



140  
836  
THS



111111

LIBRARY  
Michigan State  
University



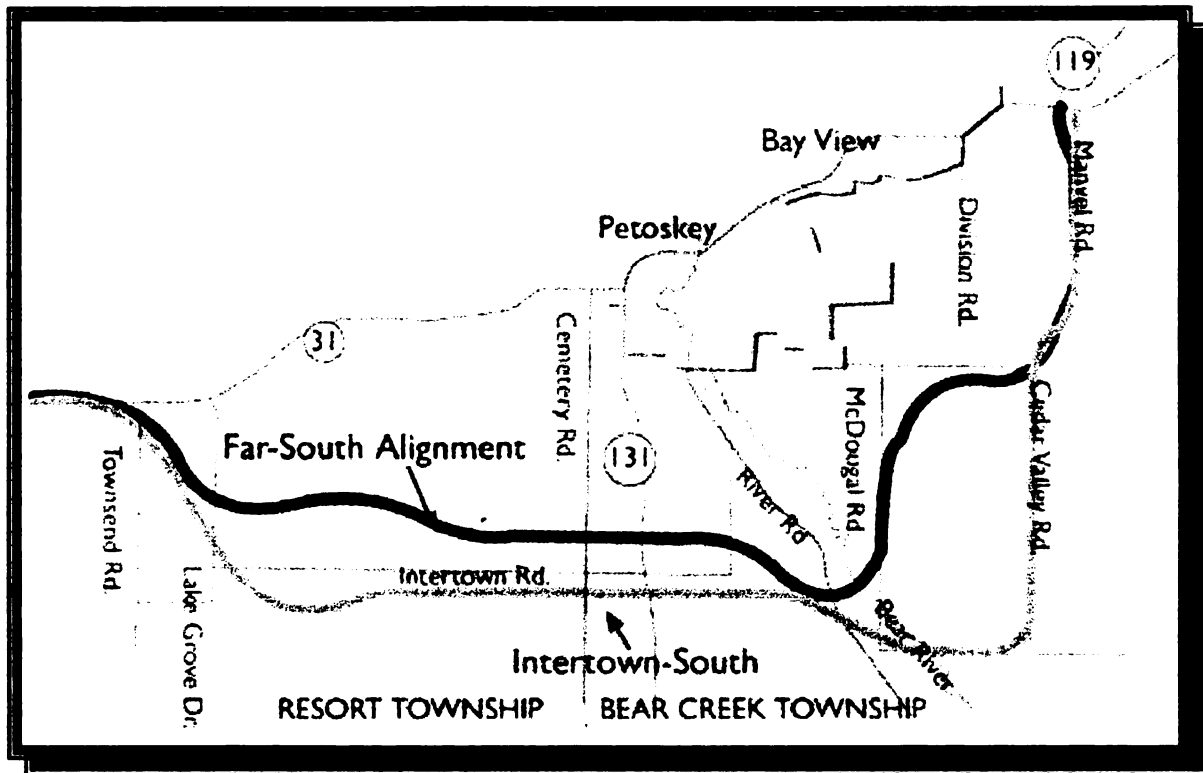
**PLACE IN RETURN BOX** to remove this checkout from your record.  
**TO AVOID FINES** return on or before date due.  
**MAY BE RECALLED** with earlier due date if requested.

DATE DUE	DATE DUE	DATE DUE



# The US 31/Petoskey Area Bypass: An Analysis of Potential Economic Impacts

By: Craig Phillips



**A Plan B Paper submitted to:  
Michigan State University  
in partial fulfillment of the requirements for the degree of:**

**MASTER OF URBAN AND REGIONAL PLANNING**

**College of Social Science  
Urban and Regional Planning Program**

**Spring 1999**







## **Acknowledgments**

---

Without the assistance and guidance of several people, this effort would not have been possible. First, I would like to thank Drs. Zenia Kotval and William Huang for their guidance, inspiration and assistance throughout the course of this endeavor. Both of these people were positive mentors during the preparation of this document, and well as the throughout the pursuit of my graduate education at Michigan State University.

I would also like to thank the many individuals in the communities represented in this report who provided information, opinion, and background materials for the preparation of this report. The participation of those who were interviewed is also greatly appreciated. Without these contributions, this project would not have been realized.

I must also thank my parents, and my fiancée, Andrea for their support throughout the duration of this project.

Finally I would like to thank Dr. and Mrs. John Tanton of Petoskey, Michigan, for their generous financial support for the preparation of this document, as well as the use of office facilities and other materials throughout the research portion of this project.



## **Table of Contents**

---

<b>Executive Summary</b>	<b>5</b>
<b>Introduction and Purpose</b>	<b>7</b>
<b>Research Methodology</b>	<b>10</b>
<b>Structure</b>	<b>11</b>
<b>Literature Review</b>	<b>12</b>
<b>Case Studies of Comparison Communities</b>	<b>20</b>
<b>Petoskey, Michigan and the Proposed US 31 Bypass</b>	<b>20</b>
<b>Fort Atkinson, Wisconsin (WIS 26, US 12)</b>	<b>40</b>
<b>Rhineland, Wisconsin (US 8, WIS 47, WIS 17)</b>	<b>50</b>
<b>Port Washington, Wisconsin (I-43)</b>	<b>62</b>
<b>Lake Geneva, Wisconsin (US 12)</b>	<b>73</b>
<b>Conclusions and Recommendations</b>	<b>83</b>
<b>Bibliography</b>	<b>89</b>
<b>Appendices</b>	<b>91</b>
<b>Sample Interview Form</b>	<b>91</b>
<b>Sample Opposition Group Newsletter</b>	<b>92</b>

## List of Maps

---

Map 1	Petoskey, MI Location Map	8
Map 2	Petoskey, MI City Map	26
Map 3	Project Proposal Map	29
Map 4	Fort Atkinson, WI Location Map	41
Map 5	Fort Atkinson, WI City Map	45
Map 6	Rhineland, WI Location Map	51
Map 7	Rhineland, WI City Map	56
Map 8	Port Washington, WI Location Map	63
Map 9	Port Washington, WI City Map	68
Map 10	Lake Geneva, WI Location Map	74
Map 11	Lake Geneva, WI City Map	78



## List of Figures

---

Figure 1	Downtown Petoskey, MI	24
Figure 2	US 131 at city limits, Petoskey, MI	28
Figure 3	Artist's Rendering of Proposed Bypass	32
Figure 4	WIS 42/57 Bypass, Sturgeon Bay, WI	33
Figure 5	Fireside Dinner Theatre, Fort Atkinson, WI	43
Figure 6	Aerial View of Downtown Fort Atkinson, WI	48
Figure 7	Downtown Rhinelander, WI	54
Figure 8	Boom Lake, Rhinelander, WI	60
Figure 9	Downtown Port Washington, WI	65
Figure 10	WIS 32 at I-43 Bypass, Port Washington, WI	69
Figure 11	Before and After I-43 Bypass, Port Washington, WI	70
Figure 12	Downtown Lake Geneva, WI	76
Figure 13	Before and After US 12 Bypass, Lake Geneva, WI	80
Figure 14	WIS 120 at US 12 Bypass, Lake Geneva, WI	81

## **Executive Summary**

---

This paper presents an analysis of the potential economic impacts upon businesses as a result of a proposed highway bypass in the Petoskey area. This was accomplished through the analysis of existing conditions and trends in the Petoskey area, as well as the collective analysis of four comparison communities in Wisconsin. As a result of this analysis, a set of recommendations has been developed as suggested methods for mitigation of potential impacts related to this highway project.

The Michigan Department of Transportation has proposed a new highway bypass as a remedy for an increasing traffic flow and management problem in the Petoskey area. This problem has come about as a result of the growing popularity of the Petoskey area as a vacation and resort destination, as well as a favorite location of second homes of the wealthy from cities like Chicago, Detroit, and Miami. The problem worsens each year, and peaks during the summer tourist season. This, coupled with the nature of development in the Petoskey area raises concern as to the sustainability of the current economic success which the community possesses. In addition, the current development rates are likely to continue, and may be exacerbated by the development of a highway bypass. For this reason, careful control of the future growth and development, as well as strong continued promotion of the Petoskey community is crucial.

The case studies presented in this report lead to the conclusion that traditional sprawl and strip-type development will occur in proximity to the bypass, especially near the access points and intersections. If the development occurs in the same fashion as that of the comparison communities, it is likely that a majority of the land surrounding the bypass will soon become urbanized. As a result of a bypass, some of the businesses in the comparison communities have been compromised, especially highway-oriented businesses along former highway routes. As a general rule, the central business districts in these communities have weathered the changes brought upon by the bypass quite well. This is due to many factors, including strong recruitment efforts, and marketing of the downtown

areas. The experience of the comparison communities has been one of adaptation and redirection.

Based on the analysis of Petoskey and the comparison communities, it is likely that the land around the new bypass will develop, and may eventually become part of the urban fabric of the city of Petoskey. The fate of business and the downtown Gaslight District depends upon a number of factors including active control and monitoring of growth and development in the Petoskey area.

In order for the community of Petoskey to preserve and protect its character, and effectively manage growth, several techniques could be used. These include but are not limited to:

- conservation subdivision design
- planned unit development
- transfer/purchase of development rights
- historic and cultural preservation techniques
- strict architectural and site design guidelines and standards
- Overlay TIF District/Development Authority
- development blueprint/service boundary/growth boundary
- strong promotion of the Gaslight District of downtown Petoskey

If an appropriate mixture of these methods is adopted and implemented, the future success and stability of the Petoskey area as a favorite tourist destination may be achieved. In addition to these suggestions, it is crucial that strong intergovernmental and interagency bonds and relationships be formed in order to properly direct the future growth of the Petoskey community, and to preserve this northern gem for the enjoyment of future generations to come.

## **Introduction And Purpose**

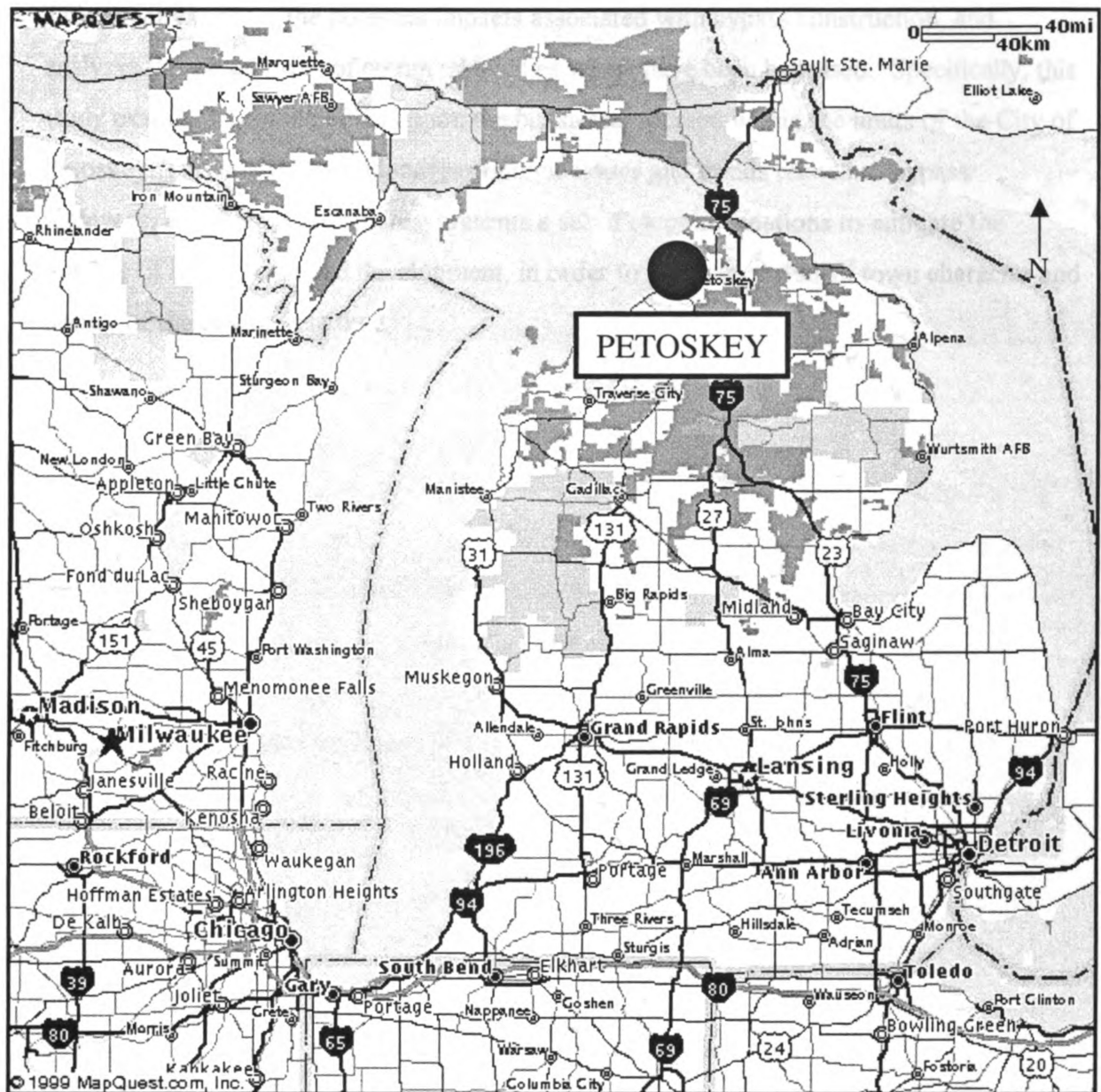
---

As a result of increased growth and development in many areas of the United States, as well reliance upon the automobile for movement, important issues have arisen regarding the function and capacity of traffic and transportation systems. When urban areas expand outward, and their fringes begin to develop, existing transportation networks become inadequate and must adapt to meet rising demands and standards. Quite often, a bypass or beltway is constructed in order to alleviate congestion along existing roads, and reroute the traffic around a city, or to a different location.

