

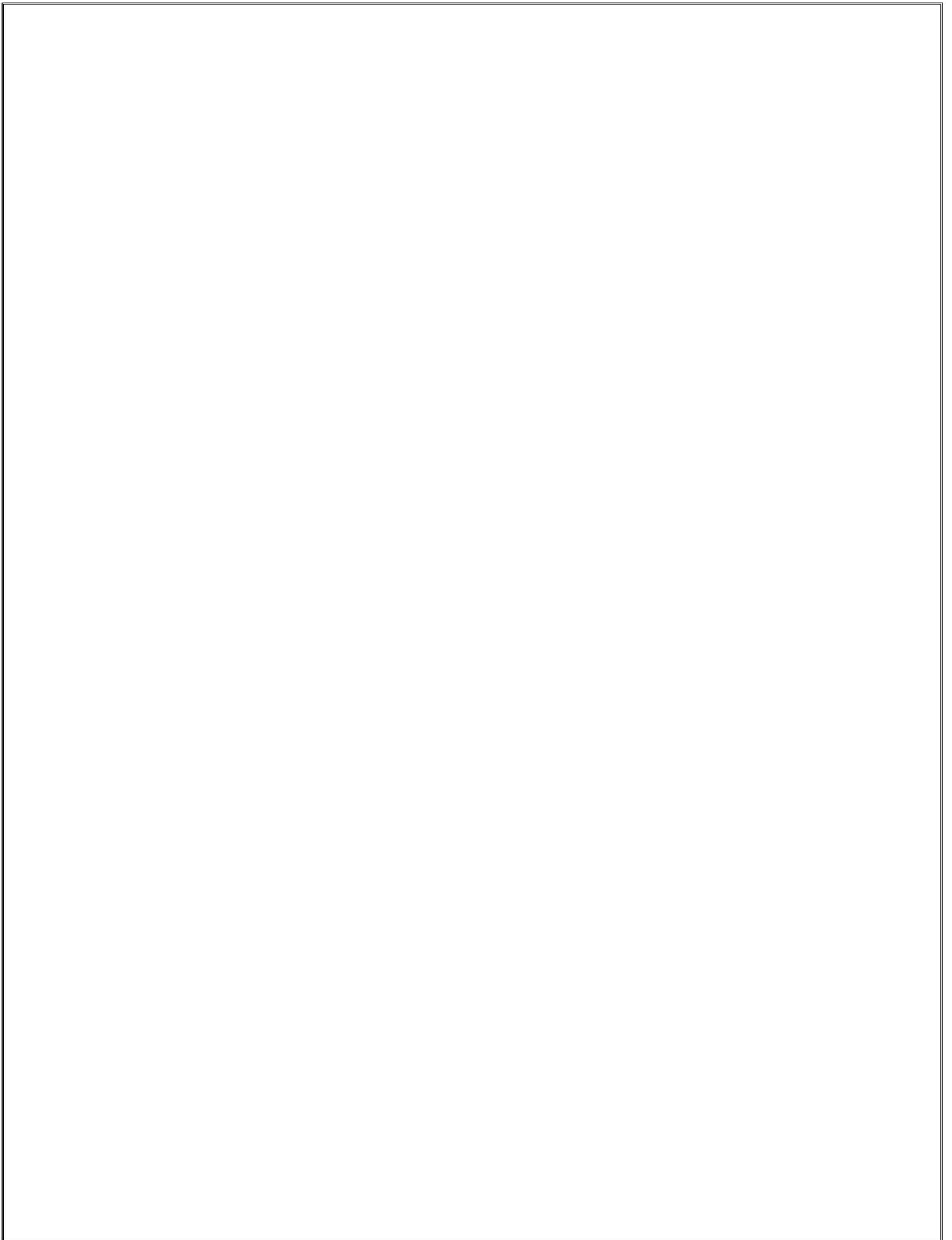
# BUSINESS PLAN



## COPPER PARK INTERPRETIVE CENTER

P.O. Box 431  
Ladysmith, WI 54848

**COPPER**  
*Park*



# I. Table of Contents

I.	Table of Contents.....	1
II.	Executive Summary.....	2
III.	General Description.....	3
IV.	Products and Services.....	5
V.	Marketing Plan.....	6
VI.	Operational Plan.....	24
VII.	Management and Organization.....	28
VIII.	Financial Plan.....	29
IX.	Issues.....	35



## II. Executive Summary

The Copper Park Interpretive Center will serve as a center of information about the Flambeau Mine and outdoor recreational opportunities available throughout Rusk County. The Interpretive Center will highlight the unique history of the mine, including: formation of the ore deposit, discovery of the deposit, the mining operation, reclamation of the site, and present day uses of the land. Nature trails, overlook points, outdoor education programs, bird watching, shore fishing, and many other items will be offered at Copper Park and will make it attractive to a large and diverse market.

The Interpretive Center will also provide promotional information on recreational opportunities throughout Rusk County. Copper Park will serve as a launching point for visitors to Rusk County and will direct them to other points of interest in the area.

Copper Park and the Interpretive Center will focus on public education and recreation. The services at Copper Park will be marketed to the following groups: tourists, local residents, residents of prospective mining communities, and school groups.

Copper Park and the Copper Park Interpretive Center will be owned and operated by a group to be determined by the Flambeau Mine Community Advisory Group (FMCAG). The owner of the land and facility should be a tax exempt non-profit organization in order to keep property taxes from adding to the costs of running the facility. An agreement will likely need to be worked out that will allow Flambeau Mining Company to retain mineral rights to the land should underground mining of the remaining ore body become economically feasible in the future.

### III. General Description

#### **Overview:**

Copper Park will be in the outdoor recreation and education market, which is primarily a growth industry. The park and interpretive center will highlight the history of the Flambeau Mine, from the geologic formation of the ore deposit to its current existence as a nature park. Copper Park will also promote outdoor recreation and sustainable land use by highlighting the recreational opportunities at the park as well as the opportunities available throughout Rusk County.

#### **Mission Statement:**

“To preserve Copper Park for the enjoyment of future generations and to promote tourism in Rusk County.”

#### **Goals and Objectives:**

1. Highlight the mining and site reclamation practices utilized on the property. Focus will also be put on Kennecott and FMC’s efforts to create a sustainable facility for the preservation of nature, wildlife, and biodiversity.
2. Ensure that the land surrounding the Flambeau Mine will remain available for outdoor education, recreation, nature tourism, and other suitable public use as opposed to being sold off for, perhaps, less desirable uses.
3. Provide the Ladysmith and Rusk County area with a tourist attraction that has the potential to increase the tourism base in the area.
4. Invite and encourage visitors to visit other nearby natural and cultural areas, while providing them with the necessary information for their Rusk County getaway.

