

CHAPTER 2

MARKET ANALYSIS

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To identify Lyndon Station's strategic market position it is important to first evaluate the Village's existing marketplace - both in the local economy as well as the County as a whole. The results of this analysis will supply the markets and businesses in which Lyndon Station shows a competitive advantage. Tourists, work commuters, and local residents all impact Lyndon Station's economy.

2.1 REGIONAL CONTEXT

Lyndon Station is in Juneau County in west central Wisconsin, approximately ten miles northwest of Wisconsin Dells. This region of the state is a popular tourist destination due to its array of recreational and family activities, including Noah's Ark, resort waterparks, state parks, private campgrounds and golf courses. See **Section 2.6 (Tourism Analysis)** for more information.

The Interstate 90/94 corridor runs through the County, as well as the Village of Lyndon Station, carrying roughly 30,000-35,000 vehicles per day (based on 2010 WisDOT data). Lyndon Station's interstate on- and off-ramp (exit #79) sees approximately 880-1,300 vehicles per day, which is comparable to the Wisconsin Dells / US 12 exit #85; however, is significantly less than the counts seen on Mauston's and Wisconsin Dells' main interstate exits. The Village is also bisected by US 12 / WIS 16 (carrying about 2,000 AADT) and CTH HH (carrying 2,500-3,000 AADT).



Map Source: Google Maps

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2.2 RESIDENT PROFILE

To more fully understand Lyndon Station’s marketplace, it is necessary to review key area indicators to decipher resident spending potential and habits. This analysis will draw on the Lyndon Station’s market share within the County, as well as contrast these statistics to other comparable communities (i.e. Elroy, Iola, Princeton, and Montello). For this analysis, the demographics are based on each municipality’s convenience trade area, which is a generalized 2.5-mile radius from the central business district. See **Section 2.3** for more information on Convenience Trade Areas (CTAs).

Population & Age

Population data can demonstrate how many current and potential “future” consumers are in an area. According to the 2010 US Census, the Village’s population was 500, which is approximately 2% of the County’s population. The City of Mauston and the City of New Lisbon have the largest percentage of the County’s population with 17% and 10%, respectively. The Wisconsin Department of Administration (DOA) projects Lyndon Station’s population to grow by 5% by 2040; however, these projections show a potential decline in population after 2030. This decline corresponds with the County’s growth projections, as shown in Figure 2.1 (above).

Figure 2.1: Population Change by Decade

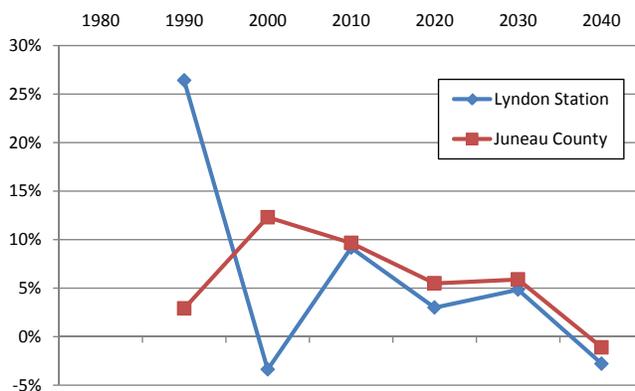


Table 2.2 (below) details Lyndon Station’s Convenience Trade Area (CTA), as compared to the comparable communities. As of 2010, Lyndon Station’s CTA had 1,018 people, which is roughly half the size of the comparable marketplaces. DOA projections for these comparable communities show both Iola and Montello having similar growth during the same period, while Elroy and Princeton are projected to decline by 20-30%.

Age is another indicator for tastes, preferences and needs. Based on the 2010 Census, the Village of Lyndon Station’s median age is 39.7, which is lower than the County’s median age (43.6) but higher than the State as whole (38.5). In general, the Village of Lyndon Station has a similar age breakdown as Juneau County. In comparison to the City of Mauston, Lyndon Station has a higher percentage of residents in the 45-64 age bracket and less in the young professional age bracket (i.e. 25-44). When looking at the comparable marketplaces (see Table 2.2), Lyndon Station has the lowest percentage of seniors (i.e. 65 and older) and lowest median age. This younger demographic has a direct impact on the types of goods and services businesses provide.

Table 2.1: Age / Population, Regional Comparison

	Lyndon Station 500	Mauston 4,423	Juneau County 26,664	Wisconsin 5,686,986
Below 25	28.6%	30.3%	28.2%	33.2%
25-44	22.6%	26.6%	23.9%	25.4%
45-64	30.0%	25.4%	30.4%	27.7%
65 & Older	18.8%	17.7%	17.5%	13.7%
Median Age	39.7	39.3	43.6	38.5

2010 Census

Table 2.2: Age / Population, Marketplace Comparison

	Lyndon Station 1,018	Elroy 1,789	Iola 2,075	Princeton 1,908	Montello 2,292
Below 25	28.6%	28.5%	25.8%	24.4%	26.5%
25-44	23.8%	22.6%	21.9%	20.6%	19.2%
45-64	32.4%	29.6%	29.3%	34.3%	30.2%
65 & Older	15.2%	19.3%	22.9%	20.7%	24.2%
Median Age	43.2	44.0	46.5	48.1	47.7

ESRI, 2010 Census

Income Indicators

Income indicators (e.g. per capita income, median family income, and median household income) help identify spending power (i.e. disposal income) within a trade area, which gives clues to consumer purchasing preferences. For example, as income rises so does spending on luxury items (e.g. buying name brand versus generic). Based on 2008-2012 American Community Survey data (Table 2.3), Lyndon Station lags behind the City of Mauston, the County and the State in all three indicators; however, the Village has seen the largest percent change since 2000 in both median household income and median family income. Looking at the comparable marketplaces (Figure 2.2), the Lyndon Station CTA is at or slightly higher in all three indicators.

Educational Attainment

Educational attainment can impact the type of jobs available to consumers, impacting their salaries and disposable income. This in turn affects spending power and purchasing preferences. Based on American Community Survey (ACS) data, 12% of the Village residents are college graduates, which is similar to rates in the City of Mauston (14%) and the County (12%); however, lag far behind Wisconsin’s average (roughly 25%). College graduation rates have been on the rise over the last decade, and Lyndon Station is no different with the percent of graduates nearly doubling over the last decade. Furthermore, the percent of college graduates found in Lyndon Station is similar to the comparable marketplaces.

Table 2.3: 2008-2012 Income Trends, Regional Comparison

	Lyndon Station		Mauston		Juneau County		Wisconsin	
	\$\$	% Change from 2000	\$\$	% Change from 2000	\$\$	% Change from 2000	\$\$	% Change from 2000
Per Capita Income	\$20,611	27.8%	\$21,963	1.5%	\$23,527	31.5%	\$27,426	28.9%
Median Family Income	\$48,155	48.6%	\$56,614	32.1%	\$55,336	33.6%	\$66,415	25.5%
Median Household Income	\$44,474	23.4%	\$43,343	-10.9%	\$45,461	4.8%	\$52,627	-0.9%

Source: 2000 Census, 2008-12 ACS

Figure 2.2: 2014 Income Trends, Marketplace Comparison

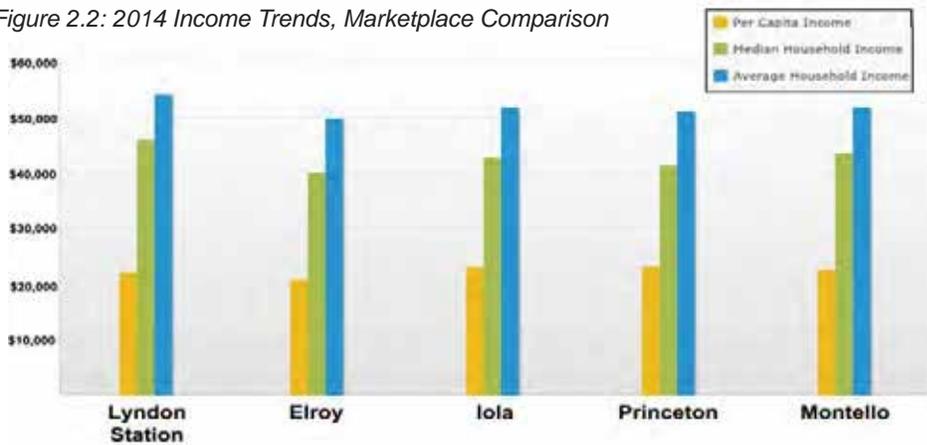


Table 2.4: 25 & Older Educational Attainment, Regional Comparison

	Lyndon Station*	Mauston*	Juneau County	Wisconsin
Population 25 years and over	357	3,323	19,052	3,827,815
Less than 9th grade	5.3%	5.4%	4.3%	3.3%
9th-12th grade, no diploma	14.0%	10.5%	10.6%	6.2%
High School Graduate (includes equivalency)	44.5%	40.3%	41.6%	32.8%
Some College, no degree	15.1%	20.0%	21.8%	21.2%
Associate's degree	9.0%	9.9%	9.3%	9.6%
Bachelor's degree	5.3%	10.8%	8.9%	17.7%
Graduate or Professional Degree	6.7%	3.1%	3.5%	9.1%

Source: 2000 Census, 2009-13 ACS

* Significant data error

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Lifestyle Segmentation

Lifestyle Segmentation is a holistic way of looking at a consumer’s demographic and socioeconomic data to gain information on their lifestyle and how they spend money. Of the 67 lifestyle classifications, the Lyndon Station CTA is comprised of three: “Rooted Rural” (48%), “Midland Crowd” (48%), and “Salt of the Earth” (4%). While these groupings emphasize generalities, they are useful for identifying common elements of the largest consumer segments.