A bypass, the term used throughout this study, is “a road enabling motorists to avoid a city or other heavy traffic points or to drive around an obstruction” (Random House Dictionary). Typically, a bypass will run relatively parallel to the route it feeds off, and reroute traffic around a busy population or activity center. This study will analyze the potential economic impacts of the proposed US 31 Bypass, to be constructed near Petoskey, Michigan (see Map 1).

As a result of its increase in popularity as a tourist destination, and a favored location for seasonal homes, the Little Traverse Bay/Petoskey area has been plagued by increased traffic volumes and congestion. This problem with traffic flow is partly due to a bottleneck created within the city of Petoskey where US Highways 31 and 131 converge near the heart of the city. This is a phenomenon which is most prevalent during the summer months and to a lesser degree, the winter ski season. Over the past few decades, the problem has continually worsened. The US 31 corridor through the city currently carries traffic volumes equal to that of roads in cities many times larger than Petoskey.

A 9.5 mile-long parkway-style bypass has been suggested in order to improve traffic flow in the Petoskey area. This proposed roadway will completely bypass the city of Petoskey. A bypass of this type may have effects upon the economy and ultimately, the quality of life of the city and surrounding area.



Map 1  
Petoskey, MI Location Map

This paper examines the potential impacts associated with bypass construction, and analyzes the experiences of comparable cities which have been bypassed. Specifically, this study examines possible effects upon the businesses located within the limits of the City of Petoskey. This analysis will identify economic issues and trends related to bypass highways, and from these studies, presents a set of recommendations to mitigate the impacts of bypass-oriented development, in order to preserve the small town character and beauty of the city of Petoskey.



## **Research Methodology**

---

The primary structure of this research consists of a set of comparative case study analyses between Petoskey and the communities of Rhinelander, Fort Atkinson, Port Washington, and Lake Geneva Wisconsin. Comparison communities in Wisconsin were chosen due to the lack of similar bypass projects in the state of Michigan. The states of Michigan and Wisconsin are similar in many ways, including: topography, land cover, population composition, latitude, history, and governmental structure to name a few. Interviews and current/historic land use inventory and analysis are used in order to identify key issues. By examining Rhinelander and Fort Atkinson existing characteristics and development patterns may be found, and trends can be established, which could then be applied to the Petoskey example. In addition, an analysis of the current development patterns and those prior to the construction of the bypass in Port Washington and Lake Geneva have been conducted. The development patterns of these cities could aid in the forecasting of potential development patterns in and around Petoskey. The case studies look at Petoskey, and these communities of similar size and character and draw conclusions which could aid in the decision-making process involved with the US 31/Petoskey Area Bypass.

One tool for the analysis of potential impacts was a series of interviews. Interviews of various individuals, such as business owners and governmental officials both in Petoskey and the comparison communities contributed some of the information used in the analysis. The interviews consisted of a specific set of questions regarding the bypass in each community, as well as comments and suggestions from the interview participants. Information gathered during the interviews has been combined in an anonymous, aggregate form and used to develop a sense of community attitudes toward the bypass in each given community.

In addition, an analysis of current and historical land use and development in previously bypassed communities as well as Petoskey was undertaken. This assessment involved studying existing land use maps and aerial photography as well as other related materials

in order to obtain information on current and previous land use, and changes in use over time. Of specific interest was the development which has occurred on or in proximity to the bypass in each of the comparison communities. From this analysis, trends and probabilities of development were identified, and in turn, applied to the US 31/Petoskey Area Bypass scenario. This information was used to make estimates of future development of the Petoskey area.

Together, these techniques yielded information which led to the development of impact estimates for the city of Petoskey and the surrounding area, and finally, a set of recommendations and final thoughts have been included.

## **Structure**

---

This document consists of a series of case study analyses, as well as other background data and information, and a section with findings and recommendations. First the history and background information about Petoskey and the US 31 Bypass is presented. Following this, case studies based on site visits and interviews in Rhinelander and Fort Atkinson, Wisconsin will be detailed and discussed. Next, two development case studies involving Port Washington and Lake Geneva, Wisconsin are included as additional evidence. Finally, the information from each of the previous studies is compiled and compared to Petoskey, and a final set of recommendations and points of information are identified.

## **Literature Review**

---

Many existing pieces of literature focus on the probabilities of impact as a result of highway and transportation improvements such as bypasses. Some of these take a look at the theories associated with development and impact potentials. They offer an expected outcome with respect to transportation improvements as well as the general development patterns of cities. Some of the most well known theories about location and development will be discussed here, as well as some newer accounts of development and location in scholarly journals and sources. Of the many theories available to analyze the effects of transportation and the location of land uses in proximity to transportation corridors, several are considered in this analysis of the Petoskey region and the US 31 bypass.

### **Residential Location Theory**

The theory put forth by Johann Heinrich Von Thunen, centered around the agricultural landscape, and was very limited by the time in which it was developed, but serves as the basis from which many of the famous theories stemmed. One of the underlying factors in Von Thunen's theory, was that the shape of the zones surrounding a city were effected by transportation costs, and were shaped to reflect this cost. In his book *Land Resource Economics*, Raleigh Barlowe takes the theory presented by von Thunen and relaxes some of the assumptions, such as the existence of a uniform and featureless plain, to show how the introduction of a feature changes the shape of the zones. He shows examples of the effects of a river, and a roadway, or series of roadways, and how the land use changes to reflect the existence of these uses. This is based on von Thunen's idea that transportation cost effects the zones described in his theory. Barlowe shows how land uses become focused on and elongated along rivers and roads

The theories of urban structure and development as proposed by Burgess, Hoyt, and Harris and Ullman as described by Barlowe also describe the location of various land uses within a city. Ernest Burgess' model of a city consists of concentric circles or zones radiating outward from the city center, with income levels increasing as distance is gained

from the city center. Homer Hoyt designed a model which described the layout of a city in sectors. His model identifies the center of a city as being surrounded by sectors or slices which represent various land uses of the city. In his model, land uses develop along an axis, or transportation route. He also describes industry as being located along waterways, railroads, and sometimes major streets. Residential areas, according to Hoyt are located in various areas of the city, with lower class areas tending to be located closer to the center, and higher class areas in pockets on the outskirts of the city, often near or around attractive features such as parks and lakes. Hoyt's model also describes the activity known as filtering, a process in which homes which were once occupied by the upper class are occupied the lower class as upper class residents build new homes on the outskirts of the city, and the city grows outward.

Another model, developed by Harris and Ullman is the multiple-nuclei model. This model recognizes the existence of multiple areas of central influence such as shops and office centers in cities. In this model, the city has a central core, but there are additional business districts located elsewhere in the city on major thoroughfares or intersections of major routes in and around the city. This model which is younger than those proposed by Von Thunen, Burgess, and Hoyt more accurately describes the development of modern cities, which have multiple business and office areas.

Barlowe also presents an interesting discussion of commercial and residential land use in his book. In terms of commercial activity location and analysis, he states that decisions for location of commercial uses relies heavily upon accessibility and visibility from major transportation influences. According to Barlowe, other factors for consideration when making location decisions regarding commercial uses include land costs, proximity to market and customers, availability of adequate space, and other factors. He claims that larger commercial centers tend to favor sites with large amounts of available land that are close to major transportation routes.

Residential location, according to Barlowe, is contingent upon available space and convenience, and a pleasant environment. Often, residents prefer to live close to places of employment and centers of commercial activity in order to increase the convenience to these features. As an expansion to this, the author describes the importance of commuting activity and the effect it has had on the location decisions of homeowners (Barlowe 1986).

One theory which can be used to describe residential land use and location is the theory which is discussed by William Alonso, in his book, location and land use. In his book, Alonso suggests that residential location decision is based on two major factors, accessibility and space requirements and desires. His monocentric city theory of residential land use states that lower income households will tend to locate near the center of a city, while the more affluent residents will chose areas on the outskirts of a city. He states that the rich can afford more land than the poor, and can pay for the extra transportation costs associated with being located further from the city center (Alonso, 1964).

### **Retail Location Theory**

William Reilly and David Huff each present interesting ways of conducting retail location theories. Reilly's Law of Retail Gravitation is a popular method of analyzing and determining the characteristics of retail markets and service areas. David Huff's model, which takes Reilly's theory into account, and compensates for urban area characteristics is widely used for retail trade area analysis.

### **Additional Theoretical Sources**

One source which examines the transportation investments and their location and land use effects is Genevieve Giuliano's chapter in Susan Hanson's book *The Geography of Urban Transportation*, entitled "Land Use Impacts of Transportation Investments: Highway and Transit". This work takes a close look at the many location theories with respect to transportation. The overall point made by the author is that based on historical accounts,

transportation has a very direct influence on the urban form. In this chapter, Giuliano identifies the fact that the older theories of residential, industrial, and business location do not adequately explain or account for new changes and improvements in transportation.

She refutes the use of theory to attempt to predict the impacts of specific transportation investments, and concludes that the classic theories such as central place theory, and various gravity models only work when used in a large regional complex, not in large, or even small metropolitan areas. The existence of new technology and transit alternatives is mentioned, and Giuliano states that the use of theoretical explanations cannot be used in most cases because of the many factors which have been introduced since the evolution of these theories (Giuliano, in Hanson, 1995).

### **Case Studies**

According to various studies which have been conducted on the economic impacts of bypasses, some communities have seen negative impacts, no change at all, or positive impacts to their communities as a result of the bypass around their community. Various studies point to either positive or negative outcomes in a community.

A great deal of evidence discusses the idea that a bypass can improve the economic situation in a community. Many communities see the new roadway as a chance to welcome new opportunities for economic development, while some have seen increases in activity within the central business district or downtown area, as a result of decreases in traffic congestion, and conflicts. Some residents in various communities found that it was easier to gain access to the businesses in the Central Business District, and that the lack of traffic congestion made for a much more attractive, and inviting downtown atmosphere.

A recent set of bypass impact studies completed in January 1998, by the Wisconsin Department of Transportation suggests these ideas for most of the municipalities which were included in their survey. This study highlighted 17 communities in Wisconsin which have been bypassed since 1980. Among the overall results of this comprehensive look at



these communities, it is mentioned that these bypasses “had little adverse impact on the communities”, and that “very little retail flight has occurred in bypassed communities, meaning that few businesses have relocated, or developed new operations in areas adjacent to the bypass route.” It is also noted that the collective communities see their bypasses as overall positive additions to their communities (Yeh, 1998).

A previous study in 1988 conducted by the Wisconsin DOT echoed many of the same arguments and feelings associated with the bypassing of communities. This study, involved six Wisconsin communities. Each of the six communities were selected because of their diverse geographic, economic, and social characteristics. This report focuses on the personal accounts, experiences and viewpoints of various residents in the communities. The report consists of very little statistical data, and is highly qualitative in nature. The study showed that communities could solve this problem by promoting visitor attractions, which would act to draw the visitors passing by off of the bypass, and into the Central Business District. The study found that communities were able to overcome the odds through strong promotion and advertising. In terms of employment, most residents involved felt that the bypass had no negative effect on the number of jobs in their communities (WisDOT, 1988).

There are other reports or works which tend to take a more middle-ground approach to the bypass situation in their municipalities. For example, an older 1958 study which was conducted by faculty and students at the University of Kansas provides arguments on both sides of the question of bypass impacts. This is a study which highlights numerous communities which were bypassed by Interstate 70 during the 1950s. The study examines the economic function of each of these cities, which turns out to be quite different from city to city. Each of these communities were under 50,000 in population. It also includes statistical analyses of every city, including retail trends, and highway oriented versus non-highway-oriented businesses. The study noted that the economic situation of the towns which were heavily reliant on tourism, and highway-oriented businesses experienced negative effects due to the bypassing of their community. Cities which were larger in

regional terms (such as Lawrence and Wamego) saw positive increases in their economic activity. It was also mentioned that “the most vulnerable location for highway-oriented businesses, when a bypass is constructed, is along the old route. Only the city of Lawrence, with an approximate 1950 population of 20,000, showed signs of positive change in highway-oriented business and sales. The study also noted that the success of the city following a bypass is relative to its overall economic trends and the size of the community (Wagner, 1959).

In the case of a similar document put out by the Pennsylvania State University staff and students. The study conducted by the PSU group looks at the social and economic impacts of the U.S. 22 bypass around Blairsville, a small community of approximately 5,000 inhabitants in 1960. This study looked at economic impacts to the community in terms of changes in the value of real property, costs in the local government, and local tax patterns, as well as changes in business activity. In summary, the study found that “land values and properties along the new bypass route increased in value during the pre-bypass period, and sharply increased during the post bypass period, whereas property along the old route increased, but at a much lower rate than the areas adjacent to the new road. The same was true for building values in both cases. “The total number of business enterprises within the borough of Blairsville declined slightly during the decade under scrutiny.” The borough also lost businesses and activity in manufacturing, construction, and retail businesses. In comparison, these areas saw an increase in activity following the construction of the bypass, in the surrounding communities (PSU, 1962).

The Draft U.S. 31 Petoskey Area Improvement Project is a useful document to examine as well. This document includes short portions which identify the fact that there is a serious potential for impacts due to the Petoskey Bypass. “The economic integrity of downtown Petoskey is also a matter of concern if either a Near South or Far South Alignment is selected”. The document also identifies that “the demonstration component of the project has an economic aspect”, and “should seek methods to improve transportation efficiencies and provide opportunities to enhance the economic vitality of the community” (USDOT,

1994). The report also mentions that the City of Petoskey and particularly the Central Business District are considered to be “Affected Environment”, and highlights the potential losses to highway-oriented businesses and tourism in the city of Petoskey in particular. The study also points out that a majority of the employment in Petoskey is attributed to retail establishments, the very establishments which will be most effected by the bypass. However, it is interesting to note that this report offers no consideration for mitigation of the economic impacts which would be received and suffered by the city and its thriving downtown district (USDOT, 1994).

One report which includes portions which are similar to nature to the ones proposed as part of the Petoskey Area Bypass Study is entitled *Effects of opening the M-21 Expressway*. This is one of the few documents which was discovered that focuses on the potential impacts of a bypass highway upon a community. In this case, the community is Lapeer, a city of approximately 6,000 inhabitants located along the present Interstate 69 corridor in eastern Michigan. This study noted that the majority of businesses which would be effected by the bypass would be highway-oriented businesses such as grocery stores, gas stations, restaurants, and motels. Of particular concern in this study was the fate of several truck stop establishments located on or in close proximity to the former location of Michigan Highway 21 (Coil, 1984).

