as well off as preceding ones - and housing preferences may drive many of these households

The Aster is a senior apartment community (and adaptive reuse project) in downtown Marshfield.

away from large homes on large lots. Active lifestyles and limitations on time are significant factors in the selection of housing. All of these considerations may result in increased demand for condominiums, townhomes, and detached housing in places that have immediate access to amenities that are desired by these buyers.

Millennials are just entering the housing market, and many are staying within their parents' households well into their adult years. This is partly for economic reasons, as they entered the workforce at the height of the recession and are likely to carry significant student loan debt. When they do venture out to establish their own households, they are looking for housing in neighborhoods close to they activities and social life they value.

Aside from generational issues, the market is still impacted by the Great Recession and the new economic realities resulting from it. The housing crisis coinciding with the recession wiped out $16 trillion in household wealth that many middle and lower income households have not recovered. Income growth has been stagnant for some time even before the recession, and many households have experienced a net loss in income due to job losses or pay and benefit cuts that have not been restored, affecting purchasing power as much as the loss of savings and equity.

Americans remain skeptical about the market's recovery, despite data showing improvements in common housing market statistics. One quarter of Americans, both renters and owners, feel less secure in their housing situation than they did prior to the recession. Employment volatility is at the heart of this concern. In addition to traditional job insecurity, nearly a third of the workforce is expected to be working independently by 2020, as freelancers, independent contractors, and self employed business owners.

The resulting picture is one in which households may not be able to spend as much on housing as before the recession, financing may be more difficult for some to obtain, home ownership may be seen as an impediment to the mobility required for frequent job changes, and ownership has lost some of its luster as a means of building wealth. On the other hand, there is an increased interest in renting and improved perceptions of renters. Even among existing homeowners, nearly half expect to rent at some point in the future.

MARKET DEMAND

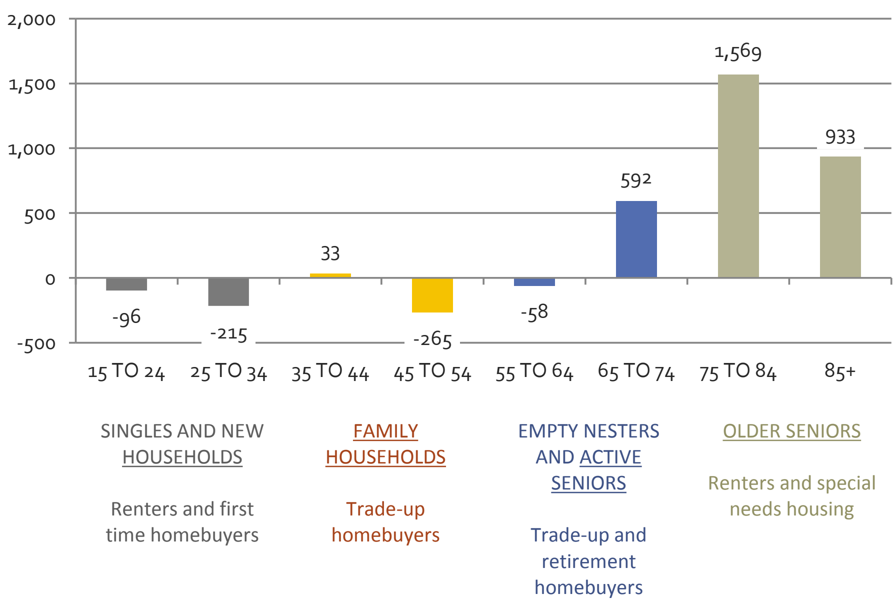
There is a strong demand for new housing in the City of Marshfield, and a significant part of that demand could be met within the downtown area. The following methodology was used to estimate market demand.

- Population estimates and forecasts were generated using a cohort-component method, based on Census data and using local constants for fertility, mortality, and migration rates.
- Age-specific rates of household formation, income distribution, and tenure were applied to generate estimates of households and household demographics. Income has been adjusted for expected inflation in the forecasts.
- The distribution of households by housing preference (condominium, townhome, or single family home) was estimated using homebuyer profile data from the National Association of Realtors. Purchase price and rent were calculated assuming a maximum of 35 percent of household income allocated to housing cost.

It should be noted that the projections created for this analysis show an increasingly aging population within the City of Marshfield. The estimates are very consistent with those adopted by the City in its Comprehensive Plan. In contrast, the Wisconsin Department of Administration projects that the city will lose population over the coming decade.

Marshfield's housing market will be heavily influenced by the growth of an older population. The number of people in each age grouping below 55 years will remain more or less constant, however, there is strong growth among the older age brackets. This is most notable in the population of persons aged 85 or older. A combination of factors are in play here, including larger numbers of people in these groupings (the Baby Boom Generation), and increased longevity. Most significantly for Marshfield, though, is a large number of older households (headed by a person 55 or older) who are moving into the city.

PROJECTED CHANGE IN HOUSEHOLDS BY STAGE



Nearly all of the growth in demand for new rental and owner occupied housing will be generated by households headed by a person 65 of older.

The city is expected to add an average of 190 new households per year over the coming decade, evenly split between renters and owners. Including existing households that move, there are estimated to be 280 to 294 home purchases per year. Any new detached units will need to compete with the city's existing housing inventory for a segment of the market. Alternatively, there is very little existing competition for households that seek to purchase townhomes or condominiums. Demand for these units is estimated around 50 units per year.

ESTIMATED ANNUAL HOMEBUYERS BY PROPERTY TYPE

TYPE	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Detached	215	217	219	221	222	224	225	226	226	226	226
Rowhouse	22	23	23	23	23	23	23	23	23	24	24
Condo (5+)	20	20	20	20	20	20	20	21	21	21	21
Condo (2-4)	6	6	6	6	6	6	6	6	6	6	6
Other	20	20	20	20	20	20	20	21	21	21	21

There have been six to eleven condominium sales in each of the last three years, yet the figures above clearly demonstrate potential demand for a much larger number of units. This signals a mismatch between demand and supply, as there are relatively few condominiums available within the city, and fewer than are found in comparable communities. Particularly as the population continues to age, demand for this type of housing can be expected to remain strong, due to its ease of maintenance and greater likelihood that all living areas are on a single level.

Approximately one quarter of all buyers will be searching for a home priced under $100,000, and another quarter will be looking in a range from $100,000 to $200,000. This demand is mostly met by existing housing found throughout the city, with the lower priced homes concentrated in the central area. The *2014 Marshfield Housing Study* discusses concerns about the quality of some of this housing, and recommends programs to assist homeowners with upgrades. A transition in ownership is often an opportunity to leverage these programs with homeowner or buyer investments, and could have positive impacts on the downtown area's residential environment.

Marshfield's landlords have targeted the low and moderate rental range, leaving a gap for quality units commanding higher rent. Eighteen percent of the market can afford $1000 or more per month, but only four percent of the supply is priced at this level.

ESTIMATED HOME BUYERS BY PURCHASE PRICE

PRICE	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2014
Under $100,000	71	71	72	72	73	73	74	74	74	74	74
$100,000 to $149,999	46	46	47	47	47	48	48	48	48	48	48
$150,000 to $199,999	29	29	29	29	30	30	30	30	30	30	30
$200,000 to $249,999	27	27	27	27	28	28	28	28	28	28	28
$250,000 to $299,999	28	29	29	29	29	29	30	30	30	30	30
$300,000 to $349,999	19	19	19	19	20	20	20	20	20	20	20
$350,000 to $399,999	15	15	15	15	15	16	16	16	16	16	16
$400,000 to $449,999	10	10	10	10	10	10	10	11	11	11	11
$450,000 to $499,999	5	5	5	5	5	5	5	5	5	5	5
$500,000 or more	31	31	31	31	32	32	32	32	32	32	32

Including existing renters who will move to a new apartment, the market for rentals will increase from 1,779 annual leases to 2,158 over the next decade. Because there is significant annual turnover among renters, there is an opportunity for new units to capture market share by providing a better quality product. In the Marshfield market, it is possible to command a higher rent for these better units. Based on an analysis of rental household income, 18 percent can afford to pay $1,000 or more per month in rent, and nearly half (47 percent) can afford more than $600 per month.

Much of the new demand for rental units will be created in older households. The number of units rented by persons 75 or older will nearly double in the next decade (195 percent increase), while there will be a 178 percent increase in rental households headed by an individual age 65 or older. This suggests the need for rental housing that is designed with older residents in mind, though not necessarily in retirement communities. Many of these households will prefer to live in active, inter-generational neighborhoods

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ESTIMATED ANNUAL RENTERS BY MONTHLY RENT

RENT	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2014
Under $600	943	961	980	999	1,019	1,039	1,059	1,080	1,101	1,122	1,143
$600 to $699	199	203	207	211	215	219	223	228	232	236	241
$700 to $799	115	117	119	122	124	126	129	131	134	137	139
$800 to $899	82	83	85	87	88	90	92	94	95	97	99
$900 to $999	109	111	113	115	117	120	122	124	127	129	132
$1000 to $1099	51	52	53	54	55	56	57	58	59	61	62
$1,100 to $1199	36	36	37	38	39	39	40	41	42	43	43
$1200 to $1299	44	45	46	47	48	48	49	50	51	52	53
$1300 to $1399	52	53	54	55	56	57	59	60	61	62	63
$1400 to $1499	37	38	39	39	40	41	42	43	43	44	45
$1500 to $1749	41	42	43	43	44	45	46	47	48	49	50
$1750 to $1999	41	42	43	43	44	45	46	47	48	49	50
$2000 or more	31	31	32	32	33	34	34	35	36	36	37

There is a largely untapped demand for higher-end, more expensive rentals in the Marshfield Market. These are units that can be developed downtown.

The *2014 Marshfield Housing Study* documents about 11,000 people commuting into Marshfield every day, and suggests that the city may be able to accelerate housing development by capturing a segment of this market. Survey data suggests that cost (lower property taxes) and the desire for a rural lifestyle are the main reasons people choose to live outside of Marshfield. Proximity to restaurants and shopping was not ranked as a high priority in selecting where to live.