In the case of the Lyndon Station CTA, the following can be generalized of a typical consumer:

- ▶ Enjoys time spent outdoors - boating, camping, hunting, fishing and/or working in their gardens,
- ▶ Are likely to have pets, and
- ▶ Are do-it-yourselfers.

The lifestyle classifications can be further broken down into two groups: LifeMode Groups and Urbanization Groups.

- ▶ **LifeMode Groups** have a shared experience like being born in the same time period.
- ▶ **Urbanization Groups** characterizes segments according to where they live, ranging from large cities to the most rural farm lands.

The predominant LifeMode in Lyndon Station is “American Quilt” (96% of the residents), which equates to “small town” living. Lyndon Station’s Urbanization Group is split evenly between Rural I and Rural II. These two groups are living in rural to very rural places on farms and/or single-family homes on large tracts of land. In review of the comparable marketplaces, Lyndon Station is unique; however, all but Iola, Wisconsin have at least 50% of residents falling in Rural I and/or Rural II. Iola, Wisconsin is the least comparable as about 84% of residents fall under suburban periphery II.

Table 2.5: LifeMode Groups, Marketplace Comparison

	Lyndon Station	Elroy	Iola	Princeton	Montello
Senior Styles	0.0%	49.6%	0.0%	28.8%	36.0%
Traditional Living	0.0%	0.0%	83.7%	0.0%	0.0%
Factories & Farms	4.0%	50.4%	16.3%	61.0%	60.9%
American Quilt	96.0%	0.0%	0.0%	10.2%	3.1%

Source: ESRI Business Analyst

Table 2.6: Urbanization Groups, Marketplace Comparison

	Lyndon Station	Elroy	Iola	Princeton	Montello
Suburban Periphery II	0.0%	0.0%	83.7%	0.0%	0.0%
Small Towns	0.0%	49.6%	0.0%	28.8%	36.0%
Rural I	51.9%	0.0%	16.3%	71.2%	64.0%
Rural II	48.1%	50.4%	0.0%	0.0%	0.0%

Source: ESRI Business Analyst

Resident Profile: Key Findings

- ▶ **Lifestyle Segmentation:** Most residents in Lyndon Station CTA are characterized as do-it-yourselfers, and typically spend money when they need to. They prefer shopping at local stores, but also save money by buying generic brands and shopping at stores such as Walmart. Residents are also characterized as avid outdoor enthusiasts, which suggests a need for businesses providing equipment and/or services related to outdoor activities.
- ▶ **Population:** Wisconsin's Department of Administration projects a 5% increase in population over the next 25 years, which equates to only an additional 25 people over this period. Therefore, population growth will not in of itself drive Lyndon Station's marketplace growth.
- ▶ **Age:** As more baby-boomers retire the needs of this growing population will become an even greater challenge for communities large and small. The Village of Lyndon Station is no different with 19% at or above 65 and an additional 30% between the ages of 45 and 64. Both of these stats are above the State averages of 14% and 28%, respectively. For this reason the demand for senior housing and assisted living facilities will only increase in the coming decade. To help seniors "age in place", the Village should look for ways to provide general goods in close proximity to these facilities. The presence of more seniors will likely increase the number of daytime customers (if services/goods are easily accessible), which is currently quite limited in downtown Lyndon Station.
- ▶ **Income Indicators:** The Village has lower median family and household incomes, as compared to the County and State levels; however, the Village has made up ground over the last decade with the largest percent change since the year 2000. This may not continue at the current 25-50% rate, but is likely increase the spending power of the Lyndon Station marketplace. Based on the generalized population make-up would suggest an increase in goods and services related to do-it-yourself projects around the home and outdoor recreational purchases.
- ▶ **Educational Attainment:** The percentage of college graduates in Lyndon Station is on the rise, but is still far below the State's average. One way to improve an areas job market and increase household incomes is to improve the educational attainment levels of its residents. In general, the jump in college graduates is largely due to more young adults attending (and graduating) school than past generations. Therefore thinking long-term, Lyndon Station should look for ways to increase locally available educational opportunities for older adults.

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2.3 RETAIL MARKET STUDY

A trade area is the geographic region that generates the majority of customers to a shopping area. A trade area can vary depending on the type of business; however, in general retail spending is broken into two trade areas - Convenience Trade Area and Destination Trade Area (see descriptions below). These trade areas are resident-based, and therefore do not account for tourist purchases. See **Section 2.6** for information on tourist spending.

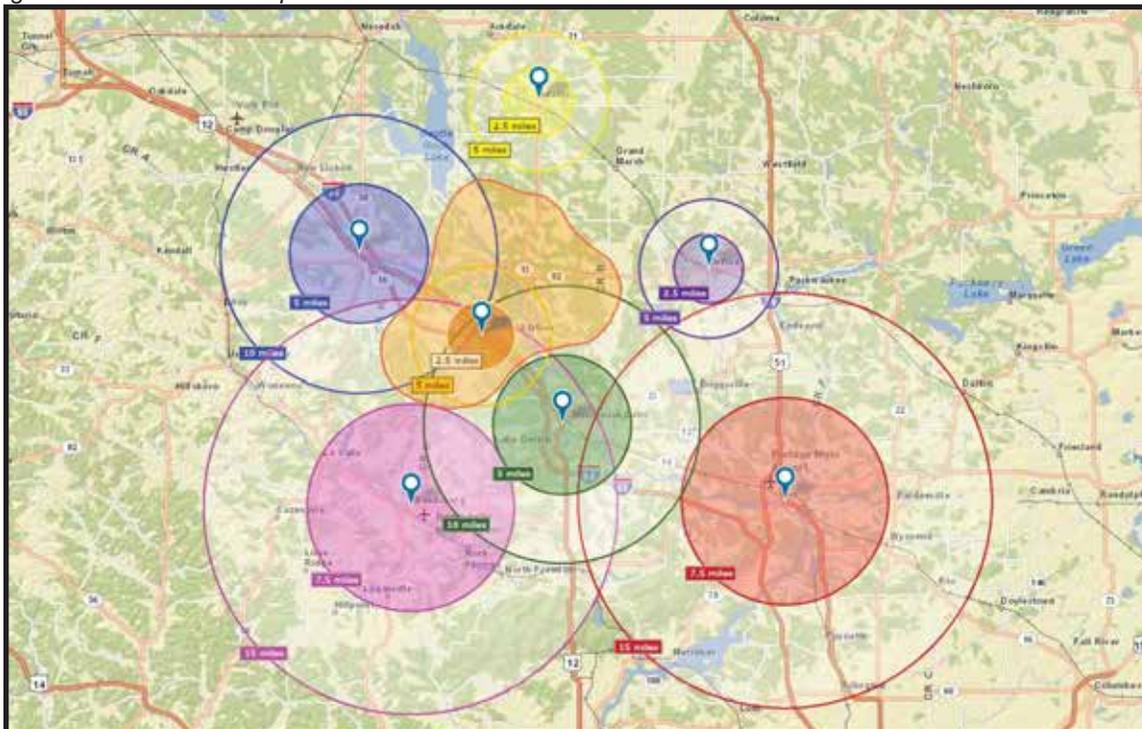
- ▶ A **convenience trade area (CTA)** is the geographic area from which most consumers are coming in order to make regular purchases. Shopping convenience / proximity is the major driver, especially on purchases that are made frequently (e.g. gas and groceries).
- ▶ A **destination trade area (DTA)** is a larger geographic area from which customers are drawn to due to comparison shopping, brand loyalty, and price point. The DTA also includes consumers in rural areas who, out of necessity, drive further to get their convenience-type shopping (as none are located closer).