As can be seen, upon examination of the previous literature and evidence about the economic impacts of bypasses, there tends to be a trend towards praise of these projects. However, it must also be noted, that almost all of the reports suggest some type of adverse impact, especially in the case of highway-oriented businesses. Because of this, the analysis of impacts tends to be fragmented and subjective. There is a lack of homogeneity of data with respect to the analysis of the economic data presented in these reports. As a result each impact analysis take on a different shape, and is unique to any other. However, it must also be noted, that almost all of the reports suggest some type of adverse impact, especially in the case of highway-oriented businesses. With this taken into consideration, and the historical changes suffered by cities as a result of outward expansion and the

phenomenon known as sprawl, it is easier to substantiate the adverse impacts that highway bypasses visit upon the communities they avoid.

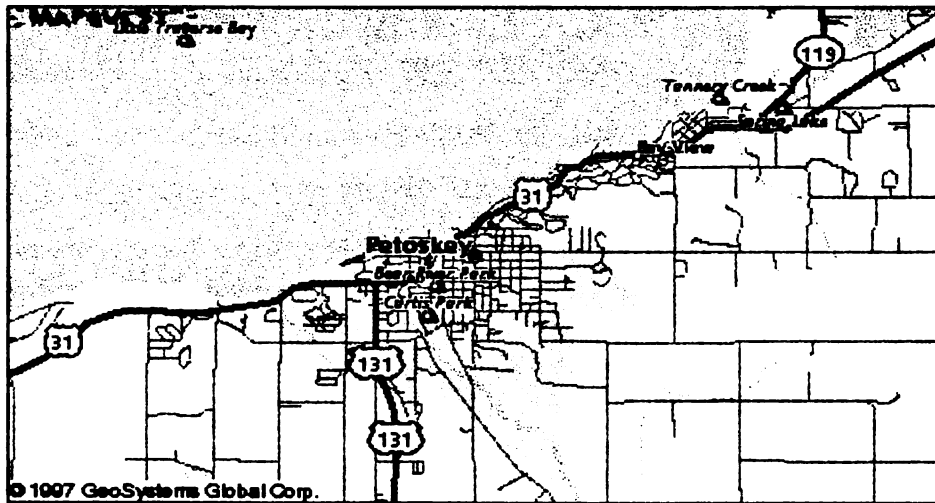
### **Retail Development Standards**

When considering theoretical approaches to determining the probability of retail development and location, it is important to look at traditional retail and business location theories and standards. One source which provides a basis for shopping center and retail location decisions is the guidebook put out by the Urban Land Institute entitled *Shopping Center Development Handbook*. This book identifies the various factors which must be considered with the successful development of a shopping center or retail establishment. The handbook states that commercial success is highly dependent upon location, access, and visibility. The handbook identifies the fact that “location is of paramount importance in the success of all shopping center types. The manual further identifies the location requirements of various types of shopping centers, identifying accessibility to major transportation routes as an essential component to success. It also identifies the existence of major thoroughfares adjacent or nearby to a site as a factor which increases a particular site’s probability for success (ULI, 1977).

# **Petoskey, Michigan and the Proposed US 31 Bypass**

---

## **Case Study**



### **Introduction**

Petoskey is the central study community in this project. All of the analysis in this report will focus on the Petoskey area. Each of the case studies presented later will discuss implications of their situations for the community of Petoskey. The following information will provide a basis for analysis, including information such as location and geographic features, historical background, a detailed demographic and economic section, and information specific to the proposed US 31/Petoskey Area Bypass project.

### **Location**

The community of Petoskey is located in the northern part of Michigan's Lower Peninsula on Lake Michigan's famous Little Traverse Bay in Emmet County. The city is situated on a bluff overlooking the Little Traverse Bay, at the mouth of the Bear River. The area is also home to a number of large lakes like Walloon, Charlevoix, and Crooked to name a few. The hills around the city are covered with a mixture of farmland and forest, and have

been compared to some of the hilly regions in Germany. Because of this variety of natural landscape features, the Petoskey area is a very picturesque and popular location.

The city of Petoskey is the largest city for over 50 miles in every direction, and thus is a very important city for this area of Michigan commonly known as the “tip of the mitt.” Petoskey is located approximately 270 miles from Detroit, 370 miles north of Chicago, 200 miles from Lansing, and 190 miles from Grand Rapids. The nearest large city, Traverse City is 67 miles south of the city. The Mackinac Bridge is 34 miles north, and the Canadian border at Sault Ste. Marie is about 93 miles north.

Petoskey is served directly by three highways: US 31, US 131, and M-119. US 31 follows the Lake Michigan shoreline to Petoskey from South Bend, Indiana, and continues north to end near the Mackinac Bridge at I-75 just south of Mackinaw City. US 131 starts at the Indiana Border just south of Kalamazoo, Michigan, continues through Grand Rapids, and other west Michigan communities, and terminates at US 31 in the center of the city of Petoskey. The city is also located near M-68, which leads east to I-75, and Rogers City, allowing access to the rest of the state of Michigan (see Map 1).

The city is serviced by Pellston Regional Airport Located off US 31, about 20 miles northeast of the city. The city is also served by bus lines, and a railroad which comes into the southern portion of the city, and ends near Washington Street in an industrial portion of the city.

### **History**

The city of Petoskey and the entire Little Traverse Bay area is rich in history. The Petoskey area was once home to a band of the Ojibway Nation of Native Americans. In the middle 1800's, Chief Petosega (Petoskey) and his family called the Petoskey area their home. During the same time, white settlers came to the Petoskey area, and constructed homes, and a small village on the banks of the Bear River. Soon after the city was granted a charter in 1879, the residents chose to name the community after the Indian Chief



Petosega. The anglicized version, “Petoskey” was adopted, and remains the name today. During the mid to late 1800’s, the Petoskey area became widely known, and thousands of visitors flocked to the area, and took advantage of the unsurpassed beauty of the area. As a result of this new popularity, many new hotels and resorts began to develop. The first large Hotel, The Perry Hotel, and others were constructed near the city’s railroad depots. The railroad put the town of Petoskey on the map, and soon the city became a preferred destination of the wealthy from cities like Chicago, Detroit, and Indianapolis.

During the late 1800’s and early 1900’s many new vacation homes and communities were developed around the bay. Most of these “cottages” were built in the larger clubs and associations such as Bay View, Wequetonsing and on Harbor Point in Harbor Springs. The cottages in these associations soon became a common symbol in the Petoskey area, and continue to be built today. At the same time, the downtown area of the city began to develop and flourish as a shopping destination. One section of the downtown district known as the “Midway” catered to wealthy tourists and residents, and the bustling business district was characterized by hundreds of gas powered street lamps.

One of the largest developments of summer homes and cottages in the Petoskey area is the Bay View Association. Founded in 1875, The Bay View Association is a large collection of Victorian cottages, homes, community buildings, and a famous inn. The community was founded and remains a popular summer retreat for members of the Methodist Church. Today the community consists of over 450 cottages, and public buildings, and the Bay View Inn. The Bay View Colony was granted a position on the National Register of Historic Places in 1988 (Historical Glimpses, 1986).

Over the years, the city of Petoskey and the downtown area continued to develop, and the city has become one of the state’s top tourist resort communities, and a favorite location of second homes of the wealthy from the big cities of the Midwest. The downtown, or “Gaslight District” of Petoskey is known for its variety of stores, restaurants, and recreation areas, including the popular Bayfront Park, which is adjacent to downtown on

the bay, and can be reached from an underground tunnel beneath US 31, as it travels along the lakeshore toward the Bay View Colony. It is home to numerous hotels, inns, resorts, and cottage colonies.

### **Demographic and Economic Overview**

According to the US Census Bureau, the city of Petoskey had 6,045 residents in 1990. The State of Michigan Demographic Officer estimated that the city had 7,241 persons in 1997. The townships adjacent to Petoskey, Bear Creek, Resort and Little Traverse each have experienced explosive growth. The total population of Emmet County was 25,040 in 1990, and it is estimated that this number has risen to over 29,000. Projections from the State of Michigan Office of the State Demographer indicate that the population of the county is expected to grow to 34,300 by 2020.

Due to Petoskey's position as a favorite tourist and resort destination, it is important to mention the impact of the seasonal activity of the area. According to the Petoskey Area Chamber of Commerce, the population of the county and city more than tripled during the peak tourist season between May and September. Also, over 35% of the 14,731 homes in the county are seasonal or second homes, and this number is increasing dramatically. The average price of a new home in the Petoskey area is \$ 184,000. Just last year, a new resort development, Bay Harbor, owned by Boyne USA Resorts, was opened. This development includes over 500 luxury units ranging from \$800,000 condominiums to \$5-10 million second homes. There is also a large village center, which sports a large luxury hotel and yacht club. This development stretches along the Lake Michigan coastline for over 10 miles, and is nearly one mile wide at its widest point. ([www.bayharbor.com](http://www.bayharbor.com), 1999).



Figure 1 Downtown Petoskey, MI, 1998

According to the Petoskey Area Chamber of Commerce, the employment base of the Petoskey area (Emmet County) is comprised mainly of service industry employees (35.7%), followed by government (11%), and manufacturing and retail (approx. 9.5% each). It is also interesting to note that construction employs 8.6% of the county's residents, with 39 contracting companies, and over 30 real estate brokerage companies. Among the county's largest employers are the Northern Michigan Medical System (2200 employees), Boyne USA Resorts (600 employees), Stafford's Hospitality (275 employees), and many others. The county has over 2000 hotel/motel rooms, and over 400 retail establishments, and more than 50 dining establishments. In all, there are over 7400 tourist/seasonal accommodation units in the county (USDOT, 1994).

As can be seen, tourism is a very important and significant part of the economy of Petoskey. The top employers in the county area tourist resorts and services, and there are hundreds of businesses in the area that cater to tourist and resort activity. Many of these are located in Petoskey's famous waterfront Gaslight District. Nestled among Northern

Michigan's lakes and hills, the Petoskey area is home to 3 large year-round resorts, many hotel/motels and cottages. There are also several inns and guest homes, and hundreds of cottages located in private clubs and communities that ring Little Traverse Bay. In addition, the area abounds with recreational facilities and activities, including ski and golf resorts, bayshore parks, a state park with sand dunes, a city winter sports park, several nationally recognized trout streams, and hundreds of campsites. The city is also located at the western end of the Inland Waterway, a navigable chain of rivers and lakes which flows eastward from Petoskey to Cheboygan, located on Lake Huron. Over the years, the Petoskey area has become one of the Midwest's top vacation and resort destinations. "Among Michigan's 83 counties, Emmet ranks 10<sup>th</sup> in terms of the impact of Travel on the local economy. Other than urban counties (e.g., Wayne, Oakland, Kent), Emmet is only outranked by Grand Traverse in terms of tourism-related jobs and tourism-generated dollars" (USDOT, 1994).

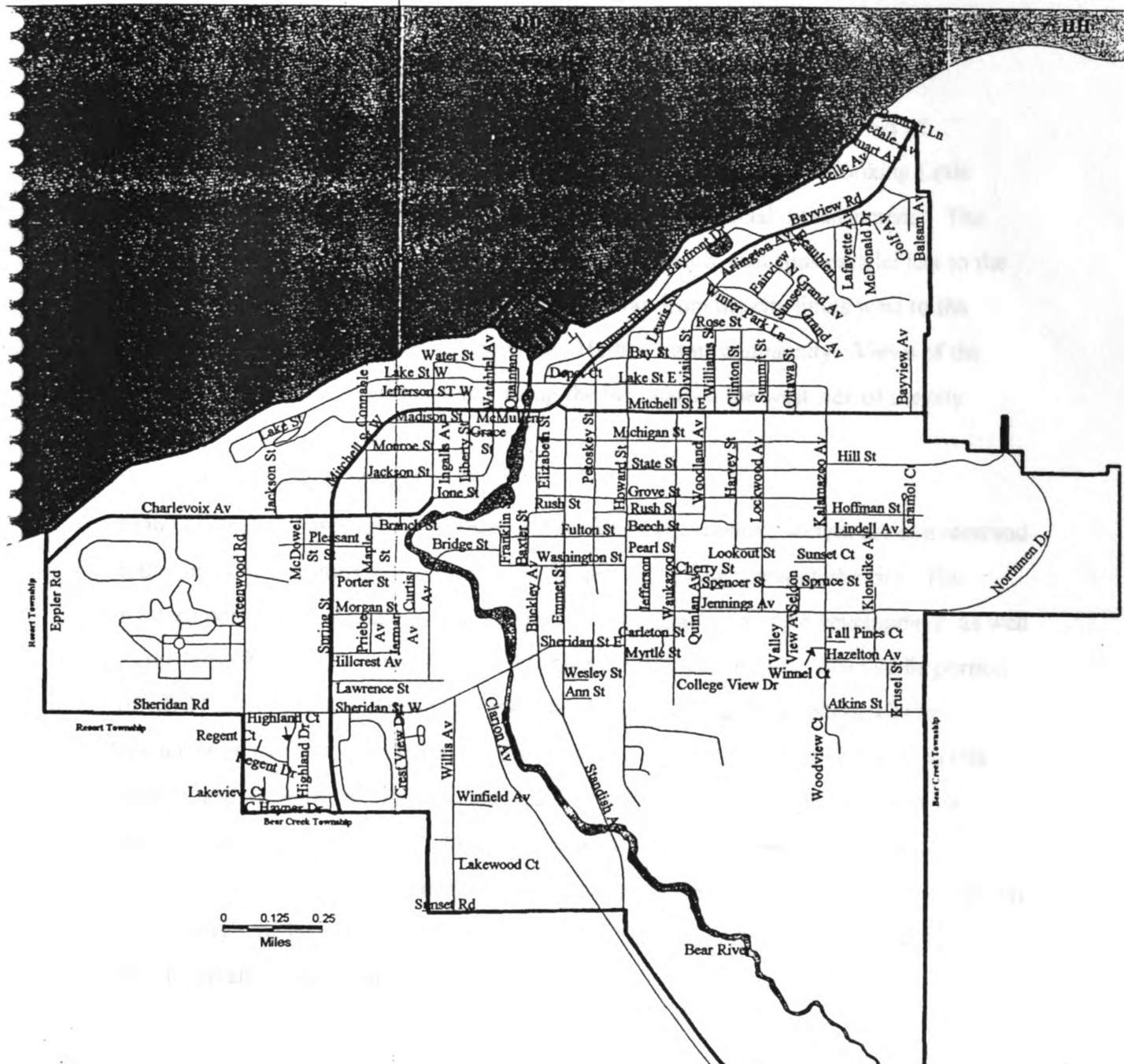
### **Development in the Petoskey Area**

In order to properly assess the development potentials in the Petoskey, it is necessary to look at existing development patterns along the major thoroughfares in the Petoskey area. This section examines each of the major entry points of the city.