**Philosophy:**

The unique history and controversy of the Flambeau Mine will give Copper Park a strong pulling power for the general public. Modern mining does not exist anywhere else in Wisconsin, making the Copper Park site the most recent operating mine in the state. The use of the interpretive center as an example of successful mining and reclamation will be very beneficial to Kennecott Minerals as well as other mining companies who may have interest in future mining endeavors in the Midwest.

Copper Park will also benefit Rusk County, Wisconsin by providing the county with a unique, easily accessible, and sustainable tourist attraction. The Interpretive Center will serve as a complimentary facility for many of the other recreational opportunities in Rusk County.

Outdoor recreation and education is primarily a growth industry. Increasing populations produce increased demand for parks, trails, and other public land for outdoor recreation. The United States, as a whole, is becoming a more health-conscious nation. At the same time, economic woes have caused many consumers to search for ways to stretch their dollar. The shift towards improved personal health, physically active lifestyles, and low-cost living creates demand for outdoor recreation opportunities that are enjoyable and carry little to no cost.

#### IV: Products and Services

The products and services offered at Copper Park will be based on outdoor recreation and education. Initially, the park will offer mainly services with some products to come after the park has been established as a destination.

The services offered at Copper Park will include: nature trails, overlook points, mountain biking, outdoor education programs, area tourism information, shore fishing, nature observation, and educational/informational signage. Products that may eventually be offered at Copper Park will include: made on-site maple syrup, t-shirts, postcards, and other tourism based items.

The services available at Copper Park will also compliment recreational opportunities that are available throughout Rusk County and will help make visitors aware of these opportunities. The Interpretive Center will have no admission charge, but should charge a nominal fee for participation in educational programs in an attempt to help offset some of the operating costs.

Factors that will give Copper Park advantages over other similar operations include the unique history of the park, the diversity of habitats on the land, the geologic history of the area, a high quality mineral display, and the services offered at the park.

## V. Marketing Plan

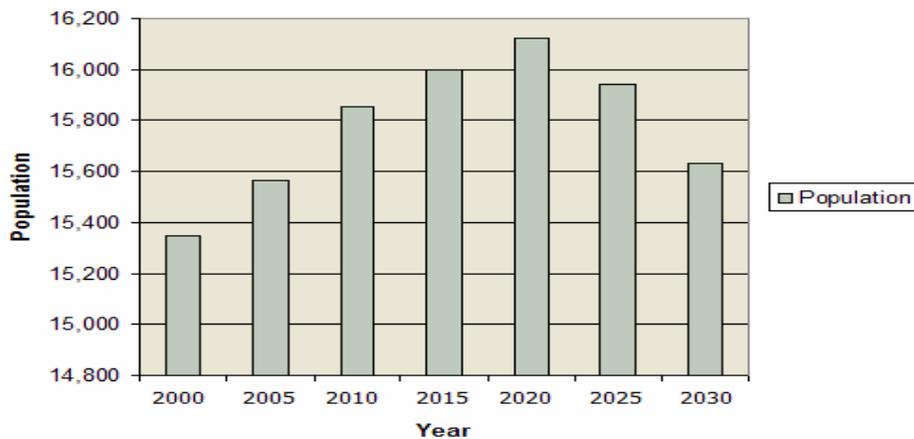
### Market

The Ladysmith Trade Area was identified in a 2003 study conducted by UW-Extension as any area generally within a 25-minute drive from Ladysmith. The population of the Ladysmith Trade Area at the time of the study was 17,207. The population of Rusk County at the time of the study was estimated at 15,347 persons, according to the United States Census Bureau. Another market to consider is the State of Wisconsin.

### Trends

In 2004, the Wisconsin Department of Administration (DOA) produced a population projection for the period from 2000 to 2030. Over this time period, it is expected that Rusk County will experience total population growth of 1.9% which is an increase of roughly 300 persons from the 2000 census count of 15,347 persons. The following chart illustrates the expected population changes in Rusk County between 2000 and 2030.

**Figure 5.1: Rusk County Population Projection: 2000-2030**



*Wisconsin Department of Administration*

From the chart we can see that Rusk County's population is expected to peak around 2020 and decline until the end of the projection period in 2030.

According to the same projection, the State of Wisconsin will experience a population growth rate of 19.6% during that period. It is estimated that the state population in 2030 will be 6.42 million people, which is a roughly 1 million person increase from the 2000 census count of 5.36 million.

With the increase in population in both Rusk County and the State of Wisconsin, it can be expected that available outdoor recreation land will decrease while the demand for such land will increase. The Wisconsin Land Legacy Report of 2006 states that, "As our population continues to urbanize, more and more people depend on public lands to provide a wide variety of recreation opportunities." The report goes on to state, "Demand for outdoor recreation [in Wisconsin] continues to exceed supply." These statements along with the population projections for the next 20 years indicate that there will be an increase in demand for outdoor recreational services, but that there will likely be a shortage of such available facilities for use by the general public.

### **Demand**

The Wisconsin Statewide Comprehensive Outdoor Recreation Plan (SCORP) analyzes many of the factors affect the supply, demand, and participation rates of outdoor recreation in Wisconsin. The plan identified the demand and popularity of a wide variety of outdoor recreation activities. Of the 95 activities listed; Walking for Pleasure had the highest participation rate (85.8%) among Wisconsin residents and visitors. Wildlife viewing and photography also ranked highly on the list. The complete list of activities and their popularity can be found on the following page.

The SCORP divides Wisconsin into eight separate regions for outdoor recreation. Rusk County is located in the region known as the Great Northwest. The Great Northwest Region is located in the northwestern part of the state and encompasses Douglas, Bayfield, Ashland, Burnett, Washburn, Sawyer, Polk, Barron, and Rusk Counties. The region as a whole has an abundance of natural resources. According to the SCORP, "Tourism is a large and growing industry within the region. Visitors from the Twin Cities and surrounding suburban areas, as well as visitors from within Wisconsin, are placing increasing pressure on the region's recreational resources. Seasonal home development, particularly along river and lakeshore areas, has increased dramatically within the Great Northwest."

The figure on the following page gives a breakdown of outdoor recreational participants by category. This figure is followed by a figure that illustrates outdoor recreation demand by category and is broken down by SCORP region.