Lyndon Station Trade Areas

A trade area is typically generalized based on drive time or distance from a single point. However, there are other factors that can impact where consumers shop, such as business/retail mix, store types, and accessibility. Since community size can be directly linked to larger shopping districts having these other factors, those marketplaces cover a larger geographic area (i.e. having a greater pull factor). This premise is reinforced by the consumer survey completed for the Village of Lyndon Station (see **Section 1.5**). It showed a low percentage of consumers who do grocery shopping (7%) and non-grocery shopping (0%) in Lyndon Station with the majority choosing to shop in the larger communities nearby (i.e. Baraboo, Mauston, and Wisconsin Dells).

To this end, it was important to establish how the nearby competing marketplaces will affect Lyndon Station's trade areas. Therefore, each community surrounding Lyndon Station received generalized trade areas based on their community size, as shown in Figure 2.3 (below). Then using

Figure 2.3: Trade Areas Map



the CTH HH / US 12 intersection as the central point in Lyndon Station, a 2.5-mile radius was created for the Village’s convenience trade area (CTA). This covers about a five minute drive from the Village’s central node. Lyndon Station’s destination trade area (DTA) is based on a generalized 5-mile radius; however, it is drawn asymmetrical, contracting and expanding beyond the generalized 5-mile radius depending on its proximity to competing marketplaces. Since it is assumed that, if given a choice, individuals are more likely to shop in larger communities (with more options), Lyndon Station’s DTA does not include areas within the convenience trade areas of nearby competing marketplaces (i.e. Mauston, Lake Delton/Wisconsin Dell area, and Portage). Where there are no larger communities (i.e. northeast of the Village), Lyndon Station’s DTA expands significantly; however, never exceeding a 20-minute drive with the assumption that beyond this distance other marketplaces may be more attractive to consumers. In total, Lyndon Station’s DTA covers approximately 160 square miles with roughly 4,700 people.

Retail Gap Analysis

Retail gap is the difference between the demand (potential) sales and actual retail sales. The demand is the expected amount spent by consumers at retail establishments, and the total supply is the estimated sales to consumers by establishments.

Based on the retail gap summary shown in Table 2.7 (below), Lyndon Station’s marketplace is seeing significant leakage of sales to other marketplaces. In total, the CTA has a demand for nearly \$9.5 million in retail and food/drink sales, while the DTA has a demand for nearly \$42 million (excluding gas station sales). Based on the supply in these trade areas, there is a retail gap of \$8.5 million in the CTA and a nearly \$31 million retail gap in the DTA. This gap does not include gas station sales, as this industry group is showing significant capture from other markets that would dilute the overall summary. See Tables 2.8 and 2.9 (on the next page) for retail trade information on gas stations, as well as other industry groups.

Table 2.7: Lyndon Station Retail Market Summary

Retail Market (Industry Summary)	CTA* (2.5 Miles)	DTA* (Up to 15 Miles)
Retail Trade and Food & Drink (NAICS 44-45, 722)		
Demand	\$9,462,072	\$41,691,134
Supply	\$978,949	\$10,696,168
Retail Gap	\$8,483,123	\$30,994,966
Retail Trade (NAICS 44-45)		
Demand	\$8,499,968	\$37,464,732
Supply	\$577,962	\$5,661,592
Retail Gap	\$7,922,006	\$31,803,140
Food & Drink (NAICS 722)		
Demand	\$962,104	\$4,226,402
Supply	\$400,897	\$5,034,577
Retail Gap	\$561,117	-\$808,175

* Does not include gasoline stations (\$5.36 million demand, \$38.0 million supply)

Source: ESRI Business Analyst

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Tables 2.8 and 2.9 illustrate the supply and demand for industry groups within Lyndon Station's CTA and DTA, respectively. In general, a community is not expected to retain all of its local demand, as people will always choose to make a certain number of purchases in other communities or online. However, it's desirable to accommodate convenience and general goods/services within the community.

The only industry groups seeing substantial spending from outside of the convenience trade area are gasoline stations and drinking places. This list expands when looking at the primary (destination) trade area, which also includes full-service restaurants, food service and drinking places, and miscellaneous store retailers (Table 2.9). There are additional industry groups that are adequately servicing the trade area, but have potential to increase their market share. These industry groups include building materials and supply dealers, used merchandise stores, and auto parts/tire stores.

The remaining industry groups either are not sold in Lyndon Station trade area, or they have relatively significant gaps between local demand and local sales.

Table 2.8: Retail Gap, Convenience Trade Area* (2.5 Miles)

Industry Summary	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Total Retail Trade and Food & Drink	\$10,716,659	\$18,731,518	-\$6,204,409
Total Retail Trade	\$9,754,555	\$18,330,531	-\$6,765,526
Total Food & Drink	\$962,104	\$400,987	\$561,117

Industry Group	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Motor Vehicle & Parts Dealers	\$2,105,308	\$171,359	\$1,933,949
Automobile Dealers	\$1,841,737	\$0	\$1,841,737
Other Motor Vehicle Dealers	\$154,920	\$0	\$154,920
Auto Parts, Accessories & Tire Stores	\$108,652	\$88,369	\$20,283
Furniture & Home Furnishings Stores	\$179,296	\$0	\$179,296
Furniture Stores	\$113,922	\$0	\$113,922
Home Furnishings Stores	\$65,374	\$0	\$65,374
Electronics & Appliance Stores	\$289,808	\$0	\$289,808
Bldg Materials, Garden Equip. & Supply	\$342,686	\$157,231	\$185,455
Bldg Material & Supplies Dealers	\$273,145	\$157,231	\$115,914
Lawn & Garden Equip & Supply Stores	\$69,540	\$0	\$69,540
Food & Beverage Stores	\$1,524,052	\$0	\$1,524,052
Grocery Stores	\$1,417,705	\$905,225	\$512,480
Specialty Food Stores	\$37,729	\$0	\$37,729
Beer, Wine & Liquor Stores	\$68,618	\$0	\$68,618
Health & Personal Care Stores	\$912,755	\$0	\$912,755
Gasoline Stations	\$1,254,587	\$16,847,344	-\$15,592,757
Clothing & Clothing Accessories Stores	\$439,651	\$0	\$439,651
Clothing Stores	\$288,931	\$0	\$288,931
Shoe Stores	\$81,404	\$0	\$81,404
Jewelry, Luggage & Leather Goods Stores	\$69,315	\$0	\$69,315
Sporting Goods, Hobby, Book & Music	\$197,636	\$0	\$197,636
Sporting Goods/Hobby/Musical Instr	\$157,436	\$0	\$157,436
Book, Periodical & Music Stores	\$40,200	\$0	\$40,200
General Merchandise Stores	\$1,447,665	\$0	\$1,447,665
Department Stores Excluding Leased	\$671,927	\$0	\$671,927
Other General Merchandise Stores	\$775,738	\$0	\$775,738
Miscellaneous Store Retailers	\$216,648	\$158,439	\$58,209
Florists	\$10,023	\$0	\$10,023
Office Supplies, Stationery & Gift Stores	\$63,145	\$0	\$63,145
Used Merchandise Stores	\$35,167	\$0	\$35,167
Other Miscellaneous Store Retailers	\$108,313	\$73,873	\$34,440
Nonstore Retailers	\$844,465	\$0	\$844,465
Electronic Shopping & Mail-Order Houses	\$709,191	\$0	\$709,191
Vending Machine Operators	\$33,981	\$0	\$33,981
Direct Selling Establishments	\$101,294	\$0	\$101,294
Food Services & Drinking Places	\$962,104	\$400,987	\$561,117
Full-Service Restaurants	\$343,284	\$0	\$343,284
Limited-Service Eating Places	\$521,592	\$0	\$521,592
Special Food Services	\$42,532	\$0	\$42,532
Drinking Places - Alcoholic Beverages	\$54,695	\$400,987	-\$346,292

Source: ESRI Business Analyst

* Note: There is discrepancy with this data. Full- and limited-service restaurants are showing zero sales in the CTA even though there are known establishments within Lyndon Station. Presumably these sales have been added to the food service and drinking places sales category.