#### **US 131 AT SOUTH CITY LIMITS**

The development in this area tends to be in the form of traditional commercial highway-oriented strip development. It is characterized by large hotel/motel chains, restaurants, office complexes, and three major strip shopping plazas, each of which is anchored by a major discount, Big Box retailer (see figure 2 ). This area of the city is perhaps one of the most picturesque with wide vistas and views of the Little Traverse Bay. It is also one of the most developed. The highway travels down a steep grade, and finally meets US 31, near the center of the city, just above the bay.

Map 2 Petoskey, MI City Map



Source: Emmet County Mapping/GIS, 1998

### **US 31 AT PETOSKEY EAST CITY LIMITS**

Like the southern gateway to the city, this area is also characterized by scattered, commercial development. Most of the development in this section of the city is in the form of fast food restaurant chains, gasoline and service stations, restaurants, and smaller shopping plaza areas. There are also a small number of motels in this area, as well as numerous entertainment businesses such as mini golf, and water attractions.

### **US 31 AT PETOSKEY WEST CITY LIMITS**

This location is less developed than all other entries to the city. It is not void of commercial uses, however. There are a number of smaller motels overlooking Little Traverse Bay at this point, as well as a few scattered commercial establishments. The development potential of this area is limited by a large bluff, that runs parallel just to the south of the highway. The north side of the highway from the city limits west to the county line is occupied by the large new Bay Harbor resort community. Views of the resort can be gained at various points along the highway on the west side of the city.

### **US 31 WITHIN PETOSKEY CITY**

Many commercial uses similar to those mentioned in the previous section are common and found in many locations along the US 31 corridor as it passes through the city. The western portion of the route is characterized by traditional strip-style development, as well as the large Burns Clinic and Northern Michigan Hospital Complex. The middle portion of US 31 in the city is occupied by a mixture of uses, ranging from commercial to residential in nature. The Central Business District is located just east of US 31 in this section, and many of the city's parks along the lakefront can be accessed from cross streets, as well as US 31 itself. As US 31 exits the city to the east, it passes by a residential and commercial mixture, including a shopping plaza. At this point, the highway cuts through the historic Bay View Colony, and continues to the commercial area mentioned above (see Map 2).





Figure 2 US 131 at city limits, Petoskey, MI, 1998

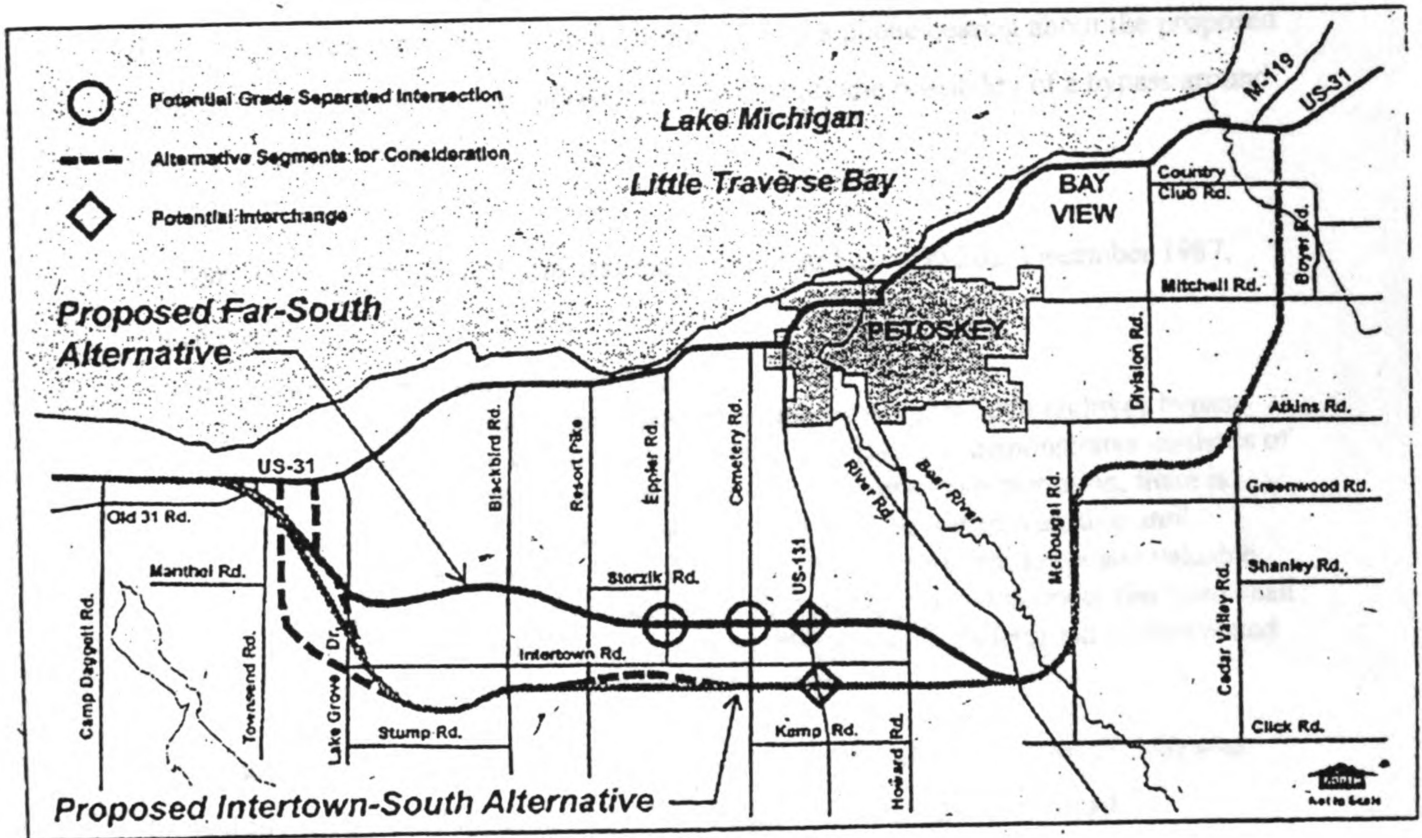
### **The US 31 Petoskey Area Improvement Project**

The US 31 Petoskey Area Improvement Project, otherwise known as the Petoskey Area Bypass is a project which has been proposed by the USDOT Federal Highway Administration, and the Michigan Department of Transportation as a method to improve the flow of traffic in and around the city of Petoskey.

### **HISTORY**

The discussion of the traffic congestion problem in Petoskey has existed for decades, but was first formally recognized in 1971 in the Thoroughfare Plan for the Emmet County Master Plan. This document noted that traffic was particularly bad from the central business district eastward along US 31, and suggested a widening of US 31, as well as a bypass utilizing existing county roads as a way to reverse the adverse effects caused by the

### Map 3 Project Proposal Map



heavy traffic (Thoroughfare, 1971). Soon after this, the MDOT recognized the need for further study of the traffic flow in the Petoskey area, including a bypass around the city.

In 1978, in reaction to a recommendation to widen US 31 east of the downtown area, including through the Bay View Colony, representatives from the Bay View Association, a local Hotelier, and the Chamber of Commerce petitioned local congressmen and expressed their support of a bypass around the city of Petoskey. This led to the preparation of an Environmental Impact Statement (EIS) in 1986 for a possible bypass in the vicinity of the Bay View Association on the east side of the city. At a public hearing about the proposed project, individuals encouraged MDOT to further study the possibility of a bypass around the city (MDOT, 1987).

In 1988, an official announcement was made of Public Law 100-202, December 1987, which stated:

**“Traffic Improvement Demonstration Project**

For 80 percent of the expenses necessary to carry out a highway bypass project in the vicinity of Petoskey, Michigan, that demonstrates methods of improving economic development and regional transportation, there is authorized to be appropriated \$28,000,000 to remain valuable until expended, of which \$475,000 is hereby appropriated, to remain valuable until expended: Provided, That all funds appropriated under this head shall be exempt from any limitation on obligations for federal-aid highways and highway safety construction programs.”

As a result of the release of this information, the Citizens Advisory Group (CAG) was formed to provide local input about the US 31 project. This group included representatives from all local governmental jurisdictions and representatives of eight special interest groups. In 1993, the CAG became the Intergovernmental Planning Group (IPG) (USDOT, 1994).

In 1994, the Draft Environmental Impact Statement (DEIS) was issued to the public. The release of this information resulted in a great deal of controversy in the community, and several anti-bypass special interest groups were formed. Because of this, the project became known to all residents of the Petoskey area, and became a widely debated, argued,

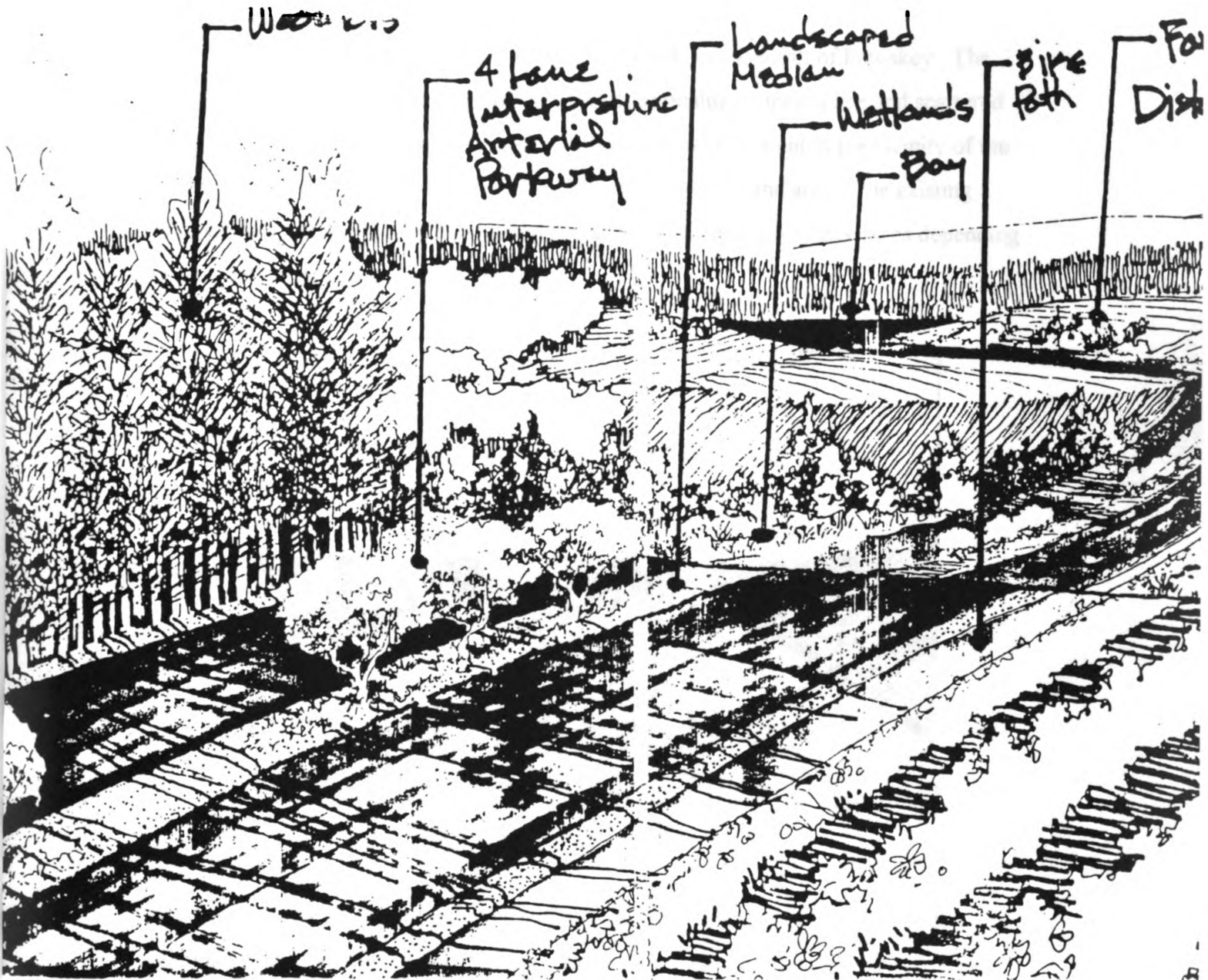
and discussed project, which divided, and in some ways may have united different members of the community. This atmosphere prevailed for several months, and intensified and subsided with the release of additional information regarding the project. These groups grew large in membership numbers, and became fervently involved in educating the public about the bypass issue. During the time period following the release of the DEIS, the bypass issue became the most widely discussed topic in the community. Several major public hearings, attended by hundreds of people with opposing viewpoints either for or against the bypass took place in the years following. Because of the unrest created by the proposal, the project has been delayed several times over the past five years (Petoskey Interview, 1998).

Currently, the details of the proposed Petoskey Bypass are being investigated and considered by the MDOT. Per request of the residents of Bear Creek and Resort Townships, an additional alternative, known as the Intertown South Alternative, suggested by residents and government officials is being studied by the MDOT. As a result of a study conducted by an outside consultant, the eastern half of the Intertown South Alternative has been discontinued and discarded from consideration, and the eastern portion of the Far South Alignment will be used. The western half of the suggested route is being analyzed further, as is the remainder of the MDOT preferred Far South Alternative option. According to MDOT officials, construction of the first segment of the bypass will commence some time shortly after the turn of the century, after the release of a supplemental EIS to the DEIS, which will detail all of the changes to the original document. Following this a Final EIS will be issued, and construction will begin (MDOT Interview, 1999).

