Chapter Six

Economic Development

The economic base of the community serves as an important driver for current and future land use. Economic characteristics include such components as the size of the civilian labor force, comparative employment growth, employment by industry, unemployment rates, and commuting patterns. Employment patterns and economic trends generally occur on a regional scale. Residents of one community often work in another. Similarly, changes in a major industry can impact jobs and growth far beyond the community where the business is physically located. It is therefore important to understand a local community's economy in light of its regional context.

Assessment of these components of the economic base provides an important historical perspective on current land use patterns and provides insights that help to predict possible future directions and opportunities for growth of the local economy.

Previous Plans and Studies

Comprehensive Economic Development Strategy (CEDS), 2026

Vilas County is one of ten counties included in the North Central Wisconsin Economic Development District as designated by the U.S. Department of Commerce, Economic Development Administration (EDA). The NCWRPC is the agency responsible for maintaining that designation. As part of the designation, the NCWRPC annually prepares a CEDS. This report summarizes and assesses economic development activities over the past year and presents new and modified strategies to promote growth.

North Central Wisconsin Regional Recovery Plan, 2022

The purpose of this plan is to guide economic stabilization, recovery, and resiliency efforts within the North Central Wisconsin Region in the face of the current pandemic as well as future events that cause economic shocks. The goal of this plan is to develop a set of strategies that will help the Region's local economies recover from and become more resilient to economic shocks by identifying best practice strategies that help spur economic stabilization and recovery in the wake of economic shocks and that will help build local economic resilience. Helping local recovery and resiliency efforts will help the regional economy as a whole recover and grow back even stronger than before the disaster struck. A dashboard that monitors the status of economic metrics for broadband, childcare, housing, transportation, workforce and talent attraction, tourism, hospitality, economic indicators, and social indicators is found on NCWRPC's website.

Regional Comprehensive Plan (RCP), 2025

The RCP's economic development chapter examines the Region's economy and compares it to statewide and national trends, followed by a series of economic development recommendations and local, Regional, State, and federal programs. The following issues facing economic development within the Region were identified:

- An aging workforce, retirements, and the need for a skilled and flexible workforce
- Unpredictable weather impact on agriculture, outdoor recreation, tourism, and financial resiliency
- The need for broadband expansion
- Childcare availability and affordability
- Unknown future of the forest products industry
- Limited access to active rail lines
- Artificial Intelligence (AI), automation, and their unknown future impact on the economy
- The increase in flexible, hybrid, and remote work and its impact on commercial real estate, local businesses, community facilities, and job recruitment strategies
- Inflation's impact on businesses, County and municipal budgets, household finances, and growing wealth gaps between households of different income levels

ALICE: A Study of Financial Hardship in Wisconsin, 2026

This report, developed by the United Way, described the 35 percent of households in Vilas County that are living in poverty or are experiencing financial hardship, making them "ALICE" households (Asset Limited, Income Constrained, Employed). These households are largely employed but do not earn enough in wages to meet the "household survival budget," which does not allow for any savings. The report states that many ALICE households provide vital services, such as retail, health care, childcare, and security, but cannot make ends meet on the income provided from these jobs.

- The ALICE report shows that 33 percent of Town of Lincoln households are either below the federal poverty level or are considered ALICE households, indicating that the average household in the Town of Lincoln is slightly more financially prosperous than the average Vilas County household at-large. This is based on 2024 data, so affordability is likely a larger challenge as housing prices and inflation have increased since then.

Vilas County Comprehensive Plan, 2019

The Vilas County Comprehensive Plan analyzes labor patterns, the economic base, employment projections, and existing facilities. The plan outlines the following goals:

- Encourage a variety of economic development opportunities appropriate to the resources and character of Vilas County.
- Enhance career opportunities and living wage jobs in an economy that is compatible with our natural resources and reflects the needs of the entire community.
- Enhance and diversify the economy consistent with other Vilas County goals and objectives.

Economic Environment

Local Economic Environment

Vilas County's economic base centers on tourism and other natural resource-based businesses. Due to the extensive lakes, the area is also attractive for seasonal residents and retirees. The County is predominantly rural, with extensive wooded lakefront properties. The Town has tourism related businesses and some service type business, but no major industrial uses. The vast forests in the Town and the surrounding areas are strength for the wood industry, and those same forests provide for numerous recreational business opportunities. Some weaknesses in attracting or retaining industries include: lack of municipal sewer and water, lack of rail access, and distance to labor pool and markets. This in turn creates a challenge for attracting or retaining residents. There are limited employment opportunities, a lack of starter housing for young families, and the general distance to retail needs and other amenities.

