**Economic Development**

**A street with buildings and cars

Description automatically generatedIntroduction**

The Town of Mercer, the ~~second~~ largest community in Iron County, has a long association with logging and tourism as does the county and surrounding area. The area’s forestlands sustain manufacturing. This natural environment, coupled with the many lakes and heavy annual snowfall, supports tourism. Roughly 30% of the town’s workers are employed by businesses in these industries.

Several characteristics of the population, labor force, and the economic base of the town play major roles in its economic development and will be discussed in this element. In addition, the strengths and weaknesses of the town, with respect to attracting and retaining businesses, will be explored along with an inventory of the existing businesses. Finally, this narrative will identify federal, state, county, and regional economic development programs and organizations that the Town of Mercer could utilize.

**Labor Force**

The labor force is defined as those members of the population 16 years or older who are employed, or if unemployed, are looking for jobs. Table 6.1 gives an overview of some of the characteristics of the population and labor force in the Town of Mercer, Iron County, and Wisconsin.

**Table 6.1: Labor Force Characteristics**

|  |  |  |  |
| --- | --- | --- | --- |
| **Characteristics** | **Town of Mercer** | **Iron County** | **Wisconsin** |
| Population 16 Years and Over | 1,281 | 5,340 | 4,764,779 |
| Civilian Labor Force | 578 | 2,800 | 3,125,976 |
| Unemployment Rate | 4.2% | 3.9% | 3.4% |
| Labor Participation Rate | 45.1% | 52.5% | 65.7% |
| High School Graduate or Higher (25 and over) | 95.1% | 96.2% | 93.1% |
| Bachelor's Degree or Higher (25 and over) | 26.6% | 23.7% | 32.0% |
| Per Capita Income | $35,217 | $34,669 | $40,130 |
| Median Household Income | $61,932 | $55,777 | $72,458 |
| Poverty Rate | 10.0% | 10.5% | 10.7% |
| Median Age | 61.9 | 56.1 | 39.9 |
| Source: American Community Survey 5-Year Estimates 2018-2022 | | | |

Mercer contains a larger population of residents over age 60 than is found in the county, state, or nation. This is reflected in the town’s 2020 Census median age (60.9), which is substantially higher than the county (56.4), state (40.1), or national (38.8) median age. As of the 2020 Census, Iron County had the second highest median age in the state after Vilas County (56.8).

The labor force participation rate is the number of residents who are either working or looking for work divided by the total population over 16 years of age. One of the primary reasons for the lower labor force participation rate in the town is the sizable percentage of the population that is at retirement age or older. An increasingly aging labor force, a low birth rate, and the loss of younger workforce members will have negative consequences on the future labor supply of the Town of Mercer, and therefore, will have an effect on the town’s economy.

Like Iron County, employment has remained relatively stable in the Town of Mercer; however, the unemployment rate in the town has always been much higher than the rate of either the state or the nation. Large fluctuations in seasonal jobs in construction and tourism cause the unemployment rate to elevate during some months of the year, thus, contributing to a higher annual average rate.

Although in 2018-2019, Wisconsin had a higher majority of postsecondary students enrolled in in-state institutions (74.7%),[[1]](#footnote-1) the state lags behind the nation in its ability to retain those students following completion of their degree programs. The Town of Mercer, like the county and the state, suffers from this college out-migration. Additionally, Mercer and Iron County have a lower number of residents who have earned a bachelor’s degree or higher than the state; however, it should be noted that the number of county residents with an associate’s degree is higher than the state. Given the large manufacturing presence in the state, vocational/technical programs have high participation rates in these areas. It is most likely that the composition of the industry base and the lack of professional jobs in the county contribute to the lower percentage of Town of Mercer citizens possessing higher degrees.

The prevalence of low wages in Mercer significantly accounts for the town’s overall lower income level. The per capita income of the town’s citizens was estimated to be $35,217. This is 1.6% more than the county’s per capita income and 12.2% less than the state’s per capita income. There are several reasons for the overall lower wages that are endemic in the county: A large percentage of employment in the county is in the arts, entertainment, recreation, accommodation and food service industry and the construction industry. Employment in these industries consists of many seasonal and part-time jobs; therefore, the employees in these positions do not work the standard number of hours per year, which accounts for their low average annual wages. Furthermore, because of the seasonality of many jobs, the turnover rate is high for these positions since usually when someone begins working in a new job, they generally start at the lowest wage.

**Economic Base**

The Town of Mercer, in southern Iron County, is located in the “lake region” of Wisconsin’s Northwoods. In 2020, the town’s population was 1,649; it contained more than 62 lakes over 10-acres in size, and over 63,000 acres of county and state forestland. Located on U.S. Highway 51, it is easily accessible from southern Wisconsin and northern Illinois. Protecting the town’s natural resources and yet providing for economic development is a delicate balance for citizens of the area.

**Employment by Industry**

Table 6.2 lists the number and percent of employed residents in the town by industry from the American Community Survey 5-Year Estimates 2018-2022 plus the 2022 inflation-adjusted median earnings for each industry.