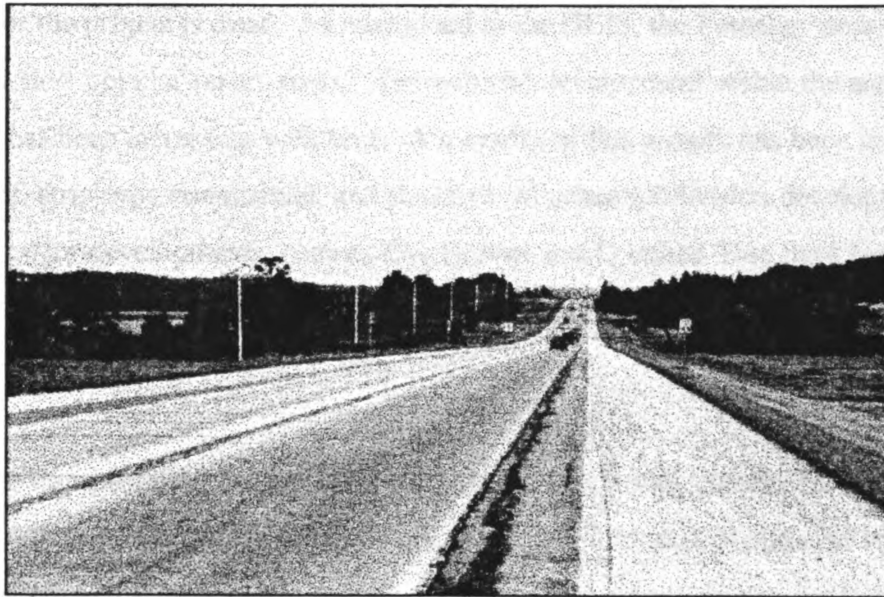
## **PROJECT DETAILS**

As described in the *US 31 Petoskey Area Improvement Project Draft Environmental Impact Statement and Section 4(f) Evaluation* issued in 1994, “the project has been identified by the MDOT as a priority transportation need to address transportation deficiencies in this scenic, tourist-oriented community of northwestern lower Michigan.

**Figure 3 Artist's Rendering of Proposed Bypass**



US 31 is the principal state arterial highway serving the Petoskey community along the Lake Michigan shoreline, while US 131, which terminates near downtown Petoskey, provides north-south access for Petoskey.” The area being considered for the construction of the bypass is bounded by Townsend Road on the west to the intersection of US 31 with State Highway M-119 on the east. The north-south bounds of the project are located between the Little Traverse Bay and Click Road, south of Petoskey. The predominant land use in the proposed corridor is agricultural/open space and scattered rural residential development. A majority of the new development in the vicinity of the bypass is related to the seasonal resort and tourist activity of the area. The existing roadway is a standard undivided highway which varies from two to five lanes depending upon location (see Map 3)(USDOT, 1994)



WIS 42/57 Bypass, Sturgeon Bay, WI, 1998

According to the DEIS, the traffic volumes along the current route are very high in relation to the character of the roadway. Traffic counts range from 10,900 near the western edge of the city to 32,700 in the vicinity of the Bay View Colony. These levels are especially prevalent during the peak tourist season in summer. “Seasonal traffic is generated by Petoskey State Park (over 240,000 annual visitors); Boyne Highlands, Boyne Mountain, and Nub’s Nob resort complexes, Petoskey marina, and nearby parklands.”

The Far South Alternative, the preferred alternative, is located approximately 3.2 miles south of the Central Business District at its southernmost point. It consists of 10.2 miles of boulevard style limited-access roadway (if the western section of the Intertown South Alternative is selected, this length will increase slightly) (see Map 3). The proposed route traverses several types of land use, ranging from urban commercial to rural farmland and forest. The topography of the route varies greatly, and includes large changes in elevation, especially with respect to the Bear River valley. A large amount of cut-and-fill operation will be required, and the project is estimated to displace approximately 50 acres of wetland, 33 residences, 2 businesses, and 21 farm structures. In all, the project will require 757 acres of right-of-way, and will remove 190 acres of farmland from activity(USDOT, 1994).

The need for the project is clear. As mentioned in the DEIS, the Petoskey area is “one of Michigan’s most popular resort areas.” Growth and development within the area has been steady and has been increasing with time. A majority of this growth has been in the form of traditional strip-type commercial, and standard suburban subdivision development. Additional major developments, such as Bay Harbor and Crooked Tree have been announced or are under construction, and more are likely to follow (Petoskey Interview, 1998).

The existing transportation system in the Petoskey area is inadequate for current activity levels, and falls well short of the future demand which will be placed upon the road in the area as development continues in the area. The existing roadway proves inadequate by MDOT’s standards in terms of sufficiency ratings, which consist of factors including surface, base, capacity, and safety. The ratings used by MDOT are as follows:

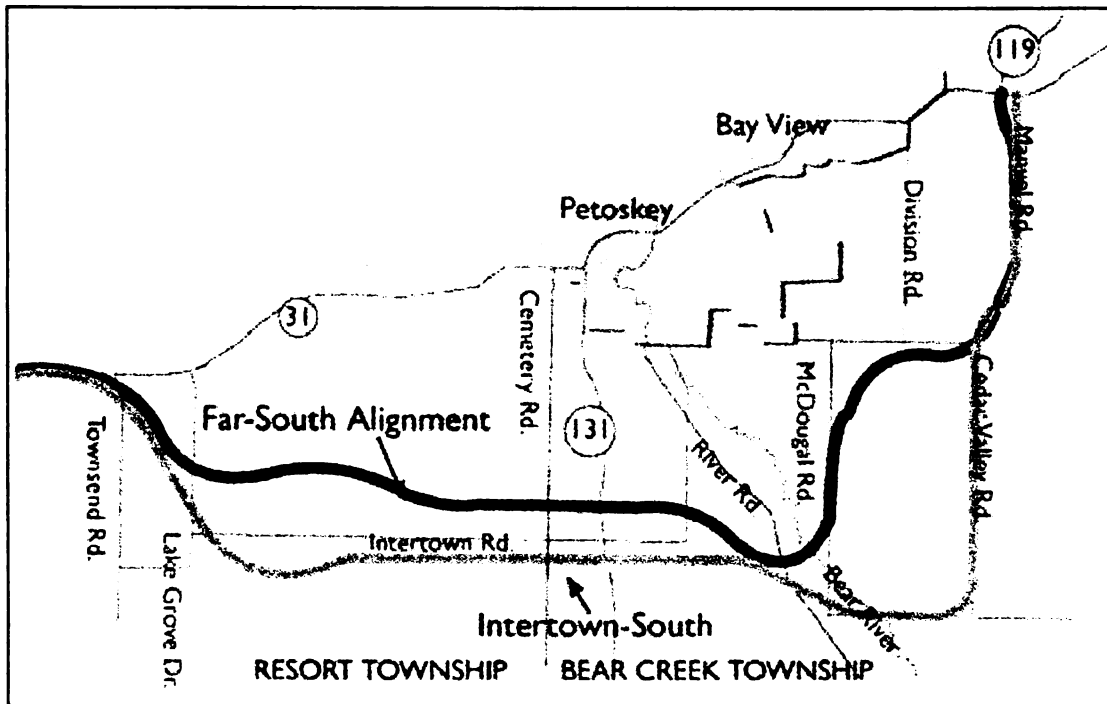
- 0-49     Very Poor
- 50-64    Poor
- 65-79    Fair
- 80-89    Good
- 90-100   Excellent



All of the segments of US 31 in the Petoskey area are rated in the Fair to Very Poor range, from 65 between The western city limits and US 131, to 26 in the segment between US 131 and the Bear River Bridge in Downtown Petoskey. In terms of the factors, the most common deficiencies lie in the capacity and safety standards (USDOT, 1994). Another analysis of the existing route is an Origin-Destination Study. The O&D Studies for Petoskey indicate that a majority (70%) of the traffic on the state routes in the Petoskey area is destination-oriented or local traffic. And that those through trips on US 31 usually were destined for the resorts located north of the city accessible from M-119 (O&D, 1990).

Existing Levels of Service also indicate deficiencies in the state and national roadway network in the Petoskey area. Level of Service is a measure of the flow and operational conditions of a particular segment of roadway. Level of Service is represented by letters A through F, with F representing the worst conditions and A optimal traffic flow speeds, and operations. All of the segments of US 31 in the project area are represented by LOS D,E, and F. Only one segment has a better rating of LOS B, just west of the US 31/131 intersection (USDOT, 1994).





Proposed US 31/Petoskey Area Bypass, current status

Source: Michigan Land Use Institute Homepage <http://www.mlui.org>

## PROJECT IMPACTS

In terms of project impacts upon land use and economic impacts, the preferred alternative will adversely effect existing land uses as a result of the conversion of agricultural and forested lands to accommodate for the new roadway and right-of-way. The type of land use most impacted by the proposal is agricultural. According to the DEIS, "Impacts to the project area's economy would occur with the selection of the Build Alternative.

Displacements of businesses and productive farmland would have the most direct and adverse consequences to socioeconomic conditions in the Petoskey area. Selection of one of the alternatives (Near South) could increase the potential for business development. Certain intersections may be more likely to experience future commercial growth where substantially vacant and developable land exists and increases in traffic can be expected" (USDOT, 1994).

The DEIS further states that there are some issues of controversy. Among these is the potential for uncontrolled growth with the construction of a bypass, the ability to maintain

the economic integrity of Petoskey's Central Business District. In specific, the DEIS mentions that the major factor is the extent to which local traffic is diverted by a bypass. The document also discusses that, especially with a bypass, the conversion of farmland to other uses is a potential threat to the economy of the area. Although the area is currently undergoing this type of activity, if proper measures are not taken to control land use, a bypass could easily exacerbate the current problem. To this point, The DEIS states "Uncontrolled growth, thus would represent a considerable threat to the scenic and pastoral qualities of the project area" (USDOT, 1994). With the tourism industry reliant upon the scenic quality of the area, this is a major concern.

Potential development at or near intersection of the bypass and existing roads pose the greatest risk to the economic vitality of the Central Business District and the City of Petoskey. According to the DEIS, the Build Alternative (the Far South Alternative at this time) "are more likely to accommodate and possibly encourage development within Resort and Bear Creek Townships." The MDOT cites the inclusion of a limited-access feature as a method of growth management along the corridor. According to the standards used in the MDOT analysis, potential for development at intersections is reliant upon the existence of:

- Substantial vacant land
- a compatible pattern of existing land uses
- a major north/south arterial
- no apparent environmental constraints

Further, the DEIS identifies the fact that "Strip commercial development is likely occur along higher volume roadways, with limited or no control of access points (i.e., US 31, US 131 and M-119) This type of development not only draws business away from a central business district, but also reduces the traffic operation features design for the roadway. The intersections which were identified as having "high" potential for development include US 131, Mitchell Road, and the one with "moderate" potential was Resort Pike Road, while all others were given a "low" rating (USDOT, 1994).

## **Interview Results**

Interviews of local business owners and selected residents were conducted during the summer of 1998, by the author. Interviews were conducted in a random fashion, using a standard set of interview questions, and were collected in person. The 25 interviews were conducted over the course of one week. After the interviews were completed, the answers were collected and aggregated in order to gain a sense of understanding of the overall attitudes and opinions about the bypass.

The results showed that approximately one-half of those interviewed felt that the bypass was necessary, and that it would not affect their business. Of the remainder who responded to the question, the feeling was one of insecurity and animosity towards the proposed development. Overall, respondents felt that the proposal posed a serious threat to the downtown. Generally, the respondents were more afraid of the effects that the bypass would have on the landscape, and therefore indirectly the downtown merchants, and the overall economy of the city. Many people felt that the type of development which could occur in proximity of the bypass was already happening, and given time, will have a negative effect on the city.

Of those who felt no negative feelings toward the development of the bypass, the comments always centered upon the uniqueness of their business. The respondents generally felt that their business did not rely upon passersby or locals. Many felt that the bypass would not have any effect on their business because they have a loyal clientele who are willing to pay the price for quality retail items.

When asked whether they felt the overall economy of Petoskey had changed, many felt that it had not necessarily gotten worse, but mentioned the fact that the type of business in the downtown has changed from elite men's and women's clothing stores to quaint gift and keepsake shops, and galleries. Some even commented that the "old money" that used to support Petoskey was not going to be there much longer. One respondent noted that

the money is still there, but that it is a different type of interest and leisure that the people with “new money” have. Many mentioned the destination element of the city as a reason why people will not avoid Petoskey because of the construction of a bypass.

One sentiment was echoed by every respondent on both sides of the issue. It is a general consensus that Petoskey area residents do not want to see Petoskey become another Traverse City. Traverse City has experienced heavy development, especially on the south side of town. This gigantic area in Traverse City along US 31 and Airport Road is often cited by Petoskey residents as what they do not want to see their city develop as, in that fashion, or to that extent (Petoskey Interview, 1998).