**Figure 5.2: Wisconsin Outdoor Recreation Participants by Activity (Age 16+)**

Activity	Percent Participating	Number of Participants (1,000s)
Walk for pleasure	85.8	3,567
Family gathering	78.9	3,280
View/photograph natural scenery	67.5	2,806
Gardening or landscaping for pleasure	65.3	2,715
Visit nature centers, etc.	65.3	2,715
Driving for pleasure	60.3	2,507
View/photograph other wildlife	57.0	2,369
Attend outdoor sports events	56.9	2,365
Picnicking	56.6	2,353
Sightseeing	55.3	2,299
View/photograph wildflowers, trees, etc.	50.0	2,079
Bicycling	49.3	2,049
Visit a beach	47.3	1,966
Swimming in lakes, streams, etc.	45.8	1,904
Visit historic sites	45.2	1,879
Yard games, e.g., horseshoes	44.8	1,862
View/photograph birds	40.9	1,700
Fishing – freshwater	40.7	1,692
Gather mushrooms, berries, etc.	39.5	1,642
Attend outdoor concerts, plays, etc.	38.5	1,600
Visit a wilderness or primitive area	38.3	1,592
Swimming in an outdoor pool	38.3	1,592
Visit outdoor theme/water park	37.6	1,563
Fishing – warmwater	37.0	1,538
Motorboating	36.4	1,513
Day hiking	35.0	1,455
Camping – developed	32.3	1,343
Visit a farm or agricultural setting	31.8	1,322
Running or jogging	29.4	1,222
Sledding	29.3	1,218
View/photograph fish	28.1	1,168
Visit other waterside (besides beach)	26.4	1,097
Golf	25.9	1,077
Off-road driving with an ATV	23.4	973
Canoeing	20.5	852
Mountain biking (off-road)	20.4	848
Target shooting	20.2	840
Inline skating	20.0	831
Visit prehistoric/archeological sites	19.4	806
Hunting – big game	19.2	798
Trail running	18.6	773
Snowmobiling	18.3	761
Mountain biking (single track)	18.0	748
Off-road 4-wheel driving (SUV)	17.7	736
Ice skating outdoors	16.6	690
Nature-based educational programs	16.3	678
Camping – primitive	16.0	665
Volleyball outdoors	14.8	615

Activity	Percent Participating	Number of Participants (1,000s)
Hunting – small game	14.5	603
Rafting	14.4	599
Fishing – coldwater	13.9	578
Visit a dog park to walk a pet	12.4	515
Tennis outdoors	12.3	511
Waterskiing	12.2	507
Basketball outdoors	11.6	482
Boat tours or excursions	11.5	478
Skiing – cross-country	11.4	474
Fishing – ice	11.4	474
Fishing – Great Lakes	11.0	457
Hunting – upland birds	10.5	436
Rowing	10.1	420
Softball	10.1	420
Horseback riding (any type)	9.8	407
Soccer outdoors	9.8	407
Use personal watercraft	9.7	403
Skiing – downhill	9.7	403
Disc golf	8.8	366
Horseback riding on trails	8.1	337
Snowshoeing	8.0	333
Snorkeling	7.7	320
Baseball	7.0	291
Football	7.0	291
Backpacking	6.9	287
Paintball games	6.6	274
Rock climbing	5.9	245
Off-road motorcycling	5.9	245
Hunting – migratory bird	5.0	208
Handball or racquetball outdoors	5.0	208
Sailing	4.9	204
Fishing – fly	4.8	199
Snowboarding	4.7	195
Ice hockey outdoors	4.0	166
Mountain climbing	3.4	141
Orienteering	2.7	112
Skateboarding	2.6	108
Kayaking – recreation/sit-on-top	2.4	99
Skiing – telemark	2.4	99
Geocaching	2.0	83
Kayaking – whitewater	1.8	75
Caving	1.6	67
Scuba diving	1.3	54
Dog sledding	1.1	46
Windsurfing	0.7	29
Surfing	0.3	12
Kayaking – touring/sea	0.2	8

*2005-2010 Wisconsin Statewide Comprehensive Outdoor Recreation Plan*

**Figure 5.3: Wisconsin Recreation Demand by SCORP Region (%)**

Activity	Wisconsin Percent	Great Northwest	Northwoods and Upper Lake Michigan Coastal*	Lower Lake Michigan Coastal	Southern Gateways	Upper Mississippi River	Western Sands and Lake Winnebago Waters*
Walk for pleasure	85.8	86.6	81.4	85.7	<b>88.6</b>	86	85.8
Family gathering	78.9	74.1	<b>84.2</b>	75.8	79.9	79	81.2
Driving for pleasure	60.3	<b>68.5</b>	58.3	58.2	62.1	59.2	62.1
Picnicking	56.6	60.9	54.3	54.9	<b>62.5</b>	51.9	56.9
Bicycling	49.3	42.6	46.9	47.2	53.5	40.4	<b>55.6</b>
Boating (any type)	47.6	<b>56.2</b>	48	44.7	48.5	47	49.8
Visit a beach	47.3	48.8	44.9	<b>51.4</b>	43.4	42.1	47
Swimming in lakes, streams, etc.	45.8	<b>52.9</b>	44.5	47.7	42.7	41.9	46
Snow/ice activities (any type)	44.4	48.7	<b>50.1</b>	42.1	40.8	45.5	46.7
Freshwater fishing	40.7	<b>49.4</b>	45	35.9	35.1	40.3	48.6
Swimming in an outdoor pool	38.3	24.9	32.9	<b>43.1</b>	38.6	34	38
Visit a wilderness or primitive area	38.3	<b>62.2</b>	34.7	33.1	39.9	34.3	43.4
Visit outdoor theme/water park	37.6	28.1	30.4	36.9	37.9	39.2	<b>42.9</b>
Warmwater fishing	37	42.4	42.1	31.4	33.3	36.8	<b>45</b>
Motorboating	36.4	<b>44.1</b>	39.5	33.3	32	37.3	41.3
Day hiking	35	<b>42.7</b>	34.5	33.5	38	34.5	33.8
Developed camping	32.3	30.5	29.7	29.9	31.4	<b>37.7</b>	36.3
Visit a farm or agricultural setting	31.8	27	21.2	28.9	32.9	<b>40.4</b>	38.7
Mountain biking	31.3	27.8	33.3	31	30.9	24.6	<b>34.4</b>
Running or jogging	29.4	28.9	23	<b>32.6</b>	32.1	21.1	28.6
Visit other waterside (besides beach)	26.4	26.4	23.5	25.8	26.4	23.9	<b>30.1</b>
Golf	25.9	23.4	<b>29.3</b>	28.2	22.6	31	21.9
Drive off-road	25.8	34.5	30.5	20	17.1	32.5	<b>34.7</b>
Off-road driving with an ATV	23.4	33.9	29.5	14.1	15.2	<b>34.6</b>	34.1
Hunting (any type)	21.7	<b>37.3</b>	26.7	14.9	16	30.5	27.2
Canoeing	20.5	<b>29</b>	21	18.3	24.6	18.5	19.8
Target shooting	20.2	20.3	<b>31.4</b>	15.1	17	29.8	21.5
Big game hunting	19.2	<b>32.7</b>	23.9	12.8	12.8	30.2	24.4
Snowmobiling	18.3	<b>26.5</b>	25.1	13.9	10.1	21.9	25.1
Off-road 4-wheel driving (SUV)	17.7	22.7	<b>25.3</b>	14.8	11.6	22.2	20.3
Ice skating outdoors	16.6	14.2	<b>20.7</b>	15.6	19.9	14.5	15.2
Nature-based educational program	16.3	9.8	14.1	18.4	<b>22.6</b>	8.3	14.1
Primitive camping	16	18.9	17.4	12.1	18.3	15.6	<b>19.2</b>
Small game hunting	14.5	<b>23.1</b>	20.2	10.3	11.1	18.6	17.4
Rafting	14.4	11.8	13.4	13.5	13.2	15.7	<b>17.2</b>
Coldwater fishing	13.9	<b>17.1</b>	16.9	12.1	11	15.6	16.2
Visit a dog park to walk a pet	12.4	2.8	5.2	14.3	<b>14.5</b>	11.5	13.2
Tennis outdoors	12.3	3.7	8.1	13.6	<b>16.4</b>	10.5	11.9