Economic Sectors

Table 18 details employment by sector for the Town of Lincoln and Vilas County. In 2024, there were 1,278 persons employed in the thirteen basic economic sectors in the Town, up about 23 percent since 2010. In 2024, the leading industry sectors among employed residents of the Town of Lincoln were the Education, Health, and Social Services; Retail Trade; and the Arts, Entertainment, Recreation, Accommodation and Food Services sectors.

Overall, there were 10,532 persons employed in the basic economic industry sectors in Vilas County in 2024. The County's employment growth was slower than the growth in employment experienced in the Town of Lincoln, as employment within Vilas County increased by about eight percent between 2010 and 2024. The leading industry sectors within Vilas County in 2023 were the Education, Health, and Social Services; Retail Trade; and the Arts, Entertainment, Recreation, Accommodation and Food Services industry sectors.

Between 2010 and 2024, there were several dramatic shifts in employment throughout industries within Vilas County. Nine sectors experienced growth within the County during this time, while the other four sectors – Construction; Retail Trade; Information; and Arts, Entertainment, Recreation, Accommodation and Food Services - experienced declines within the County during this time.

Table 18: Employment by Industry Sector

	Town of Lincoln			Vilas County		
	2010	2024	Change	2010	2024	Change
Ag., Forestry, Fishing, Hunting & Mining	8	76	850.0%	222	304	36.9%
Construction	153	111	-27.5%	1,113	1,036	-6.9%
Manufacturing	24	52	116.7%	512	699	36.5%

Wholesale Trade	8	25	212.5%	164	252	53.7%
Retail Trade	223	217	-2.7%	1,517	1,402	-7.6%
Transportation, Warehousing & Utilities	35	39	11.4%	357	486	36.1%
Information	19	21	10.5%	243	100	-58.8%
Finance, Insurance, Real Estate & Leasing	72	105	45.8%	633	764	20.7%
Professional, Scientific, Management, Administrative & Waste Mgmt Services	112	122	8.9%	600	860	43.3%
Education, Health and Social Services	218	255	17.0%	1,684	2,314	37.4%
Arts, Entertainment, Recreation, Accommodation and Food Services	116	168	44.8%	1,791	1,230	-31.3%
Public Administration	7	22	214.3%	468	583	24.6%
Other Services	45	65	44.4%	460	502	9.1%
Total	1,040	1,278	22.9%	9,764	10,532	7.9%

Source: U.S. Census and American Community Survey (2020-2024)

Labor Force Analysis

Labor force is defined as the number of persons, sixteen and over, employed or looking to be employed. **Table 19** compares the labor force of the Town of Lincoln with that of Vilas County. Between 2010 and 2024, the Town of Lincoln experienced a 7.1 percent increase in the labor force, as the Town's labor force increased from 1,216 residents in 2010 to 1,302 residents in 2024. The Town experienced a significantly faster growth in labor force size than Vilas County during the same time period. With a labor force consisting of 10,971 persons in 2024, Vilas County's labor force has increased by 2.4 percent since 2010, when the County's labor force consisted of 10,718 persons.

While the Town's labor force steadily increased between 2010 and 2024, it is important to note that, since 2010, the Town's population growth has outpaced its labor force growth. This is mainly due to the large proportion of residents entering retirement and no longer participating in the labor force. Between 2010 and 2024, the Town's labor force participation rate decreased by about eight percentage points.

Table 19: Labor Force

	Town of Lincoln			Vilas County		
	2010	**2024**	**% Change**	**2010**	**2024**	**% Change**
Population 16 years and over	1,897	2,327	22.7%	18,439	20,344	10.3%
Labor Force	1,216	1,302	7.1%	10,718	10,971	2.4%
Employed	1,040	1,278	22.9%	9,764	10,532	7.9%
Unemployed	176	24	-86.4%	951	435	-54.3%
Unemployment Rate	9.3%	1.0%	-89.2%	5.2%	2.1%	-59.6%
Participation Rate	64.1%	56.0%	-12.6%	58.1%	53.9%	-7.2%

Source: U.S. Census and American Community Survey 2020-2024

Unemployment

Unemployment is defined as the difference between the total civilian labor force and total persons employed. Stay-at-home parents, retirees, or persons not searching for employment are not considered unemployed because they are not considered part of the labor force. In 2010, the Town of Lincoln had 9.3 percent unemployment. By 2024, the Town's unemployment rate had decreased to one percent. The Town's unemployment rate was lower than both Vilas County (2.2%) and the State of Wisconsin (2.2%) in 2024.

