

Recreational Homes and Regional Development

A Case Study from the Upper Great Lakes States

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Cover photo courtesy of the Wisconsin Department of Tourism

Executive summary

THE RECREATIONALHOUSING project was undertaken to develop a better understanding of rural regions with large numbers of “second homes.” Specifically, the project was begun in response to requests for information on the development implications of recreational homes in rural areas of northern Wisconsin and Minnesota. The project’s goal was to provide baseline data that would contribute to policy discussions about this issue in the Great Lakes States. The economic, social and environmental development perspective of this region is incomplete without a better understanding of recreational homeowners, their impacts on and interactions with the local economy, socio-political structure and natural environment.

In an effort to address these issues, we incorporated two unique characteristics into this study. First, rather than documenting the attitudes and opinions of one group—either host residents or visitors—we collected data from both. Second, by collecting three separate sets of data (secondary, survey and focus group interviews) we were able to assess research questions in several different ways.

Our data suggest that the 1970s saw large-scale recreational home development in Wisconsin and Minnesota. In comparison, the 1980s showed a general slowdown in new recreational home development as housing markets changed and the availability of developable lakeshore lots declined. Recreational homes today are in high demand, and existing

recreational properties command increasingly higher prices. Many recreational homeowners also make significant investments to upgrade existing properties.

Average recreational homeowners encountered in this study belonged to fairly high income brackets and held “white collar” jobs as compared to local residents, who held proportionately more “blue collar” jobs. The primary residence of recreational homeowners in this study was the Fox River Valley region of east-central Wisconsin. Although not directly addressed here, it appears that substate regions in Minnesota and Wisconsin acquire their recreational homeowners from different locations. Northwestern Wisconsin and north-central/eastern Minnesota, for instance, draw heavily from the Twin Cities area, while the northwest-central Minnesota lakes region attracts recreational homeowners from southern Minnesota and the Dakotas.

Studies show that recreational homeowners play an important role in generating local business activity, in part because they use their properties throughout the year. Our data suggest that usage peaks during the summer at about 22 days per month and declines during the winter to about 7 days per month. On average, recreational homeowners spent about \$6,000 per year on items directly used or attributed to their recreational homes. Purchases made locally ranged from 20–70% of this amount, including significant expenditures for construction, remodelling and meals. It is important to note that residents also pur-

chased many of their household goods outside the county. We found generally similar spending patterns between residents and recreational homeowners with respect to how much money they spent within the county.

Important transitions occur in regions with many recreational homes. First, results of this research point to the fact that large numbers of recreational homeowners are drawn to a region from previous visits as destination vacationers. Destination tourism is one of the major ways that people learn about a region before they build recreational homes. Second, some evidence from this study also suggests that as recreational homeowners become older, a significant number convert recreational dwellings to retirement homes. This is particularly true for seasonal (or “snowbird”) retirement homes.

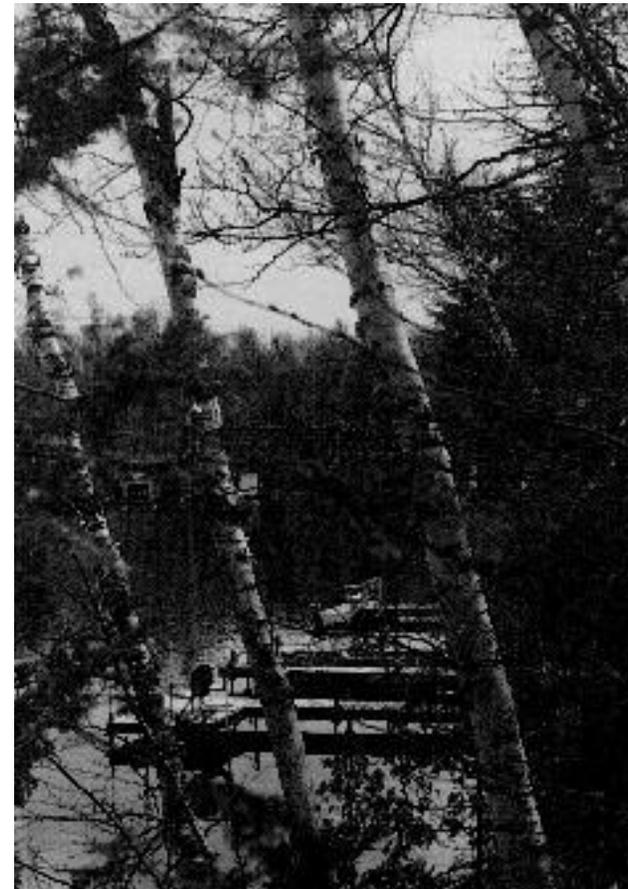
Important attitudinal differences exist between residents and recreational homeowners with respect to local land use and economic development. Residents were more strongly tied to local business activity and economic growth than recreational homeowners. Recreational homeowners, on the other hand, were more likely to desire land use controls that limited further development. Compared to local residents, recreational homeowners were also more apt to desire limits on public access to waterways. Although overall class differences explained some of these differences, there were strong differences in sentiment explained by local-nonlocal characteristics.

A general conclusion of this research is that recreational housing development, from the perspective of local governments, has positive local benefits that may outweigh costs.

Recreational housing in a region appears to contribute more to a local government's ability to generate revenues than to place demands on services, as measured by public expenditures. Communities either experiencing or wishing to promote growth and development in recreational home ownership would benefit from a better understanding of recreational homeowners and their local impacts.

Many institutions cooperated on this project. Funding was provided by the North Central Regional Center for Rural Development (Ames, Iowa). Collaborating institutions included the Minnesota Extension Service (Tourism Center) and the University of Wisconsin-Madison/Extension (Departments of Urban and Regional Planning, Rural Sociology and Agricultural Economics).

Finally, this project could not have been accomplished without the cooperation of the residents and recreational homeowners of Forest County, Wisconsin.



Wisconsin Dept. of Tourism

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Recreational homes and regional development

A case study from the Upper Great Lakes States

RECREATIONAL HOMES provide an important leisure opportunity for those who own and use them. Such homes make up a substantial component of the total housing in many amenity-rich rural regions, and recreational homeowners furnish an important source of demand for local businesses. The local economic contributions of recreational homeowners include property taxes, construction and retail expenditures, and other spending for recreational activities. The economic, social, and environmental consequences of recreational homes at the community level have been shown to be important (Jordan, 1980; Girard and Gartner, 1993; Gartner and Chappelle, 1988; Gartner, 1987). Communities either experiencing or wishing to promote growth and development in recreational home ownership could benefit from a better understanding of recreational homeowners and their local impacts.

The growth and maintenance of recreational housing in many rural communities in Wisconsin and Minnesota raises several important sociological, economic and political issues. Most communities in the region continue to depend upon natural resources for their economic base and have achieved varying levels of success at diversifying their local economies. Many of these communities use development strategies to promote themselves as vacation sites, and tourist or retirement destination areas. Recreational homes play a

key role in community development strategies because they contribute additional jobs and income to host communities.

Research and policy discussions have tended to overlook recreational homes and their effects on local communities. During the 1960s and 1970s a flurry of research on the topic was conducted, but little comprehensive analysis has been accomplished since. The recreational housing phenomenon prevalent in Wisconsin and Minnesota provides important community development issues and opportunities. While numerous studies have been conducted on various aspects of this topic, the knowledge base needs to be updated, and outreach programming developed to address current and future needs.

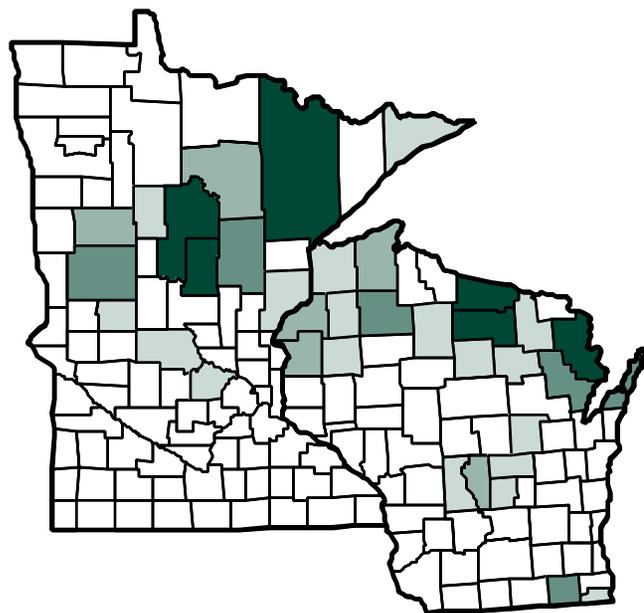
Recreational housing can make both social and economic contributions to a community. Much of the work examining these contributions in the Upper Great Lakes States is relatively dated (Somersan et al. 1975; Enosh et al. 1973; Tordella 1975). It is reasonable to expect that the economic contributions and public service needs of recreational homeowners have changed over time. An earlier study in Pennsylvania (Economic Research Service 1970) showed that initial development of rural lakeshore real estate generated significant private expenditures that remained in the local area and supported local business activity. This economic impact is particularly strong for first investments in property and home con-

struction. Later, however, total expenditures fell dramatically. The Pennsylvania study assessed home maintenance expenditures, taxes paid, and demand for public services, but did not examine the retail market impacts of food, recreational equipment, entertainment and related outlays. It is logical to expect these expenditures to increase as the property is used more frequently. This shift in spending is supported by another study (Powers and Cooper 1976) which found that large expenditures for personal services, utilities, taxes, insurance and major recreational equipment were made in local communities.

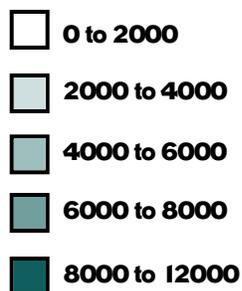
Many rural communities have made the transition from offering vacation or overnight sites to offering permanent recreational homes. There is concern that making this transition—converting recreational homes to retirement homes—will have important implications for public policy. A significant number of people desire to own a recreational home in retirement (Feitelson 1991), particularly one situated on waterfront property. Not sufficiently addressed in the literature, however, are issues regarding the implications of this trend for regional planning with regard to providing public service, environmental zoning and land use.

These issues are a potential source of conflict (Girard and Gartner 1993). For example, Garkovich (1982) argues that different interest groups mobilize to participate in the negotia-

Figure 1. Recreational housing units by county for Wisconsin and Minnesota; 1990



Number of recreational housing units



tion over plans and zoning. In most cases, social scientists have examined these issues by looking at the social and economic characteristics of those supporting and those opposed to land use and zoning (cf. Christenson 1978; Geisler and Martinson 1976; Huddleston and Krauskopf; Hutcheson and Snow 1986; Pratt and Rogers 1986).

Recreational homeowners are distinctly different from developers and permanent residents of communities with a high proportion of recreational housing (Gartner and Chappelle 1988; Ragatz and Gelb 1970; Tombaugh 1970). This difference is particularly evident in an assessment of income and education levels, but it also extends to attitudes and perceptions about land use, environmental impact, and future development (Gartner 1987; Batie and Mabbs-Zeno 1985). While these studies commonly speculate about the degree of compatibility among groups, unified work has yet to be undertaken that identifies solutions to alleviate the potential conflict over land use controls, growth promotion and environmental protection.

In the past several decades, the number of recreational homes has grown rapidly (Ragatz and Gelb 1970; Spotts 1991; USDC 1970; 1980). Much of this growth may be traced to investments made by retirees as they convert weekend retreats to year-round retirement homes. The social and economic contribution of retirees to rural communities has only recently received any level of attention (see Deller 1994; Summers and Hirschl 1985). The literature on

the social and political aspects of this type of development is far less advanced than the economic literature.

This report is intended to revisit and build upon the issues and trends surrounding recreational homes using census data for Minnesota and Wisconsin. Results are then presented from a set of focus group interviews and a survey focused on the current recreational housing situation in northern Wisconsin.

Recreational housing trends

The data available from the U.S. Census of Housing do not include a separate category for recreational homes. For our purposes, we have considered recreational homes to be a combination of (1) seasonal housing units; and (2) housing units held for occasional use.¹ This method of identifying recreational homes includes housing units vacant at the time the census was taken (April) and/or units occupied by persons with primary residences elsewhere. Examples of these housing units include waterfront cottages, hunting cabins and full-scale, four-season homes occupied by non-local residents.

Using this method to identify recreational homes, it is clear that Minnesota and Wisconsin possess regions with high numbers of recreational homes. The number of recreational housing units by county for Wisconsin and Minnesota is reported in figure 1.² Note from this figure that distinct regions where recreational housing exists can be identified. It

¹ This manner of identifying recreational homes follows the method used by Tordella (1977).