\* Because of the small sample size in the Northwoods and Upper Lake Michigan Coastal Regions, results from these regions were combined. Numbers presented in this graph are therefore the same for both regions. This was also done for the Western Sands and Lake Winnebago Waters Regions.

Source: NSRE 2000-2004. Versions 1-18 (except 12 & 17), N=2,935. Interview dates: 7/99 to 11/04.

**ORANGE BOLD** type indicates the highest percentage of participants per activity.

*2005-2010 Wisconsin Statewide Comprehensive Outdoor Recreation Plan*

It is important to note that large urban areas have a large influence on the outdoor recreation demand in Wisconsin. The SCORP identified the following as the largest demand categories in descending order from the Twin Cities and Chicago.

**Figure 5.4:** Demand from Urban Centers

<u>Twin Cities</u>	<u>Chicago</u>
Fishing	Fishing
Sightseeing	Birdwatching
Camping	Camping
Picnicking	Boating
Hiking	Hiking

*2005-2010 Wisconsin State Comprehensive Outdoor Recreation Plan*

The SCORP also identifies outdoor recreation shortages by region based on the overall demand for a particular category and the availability of facilities for that category in a specific region. Among the shortages in the Great Northwest Region were: trails, campgrounds, boat launches, and parks.

**Growth Potential**

As mentioned earlier, increasing populations will lead to increased demands on a somewhat decreasing resource. Besides having the advantage of being located in a less densely populated area of Wisconsin, the Copper Park Interpretive Center also has a very unique advantage over potential competitors. The Park’s previous existence as the only open-pit metallic ore mine to operate under Wisconsin’s stringent mining laws as well as its reputation for producing some of the highest quality mineral specimens in the world will provide a unique pulling power for not only the state, but also the Midwestern United States and beyond.

**Limiting Factors**

The main limiting factor that the Copper Park Interpretive Center will face as it enters the market will be start-up costs. The main start-up costs will likely be incurred

with the planning and construction of the interpretive facility. The other main costs will be recurring costs and will include: staffing, utility costs, and maintenance.

The current plan for the interpretive center is to incorporate design features into the building that will reduce utility costs. A plan is also in place to provide free office space to an existing entity in exchange for that entity providing supervision and assistance to visitors to the center. A seasonal option currently being considered is the use of student interns as a lower cost method of providing additional staffing.

### **Products and Services**

The products and services offered at Copper Park will be based on outdoor recreation and education. Some of these products and services will be similar and complimentary to those offered at other venues in the Ladysmith Trade Area, while others will be unique to the park. The following table lists the main products and services of Copper Park along with key features and benefits of the products and services.

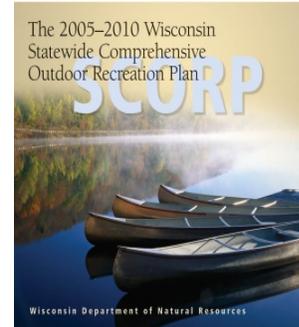
**Figure 5.4:** Copper Park Products and Services

<b>Product/Service</b>	<b>Key Features</b>	<b>Benefits</b>
Nature Trails	Accessible trails through a variety of natural habitats	Provides users with opportunities for healthy recreation
Overlook Points	Scenic views	Allows users to view unique landscapes
Outdoor Education	Learning in an outdoor environment	Firsthand experience
Informational Displays	Pictures and information	Education
Bird Watching	Bird Habitat	Family friendly activity
Shore Fishing	Cleared shoreline	Family friendly activity
Mountain Biking	Trails	Improved Health
Maple Syrup	Interactive demonstrations on maple syrup making	Provides users with a fun family activity.
Tourist Information	Brochures and maps	Makes visitors knowledgeable of other recreational opportunities

## Customers

### Outdoor Recreation Market

The 2005-2010 SCORP breaks the outdoor recreation market into segments based on recreational preferences. The following list identifies the different segments, percentage of population, and the unique characteristics of each.



- **Inactives (17%):** Members of this group participate in very few activities, especially those requiring physical exertion. This group is most likely to participate in walking for pleasure.
- **Nature Lovers (16%):** This group enjoys viewing and photographing nature and visiting nature centers and historic sites.
- **Active Nature Watchers (16%):** Members of this group enjoy viewing and photographing nature. Active Nature Watchers are generally more active as they hike or backpack into natural settings and areas to view wildlife or natural scenery.
- **Passives (14%):** This group is one of the most sedentary market segments with members participating in moderate amounts of hiking and camping, visiting nature centers, and visiting historic centers.
- **Non Consumptive Moderates (14%):** This group represents the average person that is somewhat more involved in recreation than either the Inactives or Passives. Some members of this group participate in physically demanding activities such as mountain biking and snorkeling.
- **Water Bug (8%):** This group is one of the most energetic of market segments, participating in many water sports and some snow activities.
- **Enthusiasts (8%):** Enthusiasts also enjoy activities that are physically challenging and require high levels of skill and endurance. They participate in the broadest array of activities.
- **Motorized Consumptives (7%):** This group has the highest participation rates for hunting and fishing and relatively low among physically demanding activities.

*2005-2010 Wisconsin Statewide Comprehensive Outdoor Recreation Plan*

## Tourists

Tourists can be broken into a number of subgroups based on their main motivation for coming to an area. Tourists are represented in every age group. While these descriptions provide a basic overview of different tourist types, it is important to note that an individual or group may fall into more than one category.