Considering these observations in the context of the population and housing data suggests a common scenario. Family households in the entry and trade-up phases of the household cycle find it desirable and advantageous to live in a more rural setting that possibly offers better value, newer housing stock, larger homes and lots, and other amenities suited to a family. As households age and transition to empty nesters, they may find their preferences shifting to smaller and more easily maintained homes, and proximity to amenities found in urban communities.

DOWNTOWN HOUSING OPPORTUNITIES

The new housing that can be marketed in the downtown area will be shaped in part by characteristics of the redevelopment sites selected, whether for new construction or adaptive reuse. The ability to market this housing will also be impacted by competition, whether from existing units or from new construction.

Example of condominium flats in a multi-unit building.

Example of rowhouses.

The City may influence both of these factors. It may proactively identify and secure control of redevelopment sites, prepare redevelopment concepts that specify acceptable uses, and providing financial or technical assistance to projects meeting predetermined criteria. The City may also seek to shape the competitive field by limiting the number of competing units constructed outside of priority redevelopment areas such as the downtown.

Higher costs associated with redevelopment, as well as the desirability of increasing the number of residents in the central part of the city, will dictate targeting multifamily development. This can include multi-unit condominium buildings (typically flats), rowhouses, and apartments.

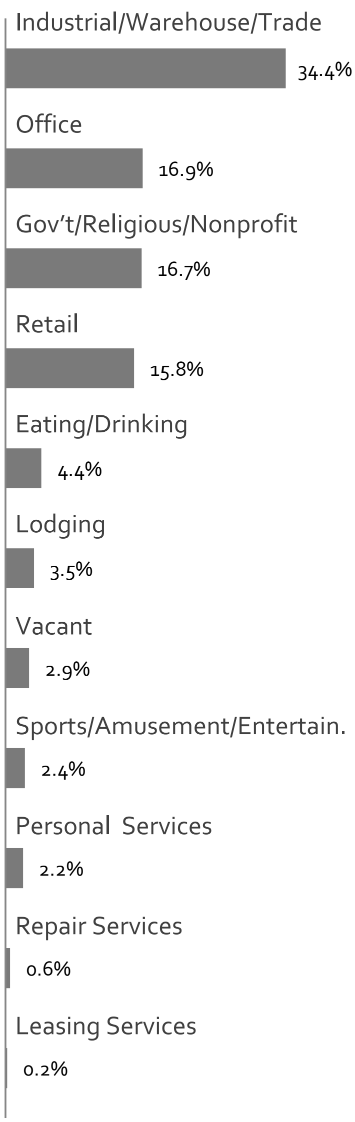
The analysis suggests that about 50 owner occupied units and 95 additional apartments can be supported city-wide in each of the next ten years. Not all of these units could, or should be provided within the central area. In particular, the City should be concerned about providing too many rental units, and especially affordable rentals in a concentrated area. The downtown neighborhood is already comprised of slightly over half rental units. To maintain its vitality and appeal to a cross section of the market, an effort should be made to maintain a balance of at least half of the total units as owner occupied.

If the City were to establish a realistic goal of capturing an average of 15 new owner occupied units per year (a range of ten to 20 in any given year), an equal number of apartments could be added. As recommended in the housing study, owner housing rehabilitation programs and an apartment occupancy permit program could help to further stabilize the area's housing stock and perhaps convert some rental units back to owner occupied housing.

Communities that have been successful in developing downtown housing have generally had some significant amenity that has helped them to attract residents to the area. Often, this has been a natural feature such as a lake or river, or even a significant public park or plaza. Concentrations of quality eating and drinking places, cultural venues, and unique shopping can also be a lure. Even the buildings can be a draw if they provide exceptional city views or offer unique space, such as renovated lofts. Marshfield generally lacks any of these characteristics. Downtown is nice and well maintained, but it does not have any distinguishing feature to draw residents. While it has a healthy business community, it does not generate the social interaction that makes people gravitate to a mixed use district.

In the final analysis, the challenge for Marshfield may not be a question of whether there is demand for the attached housing built in a downtown district, or whether there are suitable sites for redevelopment in the district, but whether the City can develop the amenities and environment that will give people a compelling reason to purchase or rent in the downtown as opposed to suburban parts of the community.

DOWNTOWN USES
BY FLOOR AREA



RETAIL AND DINING MARKET

Downtown Marshfield has a credible opportunity to add new shops and restaurants. Factors in this assessment include a stable to growing population, a large trade area, a strong local employment base, and demonstrated interest in starting new businesses within the community. Over the long term, there are some concerns that limit growth. These include the aging of the population occurring through the natural aging of the Boomer generation and an outmigration of younger households, and incomes that tend to be below state or national averages.

EXISTING CONDITIONS

Downtown Marshfield is a remarkably healthy business environment when compared to other downtown districts in the state. There is a very low vacancy rate (2.9 percent) and the downtown has a diverse mix of businesses with a steady stream of new business started.

The numbers shown at left are from an area bounded by 14th Street on the south, Oak Avenue on the west, Doege Street to the north, and Vine Street on the east. They represent the total commercial floor area within the core, so that in addition to ground floor space, if basement or upper floors are used for commercial purposes, they are included in the total.

In total there are 332 non-residential or mixed use properties in the downtown, with about 1,935,000 square feet of non-residential floor area. The average building was constructed in 1936, though the actual range is from 1870 to 2011. The total value of land and improvements is $90.5 million, including the value of a significant number of exempt properties.

Manufacturing and related uses such as warehousing and construction trades take up over a third of the total floor area. This is not unusual. The central part of the city was where industry originally tended to locate. Most of these uses are found along the railroad tracks or on secondary streets. Some of these sites might be considered for eventual redevelopment.

Roughly equal amounts of space area taken up by office uses, public or quasi-public uses (governmental functions, churches and related facilities, and nonprofit organizations such as service clubs), and retail. Together, they take up about half of the downtown space. Retail tends to be found almost exclusively along Central Avenue. Offices and governmental functions also have a preference for Central Avenue, but do appear regularly along secondary streets, and most notably Chestnut Avenue. Religious uses are scattered through the core, including within residential neighborhoods.

Eating and drinking places take up less than five percent of the available space in the central core. This figure may be somewhat low compared to other communities. It is also worth noting that there are comparatively few restaurants or snack and beverage shops (ex., coffee shops, bakeries, etc.) in the heart of the downtown district. Most are found south of 4th Street or north of Arnold Street. There is a single hotel in the downtown, including a large conference space and waterpark. The restaurant attached to the hotel is included in the figures for eating and drinking places.

A variety of service uses make up just over five percent of the total floor area. Sports, amusements, and entertainment include uses such as gyms and the cinema. Personal services include activities like salons, massage parlors, tattoo parlors, and laundromats. The downtown has a surprisingly small number of repair services, which might include auto repair, electronics repair, and similar services.

Leasing includes businesses that are mainly engaged in renting merchandise and equipment, including car rentals, video rental stores and rent –to-own stores.

Retail Establishments

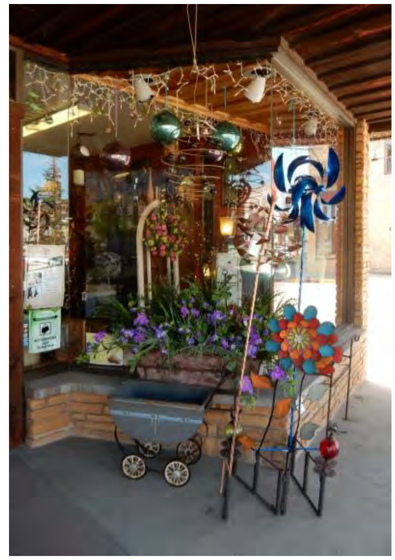
The downtown district contains 52 retail businesses. This is more than would be expected of a community the size of Marshfield, especially when the presence of the Marshfield Mall and of nearby larger communities is factored in. A broad range of retail stores in the downtown includes many specialty shops that will draw from a greater distance, along with those businesses serving a neighborhood or community level base of customers.

NEIGHBORHOOD AND COMMUNITY SHOPPING GOODS

DESCRIPTION	NAICS	NUMBER
Used car dealers	441120	1
Automotive parts and accessories dealers	441310	2
Tire dealers	441320	1
Radio, television, and other electronics stores	443112	1
Computer and software stores	443120	1
Household appliance stores	443141	1
Paint and wallpaper stores	444120	2
Hardware stores	444130	1
Other building material dealers	444190	1
Supermarkets and other grocery stores	445110	1
Convenience stores	445120	1
Pharmacies and drug stores	446110	1
Cosmetics, beauty supplies, and perfume stores	446120	1
Food (health) supplement stores	446191	1
Gas stations with convenience stores	447110	3
TOTAL		19

SPECIALTY SHOPPING GOODS

DESCRIPTION	NAICS	NUMBER
Furniture stores	442110	2
All other home furnishings stores	442299	4
Confectionery and nut stores	445292	1
Beer, wine, and liquor stores	445310	1
Women's clothing stores	448120	1
Other clothing stores	448190	3
Shoe stores	448210	2
Jewelry stores	448310	1
Sporting goods stores	451110	2
Hobby, toy, and game stores	451120	1
Sewing, needlework, and piece goods stores	451130	1
Musical instrument and supplies stores	451140	1
Book stores	451211	2
Florists	453110	1
Gift, novelty, and souvenir stores	453220	2
Used merchandise stores	453310	5
Pet and pet supplies stores	453910	2
All other merchandise stores	453998	1
TOTAL		33



Downtown has 52 retail businesses – a greater number of businesses and a larger aggregate floor area than found in the Marshfield Mall.

Eating and Drinking Establishments

The heart of Marshfield's downtown is a five block stretch from Veteran's Parkway south to 5th Street. This part of the district contains relatively few eating and drinking place. Rather, these uses are found further from the center, both north and south on Central Avenue. This is somewhat problematic, as it is desirable to have restaurants, coffee shops, and similar businesses compliment nearby retail uses, as well as be within walking distance of downtown office workers.

