



## Planning

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# Business Growth (as of mid 2002)

Data from two business directories was used to analyze the change in the number of businesses along both highway corridors. [5] The results showed that both corridors experienced significant growth in businesses during this eight-year period. Along the four-lane Highway 29, from Chippewa Falls to Abbotsford, the number of businesses increased from 1,452 to 2,524, a 74% increase from 1995 to 2002. Along the two-lane Highway 10, from Osseo to Marshfield, the number of businesses along the corridor increased from 1,080 to 2,183 businesses, or 102%, during 1995-2002.

The results of this initial analysis are surprising, since it was expected that the four-lane highway would have a higher growth rate in businesses. (However, as noted on page 66, a higher growth rate in *manufacturing-related jobs* did occur in the Highway 29 corridor.) This analysis will be extended in Phase II of the study to include the entire length of both highway corridors. Analysis results could vary significantly, since the Phase II data along both highways will include some of the larger metropolitan areas that experienced significant economic development in recent years. Tables 2 and 3 illustrate 1995-2002 business growth along Highways 10 and 29.

**Table 2 Highway 29 Business Growth 1995-2002**

	Number of Businesses		Change
	1995	2002	
Withee	38	62	63%
Thorp	167	218	31%
Stanley	117	193	65%
Owen	64	87	36%
Curtiss	12	34	183%
Colby	64	118	84%
Chippewa Falls	719	1,427	98%
Cadott	103	155	50%
Boyd	42	55	31%
Abbotsford	126	175	39%
Total	1,452	2,524	74%

Sources: Select Street Atlas 1995, ReferenceUSA 2002

**Table 3 Highway 10 Business Growth 1995-2002**

	Number of Businesses		Change
	1995	2002	
Granton	32	50	56%
Neillsville	176	360	105%
Osseo	89	205	130%

Strum	57	83	46%
Marshfield	726	1,485	105%
Total	1,080	2,183	102%

Sources: Select Street Atlas 1995, ReferenceUSA 2002

## Locations of New and Expanding Manufacturing Plants

According to WisDOT data, during the 1990-2001 period, approximately 72,000 jobs were created by over 2,400 manufacturing plants that either located or expanded in Wisconsin. The vast majority, or 88% of these plants, located within 5 miles of the state's backbone highway system. New and expanded manufacturing plant locations were identified within a 5-mile radius of the four-lane Highway 29 and two-lane Highway 10 corridors.

Significant differences were revealed in manufacturing plant location patterns along the four-lane and the two-lane highways, as

shown in Table 4 below. Along the Highway 29 segment, the number of manufacturing plants and jobs was approximately double that of Highway 10. This difference is significant because manufacturing wages and benefits are, on average, higher than those of other industrial sectors. The manufacturing sector also drives other business sectors, its benefits cascading throughout the local economy. Thus, growth in manufacturing leads to a larger multiplier effect on total employment growth. It is also important to note that this analysis did not include the entire Highways 29 and 10 segments. In Phase II of the study, manufacturing plant locations for the entire length of the corridors will be analyzed. It is likely that these preliminary findings may be different once future analysis is completed.

**Table 4 Press Clipping Counts of Total New and Expanded Manufacturers Within 5 Miles of Highways 29/10**

<b>Highway 29: Chippewa Falls to Abbotsford</b>
1990-2001
43 companies
1,238 jobs
1990-2001
23 companies
573 jobs

Sources: WisDOT, Wisconsin Department of Commerce

## Per Capita Income

Per capita income (the mean personal income, computed for every man, woman, and child in a geographic area) tables were created for counties along both the *entire* four-lane and two-lane highways during 1990-2000 using data from the U.S. Department of Commerce's Bureau of Economic Analysis. During this period, per capita income for the counties along the two-lane highway grew by 49-62%, averaging a 56% growth rate. This exceeded by one percent the statewide average rate of 55%. Growth in per capita income in counties along the four-lane expressway ranged from 49% to 64%, averaging at 57%, or 2% over the state average. Overall, counties along Highway 29 experienced higher per capita growth rates than the state average during the 1990-2000-analysis-period. Appendix 7 provides detailed per capita income figures for both highway corridors.

## Annual Average Daily Traffic Counts

Annual average daily traffic counts for the four-lane and two-lane highways were obtained for the 1991-2000 period from WisDOT's Highway Traffic Volume Database. For this ten-year period, traffic volumes for both highways were calculated on a per-mile basis to determine the incremental growth of the volume of traffic on both highway corridors.

As seen in Table 5, Highway 29 experienced a 56% increase in traffic volume on a per mile basis. Highway 10 traffic volumes were slightly lower, experiencing 52% growth during the same ten-year period.

It is anticipated that traffic volumes will continue to increase on the four-lane highway, probably at a faster rate than in the past.

This increase in traffic is likely to provide economic opportunities for more development in the communities along the highway.