- **Guests:** Tourists that come to the area to visit family and friends.
- **Loungers:** Tourists that come to the area for rest and relaxation. Loungers are often looking for a brief escape from the busy schedules that they face in their everyday life.
- **Active Outdoor Recreationalists:** Tourists that physically engage the environment. Examples of this tourist type include: hunters, fishermen, bikers, golfers, horseback riders, and boaters.
- **Explorers:** Tourists that want to discover and be intellectually enriched by their experience.
- **Spectators:** Tourists that come to be entertained. These types of tourists often come to an area for a large event like Mardi Gras or the Northwood's Rock Rally and also use other area amenities such as restaurants, theatres, and area parks.
- **Pilgrims:** Tourists that seek experiences to change their perception of life or inspire awe.
- **Shoppers:** Tourists that come to an area to acquire goods and services including specialty goods and services that may not be readily available elsewhere.

*List Derived from: Schmeckle Reserve Interpreters, UW-Stevens Point*

While in operation, the Flambeau Mine Visitor Center hosted approximately 100,000 visitors over a four-year period. These visitors were composed of local residents and tourists.

### Residents of Prospective Mining Communities

The Copper Park Interpretive Center also has great potential to benefit Kennecott Minerals and the mining industry in general. The interpretive center will serve as proof of Kennecott's commitment to mining communities. The story told at the interpretive center will highlight the cooperation that took place between the mining company, local governments, and state agencies. The center and park will provide an example of the positive economic impacts of mining.

With potential mining operations in both Michigan and Minnesota and significant ore deposits still located in Wisconsin, the Copper Park Interpretive Center will provide mining companies with a valuable marketing tool to educate the general public about responsible mining and the benefits of mining on local and state economies.

### School Groups

School groups are likely to visit the Copper Park Interpretive Center, which will provide a unique educational opportunity about mining in Wisconsin. Copper Park will give students an opportunity to learn about the unique geology of the area, the history of mining, and area wildlife.

University groups may also visit Copper Park to conduct research projects related to geology, soil and water science, and mining. Students may come to the Copper Park to perform field tests or to complete class projects.

Local school districts have expressed great interest in assisting with developing and taking part in outdoor education programs. Teachers from Bruce, Flambeau, and Ladysmith have all been contacted and have shown interest in various aspects of the Copper Park Interpretive Center. The science departments from all three schools are

interested in using the property for hands on research work. The Ladysmith High School Residential Building Program has shown interest in renovating some of the FMC owned homes as part of a service learning project. The following table lists area schools and teachers who have shown interest in involving their classes with projects and programs at Copper Park.

**Figure 5.5:** School Interest in Copper Park

School	Teacher	Subject	Interest(s)
Bruce	Laurie Leaf	Science	Biodiversity, Invasive Species Removal, Developing Educational Programs
Flambeau	Chad Gago	Science	Biodiversity, Invasive Species Removal, Native Plantings
Ladysmith	Jim Sisko	Residential Construction	Renovation of FMC homes for use as rental properties as a source of income for Copper Park, other facility construction
	Matt Bunton	Science	Water testing, species identification
	Steve Anderson	Drafting	Home renovation designs

While school groups will likely bring the least direct money to the area, they could serve as a form of word of mouth advertising as students share their experiences with parents, friends, and family members.

### Area Residents

While catering to the needs of tourists, it is also important that Copper Park continues to serve local residents. Area residents currently use the Copper Park facilities for a number of recreational purposes including: hiking, biking, horseback riding, and nature observation.

As previously stated, the 2000 population in the Ladysmith trade area was 17,207. The following table breaks down the age distribution of the population in the Ladysmith Trade Area.

**Figure 5.6:** Ladysmith Trade Area Age Distribution

<b>Age Category</b>	<b>Number</b>	<b>Percent</b>
Under 5 years	951	5.5%
5 to 9 years	1,182	6.9%
10 to 14 years	1,330	7.7%
15 to 19 years	1,355	7.9%
20 to 24 years	875	5.1%
25 to 34 years	1,785	10.4%
35 to 44 years	2,557	14.9%
45 to 54 years	2,375	13.8%
55 to 64 years	1,761	10.2%
65 to 74 years	1,535	8.9%
75 to 84 years	1,071	6.2%
85 and over	430	2.5%

*Source: 2004 Ladysmith Market Analysis*

Income is a good indicator of the spending power of residents. Household income tends to be positively correlated with expenditures in most categories. As income increases, disposable income also increases. The following table provides information on the household income for the Ladysmith Trade Area.

**Figure 5.7:** Ladysmith Trade Area Household Income

<b>Household Income</b>	<b>Number</b>	<b>Percent</b>
Less than \$10,000	746	11.1%
\$10,000 to 14,999	590	8.7%
\$15,000 to 24,999	1,270	18.8%
\$25,000 to 34,999	1,033	15.3%
\$35,000 to 49,999	1,261	18.7%
\$50,000 to 74,999	1,230	18.2%
\$75,000 to 99,999	374	5.5%
\$100,000 to 149,999	177	2.6%
\$150,000 to 199,999	22	0.3 %
\$200,000 or more	40	0.6%
<i>Per Capita Income</i>	<i>\$15,632</i>	<i>N/A</i>
<i>Avg. Household Income</i>	<i>\$39,305</i>	<i>N/A</i>

*Source: 2004 Ladysmith Market Analysis*

Education is also a good indicator of the socio-economic status of an area. Income tends to be positively correlated with educational attainment. The following table breaks down the educational attainment level for the population 25 years and over for the Ladysmith Trade Area. In 2000 this population was 11,503 persons.

**Figure 5.8:** Ladysmith Trade Area Educational Attainment

<b>Educational Attainment</b>	<b>Number</b>	<b>Percent</b>
Less than 9 <sup>th</sup> grade	937	8.1%
9 <sup>th</sup> to 12 <sup>th</sup> w/ no diploma	1,432	12.4%
High School Diploma/GED	5,112	44.4%
Some College, no degree	2,107	18.3%
Associate Degree	641	5.6%
Bachelor's Degree	958	8.3%
Graduate/Professional Degree	316	2.7%

*Source: 2004 Ladysmith Market Analysis*

### **Area Resident Analysis**

The figures above indicate that a majority of the population in the Ladysmith Trade area are between 25-64 years old with incomes ranging from \$10,000-\$74,999 and a high school diploma. This portion of the population often has a large amount of interaction with those in the 0-19 age range.

Income levels, age, and education all effect demand when it comes to outdoor recreation activities. Persons with lower incomes traditionally participate in lower cost activities than those with higher incomes. Older portions of the population partake in quieter, more passive activities than younger groups.

Passive, low cost activities such as walking for pleasure and birdwatching are available at Copper Park. In addition, costlier and more demanding activities such as mountain biking and cross country skiing are also available, making the area attractive to many different segments of the population.

## **Competition**

The main competitors for Copper Park and the Copper Park Interpretive Center will be other outdoor education and recreation facilities. Competition in the immediate local area will likely be limited to existing campgrounds and trail systems. A main goal in the establishment of the Copper Park Interpretive Center, however, is to compliment the existing outdoor recreation infrastructure in the Ladysmith Trade Area. By complimenting and highlighting existing facilities and opportunities, Rusk County may be able to build on its identity as an outdoor recreation haven.