Of particular note, there are very few places at the center of the district where a customer may get a simple and quick meal over the lunch hour. Rather, the majority of restaurants tend to provide full service, or are taverns that may not be open for lunch, or are carry-out pizza places. Only The Daily Grind provides a quick lunch menu, and China Chef has a lunch buffet.

Thirteen of 27 eating and drinking places in the larger downtown area are classified as taverns selling alcoholic beverages with limited food service. Full service restaurants include some of the city's better regarded eateries including Thomas House, Royal Tokyo, and Blue Heron Brew Pub.

The Daily Grind is one of only too snack and nonalcoholic beverage bars in downtown Marshfield, and one of only two places where a downtown employee may get a relatively quick lunch.

EATING AND DRINKING PLACES

DESCRIPTION	NAICS	NUMBER
Drinking places (alcoholic beverages)	722410	13
Full service restaurants	722511	6
Limited service restaurants	722513	5
Cafeterias, buffet grills, and buffets	722514	1
Snack and nonalcoholic beverage bars	722515	2
TOTAL		27

Vacancies

Only 2.9 percent of the downtown's non-residential space is vacant. The most significant share of this is found north of the railroad, at Founders Square and in the former Walgreen's and Hudson's buildings. Downtown vacancies range from small office suites to 28,500 square feet. Very little of this space is in the traditional storefronts lining Central Avenue. Downtown space tends to fall in a range of 1,000 to 3,000 square feet and leases around $8.00 to $15.00 per square foot.

Citywide, a search of commercial listings found 176,600 square feet listed for rent or sale in properties that could be used for either retail or office purposes. Of this, 46,900 square feet was located within the Marshfield Mall. Other locations include a combination of freestanding buildings and space within commercial strips. Lease rates range from lows around $8.00 to $20.00 per square foot.

TRADE AREAS AND OTHER SOURCES OF DEMAND

Trade areas are a region from which a city, a business district, or a business attracts a majority of its customers. A primary trade area will generally produce between 60 and 80 percent of business patrons, while the secondary trade area may contribute another 15 to 25 percent. Some portion of the customer base lies outside of these trade areas. In a conventional setting this is usually a small percentage, however, it can become very significant if the district or business supports a strong visitor market. The concept of trade areas becomes even more cloudy with the addition of online sales. It is now very possible for a business to derive much of its sales volume from customers who do not even visit the location.

Trade areas may be defined in several ways, and multiple approaches are often taken to make a determination. Ideally, customer transaction data will be available for review, pinpointing the actual location of the people who frequent businesses. The city's laborshed is a good surrogate for actual customer data. People will often shop the same area in which they are willing to travel for work.

Transportation networks, barriers, and demographics further shape the configuration of trade areas. Road patterns and their quality influence the selection of routes that may make one location more convenient than another. Related to this, barriers (such as rivers with limited crossings) can cut customers off from convenient access to a community. Demographics can be important in some instances, such as when shopping patterns may be influenced by ethnic ties or when people may have an aversion to shopping in lower income neighborhoods.

Lastly, but perhaps most importantly for some types of business, competition is a factor in determining the trade areas in which people shop. Equivalent competition, such as when comparing a Walmart in one community versus a Walmart in a second community, usually produces a result in which the customer will travel to the closer store. This outcome is less certain when comparing different competitors in a class (such as Walmart, Shopko, Target, and Kmart), in which case the decision may be less influenced by distance than by perceived quality, selection, and price. Taking this a step further, the density of competition can also be a significant factor, where a critical mass of complimentary businesses can lure customers for comparative shopping, as is often the case with a regional mall.

Marshfield and its downtown have a primary trade area that includes the entire city along with surrounding rural areas and smaller communities. It includes that part of Wood County lying north of Pittsfield and Vesper, along with the portion of Marathon County south of Highway 29 and west of Highway 107. A secondary trade area adds territory primarily to the south and east, including the cities of Wisconsin Rapids, Steven's Point, Wausau, and Merrill.

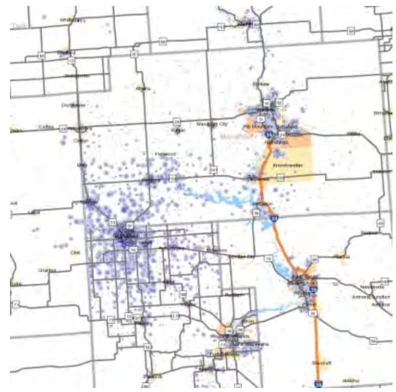
The trade area was determined through a combination of interviews with businesses in the downtown, an examination of the city's laborshed, and consideration of competition in the marketplace. A sizable workforce commutes into the city each day and will have an impact on some retail expenditures along with eating places, especially during the lunch hour. While there is some leisure and business traffic to the city, along with visits to the hospital, the level of visitor traffic generated from beyond the trade areas will not have a significant impact on retail sales.

The primary trade area is the region from which a majority of downtown businesses will draw a majority of their customers. The secondary trade area is a broader region from which people will travel less frequently, with a tendency to be drawn to specialty retailers offering more unique products.

Other Sources of Demand

Aside from residents of the trade area, spending can originate from workers and visitors to the community. Worker spending adds to market potential when workers are commuting into an area from beyond its trade area. In the case of Marshfield, the primary trade area takes in a majority of the city's work force, and the secondary trade area includes most of the remainder. Since these workers' spending is already captured in the trade area analysis, no additional analysis is necessary.

Worker Flows: Far more workers commute into Marshfield daily than there are residents who work elsewhere.

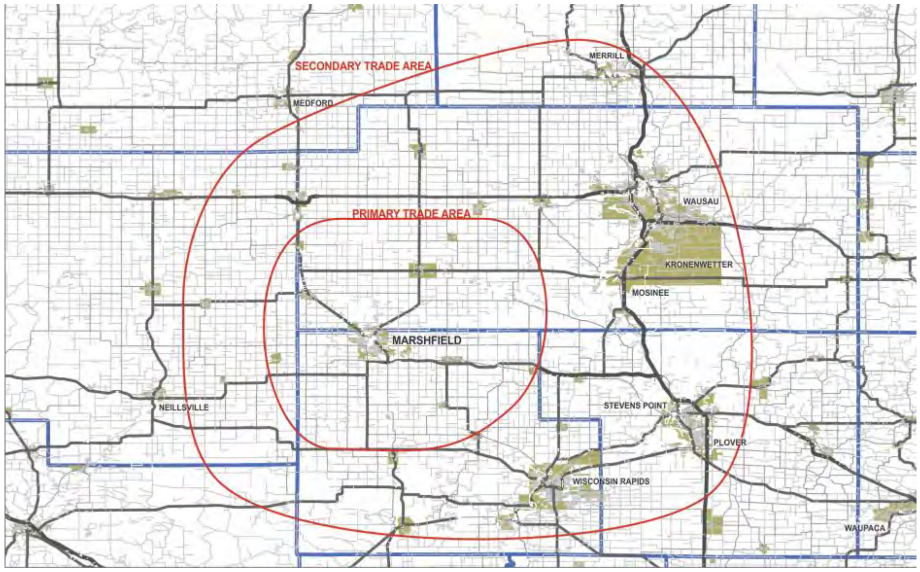


Marshfield draws its workers from a large area, predominantly to the west, and including the cities of Wausau and Wisconsin Rapids.

MARSHFIELD'S TRADE AREAS

Primary Trade Area:	
Population	53,805
Households	21,640
Median Income	$50,705
Secondary Trade Area:	
Population	285,473
Households	116,707
Median Income	$50,504

MARSHFIELD'S PRIMARY AND SECONDARY TRADE AREAS



Visitors usually include tourists or people visiting friends and family (leisure travelers), and business travelers. They can also include so-called health travelers, or people who are traveling to receive medical or health-related care. This can be a factor for Marshfield due to the clinic and hospital.

MARKET POTENTIAL

Downtown Marshfield rivals the Marshfield Mall, surpassing it in the number of retail stores and in total occupied floor area. Downtown, however, does not have the department store anchors or the national chains that are found in the mall. The downtown draws most of its customers from a local area, supplemented by trips made by people within neighboring counties. The downtown, and the city in general, are not a destination location for visitors from outside of the region.

Demographic Overview

The primary trade area has a population of 53,805 people, with 21,640 households. It is a very homogenous population, with less than five percent of the total identified as a race other than white. It is also older than average, with a median age of 40.9, and 16.2 percent of the population in their retirement years (65 or older). The median income of $50,705 is only slightly below the national figure of $51,017.

Data for the secondary trade area reflect similar conditions. There are 285,473 people living in 116,707 households. The median age is 39.8 and the median household income is $50,504. There is a slightly smaller population aged 65 or older (15.9 percent) and a slightly larger population with a race other than white (7.9 percent).

Visitor Spending

According to the Wisconsin Department of Tourism, direct visitor spending in Wood County was estimated at $80.3 million in 2013, and $228.6 million in Marathon County. Much of this will have been realized in places outside of Marshfield. For the purposes of this analysis, a tourist is defined as somebody who makes a visit to a location that is outside of their normal pattern. In this case, a visitor would be considered as a person living beyond the secondary trade area.

Complete data on the spending patterns of local visitors is not available. The best available measure is the Michigan Model (developed by the Michigan State University), that does estimate expenditures for categories including restaurants, groceries, gas, clothing, sporting goods, and souvenirs and other expenses. Inputs to this model were based on actual hotel nights reported and statewide market research conducted by the Wisconsin Department of Tourism.