Additional Goods/Services

Another consideration should be given to services that associate with number of providers per residents, rather than retail gap. For instance, a local chiropractic, dentist and doctor office can support up to 1,500 patients (depending on insurance and coverage). Even though the Village only has a population of 500, the Village's primary (destination) trade area includes roughly 4,500 residents (1,000 of which are in the CTA). Currently there are no specialty medical offices within the Village.

Table 2.9: Retail Gap, Primary (Destination) Trade Area (up to 15 Miles)

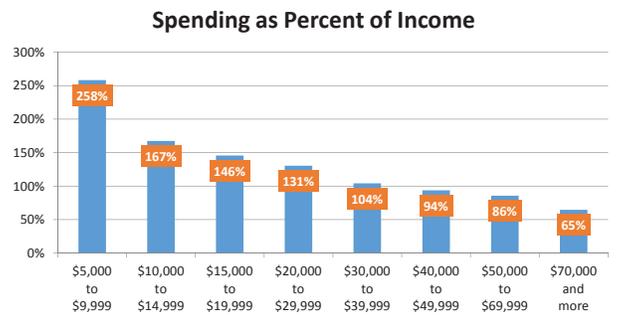
Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Total Retail Trade and Food & Drink	44-	\$47,050,858	\$49,850,816	-\$2,799,958
Total Retail Trade	44-45	\$42,824,456	\$44,816,240	-\$1,991,784
Total Food & Drink	722	\$4,226,402	\$5,034,577	-\$808,175

Industry Group	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap
Motor Vehicle & Parts Dealers	441	\$9,183,391	\$1,711,664	\$7,471,727
Automobile Dealers	4411	\$7,956,749	\$0	\$7,956,749
Other Motor Vehicle Dealers	4412	\$736,672	\$1,127,285	-\$390,613
Auto Parts, Accessories & Tire Stores	4413	\$489,970	\$149,645	\$340,325
Furniture & Home Furnishings Stores	442	\$780,751	\$0	\$780,751
Furniture Stores	4421	\$482,587	\$0	\$482,587
Home Furnishings Stores	4422	\$298,164	\$0	\$298,164
Electronics & Appliance Stores	443	\$1,290,836	\$75,532	\$1,215,304
Bldg Materials, Garden Equip. & Supply Stores	444	\$1,615,390	\$531,919	\$1,083,471
Bldg Material & Supplies Dealers	4441	\$1,293,835	\$531,919	\$761,916
Lawn & Garden Equip & Supply Stores	4442	\$321,554	\$0	\$321,554
Food & Beverage Stores	445	\$6,690,284	\$233,472	\$6,456,812
Grocery Stores	4451	\$6,219,398	\$905,225	\$5,314,173
Specialty Food Stores	4452	\$165,778	\$0	\$165,778
Beer, Wine & Liquor Stores	4453	\$305,109	\$0	\$305,109
Health & Personal Care Stores	446,4461	\$4,018,022	\$0	\$4,018,022
Gasoline Stations	447,4471	\$5,359,724	\$38,015,951	-\$32,656,227
Clothing & Clothing Accessories Stores	448	\$1,928,199	\$295,370	\$1,632,829
Clothing Stores	4481	\$1,259,896	\$295,370	\$964,526
Shoe Stores	4482	\$354,697	\$0	\$354,697
Jewelry, Luggage & Leather Goods Stores	4483	\$313,606	\$0	\$313,606
Sporting Goods, Hobby, Book & Music Stores	451	\$885,852	\$230,754	\$655,098
Sporting Goods/Hobby/Musical Instr Stores	4511	\$708,099	\$210,205	\$497,894
Book, Periodical & Music Stores	4512	\$177,752	\$0	\$177,752
General Merchandise Stores	452	\$6,339,488	\$101,158	\$6,238,330
Department Stores Excluding Leased Depts.	4521	\$2,925,664	\$0	\$2,925,664
Other General Merchandise Stores	4529	\$3,413,824	\$101,158	\$3,312,666
Miscellaneous Store Retailers	453	\$953,366	\$2,429,931	-\$1,476,565
Florists	4531	\$46,041	\$0	\$46,041
Office Supplies, Stationery & Gift Stores	4532	\$279,676	\$89,741	\$189,935
Used Merchandise Stores	4533	\$155,496	\$153,564	\$1,932
Other Miscellaneous Store Retailers	4539	\$472,154	\$2,186,626	-\$1,714,472
Nonstore Retailers	454	\$3,779,154	\$0	\$3,779,154
Electronic Shopping & Mail-Order Houses	4541	\$3,133,396	\$0	\$3,133,396
Vending Machine Operators	4542	\$149,156	\$0	\$149,156
Direct Selling Establishments	4543	\$496,601	\$0	\$496,601
Food Services & Drinking Places	722	\$4,226,402	\$5,034,577	-\$808,175
Full-Service Restaurants	7221	\$1,510,928	\$3,087,953	-\$1,577,025
Limited-Service Eating Places	7222	\$2,283,855	\$1,211,317	\$1,072,538
Special Food Services	7223	\$185,009	\$0	\$185,009
Drinking Places - Alcoholic Beverages	7224	\$246,610	\$735,306	-\$488,696

Source: ESRI Business Analyst

Third-party data is limiting due to the prevalence of cash-only businesses and fixed income households. This results in lower local retail supply than is truly available in a trade area.

The figure on the right illustrates the spending as percent of income for specific income brackets. The households with the least amount of money spends over 250% of its earnings. This is possible because many have alternative sources of income that go unreported (e.g. cash transactions and family assistance). Although their purchasing is limited, their overall consumption is equal to a household two to three times their reported income. Therefore, nondiscretionary items are likely higher than projected.



Source: 2013 Consumer Expenditure Survey

Chapter 2 Market Analysis

Trade Area Business Demand

Based on available data, there are leakages in almost all industry groups within the Lyndon Station marketplace (see Tables 2.8 and 2.9 on the pages 18-19). This has been reaffirmed by Lyndon Station business owners/managers, as two-thirds of business survey respondents said their toughest competition is a business in another community followed by the internet (17%).

Although there is unmet demand, not all are potential candidates for recruitment to the Village of Lyndon Station. One reason is certain businesses almost always see leakage of sales due to comparison shopping (e.g. car dealerships) or have brand/store loyalty (e.g. clothing stores). Another reason is the demand is not large enough to sustain a store. Subsequently, select industry groups with unmet demand currently in Lyndon Station's primary trade area were compared with average US Sales per business/store. See Table 2.10 below.

Despite 100% leakages in most industries, the estimated number of businesses (demand) that Lyndon Station's primary trade area would potentially support are:

- ▶ A food & beverage store (grocer), and
- ▶ A clothing store.

Both these business types show just enough demand for a store, which can be concerning since it is generally unrealistic to think that a new store would capture all the local demand. Therefore, if either business is considered in Lyndon Station it will be imperative that the business target the supplementary consumers (i.e. tourists, visitors and commuters) and residents from nearby marketplaces in order to sustain a profitable business. Also noteworthy is several industry groups lack enough sales for a new store, but could be targeted by existing business as a supplementary good or service.

Table 2.10: Primary (Destination) Trade Area Business Demand

Business Type	U.S. Sales Data	Primary Trade Area	
	Average Sales Per Store	Retail Gap	# of Businesses (Demand)
<i>New car dealers</i>	\$31,614,997	\$ 7,956,749	0.2
<i>Used car dealers</i>	\$2,807,851	<i>included in New Car Dealers</i>	
<i>Recreational vehicle dealers</i>	\$5,412,980	\$ (390,613)	0.0
<i>Automotive parts, accessories, & tire stores</i>	\$1,437,129	\$ 340,325	0.2
<i>Furniture stores</i>	\$2,060,605	\$ 482,587	0.2
<i>Home furnishings stores</i>	\$1,443,586	\$ 298,164	0.2
<i>Electronics and appliance stores</i>	\$2,123,245	\$ 1,215,304	0.6
<i>Building material and garden equipment and supplies dealers</i>	\$3,587,059	\$ 1,083,471	0.3
<i>Food & Beverage Stores (grocer)</i>	\$6,043,286	\$ 5,985,926	1.0
<i>Specialty food stores</i>	\$790,264	\$ 165,778	0.2
<i>Beer, wine, & liquor stores</i>	\$1,322,900	\$ 305,109	0.2
<i>Pharmacies & drug stores</i>	\$5,307,817	\$ 4,018,022	0.8
<i>Gasoline stations</i>	\$4,852,276	\$ (32,656,227)	-6.7
<i>Clothing and clothing accessories stores</i>	\$1,578,857	\$ 1,632,829	1.0
<i>Sporting goods, hobby, musical instrument, and book stores</i>	\$1,684,299	\$ 655,098	0.4
<i>General merchandise stores</i>	\$13,022,934	\$ 6,238,330	0.5
<i>Food services and drinking places</i>	\$861,490	\$ (1,577,025)	-1.8