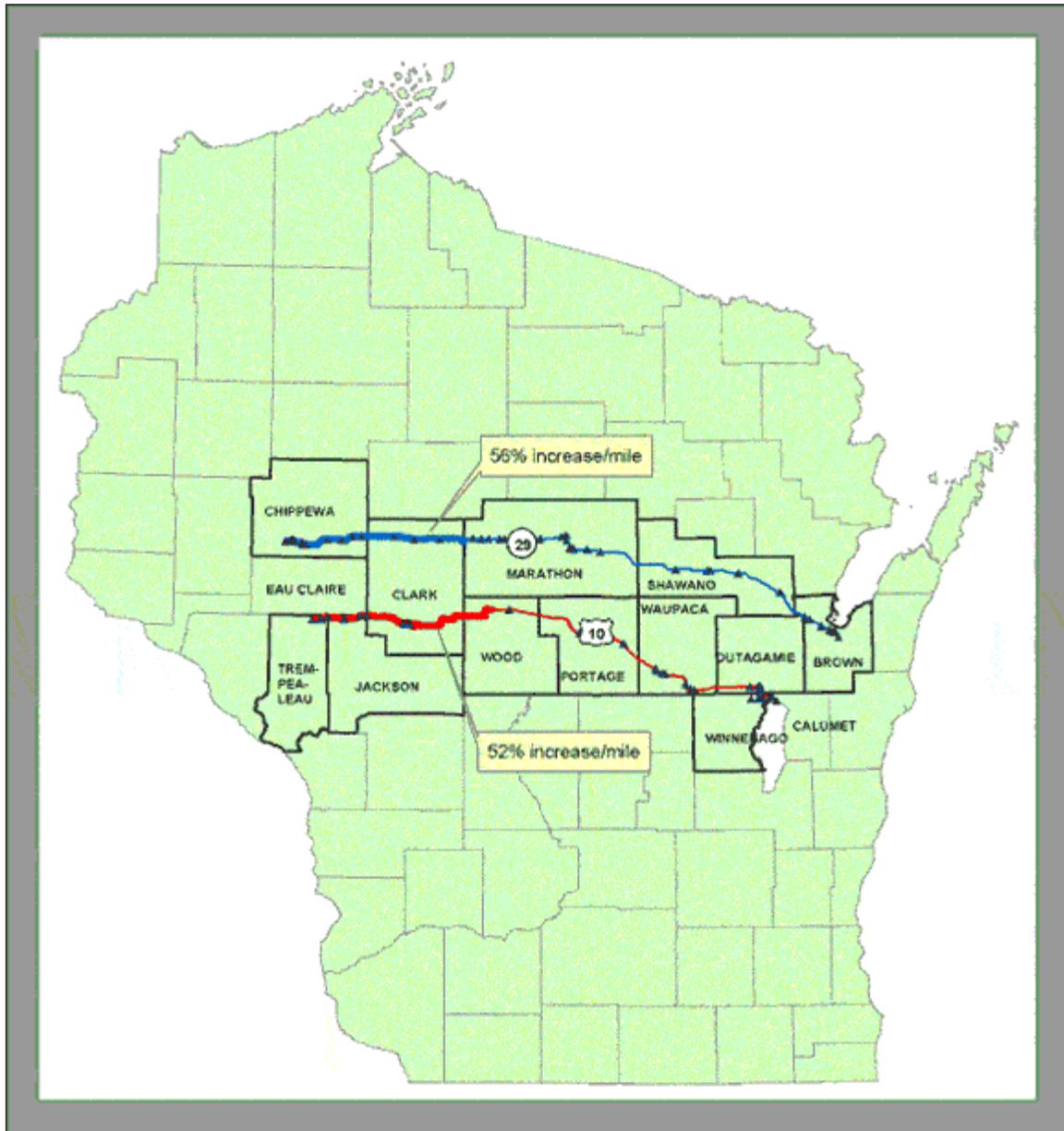
**Table 5 Average Annual Daily Traffic Per Mile**

	Highway 10 AADT/Mile	Growth	Highway 29 AADT/Mile	Growth
1991	330		569	
2000	502	52%	889	56%

Typical ADT on SR 29 during the year of the study was well over 10,000 to 30,000 in the vicinity of the larger cities of Chippewa Falls, Green Bay and Wausau. In the areas midway between these cities the ADT was about 4,000 to 8,000. Typical ADT on US 10 was similarly low in very rural areas but over 10,000 in the vicinity of Appleton and Steven's Point.