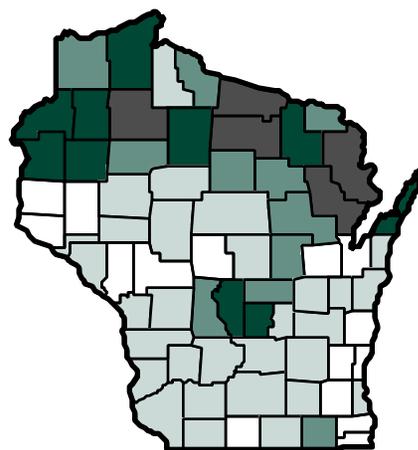
² In this study, we focus on Minnesota and Wisconsin. The issues in these two states are, most probably, similar to issues dealt with in the portions of Michigan, Iowa, Illinois, Indiana, and Ohio with large numbers of recreational homes. It is important to note that a separate study of recreational homes was conducted in Michigan with similar results. Interested readers are referred to the work of Dan Stynes and JiaJia Zheng (1995).

is not surprising that these regions generally follow from the amount of water frontage (lake or river) available locally.

The markets drawn to specific regions correlate with their proximity to metropolitan areas. Recreational homeowners in northern Wisconsin appear to come from two distinct markets. In northwestern Wisconsin, the Twin Cities serve as the primary market. Recreational property in northeastern Wisconsin, on the other hand, appears to draw people primarily from the Fox River Valley. The central Wisconsin region follows the Wisconsin River and draws recreational homeowners from Madison and Milwaukee. The southeastern Wisconsin region surrounding Lake Geneva appears to bring large numbers of recreational homeowners from the Chicago area. In Minnesota, the Bemidji to Brainerd region attracts many Twin Cities residents seeking recreational property. In northwest central Minnesota, the region surrounding the Ottertail-Park Rapids chain of lakes attracts many recreational homeowners from southern Minnesota, North Dakota, South Dakota and Nebraska.

Evidence of trends in recreational housing can be obtained by assessing comparable housing classifications from past census years.³ Data for Wisconsin counties from the 1970, 1980 and 1990 Census of Housing are reported in table 1. This data, shown by location, appears in figures 2 and 3. The change in total recreational housing units by county during the decade of the 1970s is shown in figure 2. For the 1980s, figure 3 shows total change by county. Note

Figure 2. Change in the number of recreational housing units during the 1970s: Wisconsin



Number of new recreational housing units

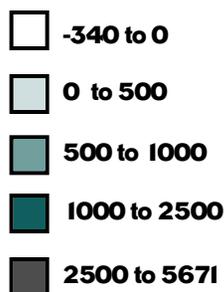
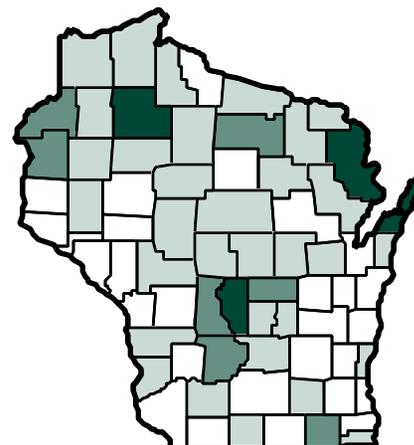
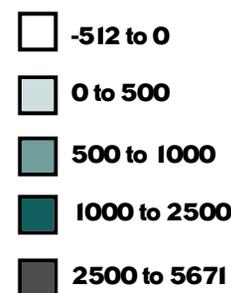


Figure 3. Change in the number of recreational housing units during the 1980s: Wisconsin



Number of new recreational housing units



³ This assessment is limited by the availability of comparable census data from 1990 compared to the 1970 and 1980 census years. Important changes in the way housing units were classified occurred between the 1980 and 1990 census. This was particularly true for the manner in which migrant housing was classified. Data presented in table 1 account for this adjustment to census categories and provide a comparable data set among the three census years.

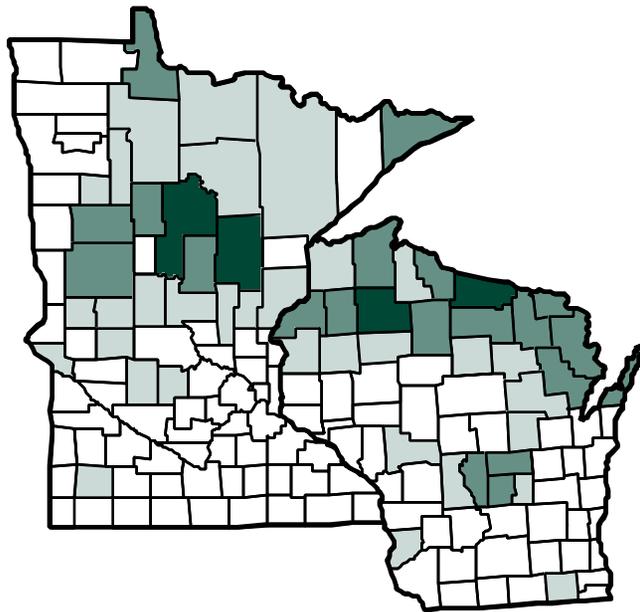
Table 1. Recreational housing trends for Wisconsin counties (1970 – 1990)

	All units 1970	Recreational 1970	Percent recreational 1970	All units 1980	Recreational 1980	Percent recreational 1980	All units 1990	Recreational 1990	Percent recreational 1990	Ranking (Percent recreational)		
										1970	1980	1990
Wisconsin	1472323	91364	6.21	1860555	137059	7.37	2055774	15060	17.33			
Adams	5242	1651	31.50	8840	3477	39.33	12418	5949	47.91	9	8	6
Ashland	6516	814	12.49	7750	1104	14.25	8371	1442	17.23	25	26	24
Barron	12673	1478	11.66	17142	2520	14.70	19363	2895	14.95	27	24	26
Bayfield	6789	2568	37.83	9637	3977	41.27	10918	4430	40.58	7	7	8
Brown	45198	477	1.06	62283	408	0.66	74740	346	0.46	69	70	70
Buffalo	4597	167	3.63	5499	260	4.73	5586	206	3.69	45	41	43
Burnett	6698	3220	48.07	10249	5255	51.27	11743	5870	49.99	2	3	3
Calumet	7884	355	4.50	10434	412	3.95	12465	311	2.49	41	44	48
Chippewa	14999	1047	6.98	19221	1258	6.54	21024	1138	5.41	33	35	38
Clark	9913	611	6.16	12367	668	5.40	12904	1008	7.81	36	37	35
Columbia	14367	1417	9.86	17805	1457	8.18	19258	1557	8.08	30	32	34
Crawford	5207	301	5.78	6716	650	9.68	7315	833	11.39	37	30	30
Dane	92430	856	0.93	126257	1000	0.79	147851	825	0.56	70	68	69
Dodge	21786	952	4.37	26968	1098	4.07	28720	950	3.31	42	42	45
Door	10779	3458	32.08	15306	5348	34.94	18037	6392	35.44	8	13	11
Douglas	16882	2051	12.15	20110	2712	13.49	20610	3068	14.89	26	27	27
Dunn	8972	309	3.44	11868	272	2.29	13252	374	2.82	48	53	47
Eau Claire	21209	351	1.65	28960	387	1.34	32741	363	1.11	61	64	65
Florence	2118	984	46.46	3334	1697	50.90	3775	1860	49.27	3	4	5
Fond du Lac	25874	837	3.23	31699	881	2.78	34548	859	2.49	49	49	49
Forest	4583	1956	42.68	6860	3422	49.88	7203	3576	49.65	6	5	4
Grant	14451	503	3.48	18163	703	3.87	18450	431	2.34	46	46	50
Green	8889	166	1.87	11317	148	1.31	12087	154	1.27	59	65	61
Green Lake	6859	1015	14.80	8186	1075	13.13	9202	1537	16.70	22	28	25
Iowa	6150	213	3.46	7517	359	4.78	8220	453	5.51	47	39	37
Iron	3747	1174	31.33	5084	1988	39.10	5243	1945	37.10	10	9	10
Jackson	5649	529	9.36	6907	518	7.50	7627	893	11.71	31	33	29
Jefferson	19198	834	4.34	23990	935	3.90	25719	940	3.65	43	45	44
Juneau	6954	775	11.14	9743	1660	17.04	11422	2436	21.33	28	23	20
Kenosha	39099	2580	6.60	47418	2258	4.76	51262	2275	4.44	35	40	39
Kewaunee	5888	168	2.85	7015	210	2.99	7544	324	4.29	53	48	40
LaCrosse	25433	269	1.06	33297	290	0.87	38239	228	0.60	68	66	68
Lafayette	5358	81	1.51	6286	132	2.10	6313	71	1.12	63	56	63
Langlade	7819	1598	20.44	9825	2351	23.93	10825	2594	23.96	20	19	19
Lincoln	9809	2062	21.02	12738	2789	21.90	13256	2521	19.02	18	20	23
Manitowoc	25404	406	1.60	30157	681	2.26	31843	557	1.75	62	54	55

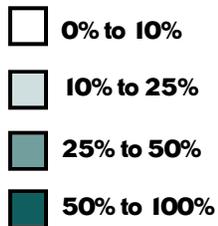
	All units 1970	Recre- ational 1970	Percent recre- ational 1970	All units 1980	Recre- ational 1980	Percent recre- ational 1980	All units 1990	Recre- ational 1990	Percent recre- ational 1990	Ranking (Percent recreational)		
									1970	1980	1990	
Marathon	29771	535	1.80	39775	578	1.45	43774	725	1.66	60	62	57
Marinette	15487	3568	23.04	22456	7339	32.68	25650	8532	33.26	17	15	14
Marquette	4675	1392	29.78	7254	2545	35.08	8035	2773	34.51	13	12	13
Menominee	704	145	20.60	1272	427	33.57	1742	528	30.31	19	14	16
Milwaukee	349732	451	0.13	377980	663	0.18	390715	605	0.15	72	72	72
Monroe	10168	272	2.68	12735	322	2.53	14135	321	2.27	54	52	51
Oconto	11947	3589	30.04	16863	6195	36.74	18832	6666	35.40	12	11	12
Oneida	14977	6505	43.43	23055	10593	45.95	25173	11263	44.74	4	6	7
Outagamie	33613	145	0.43	43915	108	0.25	51923	178	0.34	71	71	71
Ozaukee	15339	199	1.30	22526	177	0.79	26482	223	0.84	67	69	67
Pepin	2357	135	5.73	2886	180	6.24	2919	166	5.69	38	36	36
Pierce	7826	174	2.22	10337	148	1.43	11536	145	1.26	58	63	62
Polk	11799	2978	25.24	16199	3982	24.58	18562	4634	24.96	15	18	18
Portage	13803	586	4.25	19873	665	3.35	22910	685	2.99	44	47	46
Price	6151	1010	16.42	8708	2355	27.04	9052	2378	26.27	21	17	17
Racine	52829	1323	2.50	62572	1122	1.79	66945	951	1.42	55	60	59
Richland	5928	271	4.57	6975	360	5.16	7325	294	4.01	40	38	41
Rock	41814	590	1.41	52090	1009	1.94	54840	497	0.91	64	57	66
Rusk	5476	804	14.68	7137	1380	19.34	7904	1665	21.07	23	22	21
Sauk	13654	926	6.78	17433	1227	7.04	20439	1918	9.38	34	34	32
Sawyer	6452	2797	43.35	11041	5784	52.39	13025	6824	52.39	5	2	2
Shawano	12088	1573	13.01	15278	2234	14.62	16737	1972	11.78	24	25	28
Sheboygan	31207	431	1.38	37356	831	2.22	40695	745	1.83	65	55	54
St.Croix	10376	322	3.10	14921	271	1.82	18519	270	1.46	51	59	58
Taylor	5498	454	8.26	7152	613	8.57	7710	674	8.74	32	31	33
Trempealeau	7639	188	2.48	9706	186	1.92	10097	175	1.73	56	58	56
Vernon	8448	273	3.23	10171	406	3.99	10830	419	3.87	50	43	42
Vilas	9823	5670	57.72	18378	11341	61.71	20225	11632	57.51	1	1	1
Walworth	25773	6125	23.77	33405	7103	21.26	36937	7706	20.86	16	21	22
Washburn	5736	1794	31.28	8724	3391	38.87	9829	3804	38.70	11	10	9
Washington	18692	885	4.73	28420	777	2.73	34382	702	2.04	39	50	52
Waukesha	65232	1888	2.89	92603	1548	1.67	110452	1228	1.11	52	61	64
Waupaca	13974	1552	11.11	18140	2246	12.38	20141	2261	11.23	29	29	31
Wausara	8037	2363	29.40	10402	3073	29.54	12246	3886	31.73	14	16	15
Winnebago	40131	955	2.38	49711	1296	2.61	56123	1145	2.04	57	51	53
Wood	19744	263	1.33	26158	224	0.86	28839	400	1.39	66	67	60

Source: Census of Housing, 1970, 1980 and 1990.

Figure 4. Percentage of total housing units classified as recreational; 1990, Wisconsin



Recreational housing units as percent of all units



that the scales on each figure remain the same with the darkest counties representing changes of more than 2,500 recreational housing units. The figures clearly show that the 1970s were a period of more dramatic growth in new recreational homes for northern and central Wisconsin than the 1980s.