The main competitors within a 2-hour drive from Ladysmith are listed on the following page along with drive times to each facility from Ladysmith. These facilities are considered competitors because they also offer nature based education and activities. A brief background description and list of offerings of each of these facilities is also included on the subsequent pages.

### Copper Park Competitors

- Hunt Hill Audubon Sanctuary  
Sarona, WI 54870  
1 Hour 14 Minutes
- Chippewa Moraine State Recreation Area  
New Auburn, WI 54757  
1 Hour 20 Minutes
- Irvine Park  
Chippewa Falls, WI 54729  
1 Hour 20 Minutes
- Beaver Creek Reserve  
Fall Creek, WI 54742  
1 Hour 25 Minutes

### Hunt Hill Audubon Sanctuary

Situated on 400 acres of forests, meadow, bogs and glacial lakes, Hunt Hill Audubon Sanctuary offers an ideal setting to experience nature. Hunt Hill offers trails, nature facilities, and outdoor education programs. It is operated by Friends of Hunt Hill Audubon Sanctuary, a non-profit corporation.

### Chippewa Moraine State Recreation Area

Situated along the Ice Age National Scenic Trail, the 3060-acre Chippewa Moraine State Recreation Area offers hiking trails, an interpretive center, kettle lakes and many glacial features. The Ice Age Interpretive Center holds first-class glacial, cultural, and natural history displays that educate and entertain both children and adults.

### Irvine Park

A 318 acre park features trails, picnic areas, pavilions, the Irvine Park museum, Sunny Valley Schoolhouse, and a zoo. Glen Loch Dam, located in the park, offers a scenic overlook that is a major draw for tourists.

### Beaver Creek Reserve

Beaver Creek Reserve is located on 900 acres and features hiking trails, activity areas, buildings, a gift shop, and educational programs. Beaver Creek has limited hours of operation and charges admission fees. Beaver Creek is run by the Friends of the Beaver Creek Reserve.

### **Compliments**

Local events and attractions that could be viewed as potential competitors with Copper Park should instead be viewed as complimentary facilities that can be brought together to increase the appeal of Rusk County as a tourism and recreation destination.

Campgrounds, resorts, hotels, parks, trails, restaurants, and stores can all benefit from being interconnected through advertising and having information available on other recreational opportunities in Rusk County.

### **Niche**

The Copper Park Interpretive Center will serve as a starting point and a main point of interest for visitors to Rusk County. As such, the Interpretive Center will serve as a center of information on the recreational opportunities within Rusk County. Copper Park will also have a unique niche in the nature center community due to its direct ties to open-pit mining.

### **Promotion**

Promotion of the Copper Park Interpretive Center and its complimentary facilities will be done in a number of ways. In the early stages of development and construction of the facilities, an effort will be made to attract media attention, which could provide a form of free advertising and could also be a way to build interest and anticipation for the facility before it opens. Local and regional newspapers as well as television news stations will be made aware of the efforts to construct the facility, with the hope that they will pick up the story, which will provide publicity. As more people become aware of the development of the facility, an increase in word-of-mouth advertising will also help to promote the area.

Once the facility is completed and ready to open to the public, the news media will once again be made aware of the story. By this time, promotional brochures should be developed and put into circulation. The use of a park website and a social networking page such as Facebook should also be strongly considered as a low cost method of

reaching visitors. Billboard and radio advertising will also likely be incorporated into the promotional activities. A grand opening ceremony with special activities, guests, and food will be held and will be well advertised in advance using radio, billboards, and brochures.

Promotion of Copper Park including special events should be coordinated to correspond with other Rusk County promotional efforts whenever possible. A key to the success of the Copper Park Interpretive Center, the City of Ladysmith, and Rusk County as tourism destinations is to have enough activities and attractions to make a trip worthwhile. Successful tourist communities offer a variety of events and attractions that allow individuals, groups, and families to make an entire day or weekend of their trip.

### **Promotional Type**

#### Radio

Radio provides great advertising potential for Copper Park. Radio can be heard at stores, restaurants, salons, in the office, at home, and in the car. Radio provides access to a large customer base and spans a large age range. One downside to radio advertising is clutter.

Copper Park should be advertised on 2-4 area radio stations to increase the reach potential of its advertisements. Rusk County and surrounding areas would likely be best reached by advertising on radio stations in Ladysmith, Eau Claire, Rice Lake, and Park Falls.

#### Billboards

Similar to radio, billboard advertising provides good exposure to large numbers of people. Billboards should be considered on the “main routes” to Ladysmith. These

billboards have the potential to catch the attention of families or individuals on their way to a campground or weekend home and may be intriguing enough to warrant a stop. Billboard signs on U.S. Highway 8 east and west of Ladysmith and on WI Highway 27 north south of Ladysmith should be primary goals.

### Brochures

Brochures are fairly inexpensive and are easily reproduced. Brochures can be located at visitor centers, hotels, and other travel destinations. The brochures can serve as an attention getter that gives a brief description of Copper Park and then directs interested individuals to access the website or Facebook page for more information.

### **Promotional Budget**

The promotional budget will vary greatly depending on the amount of promotion and the media used. While promotion of Copper Park will be important during its early stages of life, care should be taken to avoid large promotional expenses in an attempt to keep overall costs low.

A mix of radio and newspaper advertising, brochures, and billboards may be the most appropriate promotional approach. Word of mouth advertising will also be important in the early stages of Copper Park's existence.

### **Proposed Location**

The current proposed location for the Copper Park Interpretive Center is along Highway 27, near Blackberry Lane in the Town of Grant. The facility will be visible and accessible from Highway 27 and will provide visitors with a view of a large portion of Copper Park, including a man-made wetland. The facility will provide convenient access

for visitors. This location also has plenty of space available for the construction of a parking lot.

A 2004 traffic study was conducted by the Wisconsin Department of Transportation (WisDOT) to analyze the average daily traffic in Rusk County, WI. Roads of particular interest to the Copper Park Interpretive Center include U.S. Highway 8 and WI State Trunk Highway 27. Traffic at the intersection of Highways 8 and 27 averages approximately 7,000 vehicles daily from all directions. This number was obtained by adding the traffic counts from each side of the intersection and dividing that sum by the number of sides (4). A count of traffic on Highway 27 near the proposed interpretive center indicates approximately 4,800 vehicles pass by the site daily.

The Highway 27 location will also help to connect Copper Park to the Ladysmith Trail System. Planning is currently underway to develop an interconnected system of paths for hikers and bikers both in and around Ladysmith. The trails at Copper Park can be connected to this trail system, which will expand the system and could potentially provide even more visitor traffic to the Copper Park area.