Workforce Participation

Workforce participation is a measure expressed in terms of a percentage of persons actively seeking employment divided by the total working age population. People not participating in the labor force may not seek employment due to a variety of reasons including retirement, disability, choice to be a homemaker, or are simply not looking for work. In 2010, over 64 percent of the Town's population over the age of 16 was in the labor force. By 2024, that percentage was significantly lower at about 56 percent, which was higher than the participation rate in Vilas County. Both the Town of Lincoln and Vilas County had a lower participation rate than the State (65.5%).

Laborshed

A laborshed is an area or region from which an employment center draws its commuting workers. In 2023, there were 694 jobs located within the Town of Lincoln. Town of Lincoln residents accounted for 96 (about 14 percent) of these jobs, while the remaining 598 jobs were filled by workers who live outside of the Town. In contrast, there were 1,012 workers who live in the Town of Lincoln that commuted to locations outside of the Town for work, as shown in **Figure 7**. This indicates that the Town's laborshed extends beyond its municipal borders.

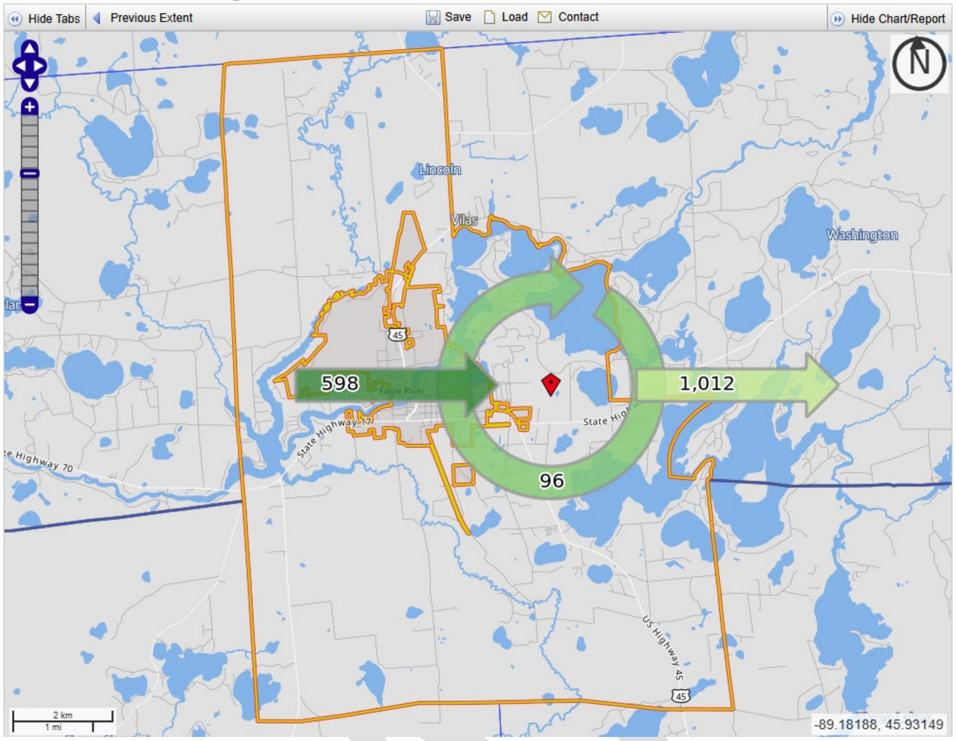
In-Migration

The majority of inbound commuters (workers who live outside the Town but commute into the Town for work) live in close proximity to the Town, with many of these workers either living within Vilas County or in neighboring Oneida County.

Out-Migration

The most substantial group of outbound commuters (those who live in the Town but work outside of the Town) travel to the City of Eagle River for work. Other municipalities within Vilas County as well as municipalities within Oneida County are also common places where out-bound Town residents work.

Figure 7: Town of Lincoln Laborshed



Source: U.S. Census On the Map

Occupations

Table 20 displays the occupational employment for residents in the Town of Lincoln and for residents in Vilas County. In 2024, most residents in the Town of Lincoln were employed in Management, business, science, and arts occupations. The second sector most represented was the Sales & Office occupation group, followed by Service occupations. From 2010 to 2024, the most significant increase in employment were seen in Management, Professional & Related occupations.