Arts, entertainment, & recreation/accommodations/food services was the largest industry in the Town of Mercer, accounting for an estimated 30.5% of all employment. This is because Iron County is one of the few counties in the state where so many of the large employers are tourism-related businesses. The second largest industry was educational services/health care/social assistance, accounting for 17.9% of employment. The educational services sector comprises establishments that provide instruction and training, while the health care and social assistance sector comprises establishments providing health care and social assistance for individuals.

Not included in Table 6.2 are businesses in the town defined as non-employers. The U.S. Census Bureau defines non-employers as businesses with no paid employees but that are subject to federal income tax. These are typically self-employed individuals or partnerships that have chosen not to incorporate. Non-employers are not included in any of the detailed sector-specific reports published by the U.S. Census Bureau.

**Table 6.2: Employment by Industry**

|  |  |  |  |
| --- | --- | --- | --- |
| **Industry** | **ACS 2022** | **Percent** | **2022 Median Earnings** |
| All Industries | 554 | 100.0% | $32,596 |
| Agriculture, forestry, fishing and hunting, and mining | 4 | 0.7% | ND |
| Construction | 43 | 7.8% | $40,288 |
| Manufacturing | 74 | 13.4% | $45,833 |
| Wholesale trade | 5 | 0.9% | ND |
| Retail trade | 47 | 8.5% | $27,917 |
| Transportation and warehousing, and utilities | 32 | 5.8% | $35,000 |
| Information | 3 | 0.5% | ND |
| Finance, insurance, real estate, and rental and leasing | 11 | 2.0% | $81,719 |
| Professional, scientific, mgmt., administrative, and waste mgmt. | 40 | 7.2% | $53,929 |
| Educational, health and social services | 99 | 17.9% | $32,708 |
| Arts, entertainment, recreation, accommodation and food serv. | 169 | 30.5% | $18,576 |
| Other services (except public administration) | 7 | 1.3% | ND |
| Public administration | 20 | 3.6% | $50,000 |
| Source: American Community Survey 5-Year Estimates 2018-2022  ND: Non Disclosable - The estimate could not be computed because there were an insufficient number of sample observations. | | | |

**Mercer Businesses**

Table 6.3 lists the major employers in the Town of Mercer as of January 2023. Within the employment size ranges, however, the companies are not necessarily in rank order.

**Table 6.3: Top Employers in Mercer in Order of Number of Employees**

|  |  |  |
| --- | --- | --- |
| **Employer Name** | **Business Description** | **Employment Size Range** |
| Action Floor Systems LLC | Millwork | 20-49 |
| Mercer School District | School Districts | 20-49 |
| Xcel Energy | Electric Companies | 20-49 |
| Snow’s Family Market | Grocers-Retail | 20-49 |
| Oasis Café | Restaurants | 20-49 |
| Wisconsin Department of Natural Resources | Government Offices-State | 20-49 |
| Iron County Highway Department | Grading Contractors | 10-19 |
| Mercer Ambulance | Ambulance Service | 10-19 |
| Cranberry Inn | Restaurants | 10-19 |
| Re/Max Action North Realty | Real Estate | 10-19 |
| Great Northern Motel | Hotels & Motels | 10-19 |
| SS Sport Store Inc | All Terrain Vehicles | 10-19 |
| Eunica’s Beaver Lodge | Resorts | 10-19 |
| Century 21 Pierce Realty | Real Estate | 5-9 |
| Mercer Dental Office | Dentists | 5-9 |
| Tom’s Country Café | Restaurants | 5-9 |
| UPS Authorized Shipping Provider | Mailing & Shipping Services | 5-9 |
| Dollar General | Variety Stores | 5-9 |
| Meyer Feed & Seed | Feed Dealers | 5-9 |
| Paw Shop | Thrift Shops | 5-9 |
| Affordable Industries | Manufacturers | 5-9 |
| Source: Wisconsin Department of Workforce Development | | |

**Worker Commuter Patterns**

Table 6.4 indicates commuting characteristics in the Town of Mercer. Commuting data includes where people work (including work from home), how they get there, and how long it takes. Commuting data helps policy makers and planners make decisions related to transportation infrastructure. An estimated 20.1% of workers in the Town of Mercer also live in the town. The main form of transportation is by car, truck, or van (95.8%), and the mean travel time to work was 22.6 minutes.