## VI. Operational Plan

### **Production**

#### Production Techniques

Production of interpretive signage and exhibits will likely be done by an outside firm with experience in creating interpretive exhibits. Some of the interpretive signage and exhibits may also be done “in house” to reduce costs. As Copper Park progresses, a gift shop may be developed to help generate revenue for the operation of the center. One unique sale item could be maple syrup, which would be collected and produced on-site. The on-site collection and production could be integrated as an outdoor education program for visitors to the park, providing a unique service and a potential source of income.

#### Customer Service

The Copper Park Interpretive Center will be staffed by at least one supervisor during normal business hours. This staff member should have basic background knowledge of the history of Copper Park and should have basic knowledge of recreational opportunities available throughout Ladysmith and Rusk County.

During late spring, summer, and early fall it is likely that additional staff will be used at the interpretive center in order to handle the increased visitor volume that is likely to occur. An attempt will be made to use volunteers to serve as staff during these times in order to keep costs low. Part-time or seasonal staff may also be hired if needed.

Operating hours at Copper Park Interpretive Center may also be adjusted for seasonal fluctuations in visitor attendance.

## **Funding**

### Construction

Funding for the construction of the Copper Park Interpretive Center will likely come from a number of sources including: Flambeau Mining Company and its parent companies, grant funding from the WI DNR and WI DOT, Town of Grant, Rusk County, City of Ladysmith Tax Increment Finance District 10, private donations from individuals and companies associated with the mine, sale or rental of excess property, and bank loans.

Construction will primarily be a one time cost. Additional construction may occur at points in the future and would mainly consist of new trail construction and the modification of existing facilities to meet new or changing demands.

### Operation

Funding for the operating costs of Copper Park and the Copper Park Interpretive Center will likely come from rent revenue or sale revenue generated from the housing along Kennecott Road, stumpage revenue from logging on FMC property, endowments, donations, program fees, room tax, and contributions from local governments.

Operating costs at Copper Park will include: utilities, trail maintenance, building maintenance, educational programs, advertising/promotional, office supplies, and possibly labor costs. Some of these costs will be related to building/facility size, such as utilities and maintenance. Utility cost projections for the Copper Park Interpretive Center are based on the assumption of a 5,000 square foot building. Other costs such as advertising/promotional and educational programs should be able to be controlled to a

greater degree by adjusting the amount of these services that are used/offered.

Educational program expenses can be offset by charging a fee for use of the programs.

## **Location**

### Physical Requirements

The location of the Copper Park Interpretive Center will need to have enough space to accommodate a parking lot in addition to the interpretive center building. The footprint of the building is expected to be approximately 5,000 square feet. The parking lot should be able to accommodate at least 20 standard size vehicles and should have space available for RV and Bus parking. Space should also be left available around the parking lot for expansion of the lot if the need arises. Additional small gravel lots will be placed on Blackberry Lane and Kennecott Rd. to provide quick access to multiple portions of the nature trails. The Interpretive Center location will need access to water, sewer/septic, electricity, and natural gas hook-ups.

### Access

It is very important that the Copper Park Interpretive Center be easily accessible and visible to both vehicle and pedestrian traffic. The proposed Highway 27 location will provide the center with maximized exposure to vehicle traffic from the highway and will also provide direct access to the existing Copper Park trail system. Since the interpretive center will be open to the general public, the building will need both easy walk-in access as well as handicap accessibility.

## **Inventory**

Main inventory items will likely be promotional materials (maps, brochures) and basic office supplies. If a gift shop is developed, items such as postcards, shirts, hats, and other souvenir items will be kept on hand.

## VII. Management and Organization

### **Board of Directors**

The Copper Park Interpretive Center will be directed by the Copper Park Interpretive Center Governing Board. This board will report to the Flambeau Mine Community Advisory Group.

### **Attorney**

Attorney services for Copper Park will be shared through Rusk County, City of Ladysmith, or the Town of Grant.

### **Accountant**

Accountant services for Copper Park will be shared through Rusk County, City of Ladysmith, or the Town of Grant.

### **Insurance Agent**

Insurance services for Copper Park will be shared through Rusk County, City of Ladysmith, or the Town of Grant.

### **Banker**

Bank services for Copper Park will be shared through Rusk County, City of Ladysmith, or the Town of Grant.

### **Consultant**

Consultant services for Copper Park will be shared through Rusk County, City of Ladysmith, or the Town of Grant.

## VIII. Financial Plan

### **Startup Expenses**

#### Interpretive Center

The main startup expense for Copper Park will be construction of the interpretive center. Whether a new building is constructed or an existing building is moved and renovated, a large amount of capital will be required. Initial estimates for building construction costs including site work are between \$280,000 and \$320,000.

#### Display Items

It is likely that many of the display items in the interpretive center will need to be produced either in house or by an outside firm. Prices vary greatly depending on the type of media to be used. The interpretive center will likely use a combination of video, interactive, and static displays. The interactive and static displays will likely use a wide variety of material.

#### Trails and Related Facilities

Trails and related facilities such as benches have the potential to be built at little to no cost by utilizing donations of equipment, supplies, and volunteer labor. Items in this category that will likely carry the greatest cost are benches and any bridges or boardwalks. Trail signage will be covered in the next section.

#### Welcome, Interpretive, and Directional Signage

Outdoor items such as welcome, interpretive, and directional signage will carry at least minimal cost. Signage costs vary greatly depending on the type of material used. Paper signs carry the lowest cost and can be produced in house, but also have the shortest life span and most upkeep work. Signs made from wood, metal, or plastic have a much

longer life span but carry a higher price tag. Sign bases also vary in cost and durability depending on the material used.

### Building Preparation

If homes owned by Flambeau Mining Company are to be sold or rented out to produce a revenue stream, they will likely need to be upgraded in order to make them attractive to potential inhabitants. These costs will be identified at a later time.

### **Recurring Expenses**

Cost estimates were developed from averaging budgeted costs for Beaver Creek Reserve and Cable Natural History Museum. Both facilities offer educational programs in a similar manner to what is envisioned at the Copper Park Interpretive Center. The basic operational costs were kept separate from wage related costs to illustrate the impact that wages have on an expense budget. It is anticipated that wage costs can be significantly lowered or eliminated by offering free office space to an entity in exchange for having that entity supervise the Interpretive Center during regular operating hours.

Utility costs were estimated by taking the utility costs for the Rusk County Visitor Center, Washburn County Visitor Center, and Cable Natural History Museum and scaling them for a 5,000 square foot building. Beaver Creek Reserve was not used to estimate utilities because they have various buildings that are used somewhat sporadically which leads to less reliability in estimating cost based on building size.