**Figure 22 Average Annual Daily Traffic/Mile Highways 29/10**

[Alt text: Figure 22. Map of Wisconsin specifying the location of Highways 29 and 10 and the average annual daily traffic per mile on each of the highways. Phase 1 of Highway 29 showed a 56% increase per mile. Phase 1 of Highway 10 showed a 52% increase per mile. (2002)]



## Findings and Conclusions (as of mid 2002)

### Community Economic Impacts

1. Overall, according to interviews with local officials, the Highway 29 improvements had a positive impact on the communities along it. Many local business leaders similarly expressed that the highway capacity improvement enabled faster travel times, improved access to the expressway via the new interchanges, and improved safety conditions for truckers and the general population.
2. The highway improvement has spurred an interest in economic development in the communities along the corridor. Increased planning efforts resulted in numerous plans for commercial and industrial development, as seen in the community profiles in Phase I of the study. Many of the communities have, or are in the process of upgrading their utilities (sewer and water systems) in anticipation of attracting development to the region. The "Highway 29 Partnership", a new coalition of five smaller communities, was created with the goal to work together on common economic development initiatives.
3. With the expansion of Highway 29 to four lanes, workers are choosing to travel longer distances to regional

urban areas such as Chippewa Falls, Medford, Eau Claire, Marshfield, or Wausau, which offer a wider array of employment opportunities. The Wisconsin Rural Partnership Community Resource Team's Report assessed the strengths and weakness of five communities along Highway 29 and found that "commutes of 1 to 1 1/2 hours are not uncommon". In fact, the ease of travel along Highway 29 has allowed households with multiple income earners to work in different urban centers and reside in smaller communities along the corridor, at a more centralized location between the urban centers.

4. As expected, many new highway-oriented businesses have located near the interchanges of the improved four-lane highway corridor. Communities have experienced the first wave of development with an increased number of motel, restaurants, and service stations along the highway. The Wisconsin Rural Partnership Community Resource Team noted that it was important to place "attractive and useful businesses and services at and around the Highway 29 exits". The Resource Team also recommended that communities consider attractive and informative directional signs to encourage travelers to venture off the beaten path, to experience the retail, recreational, historic, and cultural delights of the area.

## Business Impacts

1. The highway expansion project has caused some shifts in downtown businesses' traffic patterns. There have been varying impacts on downtown businesses. For instance, some downtown businesses continue to have the same customer base, while others are losing customers to businesses in larger communities that are within commuting distance. On the other hand, some businesses receive new customers traveling on Highway 29. The new bypasses have created business opportunities for more development along the access points in the communities, and have reduced traffic levels, mainly of trucks traveling in the downtown areas.
2. Manufacturers, food processors, and transportation service providers indicated that the highway improvement reduced travel times and improved the reliability of product delivery. Improved safety, reduction in congestion, and lower freight charges for deliveries were the most frequently mentioned benefits. When asked whether the highway improvement helped businesses increase their ability to reach other markets, the majority of the businesses interviewed indicated that it was too soon to tell because the highway was just completed last year.
3. Business counts from business directories, taken for two points in time (1995 and 2002), indicated a steady increase in the number of new businesses along Highway 29, approximately 74% during this time period. In comparison, the two-lane Highway 10 had a 102% increase in the number of establishments over the same time-period. In the next phase of the study, the overall change in the number of businesses for the entire length of both highway corridors will be calculated.
4. The most significant finding in terms of business impacts was the number of new and expanded manufacturing plants that located along the four-lane highway during the past 12 years. 43 new or expanded manufacturing plants located within 5 miles of the improved four-lane highway, creating over 1,200 new jobs. This was almost twice the number of manufacturing facilities and over twice the number of jobs created near the two-lane highway.

Additionally, from 1996 to 2001, total employment along the entire Highway 29 corridor increased by 11.3%, exceeding the statewide job growth rate of 8.7% during the same period.

## Other Impacts

1. Population in communities along the four-lane and two-lane highways in Phase I of the study grew by 7% and 5%, respectively, over the 1990-2000 period. This growth was slightly below the 9% population growth rate for the entire state. However, interview results from local officials reveal an anticipation of new housing starts in the near future. In many of the communities surrounding the City of Stanley's new prison, residential development is emphasized economically.
2. The expanded four-lane highway has enabled workers to commute over longer distances to regional and urban areas such as Chippewa Falls, Medford, Eau Claire, Marshfield, and Wausau, where better wages and benefits are offered. In the community interviews, several communities pointed out that rural businesses are not able to offer the wages and benefit packages common to larger corporations in nearby urban areas. The

highway expansion has improved the labor availability and shortened commuting time for many employees traveling longer distances to the better paying jobs.

3. Highway 29 is viewed in the tourism sector as the gateway to many recreational locations in northern Wisconsin and Door County. A comparison of tourism expenditures along the improved four-lane highway and the existing two-lane highway revealed slightly higher tourism spending levels along the four-lane highway. Total annual increases in tourism spending were similar over a 10-year period along the two corridors, varying from year to year by at most 22%. The higher expenditure levels along the four-lane corridor may be attributed to more highway-oriented businesses locating in communities along Highway 29 and also to increases in traffic volumes.
4. Interviews with local property tax assessors indicate an increase in the values of properties sold near the highway. In some cases, the property values increased substantially depending on the type of development. In Phase II of the study, state property assessment data from the Wisconsin Department of Revenue will be used to evaluate the overall changes in property values over time. Property values for communities along the four-lane highway will be compared to property values along the two-lane highway as well as to statewide averages. This analysis will provide an indication as to whether property values in the communities along the four-lane Highway 29 grew at a faster or slower rate than in communities along the two-lane highway and across the state.

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