**Table 6.4: Commuting Characteristics**

|  |  |
| --- | --- |
| **Characteristic** | **%** |
| **Place of Work** | |
| Worked in Wisconsin | 95.3% |
| *Worked in Iron County* | *65.9%* |
| *Worked outside of Iron County* | *29.4%* |
| Worked outside of Wisconsin | 4.7% |
| Living in the Town of Mercer | 50.0% |
| *Worked in the Town of Mercer* | *20.1%* |
| *Worked outside of Town of Mercer* | *29.9%* |
| Not living in the Town of Mercer | 50.0% |
| **Means of Transportation to Work** | |
| Car, truck, or van | 90.1% |
| Worked from home | 6.9% |
| Taxicab, motorcycle, or other means | 1.8% |
| Walked | 1.1% |
| **Travel Time to Work** | |
| Less than 10 minutes | 41.8% |
| 10 to 14 minutes | 10.6% |
| 15 to 19 minutes | 2.2% |
| 20 to 24 minutes | 6.5% |
| 25 to 29 minutes | 4.1% |
| 30 to 34 minutes | 13.3% |
| 35 to 44 minutes | 8.6% |
| 45 to 59 minutes | 6.5% |
| 60 or more minutes | 6.5% |
| Source: American Survey 5-Year Estimates 2018-2022 |  |

**Attracting and Retaining Business and industry**

Historically, business attraction has centered on manufacturing and will likely continue to do so; but increasingly, attracting retail, tourism, technology, and service-oriented businesses has become important in order to diversify and expand business clusters in the area. To be successful, an attractive and competitive environment must be provided. Entrepreneurship and small business development is necessary to create new jobs and provide stability to the local economic base.

**(Following data to be updated from Mercer 2024 survey.)**

In response to the Town of Mercer’s Comprehensive Plan Survey, nearly 73 percent of resident and non-resident respondents think there are not enough job opportunities that pay a sufficient wage to make a decent living in Iron County. In addition, an overwhelming majority of residents and non-residents would support Iron County’s efforts to create new jobs in the county.

According to the Town of Mercer’s Comprehensive Plan Survey replies, town respondents indicated that the most important types of industries to attract into Iron County are tourism businesses, light industry/manufacturing, service businesses, timber resource industries, and retail development (Table 6.X). Significantly more non-residents than residents of Mercer believe tourism and service businesses are the most important to attract to Iron County.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Table 6.X: Types of Industries Believed to be Most Important for Iron County to Attract** | | | | |
|  | **Resident** | ***Non-Resident*** | **Town Totals** | |
| **Industry** | **% Of Total** | ***% Of Total*** | **Number** | **% Of Total Responses** |
| Tourism Businesses | 36.7% | *63.3%* | **555** | **69.5%** |
| Light Industry/Manufacturing | 46.5% | *53.5%* | **495** | **62.0%** |
| Service Businesses | 40.0% | *60.0%* | **358** | **44.9%** |
| Timber Resource Industries | 42.4% | *57.6%* | **329** | **41.2%** |
| Retail Development | 47.3% | *52.7%* | **322** | **40.4%** |
| High Tech Industries | 34.6% | *47.8%* | **276** | **34.6%** |
| Agriculture (dairy, tree, and cranberry farms) | 29.9% | *70.1%* | **237** | **29.7%** |
| Heavy Industry/Manufacturing | 56.1% | *43.9%* | **114** | **14.3%** |
| Public Sector, Governmental | 39.0% | *61.0%* | **101** | **12.7%** |
| Self-employed/Home Tech  Source: Town of Mercer Comprehensive Plan Survey Results (Total Town Responses = 798) | | | | |
|  | | | | |

Because of structural changes in the economy and the transition from a primarily physical-labor industrial age economy to an intellectual-labor, information age or knowledge-based economy, the development of technology-based businesses has become even more important to attract high-skilled, high-paying jobs. The Town of Mercer and Iron County, as indicated in the following sections, has the necessary amenities, such as highspeed Internet access, adequate power sources, and access to financing to attract knowledge-based businesses.

It is estimated that 85% of the employment in an area is generated by the existing businesses; therefore, retaining these companies is a high priority for local officials and economic development organizations. To accomplish this, the obstacles that restrict the growth of existing businesses must be removed and assistance must be given to them to help them remain competitive in a global economy. This section provides information on existing programs, initiatives, infrastructure, and organizations available to attract/retain businesses and industries into the Town of Mercer and Iron County.

**Iron County Development Zone**

Iron County was designated as a Wisconsin Economic Development Zone (WEDC) and includes the Cities of Hurley and Montreal and the Towns of Mercer, Saxon, Kimball, Carey, Oma, Gurney, Anderson, Knight, Pence, and Sherman. The county does have a WEDC regional representative who works with these communities ~~As a Development Zone, special state~~ . ~~incentives are available to qualifying businesses that locate or expand within the zone.~~

The Community Development Zone program is a tax benefit initiative designed to encourage private investment and to improve both the quality and quantity of employment opportunities. The tax credit programs offered by the WEDC are generally designed for larger businesses (50+ employees).

**Workforce Development**

The Wood Industry Collaborative is a partnership of 18 counties across northern Wisconsin to raise the level of awareness of the wood industry, educate and grow the workforce, and form legislative partnerships. It is comprised of economic development, workforce development, education, state agencies, and wood industry representatives.

Gogebic Community College, with a main campus in neighboring Ironwood, Michigan, offers certificates, associate degrees, and transfer programs, along with customized workforce development training for companies. The college offers one of the nation’s most comprehensive Ski Area Management programs and has a full-service ski hill right on campus.