Table 20: Occupation of Employed Workers

Occupation	Lincoln		Vilas County	
	2010	2024	2010	2024
Management, Professional & Related	382	478	3,346	3,954
Service	167	244	2,085	2,058
Sales & Office	309	290	2,181	2,234
Natural Resources, Construction, and Maintenance	104	101	1,298	1,226
Production, Transportation & Mineral Moving	78	165	854	1,060
Total	1,040	1,278	9,764	10,532

Source: U.S. Census and American Community Survey (2020-2024)

Economic Development Programs

There are a number of economic development programs available to businesses and local governments in Vilas County. A partial list of those programs is provided below:

Local:

Tax Increment Financing

In 2004, the WI State Legislature enacted changes to the state's Tax Increment Financing statutes. One significant change involved allowing townships to establish tax increment districts for specified economic development projects. Tax Increment Financing has been employed by numerous communities throughout the state to promote redevelopment in blighted areas and finance new industrial development.

County:

Economic Development/Tourism Committee

There is a standing Economic Development/Tourism Committee at the county level that deals with economic development related issues. In addition, county planning staff work with development prospects and serve on the Board of Directors for Grow North (economic development organization for Forest, Langlade, Lincoln, Oneida, and Vilas Counties) and the North Central Advantage Technology Zone (a group that recommends tax credits for technology business expansion).

Vilas County Economic Development Corporation

The Vilas County Economic Development Corporation (VCEDC) is a 501(c)(3) not-for-profit organization that promotes overall economic development and works with new and existing businesses in Vilas County. The VCEDC also assists with employee development, attraction, and retention. Since 2000, the VCEDC has led the County's broadband initiative.

Regional:

Grow North

Grow North is a non-profit organization whose mission is to assist area counties and communities in their efforts to recruit and retain businesses, stimulate new job creation and to foster an environment conducive to entrepreneurial growth. Grow North was created in 2004 to foster cooperation among economic development partners and foster economic growth efforts in Forest, Langlade, Lincoln, Oneida, and Vilas counties.

North Central Wisconsin Regional Planning Commission

The Town is a member of the North Central Wisconsin Regional Planning Commission, as are all local governments in Vilas County based on county membership. Membership brings with it a variety of planning benefits and service. Benefits include participation in the Economic Development District, including eligibility for a variety of grants administered by the U.S. Department of Commerce Economic Development Administration (EDA). In addition, resulting in membership with the NCWRPC, the

County is a member of the Central Wisconsin Fund which manages a revolving loan fund designed to help businesses address a gap in private capital markets for long-term, fixed-rate, low down payment, low interest financing.

Central Wisconsin Development Fund

The Central Wisconsin Development Fund (CWED) provides accessible financing to help businesses start, expand, and innovate. By filling lending gaps, CWED empowers entrepreneurs to create jobs and strengthen the local economy. CWED currently offers three funding programs: the Gap Financing program, the Micro Loan program, and the Startup Fund program.

The **Gap Financing** program fills the funding gaps when your bank can provide most—but not all—of what you need. CWED participates alongside your primary lender, covering up to 40% of total project costs. This program is ideal for businesses with strong banking relationships who need additional capital to make their expansion, equipment purchase, or real estate acquisition possible. https://cwedfund.com/loan-programs/gap-financing.

The **Micro Loan** program provides smaller-scale financing for entrepreneurs and businesses that need capital quickly. Unlike Gap Financing, no bank participation is required—CWED is your direct lender. This program is ideal for early-stage businesses, entrepreneurs without established banking relationships, or small projects that need flexible, accessible financing. https://cwedfund.com/loan-programs/micro-loans.

The **Startup Fund** is designed specifically for businesses in their first 1-3 years of operation. With lower interest rates and built-in mentorship requirements, this program helps new ventures launch strong with both capital and guidance. This program is ideal for entrepreneurs just getting started who need startup capital and would benefit from the support of a local economic development mentor. https://cwedfund.com/loan-programs/startup-fund.