Model results estimate direct visitor spending in Marshfield at a total of $13,913,000. This can be broken out into the following:

Restaurants and bars	$3,113,000
Groceries and take-out food	$827,000
Gas	$1,211,000
Clothing	$642,000
Sporting goods	$74,000
Souvenirs and other expenses	$1,426,000

These figures are not highly significant, aside from restaurant and gas sales. Based on national averages, less than half of clothing sales will be captured at apparel retailers and about a third of sporting goods will be purchased from sporting goods stores. The remainder of purchases will be distributed across many other store types, with department stores and discount departments stores taking up a large share. The final category of souvenirs and other expenses is very broad, and may be comprised of any number of goods such as packaged alcohol, drugs and health care items, household goods, books, hobby supplies, pet products, and more. These sales will be distributed throughout the retail sector, and while helping to increase sales, will not be concentrated in any one type of business, or even those businesses located in the downtown.

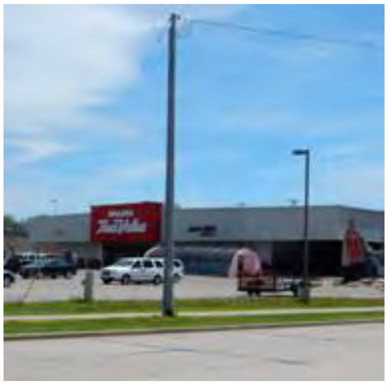
Retail Market Potential and Sales Estimates

The market potential for the primary and secondary trade areas is based on 2014 demographic conditions derived from 2010 Census figures, and then projected to subsequent years. Per capital expenditures are calculated by product line, and then extrapolated to purchases by store type. Detail for the current year and projections for 2019 and 2024 are included in the appendix.

Sales estimates were prepared for each retail business in the downtown. These estimates were based on a combination of factors including the store floor area, market potential, competition, and observations of the business. To avoid disclosing information about individual businesses, some of the stores have been grouped to higher level classifications that include multiple businesses.

The performance of the downtown district overall is very good, with several categories achieving a high market share. While the mall and the commercial strips may attract the discount stores and mid-box retailers, the downtown has done a respectable job of attracting and retaining some anchor retailers such as Pick 'n' Save, Ace Hardware, Mitten's Home Appliance, and Mall Furniture, along with many smaller specialty stores.

Tourism – defined as visits from people living outside of the trade area – has little impact on spending on retail and dining in Marshfield.



Downtown Marshfield has a significant number of businesses serving the local population, along with specialty retail stores.

SALES ESTIMATES AND MARKET SHARE

DESCRIPTION	ESTIMATED DOWNTOWN SALES	MARKET SHARE – PRIMARY TRADE AREA	MARKET SHARE – SECONDARY TRADE AREA
Auto parts, accessories, and tire stores	$4,272,870	32.5%	6.3%
Furniture, home furnishings, and electronics stores	$16,715,744	54.6%	10.7%
Building material stores	$9,155,640	17.4%	3.4%
Food and beverage stores	$41,495,296	46.5%	9.1%
Health and personal care stores	$3,990,006	10.3%	2.0%
Gasoline stations	$13,152,000	14.8%	2.9%
Clothing, shoe, and jewelry stores	$9,518,964	26.7%	5.2%
Sporting goods, hobby, musical instrument, and book stores	$7,442,118	55.5%	10.8%
Miscellaneous store retailers (florists, office supplies, gifts, used mdse., pet supplies, etc.)	$9,759,751	56.7%	11.1%
All retail goods	$115,502,309	21.7%	4.2%

Gap Analysis

A gap or leakage analysis is a final technique used to gain understanding of market conditions. By comparing the market potential within a trade area against the estimated sales of all businesses within the trade area, it is possible to gain some insight into demands that may not be met locally. If market potential is larger than the sales realized at local businesses, there is said to be "leakage" of market potential.

There are many limitations to a gap analysis, and care must be taken when considering the results. The first problem with the analysis is that the trade area is extensive, and does not consider what may be happening outside of its edge. For example, the analysis may show leakage in a category, but the trade area may not pick up a business in that category located just beyond its boundary. A second issue commonly encountered is that there is a tendency to identify the categories with the greatest leakage as the best opportunities, but in reality, the type of store must be a good match for the district, and more importantly, the gap must be scaled to the typical sales range of a store in that category. Finally, competition also factors in. Even when sales exceed market potential, it is still possible for a new business to be successful if it can compete with others.

A gap analysis may be applied to current year data, but quickly loses validity when projected to future years. There is already a large component of error in projections of market potential. This error is much larger in projections of supply (sales). Over the course of five or ten years there will be a great deal of change in composition of stores in the marketplace, that cannot be anticipated, making any attempt to forecast a gap analysis unreliable.

Full tables showing the results of the gap analysis are included in the appendix. Gaps within the primary trade area include automobile dealers, other motor vehicle dealers, automotive parts and accessories stores, electronics and appliance stores, building material and supplies dealers, lawn and garden equipment and supplies stores, grocery stores, specialty food stores, health and personal care stores, gasoline stations, clothing stores, jewelry, luggage and leather goods stores, sporting goods, hobby and musical instrument stores, book stores and news dealers, office supplies, stationery and gift stores, and other miscellaneous store retailers. As noted earlier, not all of these will be good candidates fro recruitment to the downtown, or even to the community at large.

Marshfield Family Restaurant is a popular full service restaurant in the downtown.

Dining

The average household in the primary trade area spends about $2,800 annually on food away from home. Included in this total are not only restaurants, but also school or work cafeterias, vending machines, hotel food services, and other places where meals or snacks can be purchased. This analysis will only address the amount spent at restaurants and snack and beverage places. Because the trade area has been drawn to coincide with the city's laborshed, there will be no additional impact attributed to workers.

RESTAURANT MARKET POTENTIAL AND SALES ESTIMATES

Total spent on food away from home	$61,643,583
Amount spent at full service restaurants	$28,725,909
Estimated sales at downtown full service restaurants	$9,216,330
Market share	32.1%
Estimated trade area sales	$14,966,300
Sales leakage (gap)	$13,759,609
Amount spent at limited service restaurants	$25,212,255
Estimated sales at downtown limited service restaurants	$3,697,440
Market share	14.7%
Amount spent at drinking places	$4,245,310
Market share	16.8%
Estimated trade area sales	$25,286,184
Sales surplus	$73,929

With restaurants including Blue Heron Brew Pub, Thomas House, Gondolier, and Royal Tokyo, the downtown does a respectable job of capturing demand for full service restaurants. Even so, the loss of Hudson's likely signals the to ability to capture a greater market share. There are 15 full service restaurants located within the trade area, with combined sales of about $14.96 million. These figures suggest that there is a total of $13.76 million in unmet demand. Some of these sales are likely captured by limited service restaurants in the trade area.

One of the interesting characteristics of Marshfield's market is the general lack of chain restaurants. Aside from Applebee's and Perkins, there are no national full service chains in the city. This could be one factor in people leaving the city to seek out a particular chain that may be located in Wausau or elsewhere.

Shopping also figures into decisions about where to eat. Shopping and dining are often combined into a single trip. When residents leave Marshfield to shop in Wausau or Appleton, they will also patronize the restaurants in that area. This will be a challenge to any local eating and drinking business attempting to gain market share.

There is a much larger number of limited service restaurants, with the total estimated at 66, including fast food restaurants, buffets, taverns, and snack and nonalcoholic beverage places. Snack and beverage places, including establishments such as coffee shops, bagel or donut shops, and ice cream parlors, are especially under-represented in the total. Fast food restaurants dominate this industry. Because of their auto orientation, most of these will be found in highway locations where there is ample parking and the ability to provide drive-up service.

The downtown has 21 limited service restaurants, including five fast food restaurants, one buffet, two snack and nonalcoholic beverage places, and 13 taverns. Combined, these businesses represent 31.8 percent of the businesses in this industry, with a 31.5 percent market share.

The total sales at limited service restaurants in the trade area is estimated at $25,286,184. This sum is nearly equal to the estimated trade area potential, but that does not mean that there are no opportunities for new businesses to enter the market. The current selection of limited service restaurants is limited. For example, there are several Subway franchises in the area, and there is not much difference between the several fast food burger restaurants.

A business that can differentiate itself by offering a relatively unique product has the opportunity to capture market share from competitors. Examples might include a bagel/muffin/donut shop, a coffee/tea/juice bar, or a deli serving unique sandwiches, soups, and other quickly served, good quality foods. Businesses such as these could be successful in the downtown. As already noted, the downtown currently lacks many options for a fast lunch or snack. Providing an atmosphere conducive to informal meetings could help to boost sales.

Marshfield, and central Wisconsin in general, has a lack of national restaurant chains.

COMPETITIVE ENVIRONMENT

Competition for businesses in the downtown comes from both elsewhere in Marshfield and from surrounding communities. Rival businesses within the city compete with downtown businesses serving the local market as well as specialty businesses that may have a broader reach. Concentrations of specialty retail found in nearby communities (especially Wausau, Wisconsin Rapids, and even Appleton) will have a greater impact on the downtown's specialty businesses.

Marshfield

Marshfield has a strong retail sector in which most of the community's basic shopping needs can be met. These would include businesses such as auto dealers, auto parts stores, discount department stores, hardware stores, grocery stores, pharmacies, office supply stores, and similar types of stores usually described as neighborhood or community level retail. Specialty retail includes those goods that might be called comparison or destination shopping goods, such as clothing and shoe stores, sporting goods and hobby shops, gift shops, art dealers, and similar uses. These types of businesses are less well represented in the city, and are found mainly in the downtown or in the Marshfield Mall.

The mall serves a dual role as both a competitor for the downtown and as a retail anchor for the community. To the extent that the mall can attract well known chain retailers, it meets the needs of trade area residents who will not find it necessary to travel outside of the city to visit favorite stores. Unfortunately, the mall has not been able to attract and retain many of these leading retailers in categories like apparel and home furnishings. Larger communities like Wausau and Stevens Point have had better results. Customers from throughout central Wisconsin travel to Fox Valley Mall in Grand Chute (Appleton) or even further for a wider selection of stores.