Nicolet College is a public community college serving Northern Wisconsin from its campus on Lake Julia south of Rhinelander in Oneida County. The college offers associate degrees, certificates, technical diplomas, and apprenticeships, along with continuing education, professional development, and public safety and emergency services training opportunities.

Northwood Technical College is an accredited postsecondary educational institution serving northwestern Wisconsin. Although neither a campus nor a branch is located in Iron County, there is a campus in neighboring Ashland County.  ~~which is within an easy commute~~. The college offers associate degrees, certificates, technical diplomas, and apprenticeships, along with customized training and business consulting, continuing education, professional development, driver training, life and leisure classes, and public safety and emergency services training opportunities.

Another technical college located nearby is Northcentral Technical College, which has a regional campus in the City of Phillips in Price County. The college offers associate degrees, technical diplomas, and certificate programs, along with youth apprenticeships, customized training and consulting services for businesses, and a variety of conferences, seminars, and workshops for personal and professional development.

Also located in neighboring Ashland County in the City of Ashland is Northland College. It is a four-year baccalaureate degree college that is internationally known for its outstanding environmental degree programs.

The University of Wisconsin-Madison Division of Extension acts as a doorway to the public university for residents throughout the state. Through its partnerships with 13 UW-Madison universities and campuses, Wisconsin counties, tribal governments, and other organizations, UW-Madison Extension provides a variety of valuable lifelong learning opportunities for Wisconsin citizens. Its Institute of Community Development offers continuing education and training opportunities for the professions, business and industry, workers and the general public.

The Northwest Wisconsin Concentrated Employment Program, Inc. (CEP) is a non-profit corporation whose mission is to strengthen the economy by providing effective and efficient workforce development services to businesses and workers. In existence since 1968, it administers programs to help local youth and adults gain marketable skills and find better jobs. In addition, CEP provides a variety of services, including workshops, conferences, and newsletters for businesses and business development. CEP has a main office in the City of Ashland in neighboring Ashland County. In addition, there is a satellite office located in Park Falls in neighboring Price County.

**Business Development Assistance**

There are several options available for small businesses in the Town of Mercer seeking technical assistance. One is the Wisconsin Business Innovation Corporation (WBIC), a partner organization formed by the Northwest Regional Planning Commission (NWRPC). Although its office is located in Washburn County, its service area is the entire ten-county region. Since its beginning in 1996, WBIC has developed a unique array of technical, financial, and business support services for startup and expanding businesses. This work involves analyzing a firm’s financial needs including preparation or review of financial projections, analyzing requirements and procedures of the various financing programs, identifying the appropriate funding sources, structuring sources and uses of funds, and the preparation of forms and documents needed in applications.

The UW E-Business Institute and the Wisconsin Manufacturing Extension Partnership have an established partnership to enable Wisconsin manufacturers to share collective knowledge and lessons learned regarding digital business technologies and best practices. The partnership supports educational and collaborative offerings in the form of peer group meetings, webinars, conferences, white papers, and reports about successful use of digital business technologies and practices.

Technical assistance for small businesses is also available through the SCORE Association (Service Corps of Retired Executives), which is a resource partner with the U.S. Small Business Administration. There is a chapter in Douglas County that offers help with any business questions, strategy, and concerns. Small business counseling is available via telephone, email, workshops, and activities.

The Wisconsin Economic Development Corporation partners with universities and technical schools, workforce organizations, industry trade groups, and local, county, and regional economic development organizations to provide financial and operations assistance, resources, and networking opportunities to entrepreneurs and business owners.

**Access to Financing and Venture Capital**

Small businesses create the lion's share of new jobs but are the least able to obtain reasonable financing for job-creating expansions and start-ups. Because of the shortage of long-term financing, small businesses are frequently unable to match the term of financing with the life of the asset.

The Northwest Wisconsin Business Development Corporation (NWBDC) is a non-profit corporation formed by NWRPC to address the critical need for business financing in northwest Wisconsin. NWBDC administers its Revolving Loan Programs in partnership with the U.S. Economic Development Administration and the U.S. Department of Agriculture. NWBDC provides low-cost gap financing for businesses seeking to either start or expand their operations in rural areas of Northwestern Wisconsin. Focus is placed on high technology businesses, manufacturing, timber, secondary wood products, and the tourism industry.

The Northwest Wisconsin Regional Economic Development Fund (NWREDF) administers its Revolving Loan Programs in partnership with local communities, Northwest Regional Planning Commission, and the Wisconsin Economic Development Corporation. NWREDF provides low-cost financing for businesses seeking to either start or expand their operations in Northwest Wisconsin. Financing is available for high technology businesses, manufacturing, timber, secondary wood products, facade improvements, service businesses, and the tourism industry.

The Wisconsin Business Innovation Corporation (WBIC) was created by NWRPC to foster economic development of new technology business startups and expansions in Wisconsin. The WBIC operates two revolving loan funds and created the Wisconsin Rural Enterprise Fund (WREF) – the first 'community-based' venture capital fund corporation in the region.