Key Findings

- ▶ **Food Establishment:** The majority of respondents to the consumer survey suggested a need for additional eateries, especially family (sit-down) restaurants. The retail gap analysis showed there is over \$500,000 in demand gap in the CTA; however, when looking at the larger destination trade area this industry group is being met. The DTA still shows demand for limited-service eating places and special food services. Both a bakery and deli were mentioned as a need by nearly half of respondents in the consumer survey. If consumers from outside of the Lyndon Station trade area are targeted, including both supplementary consumers and residents in other marketplaces, there is potential for a local establishment. Competition is in all the surrounding larger communities (i.e. Mauston, Dells/Lake Delton and Baraboo).
- ▶ **Grocer:** There is a potential market for a grocer-type store in the Village. However, the demand gap suggests that competition for a traditional or limited-assortment grocer may prove to be unsustainable, especially with an existing corner grocer in the downtown Lyndon Station (i.e. Miller's General Store) and traditional grocers in the City of Mauston and the Dells/Lake Delton area. There are certain grocer-types that may complement the corner grocery store, such as a drug store or dollar store. Both have similar average annual grocery and consumables sales to a corner store (i.e. \$1.0 million to \$2.6 million), which would help to meet the existing demand gap in the trade area. Both the most comparable communities to Lyndon Station (i.e. Montello and Princeton) have a pharmacy and a grocer.
- ▶ **Clothing Store:** There is a potential market for a clothing business in the Village. However, sales suggest that competition for the potential demand could prove to make this business type unsustainable, unless consumers from more than just the Lyndon Station trade area are targeted. This includes both supplementary consumers, as well as residents in other marketplaces. There is strong competition in both the Dells and Baraboo areas.
- ▶ **Specialty Medical Office:** A local chiropractic, dentist and doctor office can support up to 1,500 patients (depending on insurance and coverage). There are over 4,500 residents within the Lyndon Station's DTA (1,000 of which are in the CTA), and no specialty medical offices in the Village. For comparison, Montello has a dental office and medical center, and Princeton has both a doctor's and dentist's office.
- ▶ **Expand Existing Good/Service:** There are additional industry groups that are adequately servicing the trade area, but have potential to increase their market share. These industry groups include building materials and supply dealers, used merchandise stores, and auto parts/tire stores.
- ▶ **Add Supplementary Good/Service:** In some cases there are industry groups that cannot be sustained on their own, but could be added to an existing business to make it a viable option, such as books/periodical/music (\$175,000 retail gap) to a gift and general goods retailer, or sporting goods/hobby items (\$655,098 retail gap) to a hardware store.

Chapter 2 Market Analysis

2.4 BUSINESS MIX ASSESSMENT

A community's business mix has a significant influence on the local economy. For instance, the number of businesses and workers in a community can impact the daytime retail and service markets. Also the presence of larger companies can bring a greater variety of workers and salaries, as well as increase the chances of business clustering (i.e. concentration of interconnected businesses, suppliers and associated institutions in a particular field). For these reasons, it is important to review the existing business mix within the Village of Lyndon Station and the County as whole.

Table 2.11 (below) shows the industries located in Lyndon Station as reported by the US Census Bureau in 2012. In total there are 39 businesses located in Lyndon Station with the majority employing 1-4 employees (67%). The industries with the greatest number of establishments are "Accommodation and Food Services", "Retail Trade", and "Construction"; however, those that employ the most workers are in "Manufacturing" and "Retail Trade". All the manufacturing businesses are in wood product manufacturing and are located in varying sections of the community.

Table 2.11: Establishments in Lyndon Station, by Industry

NAICS Code	Industry Code Description	Total Establishments	Number of Employees			
			1-4	5-9	10-19	20-49
23	Construction	5	4		1	
31	Manufacturing	3	1			2
42	Wholesale Trade	1	1			
44	Retail Trade	7	5		1	1
48	Transportation and Warehousing	4	1	2	1	
52	Finance and Insurance	1	1			
53	Real Estate and Rental and Leasing	2	2			
54	Professional, Scientific, and Technical Services	1	1			
56	Administrative and Support and Waste Management and Remediation	2	1	1		
62	Health Care and Social Assistance	1		1		
71	Arts, Entertainment, and Recreation	1	1			
72	Accommodation and Food Services	7	6	1		
81	Other Services (except Public Administration)	4	2	2		
Total for all sectors		39	26	7	3	3

Source: 2012 Census (Zip Code Business Patterns)

Table 2.12: Employment, Regional Comparison

NAICS Code	Industry	Wisconsin		Juneau County, WI	
		#	%	#	%
11	Agriculture, forestry, fishing and hunting	24,697	1.1%	188	3.5%
22	Utilities	10,653	0.5%	25	0.5%
23	Construction	98,087	4.2%	249	4.6%
31-33	Manufacturing	455,390	19.5%	2,024	37.5%
42	Wholesale trade	118,517	5.1%	203	3.8%
44-45	Retail trade	297,252	12.8%	903	16.7%
54	Professional and technical services	99,341	4.3%	65	1.2%
55	Management of companies and enterprises	55,464	2.4%	120	2.2%
56	Administrative and waste services	142,803	6.1%	68	1.3%
61	Educational Services	34,131	1.5%	ND	ND
62	Health care and social assistance	367,461	15.8%	ND	ND
48-49	Transportation and warehousing	86,609	3.7%	314	5.8%
51	Information	46,978	2.0%	44	0.8%
52	Finance and Insurance	123,878	5.3%	171	3.2%
53	Real estate and rental and leasing	24,361	1.0%	28	0.5%
71	Arts, entertainment, and recreation	35,753	1.5%	69	1.3%
72	Accommodation and food services	224,261	9.6%	753	14.0%
81	Other services, except for public administration	85,166	3.7%	169	3.1%
Total for all sectors		2,330,802		5,393	

Source: Wisconsin Department of Workforce Development

Table 2.12 (below) shows the number of workers employed in each industry within Juneau County and Wisconsin. The industries that employ the most people in Juneau County are "Manufacturing", "Retail Trade", and "Accommodation and Food Services". This mirrors the industries with the greatest number of establishments in Lyndon Station. These numbers are also similar statewide, with the exception of "Health Care and Social Assistance", which was suppressed at the county level.

Location Quotient

Another way to look at business mix is to analyze location quotient. A location quotient (LQ) analysis compares employment by sector in a target area to a base area in order to identify sectors which drive the local economy. LQ analysis also aids in the identification of business clustering. Business clustering occurs because there are benefits to some firms if they choose to locate near each other, or near a supplier.

Benefits to business clustering include:

- ▶ **Shared intermediate inputs** (i.e. a button factory locating near a cluster of clothing designers)
- ▶ **Shared labor pool** (i.e. software startup companies locating in Silicon Valley - a place where many computer programmers with similar skills locate, making it relatively easy to move between jobs)
- ▶ **Knowledge spillovers** (i.e. locating near other firms in the same industry creates a quick dispersion of industry knowledge and innovation)

Table 2.13: Location Quotient of Industries, Juneau County

NAICS Code	Industry	Location Quotient
111	Crop production	5.51
332	Fabricated metal product manufacturing	5.33
447	Gasoline stations	4.90
321	Wood product manufacturing	2.28
484	Truck transportation	2.15
623	Nursing and residential care facilities	1.91
112	Animal production and aquaculture	1.89
446	Health and personal care stores	1.57
326	Plastics and rubber products manufacturing	1.47
721	Accommodation and food services	1.42
811	Repair and maintenance	1.37
325	Chemical manufacturing	1.36
814	Private households	1.33
335	Electrical equipment and appliance mfg.	1.29
441	Motor vehicle and parts dealers	1.24
722	Food services and drinking palces	1.19
445	Food and beverage stores	1.13
562	Waste management and remediation servies	1.13
311	Food manufacturing	1.10
238	Specialty trade contractors	1.03

Source: 2013 US Bureau of Labor Statistics

If a location quotient is greater than one (1), the industry is considered an exporting industry, meaning it exerts more of an impact on the local economy. A location quotient of less than one (1) is considered an importing industry which is generally where money leaks out of an economy. The industries in Juneau County with LQs above one (1) are shown in Table 2.13 (below).