A breakdown of operating expenses is shown on the next page. Line items included in the cost breakdown come from the financial statements of the two facilities listed above.

## **Revenue/Income**

### Interested Parties

It will be expected that the main stakeholders or interested parties in the development of Copper Park and the Copper Park Interpretive Center provide funding and support for the construction and operation of the facilities. Construction of a new building or the renovation of an existing one will require a large amount of capital. Yearly operating costs are roughly estimated to be between \$80,000-110,000 per year. These costs could be lowered depending on offerings, but there will still be a substantial recurring cost that must be offset.

### Logging Revenue

With the large amount of acreage owned by Flambeau Mining Company, the potential exists to log forested areas and use the stumpage revenue to offset startup costs or operating costs. In 2008, Groeschl Forestry created a forestry management plan for the Flambeau Mine property. This plan outlined the tree species on site and provided a rough schedule for logging. Some of the timber was identified as being able to be harvested immediately and was estimated to have stumpage value of \$183,000.

Large amounts of logging is also recommended in 2020, 2030, and 2050. The revenue estimates for 2020 and 2030 are approximately \$93,000 and \$62,000 respectively. No estimates were given for 2050. While these figures will vary greatly based on markets and will not be a continuous source of income, it is important to note that they should still be significant income opportunities.

### Rent or Property Sale Revenue

Depending on future assessments and plans for the Flambeau Mine property, some land and/or homes may be sold or leased as a way to generate revenue. Amounts received from sale or lease will vary greatly depending on the condition of the property and current markets. Rental revenue will provide a steadier stream of revenue, while the sale of property will provide a larger one time income. Both options should be evaluated and considered.

Based on past rental figures, FMC receives an average of approximately \$2,000 per month in rental income after fees and maintenance. This translates into a revenue stream of \$24,000 per year. Improving existing homes and increasing rent or taking charge of management of the rentals directly would likely result in a larger income number, which could greatly assist in offsetting costs.

### Donations

It has been discussed that donations of money, material, or display items should be sought from people and organizations that played a part in the history of the Flambeau Mine. These donations would provide the donor with an opportunity to leave a lasting legacy of their involvement with the permitting or operation of the mine. Donations of material and display items would be used as they come in, while monetary donations could be used for startup costs or be put into accounts to be used for operating costs.

### Room Tax Revenue

Room Tax Revenue may also be a potential source of funding given the potential of the interpretive center to generate tourism in the area.

### Volunteer Labor

In a time when costs seem to be increasing for almost everything, volunteer labor can be an effective and invaluable resource. Volunteer labor can be used for trail and supporting facilities construction. Volunteers can also assist interpretive center staff by supervising the center or leading educational programs.

### Gift Shop and Educational Program Revenue

A gift shop will provide some revenue, but probably shouldn't be relied on heavily to support operations. The same is true of educational programs. Fees for programs should be high enough to cover the cost of putting on programs, but not so high as to discourage people from participating.

## Sample Budget

### Revenue

Logging Revenue (183,000 / 10 Years)	\$18,300
Rent Revenue	24,000
Room Tax Revenue	5,000
Educational Program Revenue	<u>500</u>
Total	<u>\$47,800</u>

### Expense

Utilities	\$12,000
Insurance	12,000
Maintenance	6,000
Promotional	5,000
Office Supplies	2,500
Telephone/Internet	<u>720</u>
Total without Professional Staff	<u>\$38,220</u>

*Professional Staff* 50,000

*Total with Professional Staff* \$88,220

## Current Costs to be Eliminated or Reduced

Property Tax	\$51,000
Prairie Burning	\$10,000

\*If FMC land is transferred to non-profit or government ownership, property taxes will be eliminated for FMC. One drawback to this approach is a decrease in the tax base for the county and town. A possible solution to this problem is selling off portions of land that don't "fit" with Copper Park to keep some land on the tax roll.

\*An agreement is being considered with the DNR and local fire departments on the annual prairie burns. The DNR and fire departments could use the burns as practice for fighting brush fires. This could be done at between 10-20% of the current cost for a private company to come in and conduct the burns and would provide a valuable training exercise that could potentially be extended to include other fire departments outside of the county.

## IX. Issues

### **Land**

The sale of land that may not “fit” in Copper Park has been discussed as a potential source of revenue. This option allows property to remain on the tax roll for the county and township. Land should be analyzed to determine whether or not it fits into the future plans for Copper Park.

### **Rental Properties**

While rental income has been identified as a likely source of funding for the yearly operations of the Copper Park Interpretive Center, the exact amount of funding available from this source is still somewhat a mystery.

Currently, Flambeau Mining Company receives about \$2,000 per month in rental income after management and maintenance fees. If the governing board were to take over management of the rental properties, including agricultural land, the monthly income would likely increase.

Another way to increase rent income would be to increase rent on available properties. Current rent prices on FMC’s agricultural land are some of the lowest in the area, making them a candidate for increase. The rent prices of FMC’s rental homes are directly tied to the condition of most of the homes. The homes are in need of both exterior and interior upgrades, which if performed should allow for increased rent amounts. Improvements will increase up front costs, but should pay off in future years.

An option of using student labor as part of a hands-on learning experience is being investigated. This would reduce renovation costs and would be a potential source of good publicity for the Flambeau Mining Company.

## **Staffing**

The single greatest cost associated with the yearly operation of the interpretive center will be staffing. Deeper investigation into staffing options is necessary to determine the best course of action. Currently, there appear to be two main options for staffing the interpretive center. The first option involves using the facility as an office space for an existing entity such as Flambeau Mining, Rusk County Tourism, or the LCIDC which will eliminate staffing costs. The second option is to hire a professional wildlife educator, which would create the potential to receive DNR grant funding for the interpretive center. Both of these options would likely be combined with volunteer labor.

## **Cost Items**

Utilities, insurance, and maintenance are all costs that will be virtually unavoidable with an interpretive center. Other recurring costs such as educational program costs, postage, and advertising depend greatly on usage and creativity with these line items. Educational program costs, for example, can be greatly reduced by using existing items and volunteer educators as opposed to buying materials and hiring an educator. Ladysmith Boy Scout Troop 45 has successfully used this approach for years at camp outs and merit badge clinics.

With an increased reliance on the internet for information from company websites, e-mail updates, social networking sites, and blogs, the need for postage has decreased. By utilizing the internet as the primary means of communication with visitors, the increasing costs associated with postal delivery can be greatly reduced.

Information can be sent instantly in electronic form, eliminating the need for stamps, envelopes, printer ink, and paper.

Advertising options are virtually limitless. Advertising costs vary greatly depending on the type of media used. From free word-of-mouth advertising to expensive television commercials, the greatest obstacle other than funding is coming up with the right mix of creative advertising that uses appropriate forms of media and is noticeable through the clutter.