In late 2000, the WBIC established the Wisconsin Rural Enterprise Fund (WREF) as a formally organized community-based venture fund to provide a source of equity investment for early-stage and start-up technology-based businesses that eventually would provide high-skill, high-wage paying jobs for the region. A community-based venture fund has no private individuals as investors. The primary goal is job creation, with return on investment being secondary.

~~In addition to the NWBDC loan funds, Iron County and the Town of Mercer have local revolving loan funds. The Iron County RLF was established in 1991 from Economic Development Grant funds awarded by the Wisconsin Department of Commerce to assist local entrepreneurs with their business ventures. Also awarded by the Wisconsin Department of Commerce, the Town of Mercer RLF was established in 1988 to augment private sector investment in plant and equipment to expand productivity.~~

**Technical and physical Infrastructure**

The Town of Mercer and Iron County have superior transportation facilities to serve existing and future businesses. An excellent roadway system is available in the county providing easy truck freight access to local businesses. General cargo service is available at Duluth/Superior. Nearby Ashland and Ontonagon, MI, are the nearest deepwater ports. Airport service is located at the Gogebic/Iron County Airport and the Rhinelander/Oneida County Airport. The Rhinelander airport is the largest airport serving Oneida and the surrounding counties.

Other physical infrastructures, like sewer, water, natural gas, electrical services, and telecommunications are plentiful and readily available to businesses. Rural areas in Wisconsin, such as the Town of Mercer and Iron County, are further ahead than many urban areas in the availability of highspeed Internet access. Technology infrastructure in Mercer and Iron County ~~is widespread and~~ includes a T1~~, T2, T3~~ line, DSL, cable, dial up, and fiberoptic.

**Quality of Life**

A good quality of life is becoming increasingly important to employers and employees alike, not only in Wisconsin, but around the country. The Town of Mercer has a premium quality of personal life, with a beautiful physical environment, excellent quality and quantity of water, a good public education system, good public services, and a labor force with a good work ethic. Natural, recreational, and lifestyle amenities abound throughout the county, and tranquility and the solitude of the great outdoors is plentiful.

The lack of traffic jams and low crime rates enhance the quality living environment. Clean, unpolluted air, as well as lots of open space for recreation and expansion, adds to the general overall quality of life for the residents of the Town of Mercer.

**Strengths and Weaknesses (To be updated from current survey.)**

**Strengths**

* ~~Financial institutions ready and willing to extend help~~
* ~~Formal/organized chamber of commerce~~
* ~~Clean area~~
* ~~Helpful real estate firms~~
* ~~“Reception committees”~~
* ~~Available contact people~~

**~~Weaknesses~~ Needs Improvement**

* ~~Dirty main street~~
* ~~Old, unimproved, poorly maintained central/main area~~
* ~~Unfriendly environment~~
* ~~Hard-to-reach contact people~~
* ~~Cheap looking business fronts~~
* ~~Opposite of the above~~
* ~~Unprofessional businesses (i.e. not on time, no return calls, etc.)~~

**Business and Industry Sites**

The Town of Mercer currently has one ~~privately~~ developed industrial park ~~and another one is~~ ~~currently being developed.~~ ~~The existing industrial park in Mercer~~ has 40 acres ~~out of a total of~~ ~~105 acres~~ available for development. All public facilities, including roads, water, sewer, electricity, and gas, are available in the park.

**Mercer Industrial Park**

Beginning in the mid-1990s, the town board and members of the public sought to develop an industrial park that would allow for the continued development and expansion of local jobs. As a result of that effort, in 2004, the U.S. Department of Commerce, Economic Development Administration, provided to the town over $1 million in funding assistance to develop a ~~30~~ 40-acre industrial park located directly off STH 51 just south of Mercer’s downtown area. The industrial park began land and public infrastructure development in the spring of 2005. As planned, the industrial park ~~will be~~ is made up of approximately 12 lots ranging in size from one to four acres (see Figure 6.1). Water, sewer, and three-phase power ~~will be~~ is available throughout the development. A natural gas main runs along STH 51 and ~~may be~~ has been extended to the industrial park. ~~based on cost and potential industrial use.~~

**Figure 6.1: ~~Proposed~~ Mercer Industrial Park**

A map of a land with roads and roads

Description automatically generated

Source: Town of Mercer

**TOurism IMpact to the Local Economy**

Information on tourism is not available at the town level; therefore, Iron County data must be used for the Town of Mercer. The following information was acquired from the Wisconsin Department of Tourism.

Iron County is a vacationland for local and distance travelers and in 2022 ranked 64th in the state for direct visitor spending.[[2]](#footnote-2) Local events and natural resources significantly contribute to the number of visitors to Iron County. Businesses that cater to tourism, such as motels, resorts, campgrounds, B&Bs, and retail stores complement the hundreds of miles of snowmobiling and biking trails as well as the many parks, golf courses, historic sites, waterfalls, ski hills, cross-country ski trails, Lake Superior, and area attractions.