At 260,000 square feet, the Marshfield Mall is about 20 percent larger than a typical Walmart Supercenter. It is also smaller than the 306,000 square feet of occupied retail space in the downtown. It is anchored by comparatively small J.C. Penney's and Younker's stores, with a limited number of national chain stores including Ashley Home Store, Bath & Body Works, Christopher & Banks, Claire's, and GNC. Smaller, mostly off-price chains and independent businesses take up additional space, as do a number of noncontributing services such as the Humane Society and a dance academy. Eleven storefronts totaling 46,887 square feet (18 percent of the total) are currently vacant.

Outlying Areas

Wisconsin Rapids has a retail base similar to that of Marshfield. Its mall is also anchored by undersized Penney's and Younker's stores. There is a Walmart, but no Target. Because Steven's Point is ten miles closer than Marshfield and has a wider selection of retailers, residents of Wisconsin Rapids are more likely to head there to shop.

Stevens Point has experienced an unusual transition in its retail environment, as the City has led the demolition and redevelopment of its struggling downtown mall. At this time no retailers have been identified for the site. The major concentrations of retail in the city are on its east and south sides, including Walmart, Target, Kohl's, Younker's and other major brands such as Best Buy, Mill's Fleet Farm, Lowe's, Petco, Dunham Sports, Michael's, and Jo-Ann Fabrics.

Regionally, Wausau is the most significant retail center. The downtown Wausau Center Mall is anchored by Sears and Younkers. Inline stores include Aeropostale, American Eagle, Buckle, Deb Shops, Hot Topic, Kay Jewelers, Rue 21, Victoria's Secret, and other national chains. Still, in 2014 the third anchor, JC Penney's closed its doors. This followed the closing of The Gap, Hollister, and Coldwater Creek. Sears is likely to close within a one or two year time frame. In addition to the 85,000 square foot Penney's location, the mall has three smaller vacancies totaling under 8,000 square feet.

The mall's location in the downtown helps to support other specialty stores in the district. Outside of the downtown, the city has several other retailers unique to central Wisconsin, including Barnes and Noble, Sam's Club, Pier 1, Gordman's, Old Navy, and Bed, Bath, and Beyond.

Central Wisconsin has not attracted a great number of national full service restaurant chains. Wausau also has the greatest selection of these including Olive Garden and Texas Roadhouse. Throughout the area, though, local restaurants tend to dominate.

Although Appleton is an hour and a half away, it is a frequent destination for area residents who want the greatest possible selection of stores or restaurants. The fact that Appleton also has the largest entertainment venues also helps to draw people to that city. The Fox Valley Mall (actually in Grand Chute) and surrounding area has a wide selection of stores and restaurants that have no locations in central Wisconsin, and would only be found elsewhere in Milwaukee or Madison.

CONCLUSIONS AND DOWNTOWN OPPORTUNITIES

Downtown is a vital retail district within the community, having more floor area than the mall, if not the department stores to anchor it. The downtown business

Marshfield's retail competition is complex. Steven's Point, and to a greater extent, Wausau have a wider selection of retail and dining businesses. Even these areas lose customer traffic to the Fox Valley Mall and other retailers in Appleton.

Downtown Marshfield could support additional retail including specialty food stores, health care and personal products stores, sporting goods stores, gift, novelty, and souvenir stores, and art dealers.

mix presently includes a combination of stores serving the local population, and specialty stores necessary to become a destination district. Two challenges must be met for this to happen.

- The city is currently losing customers to Wausau and Appleton. Most of the trade area's basic needs can be met locally, but not its specialty shopping needs (or shopping as entertainment). The mall would normally fill this need, but it has a poor selection of stores and its anchors are undersized. Once people get in the habit of leaving the community to shop, it is hard to bring them to businesses in the downtown.
- The downtown does not offer the best environment for a specialty retail district. While design is one issue, the initial challenge may be to assemble a critical mass of retail with few large non-contributing uses. Shoppers like to see multiple stores in close proximity. In Marshfield, the stores are too often separated by offices and other uses, creating the impression that there are fewer retailers than actually exist, and discouraging customers from walking the street to browse storefronts.

Good eating and drinking places can improve the downtown environment for shoppers and workers, and also bring people into the district who may then become customers of some of the nearby retail businesses. Opportunities exist for restaurants as well as new retail businesses in the downtown.

Retail Opportunities

Five types of retail businesses may be best suited to the downtown, and appear to have a market opportunity. These include:

- Specialty food stores such as bakeries, meat markets, or specialty goods stores. This is a segment with growing interest in locally sourced, high quality, and craft-made products. One or two businesses will occupy up to 4,000 square feet.
- Health care and personal products stores, either focused on health and nutrition, or on personal care items. Again, this is a segment in which craft-made products are experiencing growing demand. An example might include bath and body products stores featuring handmade soaps. Three or four businesses may support up to 7,000 square feet.
- Sporting goods stores, including both general line and specialty stores. Up to three businesses can support about 6,500 square feet of floor area.
- Gift, novelty, and souvenir stores, often with a heavy component of home furnishings. These stores can help to bring in destination retail traffic. Up to four businesses will support 6,000 square feet of retail space.
- Art dealers. Central Wisconsin generally lacks businesses in this category. The focus of a gallery in Marshfield might be on the work of regional artists, or may specialize in a particular form of art such as glass, photography, or painting. One or two businesses can be supported with a floor area up to 3,000 square feet.

Dining Opportunities

Downtown Marshfield has an opportunity to attract full service restaurants and some types of limited service restaurants, occupying up to 20,000 square feet. The former Hudson's location is low-hanging fruit. This popular location is already set up to house a good full service restaurant, and unlike other possible downtown locations, has on-site parking.

Limited service restaurants include both restaurants and snack and nonalcoholic beverage bars. Ideally, the district will be able to attract establishments that offer fast lunch service for downtown workers (among others) and create environments that are conducive to informal working and meetings. Examples cited earlier include bagel/muffin/donut shops, coffee/tea/juice bars, and delis serving unique sandwiches, soups, and other quickly served, good quality foods.

OFFICE MARKET

Office demand is estimated based on industry and occupational projections from the Wisconsin Department of Workforce Development. These projections carry through to the year 2020, and subsequent years to 2024 have been extrapolated from prior years' data.

OFFICE DEMAND

Occupations typically found in office environments were assigned an area based on averages obtained through the CoreNet Global Real Estate 2020 Survey. Compiled in 2013, the data is for 2012. The survey found that the average office size is decreasing, reaching 176 square feet per employee in 2012, from 225 square feet in 2010. It is projected to drop to an average of 151 square feet in 2017. For this analysis, the average executive office was calculated at 300 square feet. Professional and technical offices ranged from 175 to 200 square feet. Lower skilled office functions were assigned 75 to 100 square feet.

Marshfield's office employment will grow slowly, averaging a pace of 58 jobs per year. Over half of the new jobs created will be in health care professions, with the next-largest share being in office and administrative support occupations. In total, these new office jobs will create a demand for 116,128 square feet of new office space. Of this, some portion will be accommodated in existing businesses, and an additional portion will occupy space currently vacant.

Downtown Marshfield should seek to capture 20% to 40% of the future demand for office space in the city.

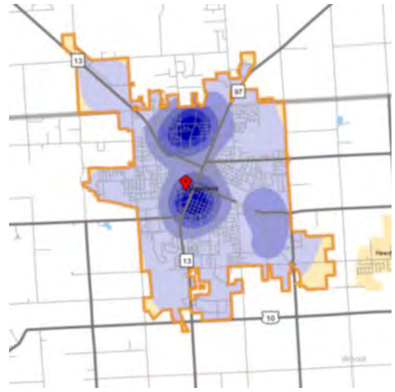
OCCUPATIONAL PROJECTIONS AND THE NEED FOR OFFICE SPACE

OCCUPATION	NEW JOBS CREATED 2014-2024	AVERAGE OFFICE SIZE (SQ. FT.)	TOTAL OFFICE AREA NEEDED (SQ. FT.)
Management Occupations	45	300	13,491
Business and Financial Operations Occupations	43	175	7,449
Computer and Mathematical Occupations	50	175	8,754
Architecture and Engineering Occupations	5	200	934
Life, Physical, and Social Science Occupations	6	175	967
Community and Social Services Occupations	10	125	1,204
Legal Occupations	3	200	513
Education, Training, and Library Occupations	24	100	2,389
Design, Entertainment, Sports, and Media Occupations	9	125	1,150
Healthcare Practitioners and Technical Occupations	245	200	49,019
Office and Administrative Support Occupations	145	75	10,903
Total, Office-Based Occupations	584		96,773

Allocation for common areas (lobby, conference rooms, work rooms,	20%
Additional office space required in Marshfield (citywide)	116,128

DOWNTOWN OFFICE ENVIRONMENT

Downtown Marshfield is one of two employment concentrations within the city, with the second centered on the hospital and clinic. Many of the existing health care and related jobs are in that area, and much of the growth in these occupations will likely be housed in close proximity to these anchor institutions. The downtown will be better positioned to capture new employment in occupations such as management, business and financial, and computer and mathematical occupations.



Employment concentrations in Marshfield.

Some trends are worth noting. The business software and data company, Intuit, has estimated that by 2020, about a third of the working population will be operating solo as self-employed business owners, freelancers, or contract workers. This is indicative of two other trends: 1) the average business size has been steadily decreasing, and 2) the average size of new businesses started has been decreasing. As a result of these trends there is likely to be demand for smaller offices and flexible work spaces, rather than large office space.

This trend may benefit downtown, as its buildings tend to have a smaller footprint than newer buildings on the periphery. At the same time there is the potential for conflict with retail uses that may prefer to have other retailers occupying ground level space, especially in the core blocks of Central Avenue. Ideally, office space in the downtown will be steered toward the upper levels of buildings on Central Avenue, or to secondary streets in the district.

Current vacancies in the downtown total 56,238 square feet. Included in this total are some buildings (such as the former Hudson's) that are not suited to office uses. These total about 11,000 square feet. Another 28,000 square feet is located in the core part of downtown, on Central Avenue between the railroad and 4th Street. Ideally, this space should be preserved for retail uses, however, a large part of the space is already being converted to office use.