State:

Wisconsin Economic Development Corporation

The Wisconsin Economic Development Corporation (WEDC) is the state's primary department for the delivery of integrated services to businesses. Their purpose is to 1) foster retention of and creation of new jobs and investment opportunities in Wisconsin; 2) foster and promote economic business, export, and community development; and 3) promote the public health, safety, and welfare through effective and efficient regulations, education, and enforcement. WEDC manages a variety of programs intended to assist businesses and communities. These include:

- Brownfield Program
- Capacity Building Grants (CB)
- Certified Sites
- Historic Preservation Tax Credit
- Business Opportunity Loan Fund
- Workforce Training Grants
- Idle Industrial Sites Redevelopment Program

- The Industrial Revenue Bond (IRB) Program
- Community Development Investment (CDI) Grant Program
- Fast Forward Program

Rural Economic Development Program

This program administrated by the Wisconsin Economic Development Corporation (WEDC) provides grants and low interest loans for small business (less than 25 employees) start-ups or expansions in rural areas. Funds may be used for "soft costs" only, such as planning, engineering, and marketing assistance.

Wisconsin Small Cities Program

The Wisconsin Department of Administration provides federal Community Development Block Grant (CDBG) funds to eligible municipalities for approved housing and/or public facility improvements and for economic development projects. Economic Development grants provide loans to businesses for such things as: acquisition of real estate, buildings, or equipment; construction, expansion or remodeling; and working capital for inventory and direct labor.

University of Wisconsin Extension Office

The Center for Community Economic Development, University of Wisconsin Extension, creates, applies and transfers multidisciplinary knowledge to help people understand community change and identify opportunities.

The Wisconsin Innovation Service Center (WISC)

This non-profit organization is located at the University of Wisconsin at Whitewater and specializes in new product and invention assessments and market expansion opportunities for innovative manufacturers, technology businesses, and independent inventors.

Wisconsin Small Business Development Center (SBDC)

The UW SBDC is partially funded by the Small Business Administration and provides a variety of programs and training seminars to assist in the creation of small business in Wisconsin.

Transportation Economic Assistance (TEA)

This program, administered by the Wisconsin Department of Transportation, provides immediate assistance and funding for the cost of transportation improvements necessary for major economic development projects.

Federal:

Economic Development Administration (EDA)

EDA offers a guaranteed loan program as well as public works grant program. These are administered through local units of government for the benefit of the local economy and, indirectly, private enterprise.

US Department of Agriculture – Rural Development (USDA – RD)

The USDA Rural Development program is committed to helping improve the economy and quality of life in all of rural America. Financial programs include support for such essential public facilities and services as water and sewer systems, housing, health clinics, emergency service facilities, and electric and telephone service. USDA-RD promotes economic development by supporting loans to businesses through banks and community-managed lending pools. The program also offers technical assistance and information to help agricultural and other cooperatives get started and improve the effectiveness of their member services.

Small Business Administration (SBA)

SBA provides business and industrial loan programs that will make or guarantee up to 90 percent of the principal and interest on loans to companies, individuals, or government entities for financing in rural areas. Wisconsin Business Development Finance Corporation acts as an agent for the U.S. Small Business Administration (SBA) programs that provide financing for fixed asset loans and for working capital.

Goals, Objectives, and Policies

Goal: Maintain, enhance and diversify the local economy consistent with other community goals and objectives.

Objectives:

1. Retain and provide new opportunities for local employment of Town citizens.
2. Explore possibilities to increase and support commercial business, tourism related business, and light industrial growth within the planned commercial areas.
3. Support business and light industrial development which strengthens and diversifies the economic base; creates family wage jobs; develops, and operates in a manner that protects the environment; and uses our natural resources efficiently.
4. Accommodate home-based businesses which do not significantly increase traffic, noise, odor, or detract from the rural character of the surrounding area.
5. Work with and coordinate economic development activities with surrounding communities, the local Chamber of Commerce, Vilas County EDC, Grow North, and other applicable agencies and organizations that are involved in growth management.

Goal: Support development and marketing of light industry and business development to facilitate economic growth.

Objectives:

1. Assess jointly siting, purchasing, developing, and servicing (sewer/water) a joint industrial/business park with the City of Eagle River to benefit economic development in both communities.
2. Increase the resources allocated to economic development, including increased promotion and information on the area.
3. ~~Assess providing other development incentives including providing reduced land cost and/or reduced utility costs to potential developers to stimulate development.~~
4. Seek funding assistance from community block grants or other funding sources to facilitate light industrial or business development.

Goal: Designate potential commercial and industrial lands based on the existing development pattern and sound planning techniques in order to avoid incompatible land uses.

Objectives:

1. Assess potential commercial development locations throughout the Town of Lincoln.