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Executive Summary

This report is part of a larger project intended to provide baseline data and contribute to policy discussions dealing with regional development implications of recreational homes in the Great Lakes States. Specifically, we set out to develop a better understanding of rural regions with large numbers of “second homes.” The economic, social and environmental development perspective of these regions is incomplete without a better understanding of recreational homeowners, their impacts locally, and interactions with the local economy, socio-political structure, and natural environment.

This report was written as a companion to “Recreational homes and regional development: A case study from the Upper Great Lake States (G3651).” The initial report addressed both second homeowners and year-round residents of a region in which recreational homes are prominent. This report, on the other hand, compares and contrasts recreational homeowners in two Northern Wisconsin counties. Again, our interests focus on developing a better understanding of how recreational homes contribute to development of amenity-rich rural regions.

Data suggest that the 1970’s were a time of large-scale recreational home development in Wisconsin and Minnesota. In comparison, the 1980’s showed a general slow-down in new recreational home development as housing markets changed and the availability of new developable lakeshore lots declined. Recreational homes today are in high demand with existing recreational properties commanding increasingly higher prices. Significant investments are being made to upgrade existing properties.

We conducted a survey of recreational homeowners in both Burnett and Forest Counties in Northern Wisconsin. Characteristics of recreational homeowners differed between the two locations assessed in this study. Whereas the origin of recreational homeowners in Northeastern Wisconsin (Forest County) was primarily the Fox River Valley Region of East-Central Wisconsin, Northwestern Wisconsin (Burnett County) draws heavily from the Twin Cities market. Recreational homeowners in Burnett County had generally higher incomes than those encountered in Forest County. The Burnett County recreational homeowner, in general, used their lakeshore retreats less often but spent more money locally when compared to Forest County second homeowners.

The recreational homeowner plays an important role in generating local business activity. On average, recreational homeowners spent between \$2,500 and \$3,500 per year in the local region surrounding their second home. Overall, large expenditures were made for items used at recreational properties but a significant amount of this spending occurred outside of the local region. Percentages purchased locally ranged from 20 to 70 percent with a significant amount of money spent on construction/remodelling and food/drink. Spending patterns were similar between the two counties with generally higher local expenditures being made by Burnett County recreational homeowners.

Many institutions cooperated on this project. Funding for the Forest County work was provided by the North Central Regional Center for Rural Development (Ames, Iowa). Funding for the Burnett County data collection was provided by the Cooperative Development Services. Collaborating institutions included the Minnesota Extension Service (Tourism Center) and the University of Wisconsin-Extension. Finally, this project could not have been accomplished without the cooperation of recreational homeowners in Forest and Burnett Counties.

**Recreational homeowners and regional development:
A comparison of two Northern Wisconsin counties**



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