DOWNTOWN VACANCIES AND SUITABILITY FOR OFFICE USE

Total vacant space (square feet)	56,238
Not suited to office uses (square feet)	11,028
Located in core area on Central Avenue (square feet)	27,806
Converted to office use (square feet)	11,832
Remaining core area vacancy (square feet)	15,974
Vacancy outside of core area	24,372
Former Walgreen's building	13,000
Remaining vacancies outside of core area	11,372

Taking out the properties not suitable for office use and those located in the Central Avenue core, there is 24,372 square feet of vacant space that might be considered for future office use. Over half of this, however, is located in the former Walgreen's building.

MARKET CAPTURE

It is reasonable to assume that the downtown can capture between 20 and 40 percent of the future demand for office space. This would result in the need for

A downtown building being converted to office space.

23,225 to 46,450 square feet of space. If no new office space is created, either there will be insufficient space to meet future demand, or other existing uses will be replaced by office uses. This is not necessarily undesirable, if for example, a non-retail use like manufacturing or warehouse space was converted to offices. Replacing retail space with offices, however, would be detrimental to the health of the district as a shopping destination.

The projected demand for office space suggests the opportunity to adapt existing buildings or to construct new buildings for office use. New office development should be directed to the upper levels of buildings in the core part of downtown, or to secondary locations where they will not negatively impact the district's ability to create a retail and dining destination.

Over the next decade a baseline demand for new office space may start at 10,000 square feet and range up to 30,000 square feet. There is the potential to go higher if existing space in the downtown core transitions to retail and dining from other uses.

The Holiday Inn & Conference Center in downtown Marshfield

LODGING MARKET

Hotels can be an attractive use in a downtown setting, helping to redevelop blighted properties, providing jobs and tax revenue, and generating visitor traffic to help support downtown businesses. A downtown district may also be desirable to the hotel if it can play off of the proximity to shops and dining to create a competitive advantage in attracting lodgers. Within the hospitality market generally, middle-aged and older, as well as lodgers willing to spend more, are the demographic most influenced by location in deciding where to stay.

This analysis looks at current and projected conditions for the lodging sector in Marshfield. While there are ten hotels and 536 rooms available in the city, a majority of the inventory is outdated, if not obsolete by modern industry standards. This condition, along with strong demand, suggests the opportunity to support an additional hotel in the city. A midscale chain such as Hampton Inn, La Quinta Inn, or Comfort Inn would be a good option. Several sites might be considered on South Central Avenue between 9th Street and 6th Street, or the southwest corner of Veteran's Parkway and Chestnut Avenue.

EXISTING LODGING FACILITIES

There are ten lodging facilities already located in Marshfield. A majority of these are independent hotels, with three chain properties. Holiday Inn and Hotel Marshfield represent the best in the market, with contemporary rooms, attractive facilities, and above average amenities. Both of these facilities have an attached restaurant and banquet/meeting space.

Baymont Inn & Suites and Quality Inn are the two remaining chain hotels in the city. These are good, but unremarkable hotels that are due for some level of renovation, or at least an update of furniture and bedding to provide a fresher look. Online reviews have been average to good, with service issues as the chief complaint. A recurring theme at these and most other hotels in the city is that the breakfast is of poor quality compared to hotels elsewhere.

EXISTING LODGING FACILITIES IN MARSHFIELD

Hotel	Year Opened	Rooms	Rate	Market Class	Rating	Meeting Space
7 Stars Motel	1998	48	$40-45	Midscale	nr	--
Baymont Inn & Suites	2000	59	$71-97	Midscale	★★	--
Hillcrest Motel	1976	32	$50-55	Economy	★	--
Holiday Inn Conference Center	2004	91	$115-150	Upper Midscale	★★★	6,500 sq. feet
Hotel Marshfield	1978	99	$119-149	Upper Midscale	★★★	8,250 sq. feet
Neva Jean Motel & Apartments	1976	24	$35-53	Economy	nr	--
Park Motel	1962	20	$50	Economy	★★	--
Quality Inn	1985	46	$80-100	Midscale	★★	--
Stardust Motel	1962	15		Economy	nr	--
Woodfield Inn & Suites	1989	104	$70-75	Midscale	★★	Meeting Room

nr = not rated

There are six independent hotels in the city, not including the Hotel Marshfield. Five of the six target economy travelers with rooms priced at or around $50 or less. The Woodfield Inn & Suites is a midscale property similar to the Baymont Inn or Quality Inn, and similar comments concerning a dated property and occasional service complaints can be said about it. The remaining independents get good marks for cleanliness and affordability, but may have a poor appearance from the street and uniformly offer out-of-date rooms with few amenities. These conditions – extending even to the chain hotels – are likely causing some potential guests to stay at more modern hotels in nearby communities.

The following is an assessment of the existing hotels in Marshfield.

- 7 Stars Motel – This is a basic independent hotel with few amenities. While listed as a midscale property, it more closely matches the expectations of an economy tier hotel. The exterior is not very appealing and the rooms are dated.
- Baymont Motel – Online reviews of this hotel are generally positive. The hotel offers amenities typical of the chain, including a pool and business center. Rooms are basic and somewhat dated.
- Hillcrest Motel – The hotel makes a very poor impression from the street. It is a basic independent property with few amenities. Rooms are dated. Online reviews are generally average.
- Holiday Inn & Conference Center – This hotel has a large number of good reviews, with a handful of negative comments related to staffing, noise, or the quality of the restaurant. It is among the city's more contemporary hotels and offers the greatest selection of amenities. There is an attached restaurant as well as conference facilities. The hotel is located downtown.
- Hotel Marshfield – The hotel has been recently renovated with very attractive rooms and facilities. It has provided a small number of rooms equipped with a kitchenette for extended stays, targeting staff and families of patients at the hospital and clinic. There is an attached restaurant and banquet or meeting rooms. This property was selected as "Marshfield's Best Hotel" in a newspaper poll.
- Neva Jean Motel & Apartments – This is an older independent hotel marketed as "a convenient place to stay while visiting the exceptional medical facilities Marshfield has to offer". Most rooms provide a kitchenette. The appearance is very dated and there are few amenities.
- Park Motel – This is an older independent motel. While not particularly attractive from the outside, it appears to have a room décor that is somewhat more contemporary than other independents in the city.
- Quality Inn – The Quality Inn is one of the few pet-friendly hotels in the market. Rooms are basic, though somewhat more contemporary than most other hotels in the city. Amenities are typical of a midscale hotel. Some service issues have been noted in reviews.
- Stardust Motel – The Stardust is a dated independent hotel aimed at the economy traveler. The hotel does not accept online reservations.
- Woodfield Inn & Suites – The hotel appears to have been partially updated sometime within the past several years, however, furnishings are generally low quality and some have a dated look. There is an attached restaurant.

INDUSTRY TERMS

ADR (Average Daily Rate)

A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold.

Market Class

Class is an categorization which includes chain-affiliated and independent hotels. An independent hotel is assigned a class based on its average daily rate (ADR), relative to that of the chain-affiliated hotels in its geographic proximity. There are six class segments:

- Luxury
- Upper Upscale
- Upscale
- Upper Midscale
- Midscale
- Economy

Occupancy

Occupancy is the percentage of available rooms that were sold during a specified period of time. Occupancy is calculated by dividing the number of rooms sold by rooms available

RevPAR (Revenue Per Available Room)

Revenue per Available Room (RevPAR) is the total guest room revenue divided by the total number of available rooms. RevPAR differs from average daily rate (ADR) because RevPAR is affected by the amount of unoccupied available rooms, while ADR shows only the average rate of rooms actually sold.

Nearby, there are three hotels in Neillsville, including one chain (Super 8) and two independent hotels. Abbottsford also has a chain hotel (Rodeway Inn) and two independents. Wisconsin Rapids has nine hotels including America's Best Value Inn, AmericInn Lodge & Suites, Quality Inn, and Sleep Inn. Seventeen hotels are located in Steven's Point. Chains located in the city include AmericInn, Best Western, Comfort Inn, Country Inn & Suites, Days Inn, Econolodge, Fairfield Inn & Suites, Hampton Inn, Holiday Inn, Holiday Inn Express, and La Quinta Inn and Suites.

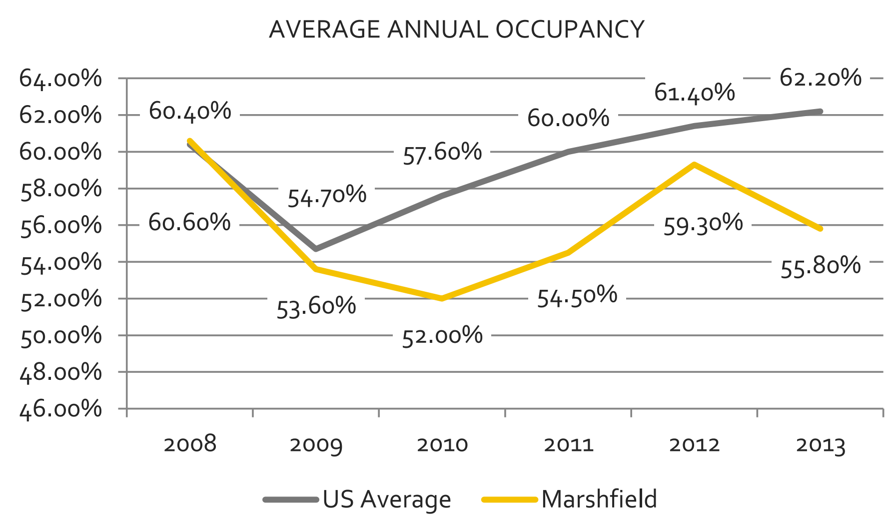
The Wausau area has 30 hotels including AmericInn, Best Western, Country Inn & Suites, Courtyard, Days Inn, Econolodge, Fairfield Inn, Hampton Inn, Holiday Inn Express, Holiday Inn Hotel & Suites, Howard Johnson Inn & Conference Center, La Quinta Inn & Suites, Motel 6, Super 8, and Quality Inn. Wausau also has two unique properties. The Candlewood Suites is the area's only extended stay hotel. The city also has the Grand Lodge Waterpark Resort.