During the 1970s, many counties (Sawyer, Vilas, Oneida, Marinette, and Oconto) added more than 2,500 new recreational homes. Although still increasing in absolute terms, the 1980s witnessed a general slow-down in the rate of growth. No county experienced growth of more than 2,500 recreational homes. However, growth continued to be strong in northeastern Wisconsin (particularly Door and Marinette Counties) and in Sawyer County in northwestern Wisconsin. Also, new recreational housing units in central Wisconsin (Adams, Sauk, Juneau, and Waushara Counties) remained strong during the 1980s.

Reasons for this general slowdown in recreational housing growth are not readily apparent from the secondary data, but there are two possible explanations. The first includes factors outside the Wisconsin recreational housing situation and can be attributed to general housing trends, such as higher interest rates and rising costs associated with construction. The second possible explanation has a direct relationship to the current recreational housing situation in Wisconsin.

Most of Wisconsin's developable waterfront property (lakes and river frontage) appears to have been saturated by construction. There are simply fewer lots to develop along waterways. This has the effect of increasing land prices for remaining undeveloped lots and exerting general upward pressure on the value of existing recreational properties. Nevertheless, demand for recreational properties remains high while the supply of new units remains steady or declines. This leads to the conclusion that recreational property prices will continue to escalate.

Generalizing about the impacts of recreational housing from secondary data is difficult. This fact provided a major impetus for the focus group interviews and survey work reported in this publication. For example, information that helps us understand the way recreational homes are integrated into local development policy cannot be obtained from secondary data sources. When looked at in relation to the total numbers of housing units available locally, the importance of recreational homes to regional development becomes more focused. This is apparent in data on recreational homes relative to the total number of housing units at the county level during 1990. These data are summarized in figure 4. In Wisconsin, Vilas and Sawyer Counties classify more than 50% of the total housing units found locally as recreational (USDC, Census of Housing, 1990). This is also true in the lakes region of central Minnesota.

Objectives of the recreational housing project

Our perspective of the economic, social and environmental development in regions with high numbers of recreational homes is incomplete without a better understanding of recreational homeowners, their local impacts, and their interactions with the local economy, socio-political structure and natural environment.

A critical issue surrounding recreational housing concerns the economic impact of this type of development on rural areas. What are the consequences of recreational home development for retail markets? To what extent do recreational homeowners purchase goods and services locally? What percentage of these homeowners plan to become full-time residents eventually? What are the consequences of recreational homes for property tax values and real estate taxes?

A second set of questions concerns community integration and potential conflicts in rural communities over land use controls, growth promotion, and environmental protection. Do year-round residents hold a different set of values and attitudes toward these issues than recreational homeowners? Are communities with a high proportion of recreational homeowners characterized by a high level of social conflict over growth promotion? Are recreational homeowners integrated into these communities?

Finally, what are the implications of recreational home ownership for public service delivery in rural communities? Do recreational homeowners support improvement of service delivery or are they more interested in maintaining low taxes than are full-time residents? Is length of visiting time associated with support for services among recreational home owners? How do the desires and opinions of both year-round and seasonal residents compare with those of local decision makers? Do year-round and seasonal residents from natural “interest groups” directly or indirectly influence local politics?

In an effort to address these issues, the survey and interview portions of this study were undertaken with two unique characteristics. First, rather than documenting the attitudes and opinions of either host residents or visitors, data was collected from both groups. Second, by collecting three different sets of data (secondary, survey and focus group interviews) we were able to assess research questions in several different ways. Data on the economic and social contributions for communities were obtained by different collection methods. These comparisons gave us the capacity to understand the process communities undergo as they evolve from vacation sites to retirement locations. We believe it is important to consider the context when evaluating social and economic contributions of recreational home ownership in rural communities. Previous work in this area has not considered how the contextual effects may influence these issues.

Specifically, objectives of the survey and interview portions of this research project included:

- ◆ Identifying the social, political and economic contributions recreational homeowners make to local communities
- ◆ Comparing the level of support for land use controls, growth promotion, environmental protection, and increased levels of social services among year-round and seasonal residents
- ◆ Assessing how recreational homeowners influence growth politics and growth management efforts in rural communities
- ◆ Determining what factors communities need to consider in choosing recreational home development as an economic development strategy

Efforts to address these objectives are ongoing. This report presents findings-to-date and includes both descriptive results as well as special topics addressed in further detail elsewhere. It presents research methods and then proceeds into descriptive results. It concludes with policy implications generated from our limited experience with the recreational housing phenomena in Wisconsin and Minnesota.

Research methods used

DATAFOR the survey and interview portions of this study examined implications of recreational housing on economic, social, and environmental aspects of Forest County, Wisconsin. Forest County, located in the north-eastern part of the state, was selected because of its rural character and numerous recreational homes. According to the 1990 Census of Housing, roughly 49% of the total housing units in Forest County were classified as recreational. Recreational homes in Forest County are typically located around inland lakes and streams. Crandon is both the county seat and the largest municipality with a population of about 1,900. Other municipalities in Forest County include Wabeno, Laona and Hiles.

We used a two-phase research design to collect data. First, a nominal group process consisting of four focus group interviews was conducted in August, 1994. The intent of these focus groups was to develop a preliminary understanding of the local situation with regard to stakeholder perceptions and to assist in developing survey instruments. Second, data was collected on the local situation from a mail survey. A survey instrument was designed for recreational homeowners with the intention of comparing responses to a companion survey instrument designed for local residents.

Phase 1: focus group interviews

As a means of identifying issues and developing hypotheses, focus group interviews were held with four groups in the county. These sessions took place during August 1994 in Crandon (county seat of Forest County). Specific methods used in the focus groups followed procedures developed by Krueger (1994). Focus group participants were identified and recruited by a local Cooperative Extension agent who was very familiar with the county. An initial telephone invitation to participate in the focus group interviews was followed up with by a personal letter. A second follow-up call was made to confirm attendance.

The focus group sessions were held in a meeting room at a local bank with the same moderator for each session. Each of the focus group interviews included 8 to 12 people selected from specific categories. These included (a) recreational homeowners; (b) local policy-makers; (c) local business owners; and (d) local residents. Each interview session began with an opening question about how long participants have been associated with property in Forest County. A set of community satisfaction questions was asked, focusing on the participants' level of satisfaction with public and private services, local shopping, recreational activities and cultural events. Development issues were discussed next. Specifically, we were interested in hearing the participants discuss what types of development should occur in the

county. Finally, group questions focused on specific issues related to recreational housing in the county. In particular, we were interested in the participants' perceptions of the impacts, interactions, and integration of recreational housing locally. We were clear to specify the need to discuss both positive and negative aspects related to the issue. Each focus group session lasted approximately two hours. Transcripts of the tapes were made and major discussion themes identified.

Phase 2: survey of recreational homeowners and residents

Based upon preliminary analysis of the focus group data, survey instruments were developed, pre-tested and mailed to randomly selected households in two groups using a modified Dillman approach (1978). Exhibits of these two survey instruments can be found in Appendix B. The two groups included recreational homeowners and residents identified within Forest County using lakeshore association rosters and property tax records. Initial first-class mailings were followed up with postcard reminders (exhibit found in Appendix C). Non-respondents were again sent complete mailings. Response rates varied between the two groups. Of 439 surveys delivered to recreational homeowner primary residences, 347 valid and complete surveys were returned for a response rate of 79%. Of 641 surveys delivered to resident households, 340 valid and complete surveys were returned for a response rate of 55%.

Descriptive results of the research project

The descriptive results of this research project are summarized and discussed in this section. For convenience, the following section first describes results of the focus group interviews and then proceeds to the survey results from Forest County.

Focus group interviews

The following describes major findings from the focus group sessions. The basis for analyzing each of the focus groups interviews was developed from main themes identified using personal notes, typed transcripts and reviews of each audio tape.

Recreational homeowners. The recreational homeowner focus group consisted of four “snowbirds” and three others whose primary residences were several hours’ drive from Forest County. One of the first community issues brought up by this group was a concern over public service delivery and cost. Recreational homeowners seemed willing to pay their share of taxes in Forest County. They recognized that a second home was a luxury and that Forest County had a low tax base. However, they questioned the fairness of recent assessments and whether they received the level of public services they should for the amount of taxes they paid. Seasonal homeowners were not demanding significant increases in the level of services.

Recreational homeowners recognized that the tax burden was placing a second home out of many people’s reach. One individual ques-

tioned whether his children would ever be able to keep the house because of the tax burden. Although they emphasized the effects of recent assessments on seasonal homeowners, there was no discussion about what such assessments would mean for permanent residents. One common concern among seasonal residents is their perceived lack of influence on local public officials.

Seasonal homeowners admitted that employment and population growth was important to increasing the tax base of the county, but they also recognized the limits of growth and questioned whether the costs exceeded the benefits in many settings. We asked a series of questions about integration into the local community. Recreational homeowners said that “locals” and recreational homeowners did not interact much, but as individuals they had some long-standing relationships with people in Forest County. None of the seasonal homeowners identified any specific sources of conflict between the two groups. However, they discussed at great length the problems they had getting work done on their homes by locals.

Full-time residents. Nine individuals were included in the focus group of full-time residents. Two of the group had been former seasonal homeowners. Full-time residents identified a much different set of community issues and concerns. They were generally much more pro-development. High-tech and low-impact industries (other than wood-based industries) were seen by full-time residents as holding the

greatest potential benefits for the county. A major reason they focused on development issues was because of the large amount of land that was owned by the federal government (USDA Forest Service) or Native Americans.

Another issue dividing seasonal homeowners from permanent residents in the county concerned the benefits and costs of a proposed copper mine in the area. Local residents were much more likely to see the benefits of job creation from this development, while seasonal homeowners questioned the environmental impact. Aside from development issues, full-time residents expressed concern over zoning. Their major criticism was that current zoning tended to be arbitrarily enforced.

Full-time residents were much more critical of recreational homeowners than the reverse. During the focus group sessions, full-time residents described recreational homeowners as “standoffish.” One individual voiced the concern over seasonal homeowners.

“Kinda wondering about these seasonal homeowners here and I’m getting the impression they are opposed to anything that will make a little noise, create a little dust and the kinds of things that are going to give our people some work here, and that’s probably the only problem I have with them. Throughout my life I’ve

worked for them and I've made money off of them, but I think they have a tendency to be a little standoffish and try to take care of themselves, which there is nothing wrong with, but I think they are hurting the local people that are here."

Most of the discussion centered around the differences in class position between the two groups. Seasonal homeowners were viewed as blocking additional growth and development in the community. In addition, full-time residents said that seasonal homeowners were demanding in terms of the types of services they wanted the county to provide. There was definitely a "we versus them" mentality among permanent residents.

Differences between seasonal homeowners and permanent residents. The focus group sessions revealed four major differences between recreational homeowners and full-time residents. First, there appeared to be major differences between the two groups with respect to the *local issues* they identified as the most important for the community. Recreational homeowners are primarily concerned with environmental issues and service provision; full-time residents are more concerned with increasing the tax base and development. Second, the two groups differ in their position about the *benefits of growth and development*. Recreational homeowners are more likely to question the benefits of growth and to emphasize growth limits. Full-time residents are generally much more favorable toward development efforts, particularly what they might define as "low impact" development. Third, the focus groups revealed interesting

differences in *perceived relationships between the two groups*. Full-time residents are more likely to perceive tensions; they emphasize the class differences between the two groups and their divergent attitudes toward growth, development and the environment. Finally, the two groups differ in what they perceive is the *impact of recreational homeownership*.

Recreational homeowners view these impacts as almost entirely positive, particularly in terms of their contributions to the tax base. Full-time residents, on the other hand, stress the additional demands recreational homeowners place on services, the consequences for the cost of living and property values, and the conflict over development issues.

Local business owners. The participants represented a variety of businesses in the county including real estate, banks, construction, trucking, hardware stores, utilities, groceries and taverns. The initial discussion centered around the changing nature of the second homes being built. According to the business owners, recreational homes had increased in value threefold over the past few years. Cabins were being converted into expensive all-season homes and recreational home owners were increasingly using their property on a year-round basis. This trend has obviously been viewed positively by business owners.

While recreational homeowners are important to the local economy, the degree seemed to vary depending on the nature of the business. It was pointed out that businesses associated with construction (new or remodeling) benefited greatly from recreational homeowners. While construction items were believed to be purchased locally, there was a mixed reaction

to items such as groceries. One business owner described seasonal homeowners this way:

... they (recreational homeowners) are very frugal ... they sit at the lake and kick back.

When questioned about future development needs for the county, their reactions varied. There was a lengthy discussion about the kinds of visitors that Forest County should try to attract. While there were diverging opinions, overall, business owners preferred visitors that spent money in their area. Business owners pointed out that spending habits of seasonal homeowners varied depending on their origin. Seasonal homeowners from Chicago that visited the Eagle River area were believed to be quite different from the Fox Valley recreational homeowners that visited Forest County.