The top five “exporting” industries in Juneau County, as compared to the State of Wisconsin, are:

1. Crop Production
2. Fabricated Metal Product Manufacturing
3. Gasoline Stations
- 4. Wood Product Manufacturing**
5. Truck Transportation

Based on Quarterly Workforce data (Census), these top five industries in the County, excluding truck transportation, have seen 3.5-7% growth in employment in the County since mid-2012.

Wage Assessment

The average wage of workers can influence the local business market - both in how much a household can spend on goods, as well as effecting a business’s ability to retain and recruit employees. Based on Quarterly Workforce data (Census), Crop Production (~\$71,000), Fabricated Metal Product Manufacturing (~\$65,000), and Truck Transportation (~\$39,000) are in the top 25 County industries in average working earnings. Wood Product Manufacturing (~\$31,000) and Gasoline Stations (~23,000) are in the top 50 in the County.

Chapter 2 Market Analysis

Key Findings

Based on the key industries that have shown a competitive advantage in the Village and the County, it seems wood product manufacturing and truck transportation are the Village's strongest markets to target. To a lesser degree, Lyndon Station could target the fabrication metal product manufacturing and crop production industries. Below describes each in more detail.

Wood Product Manufacturing

Industries in this subsector manufacture wood products, such as lumber, plywood, veneers, wood containers, wood flooring, wood trusses, manufactured homes (i.e., mobile homes), and prefabricated wood buildings. The production processes include sawing, planing, shaping, laminating, and assembling of wood products. Table 2.14 lists earnings by occupations commonly found in wood product manufacturing, based on 2013 US Bureau of Labor Statistics. Businesses that are compatible with wood product manufacturing include:

- ▣ Forestry and loggers
- ▣ Mills
- ▣ Furniture production
- ▣ Paper manufacturing
- ▣ Printing company
- ▣ Hardware stores
- ▣ Truck/freight transport services
- ▣ Construction companies
- ▣ Logging equipment suppliers
- ▣ Home manufacturers

Table 2.14: Nearby Wood Product Manufacturing Businesses

Location	Business
Adams	Friendship Hardwoods LLC
Baraboo	Senger Lumber
Baraboo	Brittingham and Hixon Lumber
Hillsboro	L G Nuzum Lumber
Kendall	Schroeder Lumber Inc
La Valle	Hartje Lumber Inc
Lyndon Station	R Hoehn & Son Lumber Company
Lyndon Station	Endeavor Hardwoods Inc.
Lyndon Station	Stan's Industrial Woodwork Inc.
Mauston	Lampert Lumber
Montello	American Wood Working Company
North Freedom	Hunterland Wood Works
Oxford	Oxford Lumber & Supply
Oxford	Stroede Brothers Construction
Reedsburg	Meister Log & Lumber
Warrens	Universal Forest Products Inc.
Wisconsin Dells	Theisen's Lumber Company

Table 2.15: Wood Product Manufacturing, Earnings by Occupation

Data series	Wages, 2013			
	Hourly		Annual	
	Median	Mean	Median	Mean
Cabinetmakers and bench carpenters	\$13.33	\$14.33	\$27,730	\$29,800
Carpenters	\$15.16	\$16.83	\$31,530	\$35,000
First-line supervisors/managers of production and operating workers	\$22.59	\$24.03	\$46,980	\$49,990
Machine feeders and offbearers	\$11.93	\$12.57	\$24,810	\$26,140
Sawing machine setters, operators, and tenders, wood	\$12.61	\$13.35	\$26,230	\$27,770
Team assemblers	\$12.16	\$12.75	\$25,290	\$26,520
Woodworking machine setters, operators, and tenders, except sawing	\$12.85	\$13.38	\$26,720	\$27,830

Source: US Department of Labor

Truck Transportation

Industries in this subsector provide over-the-road transportation of cargo using motor vehicles, such as trucks and tractor trailers. There are 92 truck transportation businesses in Wisconsin (based on www.fleetdirectory.com). As Figure 2.4 (below) illustrates, there are three facilities within 40 miles of Lyndon Station, but none within 20 miles of the Village.

When making a location decision, companies and carriers both work through various categories of objective and subjective data. The data is similar no matter the type of facility (e.g. retail distribution center or an intermediate logistics center for a manufacturer). The fundamental objective is to arrange the supply chain, or service network, that is able to deliver competitive performance at the lowest cost.

The importance of specific items will differ, but each new location decision usually involves an examination of issues such as:

- Ability to access key markets
- Interaction with the transportation network
- Modal choice
- Labor and workforce
- Total cost environment
- Utilities
- Availability of suitable facilities
- Permitting and regulation
- Tax environment
- Public assistance and incentives
- Climate and natural hazards

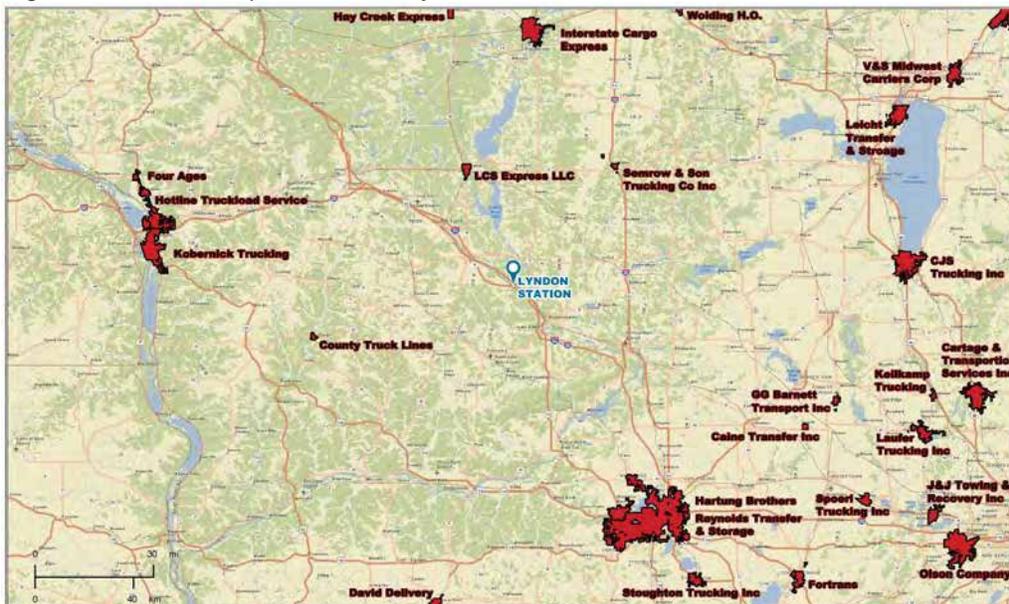
source: National Cooperative Freight Research Program

Table 2.16: Truck Transportation, Earnings by Occupation

Data series	Wages, 2013			
	Hourly		Annual	
	Median	Mean	Median	Mean
Bus and truck mechanics and diesel engine specialists	\$18.52	\$19.08	\$38,520	\$39,680
First-line supervisors/managers of transportation and material-moving machine and vehicle operators	\$26.17	\$27.46	\$54,440	\$57,120
Laborers and freight, stock, and material movers, hand	\$13.14	\$14.29	\$27,330	\$29,730
Truck drivers, heavy and tractor-trailer	\$19.44	\$20.17	\$40,440	\$41,950
Truck drivers, light or delivery services	\$15.29	\$16.69	\$31,800	\$34,710

Source: US Department of Labor

Figure 2.4: Truck Transportation, Nearby Facilities



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Fabrication Metal Production Manufacturing

Industries in this subsector transform metal into intermediate or end products (other than machinery, computers and electronics), and metal furniture, or treat metals and metal formed products fabricated elsewhere. Important fabricated metal processes are forging, stamping, bending, forming, and machining, used to shape individual pieces of metal; and other processes, such as welding and assembling, used to join separate parts together. Businesses that are compatible with the fabricated metal industry include:

- Truck & freight transportation services
- Foundries
- Other metal end-product manufacturing
- Metal production and processing
- Research and development services

Crop Production

Industries in this subsector grow crops mainly for food and fiber. The subsector comprises establishments, such as farms, orchards, groves, greenhouses, and nurseries, primarily engaged in growing crops, plants, vines, or trees and their seeds. Businesses that are compatible with crop production include:

- Tractor sales
- Research and Development services
- Warehouse and storage services
- Rail transportation
- Truck and freight transportation services
- Wholesale trade
- Irrigation and water supply companies
- Greenhouses & nurseries
- Forestry & logging
- Crop harvesting
- Food processing