HOTEL INDUSTRY OVERVIEW

After experiencing five or six years of strong revenue and occupancy growth in the early 2000's, the hotel industry suffered significant declines in the recession years. The low point was reached in 2009, and it has taken until 2013 for the industry to recover to the occupancy and revenue levels seen earlier. During this time the pace of development slowed considerably, although the pace of growth in small metropolitan markets such as Marshfield was nearly double the national average.

As another outcome of the recession, as all travel segments declined, business travel fell in proportion to leisure travel. In 2008 business travel accounted for 43 percent of overnight stays, then dropped to 40 percent in following years. In 2013 there was a slight uptick to 41 percent of all stays. Leisure travel may be even more important to Wisconsin. The Wisconsin Department of Tourism estimates that leisure travel makes up 88 percent of visitor spending in the stare. Lodging is the biggest share, with 26 percent of the total.

STR Global aggregates monthly data from participating hotels, providing insight into local market trends. To maintain confidentiality, a minimum number of hotels must be included in a selection. To achieve this, the data provided here includes Marshfield's reporting hotels along with reporting hotels in Abbottsford and Neillsville. Reporting hotels include all of the chain-branded facilities along with the Hotel Marshfield.



Local data demonstrates a trend similar to the national experience. From a high in 2008, occupancy dropped in 2009, but a recovery has taken longer to ensue. Several characteristics of the local and regional market may help to explain the difference, as well as the drop in occupancy seen in 2013.

- Room supply – While there have been no *new* hotels constructed in Marshfield since the Holiday Inn opened in 2004, there has been a change in the average number of rooms available. In 2011 the Clearwaters Hotel & Conference Center closed due to bankruptcy, removing its rooms temporarily from the available inventory. The hotel was extensively remodeled and reopened as the Hotel Marshfield in 2013. Just as the temporary reduction in inventory helped to increase average occupancy in 2012, the reintroduction of rooms brought down the average in 2013.

- Age and condition – At ten years old, the Holiday Inn and Convention Center has been the newest hotel in Marshfield (though the remodeled Hotel Marshfield may now arguably make that claim). It is far from the newest hotel in the region. Newer and better-appointed hotels can be found in Steven's Point, Wisconsin Rapids, and Wausau, all of which are only 30 to 40 miles away. Travelers who have no particular necessity of staying in Marshfield may prefer to continue to a newer hotel in one of these cities.

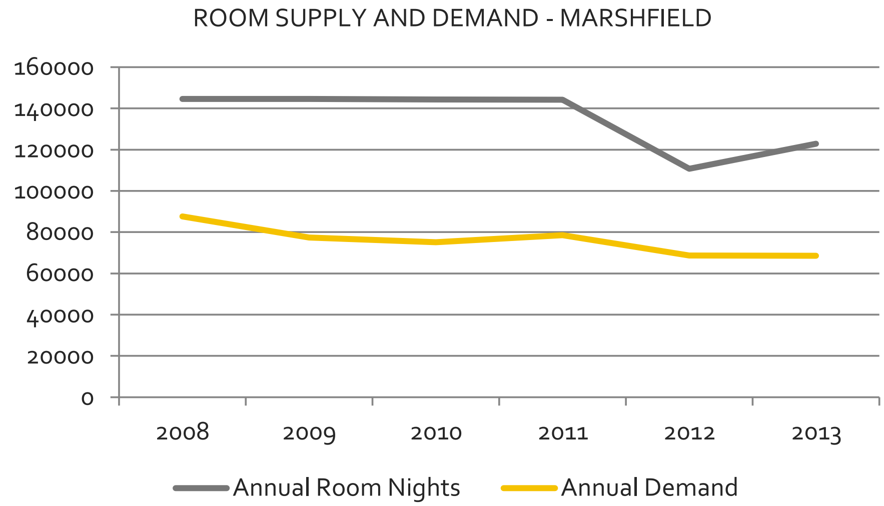
- Brand and independent hotel dynamics – Many travelers have a preferred hotel brand, or may be reluctant to stay at an independent hotel. Only three branded hotels are located in Marshfield, while the nearby larger cities have many more chain hotels. In addition to room nights lost due to customer brand preference, on nights when all three Marshfield chain hotels are booked, travelers may look elsewhere before staying at an independent hotel in the city.

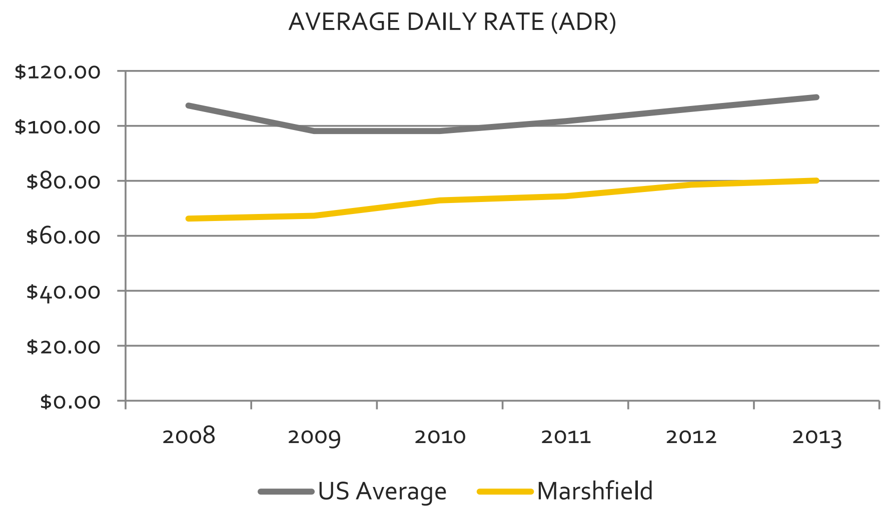
- Average Daily Rate – At a national level, the average daily rate for hotel rooms has barely passed its 2008 level after dropping during the recession, and then slowly climbing. In comparison to a 2.75 percent increase at the national level, the average daily rate in Marshfield has climbed 20.85 percent since 2008, with increases in every year.

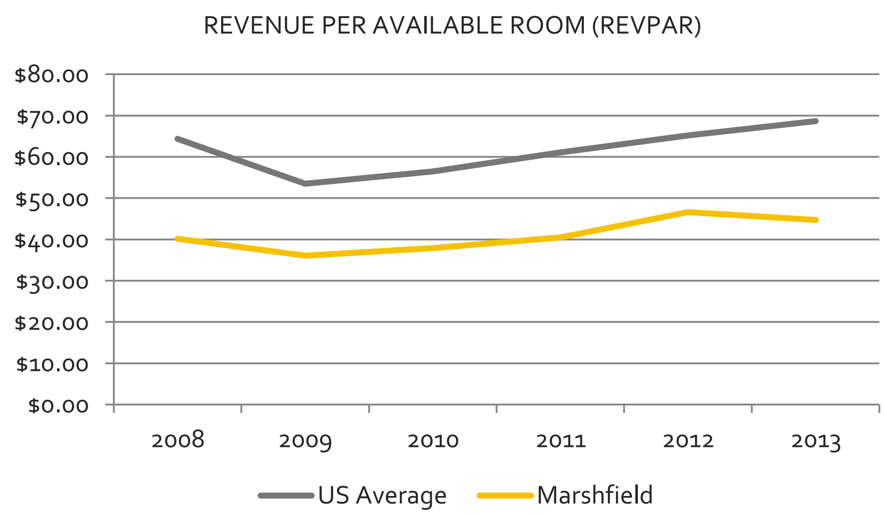
  Two possible scenarios can be suggested. The first is that, taken in conjunction with the age and condition of most rooms, potential customers do not perceive a good value and are choosing to stay elsewhere (another city). The second scenario is related, surmising that the perceived condition of lower priced properties is encouraging people to stay at Marshfield's better, and more expensive hotels. These scenarios are not mutually exclusive.

- Inclusion of Abbottsford and Neillsville hotels – In order to obtain a set of hotels for which data could be obtained, it was necessary to include hotels in Abbottsford and Neillsville. Typically, smaller communities like these will see less traffic and lower occupancy rates that will bring down the average.

- Demand – The recession brought on a decrease in demand, and that demand has not returned in subsequent years. In fact, the lowest demand was recorded in 2012 and 2013. The temporary closure of the Clearwaters Hotel and Conference Center (Hotel Marshfield) likely explains much of the decline, as its meeting and banquet facilities are likely significant generators of demand.


ROOM SUPPLY AND DEMAND - MARSHFIELD
160000
140000
120000
100000
80000
60000
40000
20000
0
2008
2009
2010
2011
2012
2013
Annual Room Nights
Annual Demand


AVERAGE DAILY RATE (ADR)
$120.00
$100.00
$80.00
$60.00
$40.00
$20.00
$0.00
2008
2009
2010
2011
2012
2013
US Average
Marshfield


REVENUE PER AVAILABLE ROOM (REVPAR)
$80.00
$70.00
$60.00
$50.00
$40.00
$30.00
$20.00
$10.00
$0.00
2008
2009
2010
2011
2012
2013
US Average
Marshfield

Revenue per available room is another measure used to assess performance of the market. By increasing the average daily rate, Marshfield hotels have compensated for weaker demand in the recession and following years.

Discussions with the Wausau Convention & Visitors Bureau confirmed some of the observations made above. The Wausau market contains approximately 2,100 hotel rooms, with occupancy running currently at about 60 percent (in a range from 50 to 65 percent each month of 2014). Data provided by the City suggest an annual average closer to 50 percent occupancy in recent years. This low rate is partially attributed to the recession and partly to a condition of oversupply brought on by recent hotel construction. The average daily rate is running somewhat less than in Marshfield, at around $70 to $75. Most of the city's hotels are chain branded, and a large number are new or have been renovated in the past five years.