The group discussed benefits and costs of a high volume of second-home owners in the area. While recreational homeowners were perceived as being good for individual businesses, the costs associated with high land prices and the demise of resorts was attributed to them. In terms of marketing strategies, it did not appear that anything unique was being done to market to second-home owners.

There was a general belief that second-home owners eventually moved to Forest County and retired. However, business owners did not view retirees as being good customers—particularly for those in the remodeling business. They further indicated that retirees eventually moved out of the area as they got older and needed better medical care, or if one of the spouses died. For retired people to remain in

the area, it was generally recognized that improved medical care would be necessary.

In terms of labor issues, there seemed to be general consensus that there was a shortage of good labor; the reasons ranged from seasonality of demand for labor to other types of competition for labor. One source of competition specifically mentioned was the casinos.

The group was generally in favor of developing more lodging accommodations in the form of timeshare units. Business owners pointed out that the lack of lodging and dining facilities, limited attractions development, and the large extent of public land hurt Forest County. It was also pointed out that a severe shortage of seed capital exists in the area—Forest County being one of the poorest counties in the state.

Local government officials. There were seven local government officials that represented various towns and villages in Forest County. Several of the community leaders were also business owners in the county.

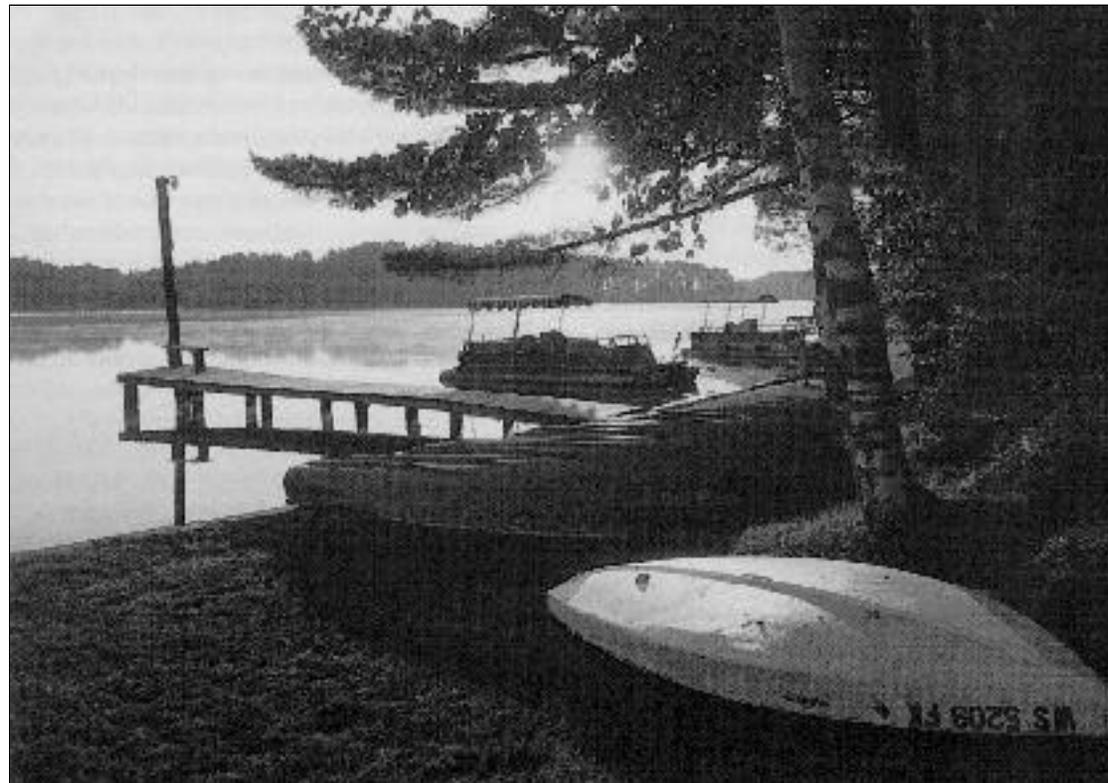
In terms of future development efforts the foremost issue was the large extent of publicly owned land in the county. More than two-thirds of the land in Forest County is owned by the federal government, with an additional 30,000 acres owned by the state and county. This leaves only 24% of the land on the private property tax roles. This situation was clearly considered to impede development. While the group was in favor of more development, the lack of resources for infrastructure was seen as a hindrance. The group favored mining development and was

very interested in increasing the number of jobs in Forest County. Their primary interest was in attracting well-paying jobs to the area.

Questions related to the advantages and disadvantages of seasonal home owners were addressed. One of the disadvantages identified dealt with second-home owners driving up the value of lake property. According to government officials, second-home owners were overpaying for lakefront property. This fact was perceived to hurt locals who were

unable to afford such property. There was a suggestion that recreational property be assessed at a different rate than non-lake property.

In terms of spending habits, local leaders believed that second-home owners in Forest County had limited resources to spend in the local businesses. They recognized that the second-home owners in Forest County came from different locations than those in Vilas and Oneida counties. One of the participants com-



Wisconsin Dept. of Tourism

Figure 5. Gender, age and educational attainment of survey respondents

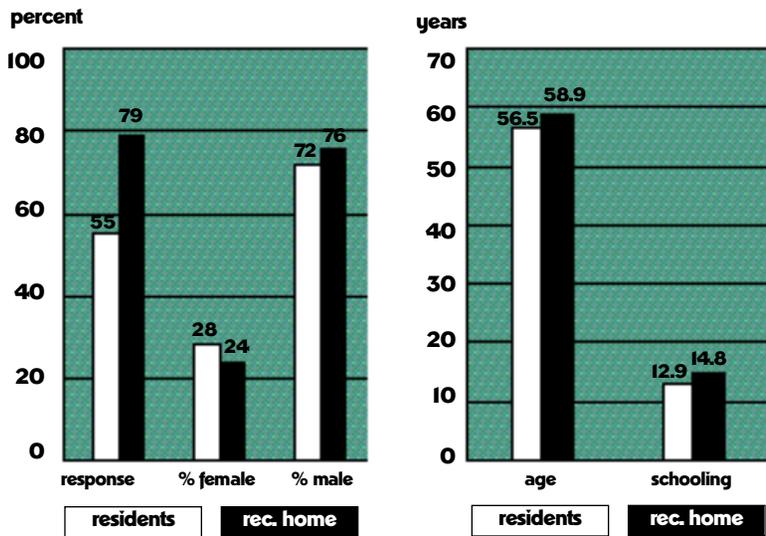
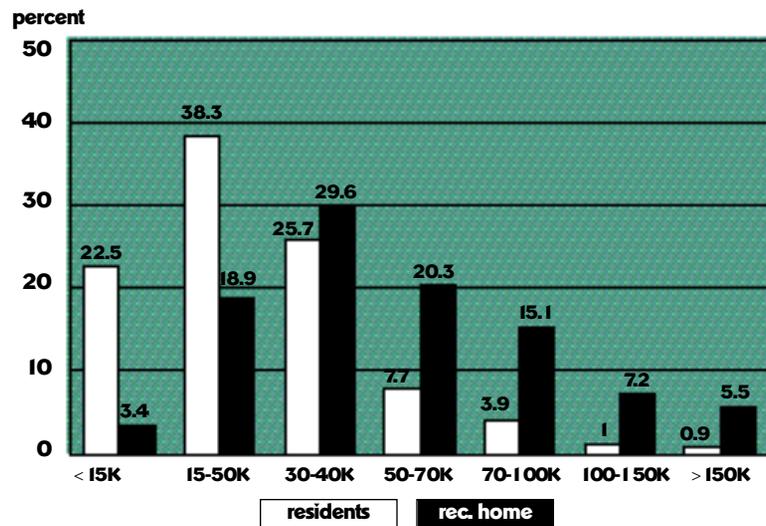


Figure 6. Annual household income of survey respondents



mented that second-home owners in Forest County could barely afford their second homes. They also believed that second-home owners brought most food and other needed items from their primary residences. This led to the perception that there was very little impact on local businesses. In this regard, the group seemed to favor traditional destination tourists. Although local officials were in favor of attracting good jobs so that the locals could afford to live in Forest County, the perception was apparent that second-home owners did not favor any new development.

In terms of the advantages of having high numbers of seasonal homes in Forest County, tax revenue generation was first on the list. It was also pointed out that as second-home owners get older, they prefer to move to areas with better health care facilities than those available locally. Integration of second-home owners into the local community was raised as a discussion topic. The local policy makers pointed out that although second-home owners participate in lake association activities, their involvement with the rest of the community is minimal.

Local officials did not seem to think that “taxation without representation” was an issue. There was very little comment on the topic. The group indicated that there were a number of issues involving roads and garbage service being raised by second-home owners. It was also pointed out that townships may have more of a problem with people complaining about the low level of police protection. Further, while second-home owners are assessed for garbage collection in the town-

ships, they are not provided the service. Therefore many have registered complaints regarding this issue.

Descriptive survey results

Descriptive data from the surveys of recreational homeowners and residents are organized into four sections. These include (1) demographics; (2) characteristics of recreational property; (3) related economic development issues; and (4) publicly provided local goods and services.

Demographics of survey respondents

A total of 1,080 surveys were delivered to the two sample populations. The overall response rate to the survey was 62% (687 valid responses). Characteristics of survey respondents are summarized in figure 5. Of 439 surveys delivered to recreational homeowner primary residences, 347 valid responses were returned for a response rate of 79%. Of 641 surveys delivered to resident households, 340 valid reports were returned for a response rate of 55%. Surveys were mailed to the owners of record. Survey respondents were predominantly male (72% of residents and 76% of recreational homeowner respondents). The average age of 56.5 years for residents and 58.3 years for recreational homeowners was not statistically different.⁴ Educational attainment of the two groups did appear to differ significantly. Whereas residents had an average 12.9 years of education, the average for recreational homeowners was 14.8 years.

⁴ at the .05 significance level.

Annual household incomes of the two groups were also quite different. In general, the recreational homeowner group had higher before-tax annual household incomes than residents. Respective income distributions are summarized in figure 6. Note that while roughly 3% of recreational homeowners reported an annual household income of less than \$15,000, roughly 22% of residents reported incomes in this category. The most common income category response for residents was between \$15,000 to \$30,000 while recreational homeowners most commonly reported the category \$30,000 to \$50,000. Also, while roughly 50% of the recreational homeowner respondents reported annual before-tax household incomes in excess of \$50,000, only 13.5% of resident respondents reported incomes in this category.

There also appear to be differences between respondents of the two groups with regard to occupation. Removing retirees from the sample for a moment, it is clear that still-working recreational homeowners tend to have careers in occupations that are generally higher paid. This is clear from figure 6 and results from the fact that recreational homeowners tend to work in more managerial professions. A summary of each respective group's occupational response is summarized in figure 7. Respondents were requested to identify a job category that best applied to their specific line of work. While 59% of recreational homeowner respondents reported management occupations, roughly 34% of residents reported this category. Almost 8% of resident respondents reported occupations in broadly-defined service fields; less than 1% of the recreational homeowners reported

occupations in this category. Similar results are found for farming/forestry as a profession. Almost 16% of residents reported this as their occupation; only 2% of recreational homeowners reported farming/forestry as their occupation.

There are few differences between the two groups regarding the extent of retirees' interest in becoming full-time residents. Responses to a set of questions regarding retirement options are summarized in figure 8. There appeared to be more retirees among the resident population (28.6%) than among recreational homeowners (25.7%). A problem crops up in this section of the research project because previously retired recreational homeowners who relocated to Forest County permanently show up in the survey as residents. Another difficulty concerns the presence of "snowbirds" (people who spend the warmer months in Forest County but relocate to more temperate regions for the winter) in both the recreational homeowner and resident groups. It is not clear where these households are classified. If recreational homeowners retired and changed their mailing addresses (for tax purposes) to their recreational homes in Forest County, they would be classified as residents even though they might spend six months in another location. If they retired and relocated tax record addresses to their alternate home for tax benefits, they would remain in the dataset as recreational homeowners. Difficulties notwithstanding, recreational homeowners appeared to be less likely to retire permanently to Forest County.