According to the Wisconsin Department of Tourism, the total economic impact of tourism has continued to increase reaching a record-breaking 23.7 billion in 2022. This surpassed the previous record of $22.2 billion set in 2019. The total economic impact of tourism in Iron County in 2022 was $33.3 million.

Tourism is an extremely vital part of Iron County’s economy. From 2021 to 2022, direct visitor spending in Iron County increased 6.8%, from $24.3 million to $25.9 million. The total number of jobs sustained by tourism in the county equaled 252, which was a 6.2% decrease since 2021. The total labor income in the county (wages, salaries, proprietor income and benefits) supported by visitor spending was an estimated $5.4 million in 2022.

The total impact of tourism extends far into the county, making a contribution to schools and local governments. State and local tax revenue collected (sales, income, bed, usage fees and licenses, etc.) collected as a result of tourist spending in 2022 amounted to an estimated $2.6 million.

The number of Town of Mercer seasonal homes significantly impacts the economy. According to the 2020 Census, 50.9% of total housing units in the town are for seasonal, recreational, or occasional use. Seasonal homes bring nonresidents to the Town of Mercer on a regular basis. Sales of food, gas, etc. in the area are greatly increased during those times, bringing revenue to local merchants. This is in addition to the local and state taxes collected through these expenditures.

**Redevelopment and Contaminated Sites**

Redevelopment of contaminated or blighted locations can be of significant benefit to local units of government. Benefits range from removing potentially environmentally hazardous materials to adding tax base and jobs to the area. Too often, these sites are overlooked due to the perceived costs associated with redevelopment. Programs at the state and federal level can contribute to the cleanup of contaminated or blighted sites. The Petroleum Environmental Cleanup Fund Act and the creation of Tax Increment Districts can be used to redevelop and clean up contaminated and blighted sites.

Under the Environmental Repair Program (ERP), two locations are identified for cleanup within the town (Table 6.5). ERP sites are sites that have contaminated soil and/or groundwater. Examples include industrial spills or releases that require long-term investigation, buried containers that have hazardous substances, or closed landfills that have caused contamination. The program also addresses sites where above ground petroleum storage tanks have resulted in contamination.

**Table 6.5: Mercer Environmental Repair Program Sites**

|  |  |  |  |
| --- | --- | --- | --- |
| **Location Name** | **Jurisdiction** | **Substance** | **Type** |
| Mercer - PCE Detected | WDNR | Tetrachloroethene (Perchloroethylene) | VOC |
| Midwest Truck & Auto Repair | WDNR | Chlorinated Solvents,  Trichloroethylene | VOC  Industrial Chemical |
| Source: Wisconsin Department of Natural Resources Bureau of Remediation and Redevelopment Tracking System | | | |

A Leaking Underground Storage Tank (LUST) site has contaminated soil and/or groundwater with petroleum, which includes toxic and potentially cancer-causing substances. However, given time, petroleum contamination naturally breaks down in the environment (biodegradation). Underground storage tanks are regulated in Wisconsin under:

* *NR 746*: Applies specifically to sites where petroleum products have discharged from storage tanks.
* *SPS 305*: Wisconsin Department of Safety and Professional Services rule governing licensing, certifications, and registrations, including for underground storage tanks.

The Wisconsin Department of Natural Resources has jurisdiction over two LUST sites in the town (Table 6.6). Land uses should consider the potential negative impact of LUST sites and other pollution hazards. Wisconsin’s corrective action rules (NR 140 & NR 700 series) define the process for management of environmental discharges from the time of discovery until site closure. Soil and groundwater cleanup standards under these rules are ‘risk-based’, with consideration of individual site conditions.

**Table 6.6: Mercer Leaking Underground Storage Tank Sites**

|  |  |  |  |
| --- | --- | --- | --- |
| **Location Name** | **Jurisdiction** | **Substance** | **Type** |
| WI DOT - ROW former gas station at repair shop | WDNR | Petroleum | Gasoline |
| WI DOT- Brandt property former gas station | WDNR | Petroleum | Gasoline |
| Source: Wisconsin Department of Natural Resources Bureau of Remediation and Redevelopment Tracking System | | | |

**Economic Development Program and Organizations**

There are many programs at the federal, state, county, and regional level that can help the Town of Mercer in the support and development of economic development efforts. In addition, there are programs available for individual businesses to assist in start-up and expansion. This section contains a list of the major agencies and programs that are most likely to be used by the town in its economic development efforts. In addition to programs, there are economic development organizations throughout the county that provide assistance to local units of government and businesses. These are also listed in this section.

**FEDERAL**

**Economic Development Administration**

The U.S. Department of Commerce Economic Development Administration offers two programs for assistance with economic development that apply to the Town of Mercer. One is the Public Works Program, which helps communities revitalize, expand, and upgrade their physical infrastructure. Secondly, the Economic Adjustment Assistance Program provides a wide range of technical, planning, and public works and infrastructure assistance in regions experiencing adverse economic changes that may occur suddenly or over time.