### **Opposition to the Bypass**

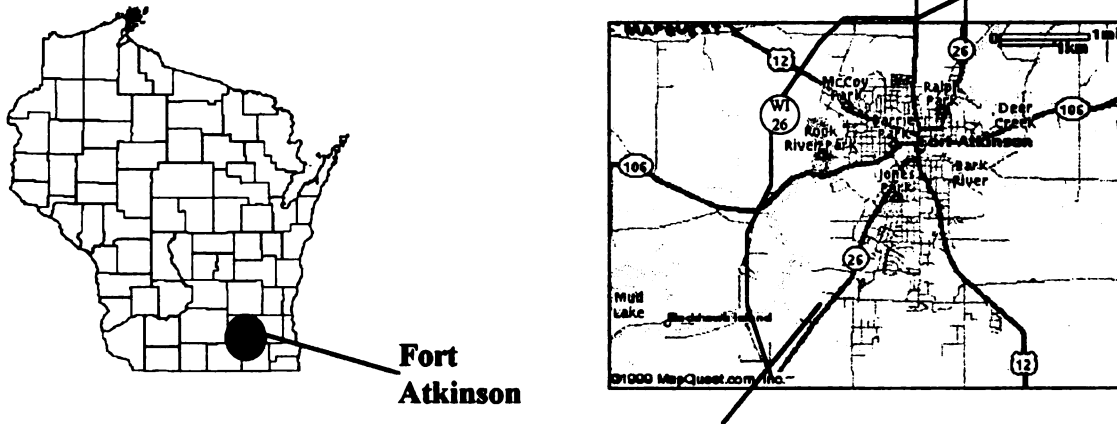
A number of residents and business owners in the Petoskey area formed groups to try to fight and stop the progress of the development of the proposed bypass. Many of the groups did not endure the time period following the release of the DEIS. A couple of the group joined forces and became quite strong. These groups discussed the issues surrounding the bypass, and circulated memos and information newsletters to residents of Petoskey. Many of the members of these groups were quite active in the issue, and flooded government officials with letters of dissatisfaction, and other materials.

These groups also worked to mobilize and educate the residents of the community. One group organized a tour of the active farms and other areas of the surrounding townships which were in the path of the proposed right-of-way. They even went as far as to sell merchandise such as T-shirts, banners, bumper stickers, etc. to display their position. In sum, the opposition groups in the Petoskey area were very well organized, and effective in delaying the construction of the bypass. These groups forced the officials of MDOT and the US FHA to take a more thorough look at the community issues and concerns related to the bypass (Petoskey Interview, 1998)(see appendix - sample newsletter)

## Fort Atkinson, Wisconsin (WIS 26, US 12)

---

### Case Study



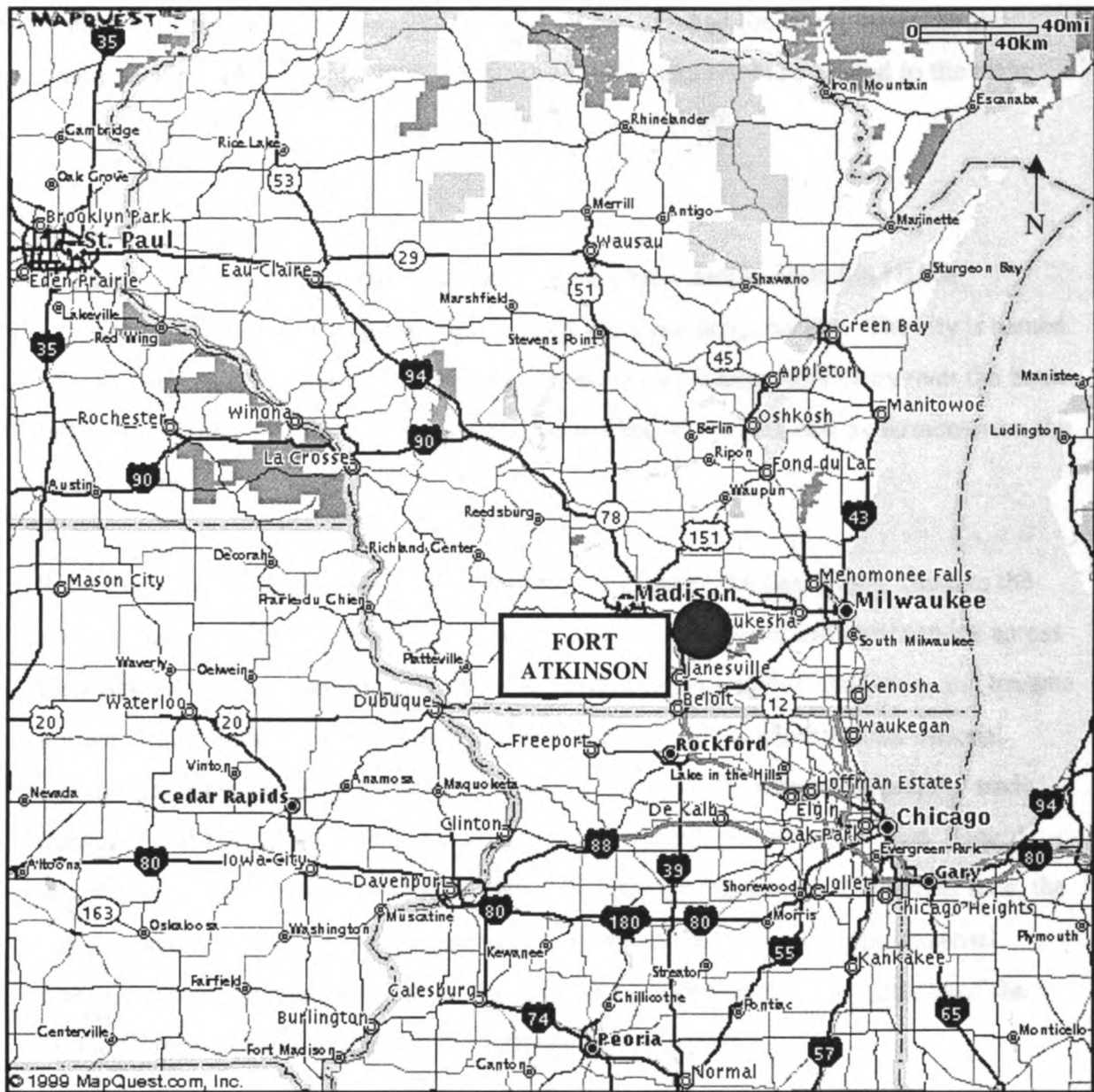
### Introduction

The City of Fort Atkinson was chosen as a comparison community for this analysis due to its similarity with Petoskey in size, and the existence of a sizable tourism sector within its economy. In addition, the bypass opened to the public only 5 years ago, and therefore serves as a good example for the short-term analysis portion of this report.

### Location

Fort Atkinson is located in southeastern Wisconsin approximately 30 miles southeast of Wisconsin's capital city of Madison, and 20 miles north of Janesville, Wisconsin. It is about one hour west of Milwaukee via Interstate 94, 2 hours from Chicago on US 12, and 5.5 hours from the Minneapolis/St. Paul, Minnesota metropolitan area.

The city is accessible via 4 highways, including State Highway 26 and US Highway 12. WIS 26 is a heavily-traveled north-south corridor which traverses the state from Janesville to the south and the highly populated Fox River Valley Region to the north. US 12 has less traffic volume than WIS 26, but is still a very important transportation artery, connecting the city to the Madison Area and the Chicagoland metropolplex (see Map 4).



Map 4  
Fort Atkinson, WI Location Map

Fort Atkinson comprises 4.5 square miles, and is divided by the Rock River, which flows south into the Illinois River, the Mississippi River, and ultimately to the Gulf of Mexico. A small municipal airport is located northeast of the city, and the city is served by the Union Pacific Railroad for purposes of shipping cargo and products related to the many industrial operations in the community (Fort Atkinson, 1999).

### **History**

The history of Fort Atkinson and the surrounding area is deeply rooted in Native American culture, the agricultural industry, and more recently, tourism. The city is named after General Henry Atkinson, an American Army leader famous his victory over the Sauk Indian Tribe and Chief Black Hawk during the settling of the Midwest by farmers from the eastern states.

Soon following the Black Hawk War, the first white settler, Dwight Foster came to the present location of Downtown Fort Atkinson, and opened a hotel and ferry service across the Rock River. Soon after this, in 1870, W.D. Hoard came to Fort Atkinson, and became known as the “Father of Dairy Farming in Wisconsin.” He also founded the national agricultural magazine *Hoard’s Dairyman* in 1885, which still remains the premier trade publication of US dairy farming, and is written and published in Fort Atkinson. Hoard also served as Governor of Wisconsin after arriving in Fort Atkinson. Since that time, the city grown to over 10,500 inhabitants, and has become an important light industrial operations center in the region, as well as a tourist destination, with the opening of the famous Fireside Dinner Theatre in 1964 (Fort Atkinson, 1999).

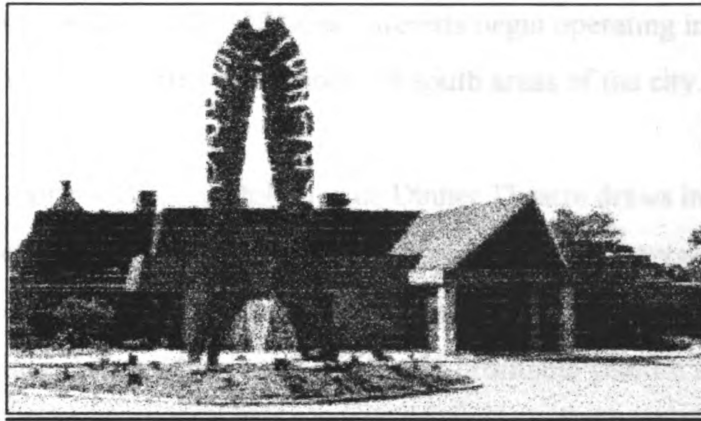


Figure 4 Fireside Dinner Theatre, Fort Atkinson, WI

Source: <http://www.firesidetheatre.com>

### **Demographic Overview**

According to population estimates from the State of Wisconsin's Office of the Chief Demographer, Fort Atkinson had 10,600 inhabitants in 1997. The 1990 US Census of Population states that the city's population was 10,277 in 1990. This shows that the population of the city has steadily increased since the beginning of the decade. The total population of Jefferson County is approximately 69,000 according to State of Wisconsin population estimates.

The population of Fort Atkinson is primarily white and the employment base is composed of mainly blue-collar workers in various sectors of the manufacturing economy of the city. Fort Atkinson is a relatively self-sufficient town, and a large number of its residents within the city or county. According the Southeastern Wisconsin Regional Planning Commission (SEWRPC), Fort Atkinson is increasingly becoming a bedroom community and source of commuter population for cities such as Madison and Janesville (SEWRPC, 1999). As mentioned before, the economy of Fort Atkinson is characterized by a diverse industrial base and a recent tourism market. Among the largest employers are companies which specialize in food products, office and institutional furniture and supplies, Printing and publishing, educational and laboratory products and supplies, as well as sheet metal forming and pulp and paper products. Fort Atkinson has 8 companies that employ over 300 people, and has a highly-skilled, well-paid employment base. The industrial base of



the city is constantly expanding as additional interests begin operating in Fort Atkinson's two large industrial parks located in the north and south areas of the city.

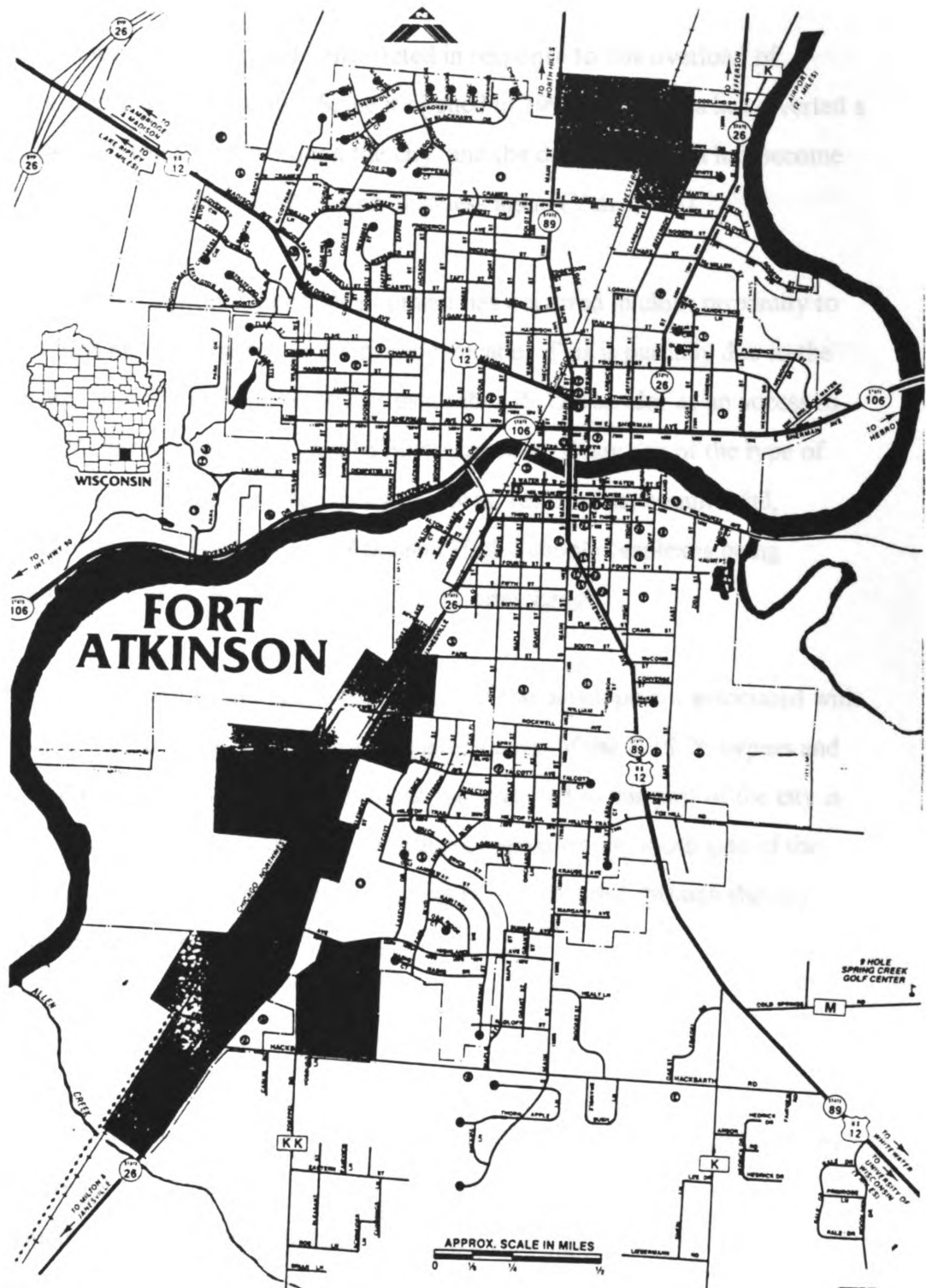
In addition, the popular and successful Fireside Dinner Theatre draws in large amounts of tourism dollars daily all throughout the year, with several major shows, and numerous smaller productions which cater to motorcoach tours and senior citizen travel groups (see Figure 4). Ever since the introduction of this highly-profitable venture to the City of Fort Atkinson, the business has continually grown and has spurred a great deal of tourism-related facilities, such as hotels and restaurants. According to estimates from the Fort Atkinson Area Chamber of Commerce, a significant portion of the economy of Fort Atkinson is based on the travel and tourism industry (Fort Atkinson, 1999).