Figure 7. Occupation of survey respondents (not including retirees)

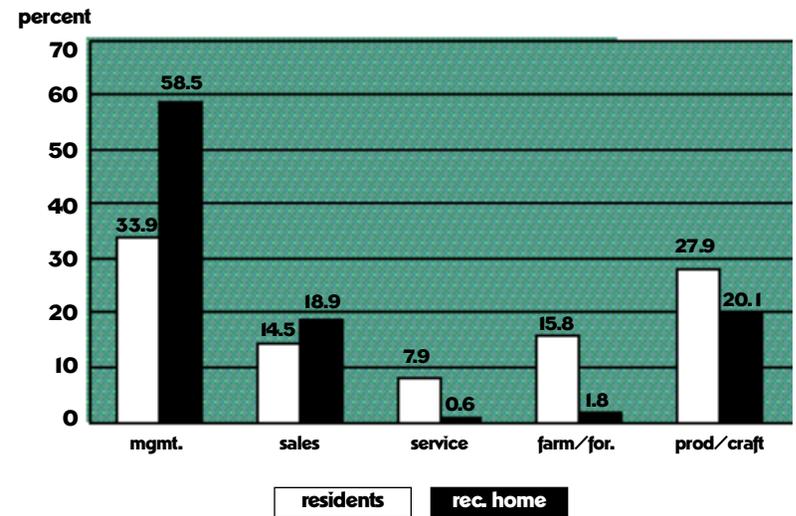


Figure 8. Survey respondents who plan to become full-time residents after retirement

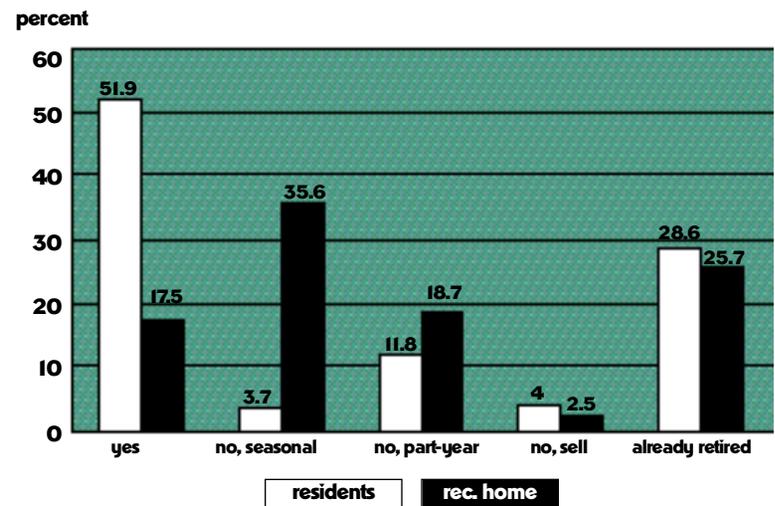


Figure 9. How recreational homeowners first learned about Forest County

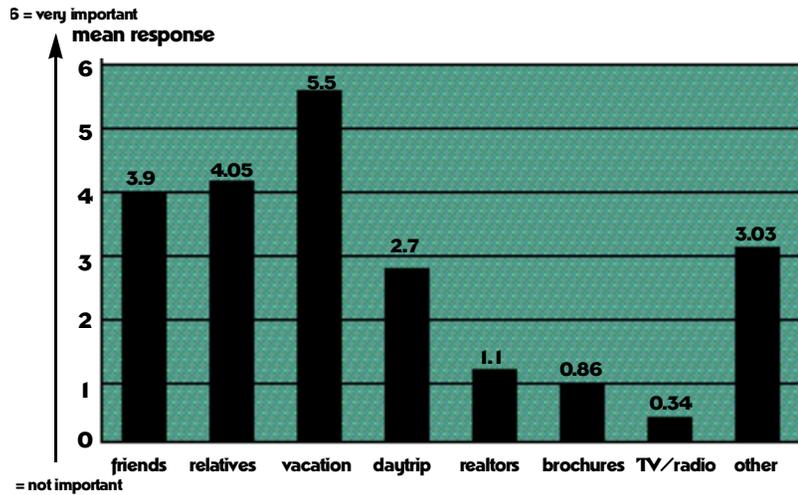
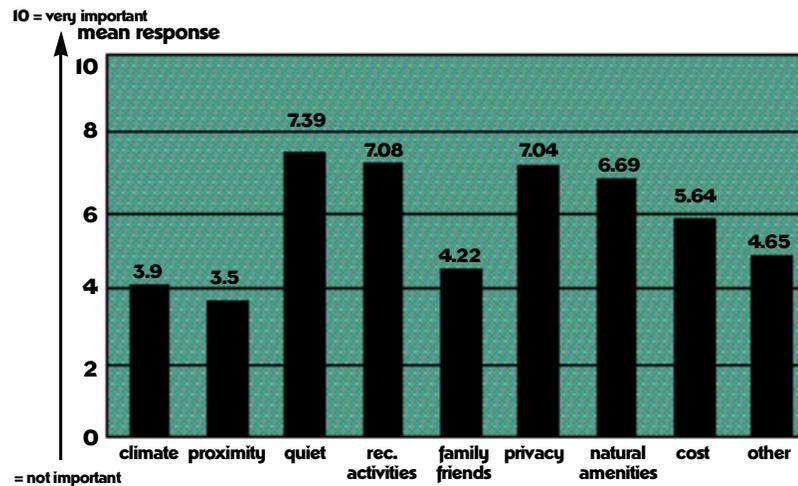


Figure 10. Reasons for purchasing recreational property in Forest County, Wisconsin



Recreational property: acquisition, ownership and usage

This research project dealt specifically with characteristics of recreational property. These included recreational homeowners' means of learning about the region, length of ownership, method of acquiring, and use of the recreational property. Due to the focused nature of questions specific to recreational property, this section is limited to recreational homeowner responses.

Respondents were asked to rank items that helped them first learn about Forest County on a scale of 1 (not important) to 10 (very important). Items included contact with friends and relatives, previous travel through the region on vacations and day trips, realtors and other regional promotion materials. Responses to this set of questions are summarized in figure 9. Overall, respondents identified past vacations in the region as most important (average ranking of 5.5) in learning about Forest County. This item was closely followed by relatives (4.1) and friends (3.9) as information sources. Implications of this include the link between short-term destination vacationers and recreational home-buying activities and the transitions made between traditionally defined tourism and recreational homes.

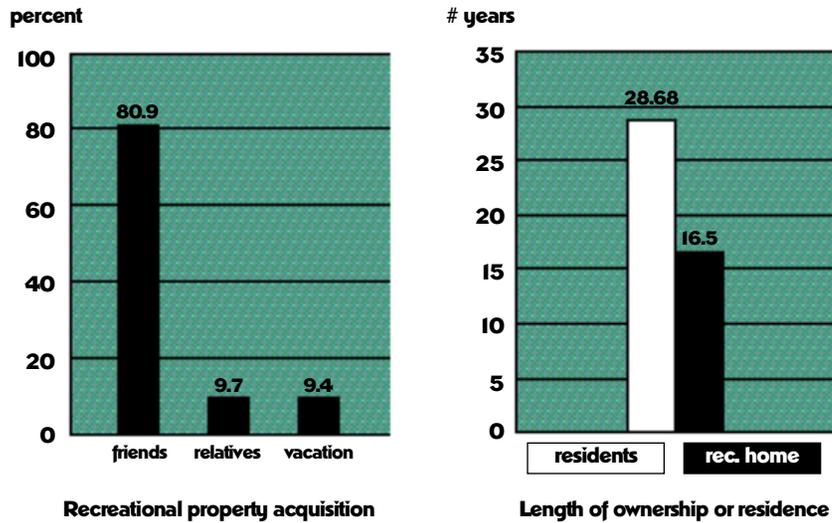
It would be reasonable to assume that decision criteria used in purchasing recreational property in Forest County would be somehow associated with information used in identifying Forest County as a location for recreational property. Respondents were asked, using the same scale (0–not important to 10–very important), to rank the importance of decision

criteria in locating recreational property in Forest County. Decision criteria ranked included physical characteristics of the region as well as social and economic criteria. A summary of responses to this set of questions can be found in figure 10. Criteria ranked as important included quiet, rural atmosphere (7.40), recreational activities (7.1), privacy (7.0) and natural amenities (6.7). Of generally less importance as criteria used to purchase recreational property in Forest County were items such as proximity to primary residence (3.5), climate (3.9), and family / friends (4.2).

The manner in which recreational property is acquired has general importance to those interested in marketing strategies. Survey respondents were asked to identify how and when they acquired their property. Those responses are summarized in figure 11. Resident responses to the length of ownership question are also included for comparison. The average length of ownership for recreational homeowners was 16.5 years while residents, on average, owned property for almost 29 years. Most recreational homeowner respondents in Forest County purchased their recreational property from non-family members (roughly 81%). Almost 10% of the respondents indicated that they purchased property from family members. Only 9.4% of recreational homeowner respondents indicated that they inherited the property.

The attributes of recreational property include the presence and type of structures on the property as well as others such as amount of waterfront. These attributes are summarized in figure 12. Results of the recreational housing survey suggest that roughly 83% of the respondents possessed permanent structures. The

Figure 11. Origin and length of recreational property ownership



upgrading of buildings was initially identified in the focus groups as an important trend associated with recreational homeowners over time. Survey results substantiate this claim. Recreational homeowners were asked to characterize buildings found on their recreational property when they first purchased it, as well as those buildings' current status. Indeed, while the presence of three-season and mobile homes appears to remain steady over time,⁵ the "four-season home" and "no structure present" categories show dramatic change over time. While only 19% of recreational home respondents identified the presence of a four-season home when they first acquired the property, roughly 47% of the current properties include one.

Usage of recreational homes in Forest County exhibits seasonal fluctuations. This is evident from the distribution found in figure 13. As expected, the majority of recreational home use occurs in the summer, peaking in July. During July, recreational homes in Forest County were occupied on average more than 21 days. A lull occurs in the winter with February ranking as the month with least usage (an average of slightly more than 6 days). It is interesting to note that recreational homes appear to be used more in the winter than previously thought. Between December and April, recreational home use remains relatively steady at 6 or 7 days per month.

Figure 12. Structures on recreational property

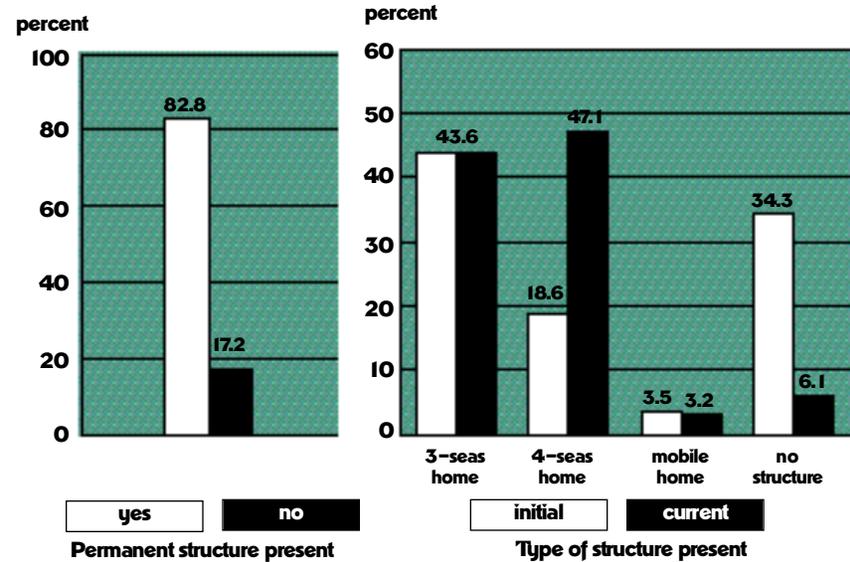
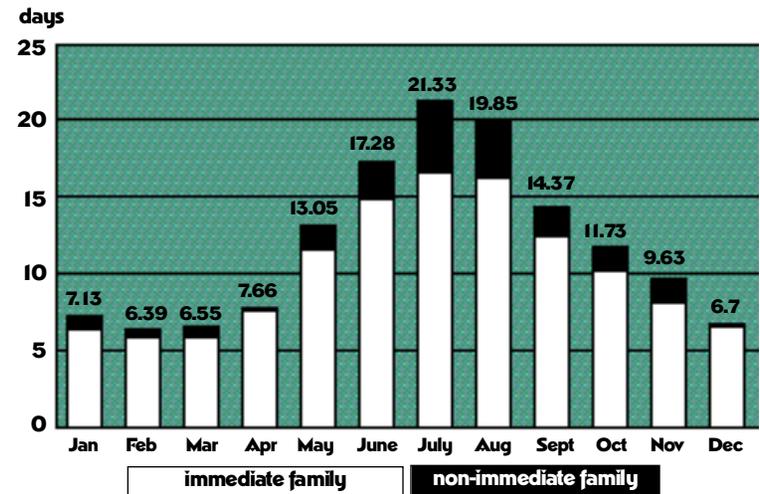


Figure 13. Monthly recreational home usage (number of days used by family and friends)



⁵ The survey instrument did not allow conclusive results on this topic. The statement that no change occurred in the number of respondents with 3-season homes and mobile homes masks the shifts between building categories. For instance, if the number of respondents indicating building upgrades from "no structure present" to "mobile home" are equal to the number with building upgrades from "mobile home to "3-season home," the result would be the same, thereby masking upgrades.