Table 2.17: Fabrication Metal Prod. Manufacturing, Earnings by Occupation

Data series	Wages, 2013			
	Hourly		Annual	
	Median	Mean	Median	Mean
Cutting, punching, and press machine setters, operators, and tenders, metal and plastic	\$14.71	\$15.31	\$30,610	\$31,840
First-line supervisors/managers of production and operating workers	\$26.45	\$27.95	\$55,010	\$58,130
Machinists	\$18.18	\$18.86	\$37,820	\$39,230
Team assemblers	\$13.79	\$14.47	\$28,680	\$30,100
Welders, cutters, solderers, and brazers	\$16.87	\$17.51	\$35,080	\$36,420

Source: US Department of Labor

Table 2.18: Nearby Fabricated Metals Businesses

Location	Business
Mauston	Brunner Drilling & Mfg Inc
Mauston	McElroy Metal, Inc.
Necedah	Freudenberg-Nok
New Lisbon	Walker Stainless Equipment Co
New Lisbon	American Metal Fab Inc.
Reedsburg	Ark Alloy, LLC.
Reedsburg	Wisconsin Metals
Lyndon Station	Metalworks Stamping Corp

2.6 TOURISM ANALYSIS

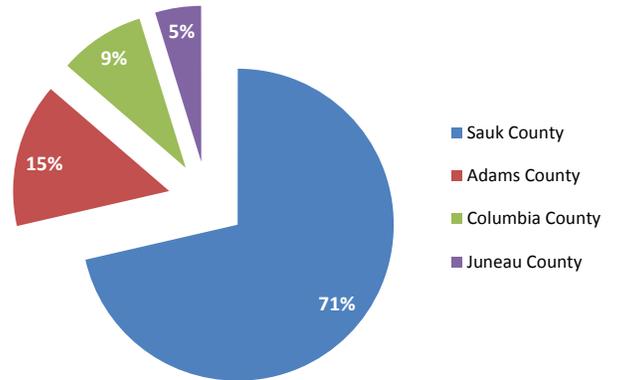
A large portion of the local economy is based on the tourism industry. The Dells area, including its waterparks and resorts, and the public/private campgrounds in the surrounding area attract a significant number of visitors year round. Based on Wisconsin Development Corporation (WEDC) data, Wisconsin Dells tourism brought in roughly \$963.6 million in direct spending in 2013 (an increase of 3.9% from 2012). This figure accounts for 77.4% of the \$1.24 billion in direct visitor spending in the Dells' region, which includes Juneau, Columbia, Adams and Sauk Counties. This figure would be even greater if indirect and induced spending were added. Indirect spending covers spending on supplies/inputs for lodging, restaurants, and bars (e.g. food wholesalers, farmers, utilities, marketing, and publishing). Induced spending covers spending by employees due to wages from either the direct or indirect spending. Based on a report from Tourism Economics, an international economist firm, the 2013 indirect and induced spending in the Dells tourism brought in an additional \$356.4 million.

Tourism Jobs

Although there is a potential to capture additional tourism dollars with the creation of new tourism businesses, it is also important to consider what that means for the entire economy. The types of jobs tourism creates are generally service industry jobs, which are typically seasonal, low wage jobs. These jobs are also generally low-skilled and do not offer much opportunity for growth. Several respondents to the business survey stated a need to create more jobs to bring people to live in Lyndon Station. Tourism jobs will likely not fulfill this desire.

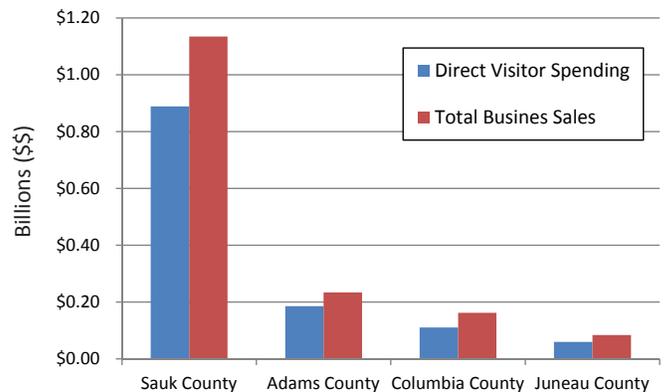
On the flip side, new tourism jobs could have positive effects on existing businesses in Lyndon Station. Twenty-three percent of business survey respondents believe that tourism is a critical factor for the success and expansion of their business.

Figure 2.4: Percent of Direct Visitor Spending in Region, 2013



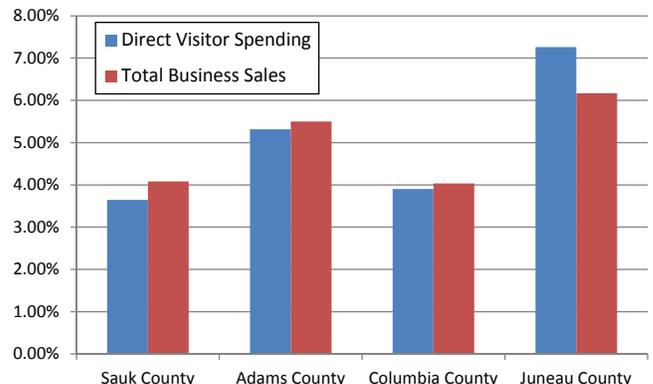
Source: WEDC

Figure 2.5: Visitor Spending & Total Sales by County, 2013



Source: WEDC

Figure 2.6: Percent Change in Visitor Spending & Total Sales by County, 2012-2013



Source: WEDC

Chapter 2 Market Analysis

Juneau County Tourism

As Figure 2.4 illustrates, Sauk County receives the largest percent of the regional tourism direct spending (71%), while Juneau County receives the least at only five percent of the Dells region. In total, Juneau County's 2013 total business sales were \$84.3 million with \$59.5 million coming from direct visitor spending. This equates to 70% of the County's total business sales, which is comparable to the percentages found in the other counties in the Dells region (ranging from 68-79% of the total sales). Between 2012 and 2013, all four counties saw an increase in both direct visitor spending and total business sales (see Figure 2.5 on the previous page). However, Juneau County had the greatest percent change in both categories with 7.3% in direct visitor spending and 6.2% in total business sales. Additionally Juneau County saw their percent change in direct visitor spending exceed its total business sales percent change, which suggest the tourism (visitor spending) had a larger impact on the County's local economy in 2013. Juneau County is the only county within the Dells region that can state that.

Lyndon Station Tourism

The existing businesses that directly bring tourists in the Village trade area are Bass Lake Campground, Crocket's Resort Camping, Yukon Trails Campground, BP Gas Station, and Stalker Paintball. Also the Village hosts several local events, which bring residents and visitors together. Respondents of the business survey stated the annual Wine Walk and Park Fest where community events that provided additional sales to their businesses.

Key Findings

- ▶ Juneau County only receives 5% of the Dells region's direct visitor spending. However, Juneau County saw the greatest improvement since 2012 (as compared to the other three counties in the Dells region). Therefore, the Village of Lyndon Station, and Juneau County for that matter, has potential to pull more of this tourism spending with the right marketing, attractions, etc.
- ▶ If the Village offered more tourist-oriented businesses and held more events that brings in visitors, there is potential for additional demand not represented in the retail gap analysis. It will be important to consider businesses/attractions that are unique to the region, or are under-represented. Stalker Paintball is one such business that is unique to the Dells region. Community marketing around these type of businesses will only help to attract more visitors and their spending to the Village.

2.7 HOUSING MARKET SUMMARY

Lyndon Station remains connected to and affected by trends affecting housing across the country, including changes in financial regulation, demographics, development practices and cultural norms. The most relevant changes affecting housing demand in the Lyndon Station area.

1. Household size is dropping and house size expanding
2. Home ownership preferences have shifted – people still aspire to home ownership but see less benefit in ownership
3. Stricter lending regulation is reducing home ownership
4. Planning and development practices are mixing uses and residential types in walkable neighborhoods

Household Size

Based on the 2000 Census, the percent of family households with seniors is higher in Lyndon Station than is found in Juneau County and the State as whole. As noted in Table 2.18 (below), both the County’s and State’s percent of households with seniors have increased in the latest American Community Survey (ACS). Even though the ACS data at the Village level is unreliable (due to data error), it can be assumed that the percent of households with seniors has increased in Lyndon Station as it has for both the County and State. A relatively higher number of households with seniors indicates different housing preferences than those without seniors.