### **The WIS 26 Bypass**

The 6.6 mile-long Fort Atkinson WIS 26 Bypass opened to the public in late 1995. This roadway consists of a two-lane limited access highway with grade-separated interchanges and additional right of way for future expansion if the necessity arises. The bypass is located along the north and west sides of the city, and forms a connection between the old northeast and southwest entrances to the city along WIS 26. The former road consisted of many lane width changes, four 90 degree turns in the central area of the city, and various street name changes as it passed through the city (Yeh, 1998).

The WIS 26 is heavily-traveled by commercial trucking traffic and traffic from the many industries within the city limits. Many conflicts arose over the years as a result, and the problem continued to worsen until the new roadway was completed. Among the biggest concerns were the danger to pedestrians in the downtown area of the city, vehicular and physical structure damages, and general parking and maneuverability problems. According to the chamber of commerce, the problem got so bad that local residents and

Map 5 Fort Atkinson, WI City Map



area shoppers avoided the downtown because of the noise the traffic created as well as parking problem and accidents between residents and trucks in the central city area.

The WIS 26 bypass was developed and constructed in response to this overload of commercial truck traffic within the city. Since it opened in 1995, the bypass has diverted a majority of the through truck traffic around the city, and the downtown area has become more attractive to locals who can conduct daily business again (Yeh, 1998).

Since the bypass opened, a great deal of development has occurred in close proximity to the bypass, and much more is planned in the coming decade. This is partially due to the bypass location, and also the increase in drivers using the US 12 corridor as an access to the capital city of Madison to the northwest of Fort Atkinson. Examples of the type of development that is occurring include convenience stores, restaurants, commercial, residential, and educational. The new Fort Atkinson High School complex is being developed directly adjacent to the bypass at the US 12 interchange.

A majority of the new development in the city, and all of the development associated with the bypass has happened at, or is planned near the intersection of the WIS 26 bypass and US 12. Most of the commercial development that has occurred in this part of the city is connected to regional or national chains. An additional bypass on the south side of the city is planned and will eventually replace the existing US 12 corridor through the city after it is completed (see Map 5).

### **Interview Results**

The interviews with residents of Fort Atkinson were conducted in early January 1999, by the author. Approximately 25 interviews were conducted in a random fashion. The interview information was collected in person, and written on a pre-designed form (see appendix). Following the Interviews, the results were combined to arrive at a general

consensus among participants. The results of the interview questions are summarized below.

Opinions regarding the WIS 26 bypass are mixed, but are generally in favor of the project. Some of the comments regarding the WIS 26 bypass include:

- “It was wrong for Fort Atkinson to get it. It hasn’t removed that much truck traffic.”
- “It’s terrible, and it should be torn out.”

When asked if the bypass had any sort of impact on their business, the results were similar. Except for a few businesses, owner generally feel that there was no impact, or in some cases, an improvement to business as a result of traffic diversion. Some of the results were:

- “The bypass has accelerated the overall commercial development within the city.”
- “Yes it has, because there is less traffic downtown, and therefore fewer potential customers.”
- “Yes, there has been no growth in my business since the bypass was put in. Before it was built, my business increased every year.”
- “Yes, for the better, people like to come downtown now, and they didn’t before.”
- “It hasn’t hurt my business at all.”

One of the interview questions asked whether the business owner felt that the WIS 26 bypass was necessary. Some examples of responses included:

- “No, there is still the same amount of truck traffic in the downtown as there was before the bypass was constructed.”

In terms of development patterns as seen by business owners, the results were mixed:

- “It has changed the development ad traffic patterns in the city.”
- “Development along US 12 is expanding rapidly.”
- “It’s easier to get around. The city is quickly growing toward it,”
- “The city is developing toward it, and definitely in the northwest area.”
- “It has made it easier to get around.”

- “Development is occurring toward the bypass, but development in these areas probably would have happened anyway.”
- It has added new businesses to the city.”

Most of the residents of Fort Atkinson feel that the overall economy of the city has improved in the past 5-10 years, and will continue to do so in coming years. However, based on the responses of many of those interviewed, the general attitude is that the downtown will continue to decline over time unless measures are taken to attract new uses to it, and better promotion and recognition of the central area is undertaken.

Many of those surveyed feel indifferent toward the proposed US 12 bypass on the south side of the city. Several feel that it will not serve any useful purpose, due to the fact that US 12 is not a major thoroughfare in comparison to WIS 26 in the city. A few feel that the US 12 bypass will remove even more truck traffic from the downtown, which will be positive for the city. A few of those interviewed also felt that the new bypass would further negatively effect the downtown (Fort Atkinson Interview, 1999).

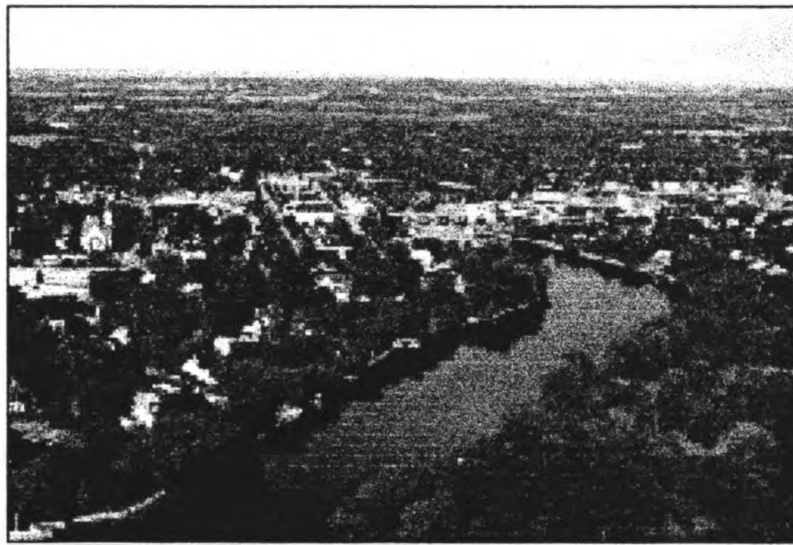


Figure 6 Aerial View of Downtown Fort Atkinson, WI

Source: <http://www.fortchamber.com>

### **Summary and Implications for Petoskey**

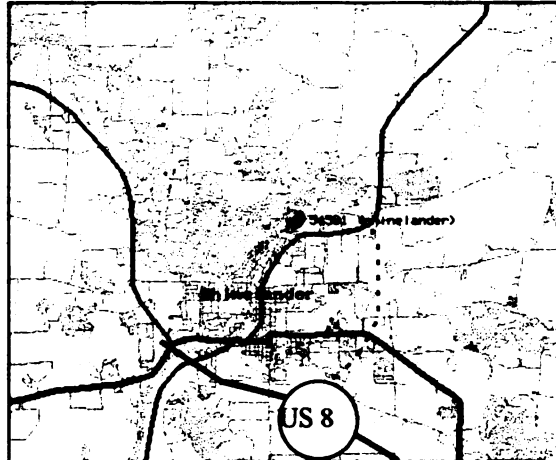
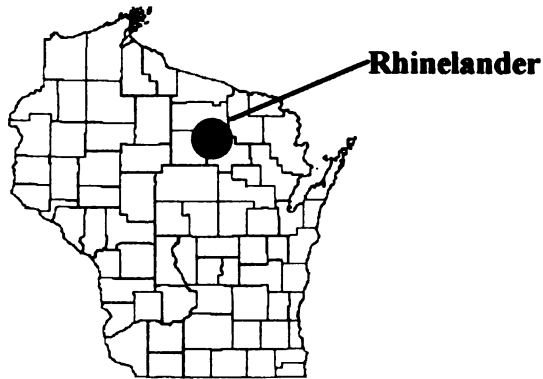
Based on interview data as well as windshield surveys, and other sources, the city of Fort Atkinson has received more benefit than negative impact from the construction of the WIS 26 bypass. The bypass was successful in diverting a large amount of truck and commercial traffic, as well as some pass-through traffic using WIS 26 to travel north or south across the state. Overall, the proposal, construction and effects of the bypass have been well received.

Land use patterns in close proximity to the bypass have changed since the bypass was opened. A large amount of highway-oriented, and chain retail uses have been built, and many more are planned in the future. According to the Fort Atkinson Master Plan Update, the largest areas of planned development are located in the northwest and south areas of the city, especially near the WIS 26/US 12 interchange. The future city service boundary extension areas are located in this area as well.

The outcome of the WIS 26 Fort Atkinson bypass may provide insight as to the potential effects that could be seen in the Petoskey Area. Like Fort Atkinson, Petoskey enjoys a vibrant economy and the areas around Petoskey are developing at a very rapid pace. In the Fort Atkinson Scenario, the US 12 corridor is developing at the fastest rate in the city. In Petoskey, the same is true with the US 131 corridor on the south side of the city.

Even though a majority of the growth in the Fort Atkinson is not attributable to seasonal tourist activity, a great deal of similarity exists between the development patterns in the two cities. Petoskey is seeing the same type of development of highway-oriented and retail chain and big box development as Fort Atkinson. It is reasonable to ascertain that the post bypass scenario in Petoskey will closely resemble that of Fort Atkinson. In addition, with a vibrant economy, and based on the information gathered about Fort Atkinson, it can be assumed that the downtown area of Petoskey will not suffer in the short-term.

## **Case Study**



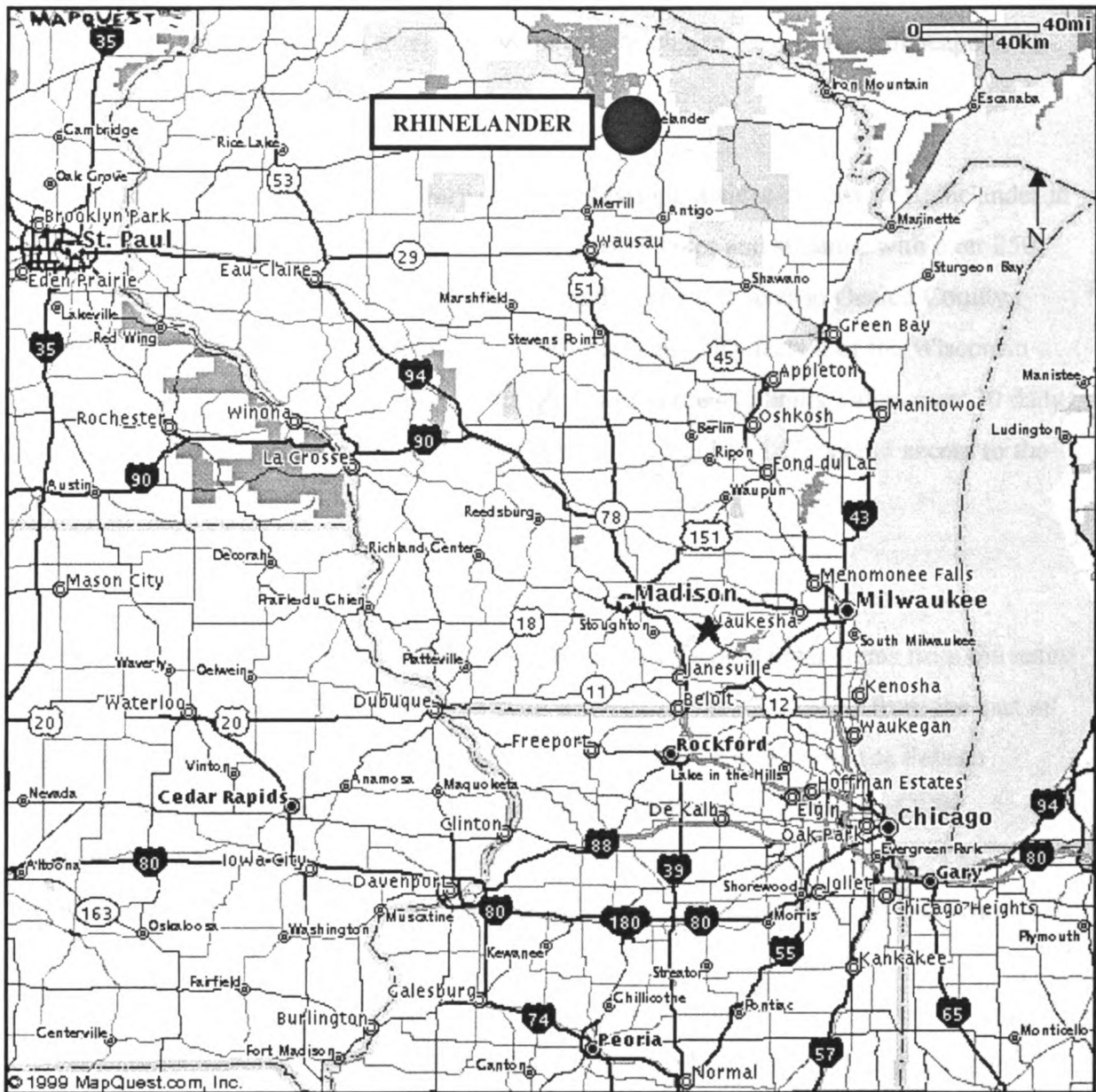
### **Introduction**

The city of Rhineland was chosen as a comparison community for the purposes of short-term analysis because of the existence of a northern tourist economy, the size of the community, as well as the type of bypass constructed here. As with Fort Atkinson, the bypass here was constructed recently, opened less than ten years ago, and therefore will serve as a good comparison to the Petoskey Situation.