SOURCES OF DEMAND

There are three primary sources of travel demand at play in the Marshfield market. These are business travel, leisure travel, and medical-related travel attributed to the Marshfield Clinic and St. Joseph's Hospital. Two events have impacted business and leisure travel. The first of these was the recession, during which businesses and households made significant cuts to travel budgets. The second event was more local in nature, and was the closure of the Clearwaters Hotel and Conference Center at the end of 2012. The loss of its facilities impacted the ability to book conventions, meetings, group events, weddings, and other functions that generate about a quarter of all trips nationally.

The Hotel Marshfield reopened as a very attractive property with good meeting and banquet facilities. This analysis assumes that the Hotel Marshfield is able to recapture meeting and group events, and associated hotel stays lost when the Clearwaters Hotel closed. No other significant changes in the market are anticipated.

DEMAND FORECAST

Aside from the types of travel (market segments), demand for rooms is typically discussed in terms of accommodated demand, unaccommodated demand, and induced demand. Market growth will occur regardless of whether there is a new hotel added within the city. Additional rooms may be captured through induced demand or by capturing unaccommodated demand. These increases will not be realized until or unless a new hotel may open. The opening date for a new hotel is assumed to be January 1, 2017, providing time for site selection, recruitment, and development.

- Accommodated Demand Growth – The actual number of lodging nights recorded in an area is referred to as accommodated demand. There is generally an expectation that the market can continue to capture this demand, and that it will grow over time. An annual growth rate of 4.5 percent is forecast through 2016, largely addressing the reentry of the Hotel Marshfield and its ability to book rooms for meetings and events. In subsequent years the rate of growth is estimated at 2.0 percent. For purposes of comparison, the U.S. Travel Association is forecasting a national average growth rate of 1.7 percent per year.
- Unaccommodated Demand – The potential room market is larger than the number of rooms presently being taken. Potential guests are staying elsewhere for reasons such as convenience, price, quality, and brand preference. Additionally, 17 percent of leisure trips taken by car include a

pet, yet few local hotels accept pets. If pet rooms are filled or if the guest is unwilling to pay a comparatively high fee, they may look elsewhere. Unaccommodated demand can also occur on occasions when all available rooms are booked, and potential guests need to leave the community to find a room. A new hotel may address a subset of these issues.

The preceding analysis paints a picture in which Marshfield has few chain hotels, with many of its chain and independent rooms falling behind expectations for contemporary décor, and providing service and amenities that are simply average. Room rates have risen rapidly, and some guests may feel that they do not provide a commensurate level of value. Meanwhile, nearby communities offer plentiful, newer chain competition. Given the significant opportunity to recapture unaccommodated demand, an estimated growth rate of 2.5 percent is forecast. This source of market growth is realized only with the addition of a new hotel, which is assumed to open in 2017.

- Induced Demand – Induced demand is new room demand created simply by having a new hotel in the market, especially if that hotel carries a new chain flag not in the community, or has amenities that will be unique or generate demand. Induced demand may also be created by the addition of a demand generator in the market. Examples might include a new major employer that will expand business travel, or a visitor attraction that will increase tourist travel.

  This analysis does not anticipate the introduction of any large-scale demand generators in the community, although in the long term an attractive downtown with a critical mass of desirable shops and restaurants could help to generate demand for a downtown hotel. Induced demand over the next five years will largely be to the introduction of a new hotel, and is estimated at 2.5 percent per year. Again, this increase is predicated on a new hotel opening in 2017.

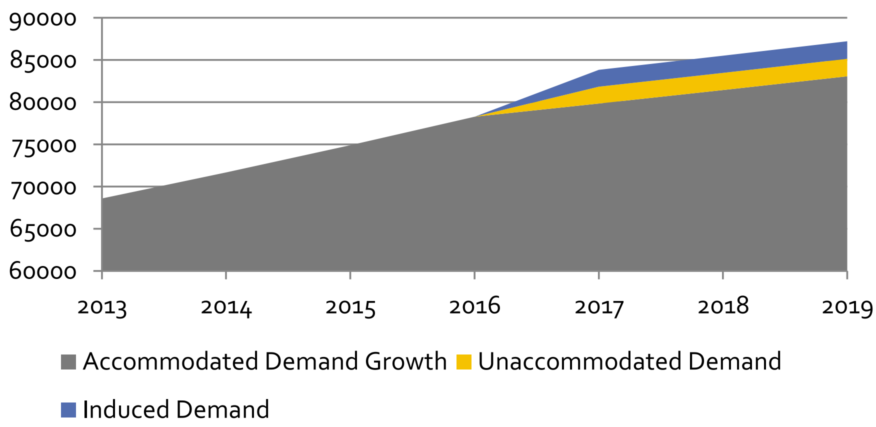
- Cannibalization – Introduction of a new hotel into the market will have an impact on the performance of existing establishments, seen as a combination of fewer bookings and a drop in rates at some hotels. This is caused when guests who might have stayed at one of the other properties in the city instead choose to stay at the new hotel.

  Independents competing primarily on price, and Marshfield's better hotels (Holiday Inn and Hotel Marshfield) are least likely to be impacted. Existing hotels may respond in one of several ways, aside from lowering rates. They may try to compete by renovating rooms and facilities, or adding new amenities. Some may choose to close. These are most likely to be the least competitive hotels based on factors such as age, number of rooms, condition, service quality, amenities, and management competency.

  Closure of one or more hotels may help to raise the overall quality of lodging in the community, and removing their rooms from the available inventory will help to raise market occupancy. At the same time, the City may need to address potential blight, conversion of the building to other uses, or redevelopment.

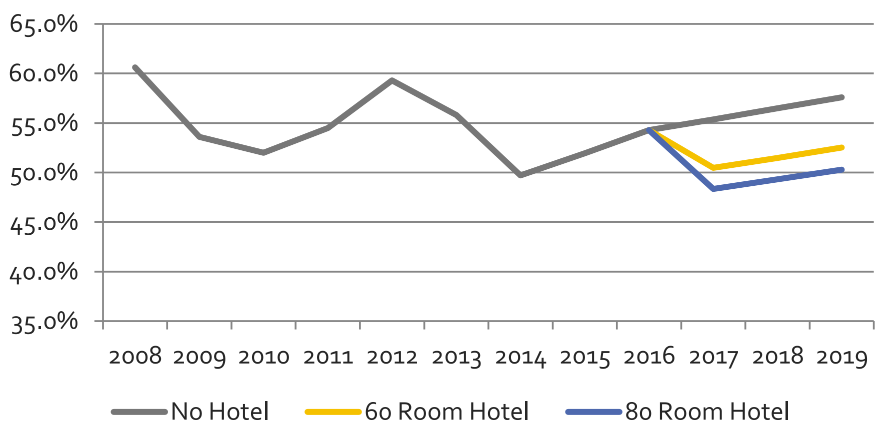
The following chart depict forecasted annual room demand if a new hotel were to open in Marshfield in 2017. Accommodated demand is anticipated to increase from 65,580 room nights in 2013 to 83,051 room nights in 2019. The addition of a new hotel may be expected to take the end total to 87,204 room nights. Characterized in another way, these numbers may be translated as an average of 8.5 additional room stays per day in 2014, growing to an additional 51 daily room stays in 2019.

FORECAST ANNUAL ROOM DEMAND
WITH NEW HOTEL OPENING IN 2017



Two scenarios were considered when looking at the impact of a new hotel on occupancy. The first is the addition of an 80 room midscale or upper midscale hotel opening on January 1, 2017. The second changes the size of hotel to 60 rooms. Either scenario will cause a drop in in the occupancy rate, even while increasing the number of room nights.

TREND AND FORECAST OCCUPANCY WITH THE ADDITION OF
A 60 OR 80 ROOM HOTEL IN 2017



There is no clear-cut answer to the question of whether Marshfield can support another hotel. The projected demand, taken in conjunction with the condition of existing hotels in the city suggests that a new hotel can be successful. This would be a midscale or upper midscale hotel such as a Best Western, Comfort Inn, Hampton Inn, or La Quinta.

Overall occupancy would drop to a borderline low level similar to what the market is currently experiencing. There would also be a shift in hotel stays away from some of the non-chain and older, more dated properties. This might result in new investment to upgrade older hotels, but there is the very real potential for one or more hotels to close. Removing some of the older and less competitive rooms from the inventory would have the effect of improving occupancy in the market.

PROTOTYPE HOTEL DEVELOPMENT SPECIFICATIONS

Best Western

Rooms	80
Floors	3
Building (sq. ft.)	45,310
Footprint (sq. ft.)	16,861
Lot (acres)	1.93
Parking stalls	91

Comfort Inn

Rooms	87
Floors	3
Building (sq. ft.)	41,346
Footprint (sq. ft.)	15,320
Lot (acres)	1.71
Parking stalls	87

Hampton Inn

Rooms	80
Floors	3
Building (sq. ft.)	47,489
Footprint (sq. ft.)	15,000
Lot (acres)	1.59
Parking stalls	80

DOWNTOWN HOTEL DEVELOPMENT

A typical midscale or upper midscale chain hotel, with up to about 80 rooms, will be a three story building. The ground floor will usually be larger than upper levels in order to accommodate common areas such as the lobby, breakfast room, meeting rooms, fitness center, and pool. A typical footprint will occupy 15,000 to 18,000 square feet. The hotel, parking, and landscape areas will require a lot between 1.6 and 2.0 acres, with a generally rectangular shape.

There are advantages to locating a hotel in the city center, particularly if it were in close proximity to the Holiday Inn. This would provide convenience for guests who may be staying to participate in an event in the Holiday Inn's conference or banquet space. A central location is also convenient to any part of the city, but particularly to St. Joseph's Hospital. A location such as along Veteran's Parkway, west of Chestnut Street, would provide good traffic and excellent visibility on a state highway.