**USDA Wisconsin Rural Development**

Several loan and grant programs of benefit to the county and local business development are available from the USDA Rural Development. One of those programs is the Community Facilities Direct Loan and Grant Program, which provides funding to local units of government to develop essential community facilities in rural areas. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community in a primarily rural area, and does not include private, commercial, or business undertakings.

The Community Facilities Guaranteed Loan Program provides loan guarantees to eligible lenders to develop essential community facilities in rural areas. An essential community facility is defined as a public improvement, operated on a non-profit basis, needed for the orderly development of a rural community where the rural community is a city or town, or its equivalent county or multi-county area. The term “facility” refers to both the physical structure financed, and the resulting service provided to rural residents or rural businesses.

The Rural Economic Development Loan and Grant Program provides funding for rural projects through local utility organizations. USDA provides zero-interest loans to local utilities which they, in turn, pass through to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas.

The Business and Industry Guaranteed Loan Program is a loan guarantee program designed to assist credit-worthy rural businesses obtain needed credit for most any legal business purpose.

**STATE**

**Wisconsin Economic Development Corporation**

The Wisconsin Economic Development Corporation is a public-private entity that offers several programs for assistance with economic development that apply to the Town of Mercer. One is the Brownfields Grant Program which provides grants for redeveloping commercial and industrial sites impacted by environmental contamination. Others include WI Solar for All, Advanced Biofuel Program, and entrepreneur grants.

The Community Development Investment Grant Program supports redevelopment efforts by providing financial incentives for shovel-ready projects emphasizing downtown, community-driven efforts.

The Idle Sites Redevelopment Program offers grants to Wisconsin communities to implement redevelopment plans for large commercial, institutional, or industrial sites that have been idle, abandoned or underutilized for a period of at least two years.

Wisconsin’s Enterprise Zone Tax Credits are available to assist Wisconsin businesses that have significant expansion projects or are relocating major business operations from other states to Wisconsin. Refundable tax credits can be earned through job creation, job retention, capital investment, employee training and supply chain purchases from Wisconsin vendors.

**Wisconsin Departments of Tourism**

The Wisconsin Department of Tourism offers grant programs to help support the tourism industry. The Joint Marketing Grant Program reimburses Wisconsin nonprofit organizations for eligible promotional expenses, including for new events, existing events, sale promotions, one time/one-of-a-kind events, and destination marketing.

The Tourist Information Center Grant Program provides financial assistance to nonprofit tourism organizations, municipalities, or Native American tribes operating a regional tourist information center.

The Ready, Set, Go! Grant Program assists destinations in securing competitive sporting events that are not regularly held in Wisconsin and require an upfront financial commitment.

The Meetings Mean Business Grant Program assists destinations in securing regional and national meetings or conventions not regularly scheduled in Wisconsin. The MMB grant provides financial assistance for facility costs or host destination expenses.

**Wisconsin Department of Transportation**

Available from the Wisconsin Department of Transportation is the Transportation Facilities Economic Assistance (TEA) Program. The intent of the TEA Program is to attract and retain businesses in Wisconsin and thus create and increase the number of jobs. The business cannot be speculative and local communities must ensure that the number of jobs anticipated from the proposed project will materialize within three years from the date of the project agreement and remain for another four years.

**REGIONAL**

**Northwest Regional Planning Commission**

The Northwest Regional Planning Commission (NWRPC) is a cooperative venture of the local units of governments in the ten counties of Ashland, Bayfield, Burnett, Douglas, Iron, Price, Rusk, Sawyer, Taylor, and Washburn and the five regional tribal nations of Bad River, Lac Courte Oreilles, Red Cliff, St. Croix, and Lac du Flambeau. The purpose of NWRPC is to assist its member communities to promote sustainable economic development, develop public facilities, provide planning and technical services, efficiently manage and conserve natural resources, and protect the environment. Every five years, NWRPC, with the cooperation of the local units of government in its region, prepares a Comprehensive Economic Development Strategy for the entire Northwest Region.

In an effort to build a focused development strategy for the Northwest Region, NWRPC developed three non-profit development corporations, each focusing on a specific area need and opportunity including financing for business start-up and expansions (Northwest Wisconsin Business Development Corporation), technology-based business development (Wisconsin Business Innovation Corporation), and affordable housing (Northwest Affordable Housing, Inc.).

**Northwest Wisconsin Business Development Corporation**

A strategic partner of the Northwest Regional Planning Commission, the Northwest Wisconsin Business Development Corporation, has available revolving loan funds to address a gap in private capital markets for long-term, fixed rate, low down-payment, and low interest financing to assist businesses in job creation/retention and growth.

**Visions Northwest**

Visions Northwest is one of nine regional economic development organizations in the State of Wisconsin. The organization receives funding from the Wisconsin Economic Development Corporation to address the development needs of regional projects and support regional economic development in Northwest Wisconsin. Members represent county economic development, tribes, education, chambers of commerce, workforce development, as well as the private and public sector.

**LOCAL**

**Economic Development Organizations**

Several economic development organizations dedicated to community and business development exist in Iron County and the Town of Mercer. Following is a list of these organizations that promote economic development or provide assistance to local units of government and businesses and industries within the county.