Table 2. Average annual household expenditures and percent spent in Forest County

Spending category	RECREATIONAL HOMEOWNERS		RESIDENTS	
	Annual avg. expenditure (1994 dollars)	Spent locally (percent)	Annual avg expenditure (1994 dollars)	Spent locally (percent)
Construction and remodeling				
—construction/remodeling	\$ 1,756.98	24.0%	\$1,381.06	36.2%
—building supplies (hardware, plumbing, heating/air conditioning, etc.)	1,017.71	51.3	1,520.74	59.7
Food and drink				
—groceries/liquor	956.85	48.0	2,933.02	56.7
—restaurants/drinking establishments	336.50	70.5	591.70	56.9
Recreation and recreation equipment				
—recreation (golf, amusements, etc.)	198.81	38.6	338.67	39.3
—recreational equipment (boats, snowmobiles, sporting goods, repair, etc.)	593.22	30.7	543.35	34.9
Automobile and home furnishing				
—gas and automobile service	348.27	52.4	1420.64	66.5
—household goods (furniture, appliances, etc.)	229.46	15.3	624.46	27.9
—general maintenance (lawn, septic, repair, etc.)	211.42	49.4	339.58	64.4
Professional services and other				
—professional services (insurance, legal, financial, etc.)	391.44	14.2	1,376.02	45.4
—miscellaneous retail items (gifts, souvenirs, clothing)	137.01	36.9	816.28	23.4
Casinos/gambling	94.14	34.4	133.41	31.0
TOTAL average annual expenditure	\$6,177.67		\$ 12,018.93	

Related economic development issues

There are many issues related to the economic impact of recreational homeowners on local regions. This section begins the work required to address these concerns, and remains preliminary and difficult to generalize. The basis for our conclusions on economic impact begins with a comparative assessment of expenditures made annually by recreational homeowners and residents of Forest County. The discussion then proceeds to differential attitudes and perceptions of local economic development strategies held by both groups.

Survey respondents reported, on an annual basis, spending for items used only by immediate family members at their Forest County homes. It is important to note that not all of these expenditures were made in the local market where the recreational home was located. Because of this, respondents were further asked to estimate the percentage of goods purchased in Forest County and, if appropriate, reasons for not purchasing them locally. Reasons for not purchasing locally were provided and included (1) price; (2) quality; (3) availability; and (4) other. The results are summarized in table 2.

Recreational homeowner spending during 1994, given the categories listed in the survey instrument, was concentrated on construction/remodeling and building supplies. These two categories combined (\$2,775 annual household) made up almost 45% of total spending. It is interesting to note that while more than 50% of the building supplies were reported as purchased locally (in Forest County), only 24% of the

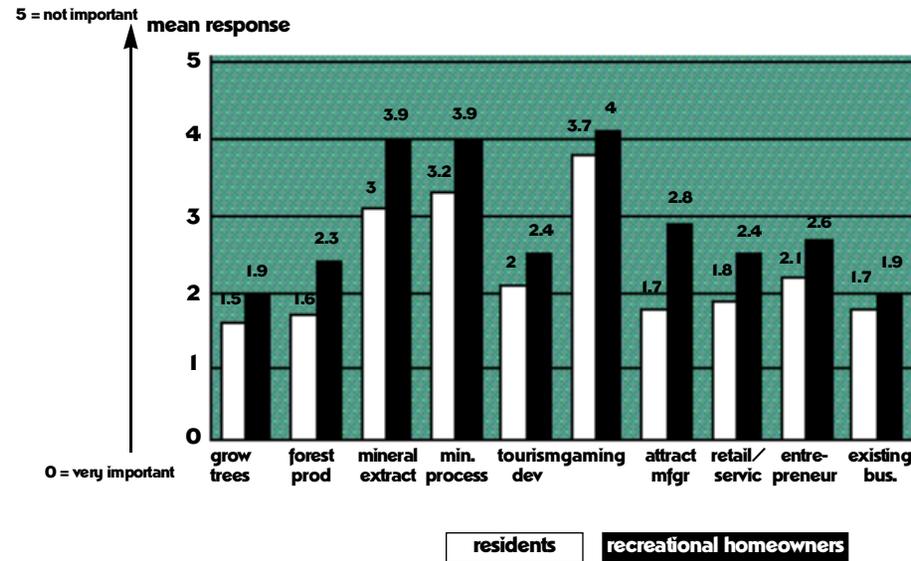
construction/remodeling purchases were local. Roughly similar spending is reported from residents for construction/remodeling and building supplies, with slightly higher percentages of each being spent locally.

Among Forest County residents, spending appears to follow generally standard consumption patterns. Important spending categories for residents include groceries, transportation, professional services, construction/remodeling and building supplies. Like recreational homeowners, residents also make a significant portion of their total expenditures non-locally. In general, however, the percentages show residents spend more money locally than recreational homeowners in most expenditure categories. Notable exceptions, however, include local spending for restaurants and miscellaneous retail.

Estimates of annual household expenditures represent *potential* local sales. The ability of local retail markets to capture the potential sales reported here hinges on several factors. One factor includes the strength of the local market itself. If highly developed local markets exist, the ability to capture dollars is enhanced. Oneida County, for example, may have a greater ability to increase retail dollars due to the presence of Rhinelander. Unfortunately, many rural Wisconsin counties with a high number of recreational homes do not have very well developed local retail and service markets. When asked why dollars were not spent locally, recreational homeowners in Forest County frequently identified lack of available retail opportunities.

Another factor involves the level of geographical competition for local retail activities. Increasingly, retail activity is concentrated in

Figure 14. Attitudes regarding economic development strategies



“retail hubs.” Close proximity to one of these hubs located outside the local area weakens local retailers’ ability to capture dollars. Furthermore, convenience and the nature of the good or service also appear to play significant roles in the ability to capture spending in rural areas. For many recreational homeowners, it is far more convenient to purchase a product at the permanent residence and then transport the item. Also, money spent on some items, such as dining out, has a much greater potential to be netted by local restaurants.

Identifying spending patterns of recreational homeowners is the first step in developing an estimate of economic impact. Expenditures provide a gross measure of total receipts, and local economic impact is concerned with how these gross receipts are distributed within the community. Involved with this are dollars spent for intermediate business purchases,

payments for business taxes, payroll expenses, and return on investments. The potential economic impact of recreational homes on local markets does appear to be significant and warrants serious consideration when designing local economic development strategies.

Both residents and recreational homeowners were questioned about their attitudes toward economic development strategies in Forest County. Specifically, respondents were asked to rank economic development strategies they would support, if these strategies were funded locally. Each strategy was ranked on a scale of 1 to 5 with 1 signifying “very important” and 5 corresponding to “not important.” The list of economic development strategies included generally accepted and available options for increasing business activity locally. Aggregate results of this section of the survey are summarized in figure 14.

Recreational homeowners and residents clearly differed in their enthusiasm for economic development. Without exception, residents felt that economic development strategies were more important when compared to the responses of recreational homeowners.⁶ This difference is probably due to the level of attachment for general livelihood to local business activity. Local residents necessarily rely on local economic activity for jobs and income. Recreational homeowners typically have jobs and income from sources outside of Forest County.

It is interesting to note, however, that there was some agreement on the absolute ranking of various economic development strategies. Residents ranked the listed strategies, in terms of importance, in ways very similar to recreational homeowners. Both residents and recreational homeowners ranked *growing and harvesting trees, helping existing businesses remain viable, and processing trees into wood products* as either first, second or third in order of importance. *Tourism development, development of retail and service industries, and supporting entrepreneurial activities* as economic development strategies were generally ranked more important by recreational homeowners than residents. Residents, on the other hand, ranked *attracting manufacturing firms* as more important than did recreational homeowners. Both groups responded that *mineral extraction, mineral processing and gaming* were of less importance as economic development strategies.

Publicly provided local goods and services: measures of importance-performance

Importance-performance analysis (IPA) is an often-used measure that explores directions for future public spending. Attributes dealing with the effectiveness of local development policy can be investigated using this technique. It is also frequently used to measure marketing performance and image analysis at the community level.⁷ Applying IPA to local attributes is typically accomplished through a set of survey questions which rank items on two scales—one for importance (how important is the attribute?) and one for performance (how satisfied are respondents with the current situation?). The results take the form of attribute evaluations falling into quadrants based upon the importance-performance analysis grid. These grid quadrants include (I) high priority/low performance; (II) high priority/high performance; (III) low priority/low performance; and (IV) high performance/low priority. Those attributes ranked as high priority/high performance are items of managerial success. Attributes ranked as high priority/low performance can be thought of as items needing significant additional managerial effort.

Our study assessed 19 locally available, publicly provided goods and services that used IPA. Results were developed from a set of questions that asked respondents to rank these goods and services for level of importance and

level of satisfaction. The goods and services included infrastructure (roads, water, solid water disposal), public safety (fire, police, medical), community services (libraries, schools) and general community attributes (job opportunities, shopping facilities, environmental quality, housing, etc.). The survey instrument used an importance scale from 1 (very important) to 5 (very unimportant) and a satisfaction scale from 1 (very satisfied) to 5 (very unsatisfied). On both scales, 3 was identified as “neutral.” We were particularly interested in comparative results of importance-performance from the two sample populations. Results are summarized for residents in figure 15 and for recreational homeowners in figure 16.

Quadrants are delineated based on grand means of performance-satisfaction measures. These are represented by the vertical and horizontal lines. The interpretation of these importance-performance grids, accounting for scale differences, follows the norm with quadrant I (lower right-hand quadrant) signifying high priority/low performance and quadrant II (lower left-hand quadrant) signifying high priority/high satisfaction. Among both groups, fire protection, environmental quality and clean water are examples of public services that are both important, and considered to be delivered in a more satisfactory manner (these fall in quadrant II). On the other hand, county roads, streets and schools are examples of categories exhibiting important differences between groups. Locals find county roads and streets important and are generally satisfied

⁶ All response categories exhibited differences between local residents and recreational homeowners. These differences were statistically significant at the $p < .01$ level or better.

⁷ A complete discussion of importance-performance analysis can be found in Chon et al. (1991), Havitz et al. (1991), and Evans et al. (1989). Tourism researchers have applied the technique to recreation/tourism services (Geva and Goldman, 1991) and visitor satisfaction (Masterson, 1991).

Discussion and policy implications

THIS PROJECT set out to develop a better understanding of recreational homeowners and local residents in a rural region with many recreational homes. We have maintained that social, economic, and environmental issues of these regions are addressed better through a more complete understanding of the complex interactions that exist between recreational homeowners and local residents. Given this understanding, more substantial contributions to the regional development policy discussion can be made. Although this study focused on a small region in northeastern Wisconsin, generalizations can be made to other regions throughout the Great Lakes States with similarly high levels of recreational homes.

Important differences exist between local residents and recreational homeowners. Perhaps most striking are the obvious differences in income, educational attainment and occupation. Coupled with very different motivations for property ownership in Forest County, these three differences appear to play a large role in explaining differing perceptions and attitudes between the two groups on land use, economic development and social interaction. In many respects, recreational homeowners are ambivalent to the community surrounding their recreational property. They expect convenience, value, quality and diversity in locally available goods and services and are willing to pay for the comfort and serenity they enjoy. They are also interested in maintaining environmental quality at high standards and are not interested in further development or in allowing others access to the areas they enjoy. Local residents, on the other hand, are dependent upon the

local economic structure for their well being and exhibit stronger desires for economic growth and development. Furthermore, they are sensitive to class differences and are quite willing to shift the burden of government revenue generation and local business activity onto the recreational homeowner.

The recreational homeowner is an important demand source for local businesses. While most use of recreational homes takes place during the summer, a surprising amount occurs in the fall, winter and spring months. On average, recreational homeowners spent about \$6,200 per year on items directly used or attributed to their recreational homes. Percentages purchased locally ranged from 14–70% with a significant amount of money spent on construction/remodelling and food/drink. The average amount spent by recreational homeowners locally was estimated to be roughly \$2,700 per year per household. The amount of money leaked out of the county for spending on these items is not unique to recreational homeowners. It is important to note that residents also purchased many of their household, recreational and construction needs outside of the county. There were generally similar spending patterns between residents and recreational homeowners with respect to the percentage of money spent within the county.

There are important marketing implications to the analysis (reported in a separate paper) of the information sources used by recreational homeowners in identifying areas to purchase recreational properties. This is particularly relevant to lake regions in Wisconsin and

Minnesota. There are broader benefits to tourism marketing than initially attracting visitors to a region.

Communities either experiencing or wishing to promote growth and development in recreational home ownership would benefit from a better understanding of recreational homeowners and their local impacts.

It is fair to say that recreational homeowners are important local stakeholders and an important component of the regional economies of surrounding areas. Sectors rarely addressed with respect to the tourism industry include construction, real estate and finance. In assessing expenditure patterns of recreational homeowners, this study showed significant annual spending in these sectors—much more than annual spending in the traditionally defined tourism spending categories.

Given the proximity of recreational homeowners activities to forest land and to bodies of water, their activities will inevitably have an impact on the regional environment. This is particularly true for water quality, given older, decaying septic systems that are in need of replacement and their nearness to groundwater, lakes and rivers.

Recreational homes make up a surprisingly large share of the total housing units found in rural amenity-rich regions. Recreational homeowners contribute to the economic viability of rural regions. In return, communities can better serve these stakeholder groups by increased awareness of their unique public service demands.