Generally seniors don’t need large homes and desire smaller dwelling units, especially those that are (or can be retrofitted to be) handicap-accessible. Many may ultimately require some sort of assisted living arrangement. Another indication of a need for smaller housing options is the relatively increasing number of people living alone. The percent of those living alone in Lyndon Station is higher than the percent of those living alone in both the County and the State.

Age of Housing Stock

Age of housing stock is another important factor to consider when evaluating the housing market. According to 2012 ACS data, 60% of Lyndon Station’s housing stock was built before 1970 with approximately one-quarter (25%) of the housing stock being built in 1939 or earlier. Older housing can be an issue in a housing market as it is generally less desirable and can have high maintenance costs associated with it. If in the future a significant number of older homes in the Village are found to be deficient, the Village could consider offering incentives for interested buyers to improve the existing housing stock or to developers who can develop appropriate housing to meet the Village’s demand.

Home Affordability

Another important element to consider with an aging population is the affordability of living arrangements; many will retire and live on fixed incomes from retirement or social security payments. The median home value in Lyndon Station is approximately \$105,600 as shown in

Table 2.18: Household Data, Regional

	Lyndon Station		Juneau County		Wisconsin	
	2000	2008-12	2000	2008-12	2000	2008-12
Total Households	213		9,696	10,787	2,084,544	2,286,339
Family Household	60.6%		69.1%	67.2%	66.5%	64.6%
W/ Seniors	34.7%		29.2%	38.8%	23.0%	28.7%
Non-Family Household	39.4%		30.9%	32.8%	33.5%	35.4%
Living Alone	33.8%		26.0%	28.6%	26.8%	28.6%
Average Household Size	2.15		2.47	2.39	2.50	2.42
Average Family Size	2.72		2.96	2.90	3.05	2.99

Source: ACS

*2008-2012 ACS data for Lyndon Station incorporates too much error to report it.

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Table 2.19: Home Values, Regional Comparison, 2008-2012

	Lyndon Station	Mauston	Juneau County	Wisconsin
Less than \$50,000	1.6%	12.1%	11.4%	5.1%
\$50,000 to \$99,999	43.1%	33.6%	27.9%	13.5%
\$100,000 to \$149,999	36.6%	32.5%	23.5%	21.8%
\$150,000 to \$199,999	13.8%	13.2%	17.1%	21.7%
\$200,000 to \$299,999	4.9%	7.7%	12.4%	23.0%
\$300,000 to \$499,999	0.0%	0.0%	4.9%	11.0%
\$500,000 or More	0.0%	0.9%	2.8%	3.9%
Median Home Value	\$105,600	\$105,100	\$118,500	\$169,000

Source: ACS

Table 2.20: Home Values, Marketplace Comparison

	Lyndon Station	Elroy	Iola	Princeton	Montello
Less than \$50,000	5.1%	10.3%	3.3%	7.5%	8.9%
\$50,000 to \$99,999	22.4%	46.4%	27.1%	37.1%	21.5%
\$100,000 to \$149,999	24.5%	17.4%	29.0%	20.0%	22.5%
\$150,000 to \$199,999	28.7%	11.3%	18.8%	14.3%	23.4%
\$200,000 to \$299,999	14.3%	7.9%	15.3%	13.5%	16.5%
\$300,000 to \$499,999	3.6%	5.2%	6.2%	4.3%	6.1%
\$500,000 or More	1.5%	1.5%	0.3%	3.5%	1.1%
Median Home Value	\$143,981	\$92,195	\$133,046	\$111,842	\$143,235

Source: ACS

Table 2.19 (above). This is lower than both Juneau County and Wisconsin, as is median household income (see Section 2.2).

If we look at the marketplace comparison, Lyndon Station's median home value is significantly higher than Elroy (56%) and Princeton (29%), and roughly similar to Iola (8%) and Montello (0%). Since Lyndon Station's home values are comparatively high, it could signal that the aging population may look at housing options in other communities, especially when living on fixed incomes.

Home Sales & Vacancy Rate

The housing market within the Village of Lyndon Station was affected by the Great Recession in a manner similar to the county, region and state. County home sales (the number of homes sold) declined to a low of 20% or more below pre-recession levels in 2010 and 2011, at all geographic scales, and then recovered in 2012 and 2013 to exceed pre-recession levels. However, as shown in Table 2.21 (above), the median sale price has not returned to its pre-recession level.

A December 2014 snapshot of current listings show roughly 17 single family homes for sale in the

Table 2.21: Home Sales, Regional

	JUNEAU COUNTY		WISCONSIN	
	Number of Home Sold	Average Median Price	Number of Home Sold	Average Median Price
2007	92,056	\$103,730	67,756	\$161,315
2008	81,558	\$92,056	55,191	\$151,690
2009	88,062	\$81,558	55,242	\$140,213
2010	75,942	\$88,062	51,640	\$140,154
2011	80,575	\$75,942	51,906	\$130,458
2012	89,415	\$80,575	62,783	\$131,813
2013	89,887	\$89,415	69,664	\$140,650

Source: Wisconsin Realtors Association

Village of Lyndon Station with a median sale price of \$139,900. An additional seven manufactured homes and twenty-two empty lots were also for sale. Current trends show a increase in the number of listing, as compared to pre-recession, reflecting optimism in the market.

The number of new homes in the Village has also been stymied over the last decade, especially over the last five years. This is largely due to the slowed economy that has affected the housing market dating back to 2007.

Table 2.22: Unit Occupancy, Village of Lyndon Station

	2000		2010		Avg. 2008-2012*	
	Number	Percent	Number	Percent	Number	Percent
Owner Occupied	141	60%	139	56%	123	47%
Renter Occupied	72	31%	81	33%	89	34%
Vacant	22	9%	27	11%	49	19%
Homeowner Vacancy Rate		1.4%		2.1%		7.5%
Rental Vacancy Rate		8.9%		12.0%		0.0%
TOTAL	235		247		261	

*ACS Estimates exceed 10% margin of error
 Source: Census (2000, 2010) & ACS (2008-2012)

As of 2010, the vacancy rate in Lyndon Station was 2.1%. which is right around the desirable vacancy of 2%. This rate is far better than vacancy rates found in comparable communities (4.7-6.7%).

Rental Market

As of 2010, roughly 30% of housing in the Village is rental occupied. This is similar to the comparable communities, which range from 27-34% of the housing units. The rental vacancy in Lyndon Station in 2010 was 12.0%. This is significantly higher than the comparable communities, which have a vacancy rate of around 8%. This is also significant as compared to the County and the City of Mauston vacancy rates of 8.8% and 7.8%, respectively. Generally, a healthy vacancy rate is 5-6% of total units – this is an appropriate balance between the interests of property owners and the interests of renters.

One way to determine rental affordability is to look at housing wage in Lyndon Station. Housing wage is how much one must earn to afford rent. Data on fair housing wage is determined annually by the National Low Income Housing Coalition using HUD, ACS and Census data. In Juneau County the Fair Market Rent (FMR) for a two-bedroom apartment is \$652. In order to afford this level of rent and utilities - without paying more than 30% of income on housing - a household must earn \$2,173 monthly or \$26,080 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into a housing wage of \$14.76.

In Juneau County the estimated mean (average) wage for a renter is \$10.91. Thus, a single renter must work 46 hours per week year-round to

afford the FMR for a two-bedroom apartment, or a household must include 1.1 minimum wage earners working 40 hours per week year-round. According to 2012 ACS data, approximately 40% of units in Juneau County are paying 30% or more of their income towards rent. Based on ACS data, both Mauston and Lyndon Station have a median rent of \$670.

Senior Housing Market

The market for senior housing depends largely on population growth, age and income. While senior housing facilities generally locate in larger community, the primary criteria is to be within 15 miles of a hospital. Since there are hospitals in both Mauston and Wisconsin Dells, Lyndon Station could potentially support senior housing. The Village currently has a 10-unit senior housing facility in the downtown (i.e. Villa-lyn Manor), which includes eight low-income housing units. Looking at the region, there is a 40-unit residential care apartment complex in Necedah; a total of 82 units of community-based residential facilities (including Alzheimer’s) in Mauston, New Lisbon, Necedah and Wonewoc; and total of 196 units of nursing care in Elroy, Mauston and New Lisbon.

Key Findings

- ▶ With the recovery of the housing market in the region, the widespread availability of information on demographic trends and a renewed focus on economic development, the Village should be prepared to meet the demand of the changing population, including new home construction and potentially senior housing. Both Montello and Princeton have at least an assisted living facility.

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