**Iron County Development Zone Council**

The Iron County Development Zone Council is a public/private non-profit organization that promotes economic and community development in Iron County. Formed in 1989, it provides technical support and business assistance to connect new and existing businesses to the appropriate resources to meet their needs. Iron County along with cities, towns, chambers, utilities, banks, and the development corporation all contribute to fund economic development activities in the county. Working together creates a unified approach to accomplish economic development projects. The Development Zone also participates in many community development projects to make Iron County, WI more attractive for business development.

**Iron County Resource Development Association, Inc.**

The Iron County Resources Development Association operates with a volunteer board of directors under Wisconsin’s non-profit corporation law to promote development by assisting in site development, financing, and working with local units of government. The organization was formed in 1963 and assisted in forming the Hurley Industrial Park in 1979 with an initial investment of $40,000 to leverage $90,000 in grants. Additional investments and grants have been made for the park’s expansion.

**Iron County Economic Development Committee**

The Iron County Economic Development Committee’s main focus is to develop an industrial base in Iron County, which will bring higher wage jobs to the area. At the same time, the committee tries to expand the growing tourism industry in Iron County. It is composed of Iron County Board members and non-elected community members.

**~~Mercer Downtown Development Committee~~**

~~The Mercer Downtown Development Committee serves several purposes. In addition to trying to attract new businesses to the downtown, the committee works for improvements to the downtown area, such as a downtown park area and a bicycle and walking path. Another area of improvement the committee works toward is the appearance of the buildings in the downtown area.~~

**~~Mercer Revolving Loan Fund~~**

~~The Town of Mercer was awarded an Economic Development Grant from the Wisconsin Development fund in 1988. This grant award to the town was then lent to a local business and the proceeds from this loan have been used to establish a revolving loan fund. Eligible businesses within the town can seek loan funding from the fund for plant and equipment expansions.~~

**Other Programs**

There are many more federal, state, and local programs offering assistance to businesses. The Wisconsin Economic Development Corporation and the Wisconsin Bankers Association are two useful resources to learn about additional available programs.

**Economic Development Goals, Objectives, and Actions**

A set of recommended goals, objectives, and actions have been developed to assist the Town of Mercer in its overall effort to support, retain, and attract economic development activity.

Goal: Promote a healthy and diversified local economy based upon Mercer’s strengths, and with an understanding and focus on improving the area’s weaknesses.

Objective 1: Develop guidelines for minimum building and site development standards for industrial development.

*Action 1: Support state and local development guidelines.*

*Action 2: Enact ordinances that set standards for downtown business district properties.*

Objective 2: Attract and retain small businesses and light, environmentally safe industries.

*Action 1: Continue to ~~develop~~ promote the Mercer Business Park.*

*Action 2: Support the work of the Mercer Chamber of Commerce. ~~& Downtown Development Group.~~*

*Action 3: Research available local, state, federal, and private funding sources, including grants and loans, to help fund local economic and community development activities.*

*Action 4: Encourage development of home-based businesses.*

Objective 3: Ensure future commercial and industrial developments are compatible with Mercer’s northwoods character.

*Action 1: Enforce current applicable town & county ordinances.*

Objective 5: Promote the development of the local labor force to meet current and future skill-level needs.

*Action 1: Work with local businesses, Iron County UW-Extension, and area community colleges to establish appropriate programs closer to Mercer.*

*Action 2: Encourage current and future Mercer area businesses to offer favorable wages and fringe benefits to attract and retain a strong, skilled work force.*

Objective 6: Work with the Iron County Development Zone Council to promote Mercer’s Business Park and Downtown Mercer.

*Action 1: Provide town board liaisons to each entity.*

*Action 2: Develop and implement a marketing strategy for the Business Park and the Downtown Mercer Business District.*

Objective 7: Encourage enhanced tourism activities.

*Action 1: Support and expand tourism-related infrastructure events, marketing, and coordination.*

Objective 8: Promote ~~Mercer and~~ Iron County’s revolving loan funds, as well as other regional and state funding and incentive programs to prospective businesses.

*Action 1: Incorporate the WBIC’s (Wisconsin Business Innovation Corporation) and Superior Life’s (a state-sanctioned 6-county development zone) capabilities and linkages into its marketing strategy for the Mercer Business Park and Mercer Downtown Business District.*

*~~Action 2: Focus on the sectors designated by the Superior Life Technology Zone as development efforts. These include medical services and equipment, subassemblies and components, forestry, and high-tech manufacturing.~~*

Objective 9: Actively Seek Outside Investors and Development Grants. ~~Continue the development of the business park.~~

*Action 1: ~~Develop & implement a marketing strategy to plan for the park~~. Initiate a Mercer Development Committee, composed of town board members and non-elected community members, to pursue grants and potential investors.*

1. Wisconsin Department of Public Instruction [↑](#footnote-ref-1)
2. Wisconsin Department of Tourism County by County Spreadsheet 2022 [↑](#footnote-ref-2)