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Extensions of results and further analysis

Three separate analysis extensions were done and are fully reported elsewhere. Their titles and a short abstract of each follows. Copies of these reports can be obtained from Dave Marcouiller at the Center for Community Economic Development at (608) 265-8136.

Analysis: Information and regional choice in recreational home decisions

Marcouiller, D.W., W. Norman, G. Green, S. Deller, N. Sumathi, and D. Erkkila. *Information and Regional Choice in Recreational Housing*. Paper presented at the 1995 Mid-continent Regional Science Association, June 1-3, 1995, St. Louis, MO.

Abstract: *The primary objective of this paper was to identify evidence indicating the existence of a transition between short-term destination travel for vacations and the purchase and use of recreational housing. It is well known that individuals' leisure pursuits undergo change over time. Transitions occur due to changes in disposable household income, physical capabilities, lifelong outlooks, family status and other variations in demographic composition. Empirical data from a mail-survey was studied using cluster analysis to define differences between groups of recreational homeowners. Results show that there are three basic groups of recreational homeowners encompassing those who initially gained information on the region through (1) relatives; (2) day-trips/general information; and (3) longer vacations and friends. Important differences among these groups present implications for leisure transitions to recreational homeownership.*

Analysis: Land use and recreational homes

Green, G., D. Marcouiller, S. Deller, and N. Sumathi. *Differential Local Attachment and Land Use Attitudes: Comparisons Between Seasonal and Permanent Residents*. Paper presented at Land Tenure Center conference "Who Owns America? Land and Resource Tenure Issues in a Changing Environment," June 21-24, 1995, Madison, WI.

Abstract: *The primary purpose of this project is to identify the social and economic contributions and conflicts that ensue with the presence of recreational housing in rural communities in the Upper Great Lakes states. The paper examines the social and economic conflicts between seasonal and permanent residents over growth and development. Based on data (focus groups and surveys) collected from seasonal and permanent residents on a northern Wisconsin community, we find an interaction between community attachment and type of home ownership on attitudes toward land use and zoning. The longer that seasonal and permanent residents reside in the community, the more divergent their views on land use and zoning. These differences appear related to the differential attachment to the locality of the two groups.*

Recreational homes and local government finance

Marcouiller, D.W., S.C. Deller, and G. Green. *The Influence of Recreational Housing Development on Local Government Finances*. Paper presented at the 1995 annual meetings of the Association of Collegiate Schools of Planning, October 19-22, 1995, Detroit, MI.

Abstract: *The primary objective of this study was to identify the impact of recreational housing development on local governments within a rural setting. Using Census data for Wisconsin counties, a median-voter type model is specified and estimated. Results suggest that recreational housing development's ability to help local governments generate revenues is more significant than the demands it makes on local services, as measured by expenditures. Based on these results, benefits of recreational housing development may outweigh the costs, from the perspective of local governments.*

Appendix B

Survey Instruments

Recreational Housing Study Cooperative Extension - University of Wisconsin

I. About Your Recreational Home:

- How did you acquire your recreational property?
 purchased from non-family member
 purchased from family member (how long has this property been in the family? _____ years)
 inherited (how long has this property been in the family? _____ years)
- How long has the title for this property been in your name? _____ years.
- Does this property have a permanent living structure on it? yes no
- How would you characterize your recreational property when you first purchased it?
 three season home four season home mobile home/trailer no structure present
- How would you characterize your recreational property now?
 three season home four season home mobile home/trailer no structure present
- Approximately how much lake frontage do you currently own? _____ feet
- Please rank the following items which helped you first learn about Forest County?

	not important			somewhat important				very important			
	0	1	2	3	4	5	6	7	8	9	10
friends	0	1	2	3	4	5	6	7	8	9	10
relatives	0	1	2	3	4	5	6	7	8	9	10
visited the region on vacation	0	1	2	3	4	5	6	7	8	9	10
drove through the region on daytrips	0	1	2	3	4	5	6	7	8	9	10
realtors	0	1	2	3	4	5	6	7	8	9	10
tourism brochures	0	1	2	3	4	5	6	7	8	9	10
television/radio	0	1	2	3	4	5	6	7	8	9	10
other (please specify below)	0	1	2	3	4	5	6	7	8	9	10

- How important were the following reasons in your decision to purchase property in Forest County?

	not important			somewhat important				very important			
	0	1	2	3	4	5	6	7	8	9	10
climate	0	1	2	3	4	5	6	7	8	9	10
proximity to primary residence	0	1	2	3	4	5	6	7	8	9	10
quiet, rural atmosphere	0	1	2	3	4	5	6	7	8	9	10
recreational activities	0	1	2	3	4	5	6	7	8	9	10
family/friends in the area	0	1	2	3	4	5	6	7	8	9	10
privacy	0	1	2	3	4	5	6	7	8	9	10
natural amenities	0	1	2	3	4	5	6	7	8	9	10
cost of property	0	1	2	3	4	5	6	7	8	9	10
other (please specify below)	0	1	2	3	4	5	6	7	8	9	10

Recreational Housing Study, page 1

II. How You Impact the Local Economy:

- Please indicate how many days each month you spent in Forest County during the past 12 months. Also, please report how many days and the number of visitors (including non-immediate family and friends) you had at your seasonal home over the past year.

	Number of Days (you and your immediate family)	Number of Days (non-immediate family)	Average Number of Non-immediate Family Users
January	_____	_____	_____
February	_____	_____	_____
March	_____	_____	_____
April	_____	_____	_____
May	_____	_____	_____
June	_____	_____	_____
July	_____	_____	_____
August	_____	_____	_____
September	_____	_____	_____
October	_____	_____	_____
November	_____	_____	_____
December	_____	_____	_____

- The following questions pertain to spending for your immediate family on items used at your recreational home. Please estimate the dollar amount spent for use at your recreational home and the portion purchased in Forest County in the following categories on an annual basis.

	dollar amount spent for use at second home (last 12 months)	percentage purchased in Forest County	reason for not purchasing locally (p=price, q=quality, a=availability, o=other)
EXAMPLE groceries/liquor	\$ 50	20 %	P
groceries/liquor	\$ _____	_____ %	_____
restaurants/drinks	\$ _____	_____ %	_____
casinos/gambling	\$ _____	_____ %	_____
gas, auto service	\$ _____	_____ %	_____
recreation (golf, amusements, etc.)	\$ _____	_____ %	_____
recreational equipment (boats, snowmobiles, sporting goods, repair, etc.)	\$ _____	_____ %	_____
building supplies (hardware, plumbing, heating/air conditioning, etc.)	\$ _____	_____ %	_____
general maintenance (lawn, septic, repair, etc.)	\$ _____	_____ %	_____
construction/remodeling	\$ _____	_____ %	_____
household goods (furniture, appliances, etc.)	\$ _____	_____ %	_____
professional services (insurance, legal, financial, etc.)	\$ _____	_____ %	_____
other retail (gifts, souvenirs, clothing)	\$ _____	_____ %	_____

Recreational Housing Study, page 2

III. Your Attitude About the Community Surrounding Your Recreational Home

For the following questions, please place a check mark on the line best identifying your attitudes.

11. I feel "at home" with year round residents

strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

12. I have interest in non-lake related issues in Forest County

strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

13. The majority of my friends in Forest County are recreational homeowners

strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

14. I feel welcome in non-lake related activities in Forest County

strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

15. Non-lake related issues in Forest County are of little interest to me.

strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

IV. Your Attitudes About Local Quality of Life

With regard to the recreational home community in Forest County, please circle the number that most closely reflects your response to the following questions.

	Much Better	Somewhat Better	The Same	Somewhat Worse	Much Worse
16. Compared with five years ago, the quality of life <u>in Forest County</u> is now	1	2	3	4	5
17. Compared with five years ago, the quality of life <u>for your family</u> is now	1	2	3	4	5
18. In the next five years, the quality of life <u>in Forest County</u> will be	1	2	3	4	5
19. In the next five years, the quality of life <u>for your family</u> will be	1	2	3	4	5
20. The overall financial situation of <u>Forest County</u> compared with five years ago is	1	2	3	4	5
21. The financial situation <u>of your family</u> compared with five years ago is	1	2	3	4	5

V. Your Attitudes About Community Issues

22. Please examine the following elements of life in the Forest county area and indicate the LEVEL OF IMPORTANCE and the LEVEL OF SATISFACTION you associate with each of the services provided.

	<u>Level of Importance</u>					<u>Level of Satisfaction</u>				
	Very Important	Neutral	Neutral	Very Unimportant	Very Satisfied	Neutral	Neutral	Very Unsatisfied	Very Unsatisfied	
Medical Facilities	1	2	3	4	5	1	2	3	4	5
Law Enforcement	1	2	3	4	5	1	2	3	4	5
Fire Protection	1	2	3	4	5	1	2	3	4	5
Streets & Roads	1	2	3	4	5	1	2	3	4	5
Bridges	1	2	3	4	5	1	2	3	4	5
County Roads	1	2	3	4	5	1	2	3	4	5
Clean Drinking Water	1	2	3	4	5	1	2	3	4	5
Libraries	1	2	3	4	5	1	2	3	4	5
Public Schools	1	2	3	4	5	1	2	3	4	5
Town/Village Services	1	2	3	4	5	1	2	3	4	5
County Services	1	2	3	4	5	1	2	3	4	5
Job Opportunities	1	2	3	4	5	1	2	3	4	5
Shopping Facilities	1	2	3	4	5	1	2	3	4	5
Environmental Quality	1	2	3	4	5	1	2	3	4	5
Public Health Services	1	2	3	4	5	1	2	3	4	5
Dental Services	1	2	3	4	5	1	2	3	4	5
Housing	1	2	3	4	5	1	2	3	4	5
Solid Waste Disposal	1	2	3	4	5	1	2	3	4	5
Recycling	1	2	3	4	5	1	2	3	4	5

For the following questions, please place a check mark on the line best identifying your attitudes.

23. I feel welcome participating in local (county) government decision making

strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

24. I believe my views are considered fairly by local (county) government officials

strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

25. I feel my input into local (county) decision making is important

strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

VI. Your Attitudes About Land Use and Zoning Issues

With regard to Forest County, please place a check mark on the line best identifying your response to the following statements that address zoning.

26. Land use planning implemented at the local level increases local control of local development issues.

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

27. There needs to be land-use planning in Forest county

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

28. There needs to be more cooperation among communities in planning for growth

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

29. Use of private land should be based on what the owner wants rather than being restricted by zoning

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

30. Provision should be made for adequate public access to lakes

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

31. Zoning restrictions hurt more than they help an area

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

32. It is important to attract new population

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

33. It is important to attract new industry

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

34. The population should stay the same

strongly agree agree disagree strongly disagree
 |-----|-----|-----|-----|

VII. Your Views About Economic Development

There is much discussion over the direction of economic development in this county. Which of the following economic development projects would you support, for Forest County, if they were funded locally?

35. Please rank the following strategies as a means of improving the quality of life in Forest County.

	Very Important	3	Somewhat Important	4	Not Important	5
Growing and harvesting trees	1	2	3	4	5	
Processing trees into wood products	1	2	3	4	5	
Extracting minerals	1	2	3	4	5	
Processing minerals	1	2	3	4	5	
Tourism development	1	2	3	4	5	
Native American Gaming	1	2	3	4	5	
Attracting manufacturing firms	1	2	3	4	5	
Development of retail and service industries	1	2	3	4	5	
Supporting entrepreneurial activities	1	2	3	4	5	
Helping existing businesses remain viable	1	2	3	4	5	
Other (please specify below)	1	2	3	4	5	

VIII. Demographic Information

36. How many children do you have living at home? _____ children

37. What is your gender? _____ male _____ female

38. What is your age? _____ years old

39. How many years of school did you complete? _____ years of school

40. If you are employed, what do you do for a living? _____

41. Please characterize yourself as:
 _____ retired and living here year-round
 _____ retired and living here seasonally
 _____ not retired

42. When you retire, do you plan to live full-time in Forest County?
 _____ yes
 _____ no, I will continue to be a seasonal resident
 _____ no, I will live full-time in Forest County during part of the year and the rest elsewhere
 _____ no, I will sell this property
 _____ not applicable, already retired

43. What was your 1993 before tax annual household income?
 _____ Less than \$15,000 _____ \$100,000 - \$149,999
 _____ \$15,000 - \$29,999 _____ \$150,000 - \$199,999
 _____ \$30,000 - \$49,999 _____ \$200,000 - \$249,999
 _____ \$50,000 - \$69,999 _____ Greater than \$250,000
 _____ \$70,000 - \$99,999

Forest County Community Study
Cooperative Extension - University of Wisconsin

I. About Your Residence:

1. How long have you been a resident of this community? _____ years
2. Are you a permanent or seasonal resident? _____ permanent _____ seasonal
3. Do you plan to move from this area during the next six months?
 _____ yes
 _____ no
 _____ don't know/not sure
4. How many people live in your household? _____ people
5. How many children do you have living at home? _____ children
6. What is your gender? _____ male _____ female
7. Do you live on a lake? _____ yes _____ no

II. Your Attitude About the Community Surrounding Your Residence

For the following questions, please place a check mark on the line best identifying your attitudes.

8. I feel "at home" with seasonal homeowners
 strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I
9. I have interest in lake related issues in Forest County
 strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I
10. The majority of my friends in Forest County are permanent residents
 strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I
11. I feel welcome in lake related activities in Forest County
 strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I
12. Lake related issues in Forest County are of little interest to me.
 strongly agree agree disagree strongly disagree
 I-----I-----I-----I-----I

III. Your Attitudes About Local Quality of Life

With regard to your community in Forest County, please circle the number that most closely reflects your response to the following questions.

	Much Better	Somewhat Better	The Same	Somewhat Worse	Much Worse
13. Compared with five years ago, the quality of life in Forest County is now	1	2	3	4	5
14. Compared with five years ago, the quality of life for your family is now	1	2	3	4	5
15. In the next five years, the quality of life in Forest County will be	1	2	3	4	5
16. In the next five years, the quality of life for your family will be	1	2	3	4	5
17. The overall financial situation of Forest County compared with five years ago is	1	2	3	4	5
18. The financial situation of your family compared with five years ago is	1	2	3	4	5

IV. Your Attitudes About Community Issues

19. Please examine the following elements of life in the Forest county area and indicate the LEVEL OF IMPORTANCE and the LEVEL OF SATISFACTION you associate with each of the services provided.

	<u>Level of Importance</u>					<u>Level of Satisfaction</u>				
	Very Important	Neutral	Very Unimportant	Very Satisfied	Neutral	Very Unsatisfied				
Medical Facilities	1	2	3	4	5	1	2	3	4	5
Law Enforcement	1	2	3	4	5	1	2	3	4	5
Fire Protection	1	2	3	4	5	1	2	3	4	5
Streets & Roads	1	2	3	4	5	1	2	3	4	5
Bridges	1	2	3	4	5	1	2	3	4	5
County Roads	1	2	3	4	5	1	2	3	4	5
Clean Drinking Water	1	2	3	4	5	1	2	3	4	5
Libraries	1	2	3	4	5	1	2	3	4	5
Public Schools	1	2	3	4	5	1	2	3	4	5
Town/Village Services	1	2	3	4	5	1	2	3	4	5
County Services	1	2	3	4	5	1	2	3	4	5
Job Opportunities	1	2	3	4	5	1	2	3	4	5
Shopping Facilities	1	2	3	4	5	1	2	3	4	5
Environmental Quality	1	2	3	4	5	1	2	3	4	5
Public Health Services	1	2	3	4	5	1	2	3	4	5
Dental Services	1	2	3	4	5	1	2	3	4	5
Housing	1	2	3	4	5	1	2	3	4	5
Solid Waste Disposal	1	2	3	4	5	1	2	3	4	5
Recycling	1	2	3	4	5	1	2	3	4	5

For the following questions, please place a check mark on the line best identifying your attitudes.

20. I feel welcome participating in local (county) government decision making
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I
21. I believe my views are considered fairly by local (county) government officials
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I
22. I feel my input into local (county) decision making is important
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I

V. Your Attitudes About Land Use and Zoning Issues

With regard to Forest County, please place a check mark on the line best identifying your response to the following statements that address zoning.

23. Land use planning implemented at the local level increases local control of local development issues.
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I
24. There needs to be land-use planning in Forest county
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I
25. There needs to be more cooperation among communities in planning for growth
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I
26. Use of private land should be based on what the owner wants rather than being restricted by zoning
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I
27. Provision should be made for adequate public access to lakes
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I
28. Zoning restrictions hurt more than they help an area
- strongly agree agree disagree strongly disagree
- I-----I-----I-----I-----I

29. It is important to attract new population

strongly agree agree disagree strongly disagree

I-----I-----I-----I-----I

30. It is important to attract new industry

strongly agree agree disagree strongly disagree

I-----I-----I-----I-----I

31. The population should stay the same

strongly agree agree disagree strongly disagree

I-----I-----I-----I-----I

VI. Your Views About Economic Development

There is much discussion over the direction of economic development in this county. Which of the following economic development projects would you support, for Forest County, if they were funded locally?

32. Please rank the following economic development strategies as a means of improving the quality of life in Forest County.

	Very Important	Somewhat Important	Not Important
Growing and harvesting trees	1	2	3
Processing trees into wood products	1	2	3
Extracting minerals	1	2	3
Processing minerals	1	2	3
Tourism development	1	2	3
Native American Gaming	1	2	3
Attracting manufacturing firms	1	2	3
Development of retail and service industries	1	2	3
Supporting entrepreneurial activities	1	2	3
Helping existing businesses remain viable	1	2	3
Other (please specify below)	1	2	3

VII. Your Attitudes About Evaluating Tradeoffs

Communities are often forced to make trade-offs in order to improve or maintain the quality of life. The following scenarios ask you to allocate resources based on what you believe is important.

33. Suppose you were a local official and revenues increased by \$100 this year. How would you distribute this additional \$100 given the following choices? For example, would you distribute \$20 in each category, \$100 in one, or some other pattern?

- a. Reduce taxes \$ amount
 - b. Increase spending for services (i.e., fire/police) _____
 - c. Increase spending for education _____
 - d. Increase spending for roads _____
 - e. Increase spending for social services _____
- TOTAL \$100

34. Suppose that local revenues decreased by \$100 this year. If forced to balance the budget, how would you make up for the lost revenue?

- | | \$ amount |
|---|-----------|
| a. Increase taxes | _____ |
| b. Decrease spending for services (i.e., fire/police) | _____ |
| c. Decrease spending for education | _____ |
| d. Decrease spending for roads | _____ |
| e. Decrease spending for social services | _____ |
| TOTAL \$100 | |

VIII. How You Impact the Local Economy:

35. The following questions pertain to spending for your immediate family on items used at your place of residence. Please estimate the dollar amount spent for use at your home and the portion purchased in Forest County in the following categories on an annual basis.

	dollar amount spent for use at home (last 12 months)	percentage purchased in Forest County	reason for not purchasing locally (p=price, q=quality, a=availability, o=other)
<i>EXAMPLE</i> groceries/liquor	\$ 1500	20 %	P
groceries/liquor	\$ _____	_____ %	_____
restaurants/drinks	\$ _____	_____ %	_____
casinos/gambling	\$ _____	_____ %	_____
gas, auto service	\$ _____	_____ %	_____
recreation (golf, amusements, etc.)	\$ _____	_____ %	_____
recreational equipment (boats, snowmobiles, sporting goods, repair, etc.)	\$ _____	_____ %	_____
building supplies (hardware, plumbing, heating/air conditioning, etc.)	\$ _____	_____ %	_____
general maintenance (lawn, septic, repair, etc.)	\$ _____	_____ %	_____
construction/remodeling	\$ _____	_____ %	_____
household goods (furniture, appliances, etc.)	\$ _____	_____ %	_____
professional services (insurance, legal, financial, etc.)	\$ _____	_____ %	_____
other retail (gifts, souvenirs, clothing)	\$ _____	_____ %	_____

VIII. Demographic Information

36. What is your age? _____ years old
37. How many years of school did you complete? _____ years of school
38. If you are employed, what do you do for a living? _____
39. Please characterize yourself as:
 retired and living here year-round
 retired and living here seasonally
 not retired
40. When you retire, do you plan to live full-time in Forest County?
 yes
 no, I will continue to be a seasonal resident
 no, I will live full-time in Forest County during part of the year and the rest elsewhere
 no, I will sell this property
 not applicable, already retired
41. What was your 1993 before tax annual household income?
 Less than \$15,000 \$100,000 - \$149,999
 \$15,000 - \$29,999 \$150,000 - \$199,999
 \$30,000 - \$49,999 \$200,000 - \$249,999
 \$50,000 - \$69,999 Greater than \$250,000
 \$70,000 - \$99,999

Research exhibits

Exhibit A: Letters of introduction and follow-up

UWEX Cooperative Extension • University of Wisconsin–Extension
 Forest County Courthouse, Crandon, Wisconsin 54520-1414 Phone: (715) 478-2212

Forest County Extension Office

October 28, 1994

Dear Forest County Resident:

In an effort to learn more about the interactions of local residents and recreational homeowners, the University of Wisconsin - Extension is conducting a study of your opinions on community development issues.

You are one of a small number of people that are being asked to express their views on the local situation. Your name was drawn at random from people who live in Forest County. In order that the results truly represent the opinions and actions of people like yourself, it is important that we get responses from all the people who are being contacted. Please take a few minutes to complete and return the questionnaire in the enclosed postage paid envelope.

You can be assured of complete confidentiality. The questionnaire has an identification number on it for mailing purposes only. Your name will never be placed on the questionnaire.

The results of this research will be made available to businesses and interested citizens in Northern Wisconsin. You may receive a summary of the results by writing "copy of results requested" on the back of the return envelope, and printing your name and address below it. Please do not put this information on the questionnaire itself.

Thank you for your assistance. We would be most happy to answer any questions you might have. Please don't hesitate to write or call us at the phone numbers found below.

Thanks again.

Sincerely,


 Sheila Landsverk
 Forest County UW-Extension, Courthouse
 200 East Madison
 Crandon, WI 54520-1414
 (715) 478-2212


 Dave Marcouiller, Project Director
 University of Wisconsin - Extension
 Urban and Regional Planning
 Madison, WI 53706
 (608) 262-2998

University of Wisconsin, United States Department of Agriculture and Wisconsin counties cooperating.
 University of Wisconsin-Extension provides equal opportunities in employment and programming, including Title IX requirements.

UWEX COOPERATIVE EXTENSION PROGRAMS
 UNIVERSITY OF WISCONSIN-EXTENSION
 URBAN AND REGIONAL PLANNING

112-A Music Hall, 925 Bascom Mall
 Madison, WI 53706-1395

Phone: (608) 263-2627
 Fax: (608) 262-9307

December 16, 1994

Dear Recreational Homeowner:

About a month ago, we wrote to you seeking your opinion on recreational housing and the Forest County community. As of today, we have not received your completed questionnaire.

The University of Wisconsin - Extension is conducting this study in an effort to learn more about the interactions of recreational homeowners and local residents. Even if you do not interact much with local residents, your opinions are still important to us.

We are writing to you again because of the significance your response has to the usefulness of this study. Your name was drawn through a random sampling process in which all recreational households in Forest County had an equal chance of being selected. In order for the results of this research to be truly representative of recreational homeowners in Forest County, it is essential that each person in the sample return this questionnaire.

In the event that your questionnaire has been misplaced or lost, a replacement is enclosed along with a postage-paid return envelope.

Thank you for your time. Your cooperation is greatly appreciated.

Sincerely,


 Sheila Landsverk
 Forest County UW-Extension, Courthouse
 200 East Madison
 Crandon, WI 54520-1414
 (715) 478-2212


 Dave Marcouiller, Project Director
 University of Wisconsin - Extension
 Urban and Regional Planning
 Madison, WI 53706
 (608) 262-2998

P.S. If you are interested in the findings of this study, please write "copy of results requested" on the back of the return envelope and print your name and address below it.

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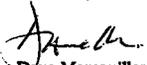
Exhibit B: Follow-up postcards

Dear Resident:

Last week, a questionnaire seeking your opinion about life in Forest County was mailed to you. If you have already completed and returned the questionnaire, please accept our sincere thanks. If not, please do so today.

If by some chance, you did not receive the questionnaire, or it was misplaced, please call Sheila Landsverk in Crandon at (715) 478-2212 and she will send you one immediately.

Thanks again,



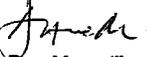
Dave Marcouiller
Project Director

Dear Recreational Homeowner:

Last week, a questionnaire seeking your opinion about life in Forest County was mailed to you. If you have already completed and returned the questionnaire, please accept our sincere thanks. If not, please do so today.

If by some chance, you did not receive the questionnaire, or it was misplaced, please call me at (608) 262-2998 and I will send you one immediately.

Thanks again,



Dave Marcouiller
Project Director

Exhibit C: Postage paid reply envelope

DAVE MARCOULLER
B15 Music Hall
Req. # 3085283



BUSINESS REPLY MAIL
FIRST CLASS PERMIT NO. 33 MADISON, WI
POSTAGE WILL BE PAID BY ADDRESSEE

UNIVERSITY OF WISCONSIN-EXTENSION
432 North Lake Street
MADISON, WISCONSIN 53791-8898



Authors: David W. Marcouiller is an assistant professor with the Department of Urban and Regional Planning, Gary P. Green is a professor of rural sociology, and Steven C. Deller is an associate professor of agricultural economics at the University of Wisconsin–Madison. N. R. Sumathi is an associate professor with the Center for Economic Development at the University of Wisconsin–Extension, Cooperative Extension. Daniel L. Erkkila is a tourism and travel specialist with the Tourism Center of the Minnesota Extension Service.

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G3651 Recreational Homes and Regional Development
A Case Study from the Upper Great Lakes States

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