### **Location**

The city of Rhineland is located in north central Wisconsin, and is the largest city for over 50 miles in every direction. It is approximately 130 miles northwest of Green Bay, Wisconsin, and over 200 miles north of Madison. The Minneapolis/St. Paul twin cities area located approximately 210 miles west of the city.

Rhineland can be reached by many highways, including US Highway 8, and State Routes 47 and 17. Interstate Highway 39 is located approximately 30 miles southwest of the city. State Route 47 is the most heavily traveled of these roads, allowing tourists to access many of the popular Wisconsin Northwoods resort areas north of Rhineland. This



Map 6  
Rhinelander, WI Location Map



roadway begins in the Fox Valley Region of the state, and allows access to the area from cities such as Green Bay, Milwaukee, and Chicago. US 8 is the major east-west road through this region, traveling from Iron Mountain, Michigan west to the Minneapolis/St. Paul area (see Map 6).

The large Wisconsin River, a tributary of the Mississippi, divides the city of Rhinelander in half. The Rhinelander area includes a large number of lakes and streams, with over 250 lakes within a ten minute drive of downtown, and over 1100 lakes in Oneida County. The city of Rhinelander is situated deep in the forests and hilly terrain of the Wisconsin Northwoods. A large municipal airport, located within the city limits, offers over 30 daily flights to various cities, and the Wisconsin Central Ltd. Railroad allows rail access to the city (Rhinelander, 1999)

### **History**

Like many communities in North America, the history of Rhinelander stems from the many native American tribes which lived here prior to white settlers who came from the east in the 1820's. When the town itself was first settled in 1880, it was known as Pelican Rapids, until 1886, when the name was changed to Rhinelander, in honor of F.W. Rhinelander, the owner of the railroad which was constructed to Rhinelander. The townspeople were so grateful that they decided to name the town after the man who helped put it on the map.

Ever since its inception, Rhinelander has been focused on its largest industry, logging. Because of its location and the early construction of the railroad, the city became the trading center for the logging industry for the Wisconsin Northwoods, and the many logging camps in Michigan's Upper Peninsula. Over time, the lumber industry experienced a decline in activity, which forced the city to diversify its industrial base. This was quite successful, and as a result, Rhinelander continues to enjoy a thriving economy. The largest employer is a pulp and paper mill located on the Wisconsin River. The city is

also home to many other industrial operations such as manufacturing of durable goods, electronics, and packaging systems (Rhineland, 1999).

### **Demographic Overview**

According to the Rhineland Area Chamber of Commerce, the city of Rhineland had 7,758 residents in 1997. The 1990 US Census of Population states that the city had over 7400 residents in 1990. The population of the city has continually increased over the past several decades. According to the Wisconsin Public Service Commission, Onieda County had 33,853 inhabitants in 1997, and according to the US Census of Population, had 31,679 residents in 1990.

The population of Rhineland is primarily white, and the majority of its workforce is composed of blue collar workers, in manufacturing of durable goods and paper/pulp products. The largest employer is a paper products company which employs over 700 people. Many of the city's residents work within the city of Rhineland. As mentioned above, the economy of Rhineland is relatively strong and secure. The economic base of the city is composed of the many industrial activities in the city, like the pulp and paper mills, durable goods manufacturers, and more recently many smaller light-intensity manufacturers and research facilities, including a major national food production company's agricultural research facilities (Rhineland, 1999).

The economy of Rhineland is also reliant upon the tourism industry. Unlike the other comparison communities in this study, the tourism in Rhineland is focused primarily on northern wilderness tourist recreational activities such as fishing, boating, camping, and hiking in the summer months, and snowmobiling, hunting, fishing, and skiing in the winter months. The beautiful fall color of the area in and around Rhineland also draws many tourists to the area in the fall. Just to the north of Rhineland are the communities of Minocqua/Woodruff and Eagle River, which draw thousands of visitors annually to enjoy the many quaint shops and eateries, and enjoy the heavily forested lakefront resorts in the area.

Rhinelanders services some of the needs of the tourist activities of the Wisconsin Northwoods, and has a large number of hotel rooms and restaurants to house the visiting tourists and businessmen to the area. Many shopping and other service centers are found in the vicinity of Rhinelanders. The city is also the largest employment center in the northern Wisconsin region, and as a result draws a great deal of business activity to its many retail and service establishments on a daily basis (Rhinelanders Interview, 1999).

According to the Rhinelanders Area Chamber of Commerce, over a sizable percentage of the economy of the city is attributable to tourism and related activity. In addition, the city is home to many festivals, including the annual large Hodag Country Music Festival, in which several of the largest nationally-recognized artists perform each July. The Rhinelanders area is also a favorite Snowmobiling center of the Wisconsin Northwoods, luring thousands of winter thrill-seekers to the area on an annual basis. The large Oktoberfest celebration is also an important annual festival in the city.

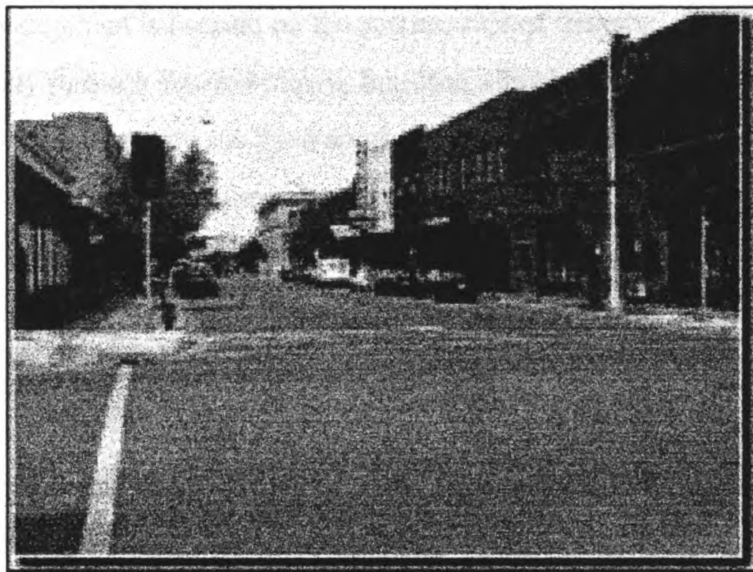


Figure 7 Downtown Rhinelanders, WI

Source: <http://www.ci.rhinelanders.wi.us>

### **The US 8/WIS 47 Bypass**

According to the Wisconsin Department of Transportation (WisDOT), the Rhinelander US 8/WIS 47 bypass was completed in 1990, and opened to the public during the same year. The bypass consists of two lanes of roadway, and is approximately 6.5 miles in length. It completely bypasses the city of Rhinelander, and with the exception of a small portion of the city near the western terminus of the bypass, is located entirely outside of the city. The bypass goes around the southern side of the city. It is located between the point where highways 8 and 47 divide and travel west and north to other destinations respectively and the point where the former US 8 route enters just south of Lake George, approximately five miles to the southeast of the city.

The former US 8/WIS 47 route was a 2-4 lane facility which traveled through the heart of the city of Rhinelander. It included two 90 degree turns in the downtown area of the city. Known as Lincoln Street in the city, it is the most heavily-traveled road in the city, and a majority of the commercial development in the city has occurred as strip-type development and larger shopping center areas anchored by well-known discount and department stores. Most of this development is located on the eastern side of the city. The former roadway did not go directly through the downtown, but does afford easy access to all areas of downtown, traveling along the southern southeastern portion of this area. There is also some commercial development along the western portion of the old route, near the intersection of the business route and the point at which US 8 and WIS 47 split on the west side of the city. This consists mainly of hotels and gas stations, of mostly national chains.

The bypass travels through primarily old growth Hardwood forests, and with the exception of crossroads, is completely uninterrupted by development. Since the bypass opened, there has been no commercial development along the entire length of the highway. This is because of a lack of public facilities and infrastructure necessary to support commercial and residential development in this area. Only a few previously existent land uses are located in close proximity to the bypass, including a very large

## Map 7 Rhinelander, WI City Map



elderly care facility, a manufactured housing company, and a few residences. All of these uses, however, are accessed by the crossroads of the bypass, and there is no access to the US 8/WIS 47 bypass itself. This is in part, due to the fact that WisDOT will not allow ingress or egress from the bypass itself for businesses or residences along the entire 6.5 mile corridor. WisDOT owns a wide right of way on both sides of the roadway in order to maintain the environmental features associated with the corridor.

The WisDOT has undertaken many studies for the development of an additional bypass along the eastern flank of the city. This bypass, which will replace the existing WIS 17 route, will intersect with the former US 8/WIS 47 near the commercial development on the east side of the city. Although the exact details of the location have yet to be determined, the new bypass will be located in the vicinity of these developments (see Map 7) (Rhinelanders Interview, 1999).

### **Interview Results**

The interviews with residents of Rhinelanders were conducted in early January 1999, by the author. Approximately 25 interviews were conducted in a random fashion. The interview information was collected in person, and written on a pre-designed form (see appendix). Following the Interviews, the results were combined to arrive at a general consensus among participants. The results of the interview questions are summarized below.

As with the other comparison communities in this study, the reactions and opinions of the residents and business owners was relatively mixed, but in the case of Rhinelanders, most think that the US 8/WIS 47 bypass has had any negative or positive effect upon the city. Those who felt that the bypass did have some effect either positive or negative gave comments such as:

- “It has changed the city, but not necessarily in a negative way.”
- “It hasn’t effected business as much as the regular businesses moving out to the shopping centers.”
- “It takes away potential customers.”

- “It was inevitable.”
- “It has made some improvement to traffic along the old route.”
- “Eventually it will hurt the downtown as development occurs.”
- “Bypass is bad for Rhinelander, bad for any town.”

Most business owners in Rhinelander felt that the bypass had no effect on their business, mostly due to the fact that the old route did not cut directly through downtown. Some of those for or against the bypass had this to say:

- “The bypass has had no effect on my business, but it has effected the overall economy of the downtown, and the city.”
- “No, not mine specifically, but it has effected the city and downtown.”
- “Somewhat, because they (customers go to other locations now more.”
- “No, but with more businesses there, it may in the future.”
- “Yes, there’s less traffic now, and my business relies on out-of-towners.”

When asked whether they felt the bypass was necessary, most of those interviewed felt that it was unnecessary and unwarranted. These are comments from those who thought the construction of the bypass was needed:

- “Yes, but the east-west traffic on (US) 8 was not as bad as that of the north-south travelers on (WIS) 17.”
- Yes, but it hasn’t really accomplished what it was meant to do.”
- “I feel it was inevitable.”

According to those surveyed, the bypass has not caused a change in development and activity patterns of the city. Most of the development continues to occur in the places where it used to. This lack of influence is almost entirely due to the absence of the utilities and infrastructure needed to support development near or on the bypass. Those who felt that the bypass has affected the development of the city said:

- “Traffic patterns in the city have changed, some secondary roads have seen increases in traffic.”
- “A lot of people go right by the town now.”

- “There is more business on the outskirts of town now, but that may not be because of the bypass.”
- “I think it has, but I’m not sure how to measure that.”
- “As of yet it hasn’t changed anything, but I’m sure it will in the future.”
- “Yes, and it will continue to do so.”

When asked a general question to describe the overall economy of Rhinelander, and whether it had changed in the past 5-10 years, the results were mixed. Many noted the fact that several businesses had moved out of downtown, but stated that the overall economy of Rhinelander was good, and continues to improve. However, many also feel that the economy of the downtown is slowly deteriorating, and additional businesses on the outskirts of the city will only serve as a catalyst for this downturn.

Many of the business owners in the downtown feel much more unsure about the effects of the proposed WIS 17 east bypass. Most feel that it will have a very negative effect on the downtown because WIS 17 actually goes through the downtown, one block east and parallel to the main street, Brown Street in downtown Rhinelander. Among the biggest concerns was the removal of traffic from the existing route, and the opportunities that the new bypass would create at or near the major intersection it comes in contact with on the east side of the city, which is experiencing the fastest and most growth in the city. A few of those interviewed mentioned a previous closure of WIS 17 for construction for a few months, and how much it negatively effected the business in downtown, especially those that rely on pass-through highway traffic (Rhinelander Interview, 1999).



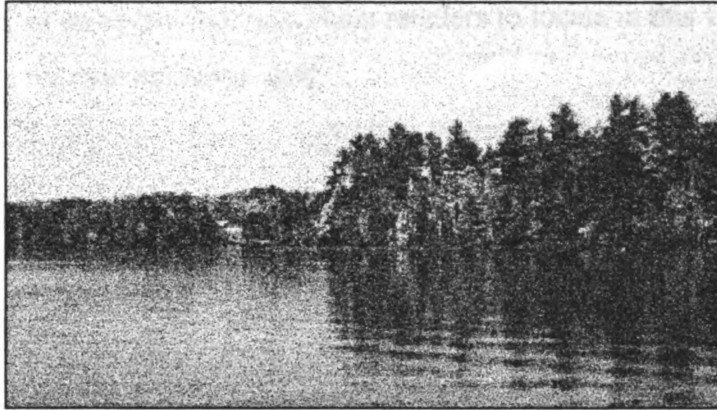


Figure 8 Boom Lake, Rhineland, WI

Source: <http://www.ci.rhineland.wi.us>

### **Summary and Implications for Petoskey**

Based on the information gathered about the US 8/WIS 47 bypass, at first glance it would appear that there should be no effect upon the downtown businesses in Petoskey.

However, upon further investigation, it can be seen that the US 8/WIS 17 may not be a good comparison to the proposed US 31 bypass in Petoskey. One of the major points to be mentioned, and the biggest difference between the two cases is the lack of development pressure in the Rhineland area except for that on the eastern edge of the city.

Like Petoskey, the highway in Rhineland does not go directly through the downtown, but is diverted from it. However, the major difference in the two communities is the traffic volumes in the two communities. The volumes along the former route do not compare to those on US 31 in Petoskey, which experiences more than 32,000 cars a day on average along some stretches of the roadway in the city. In comparison, traffic volumes along Old US 8 are approximately half of those in Petoskey.

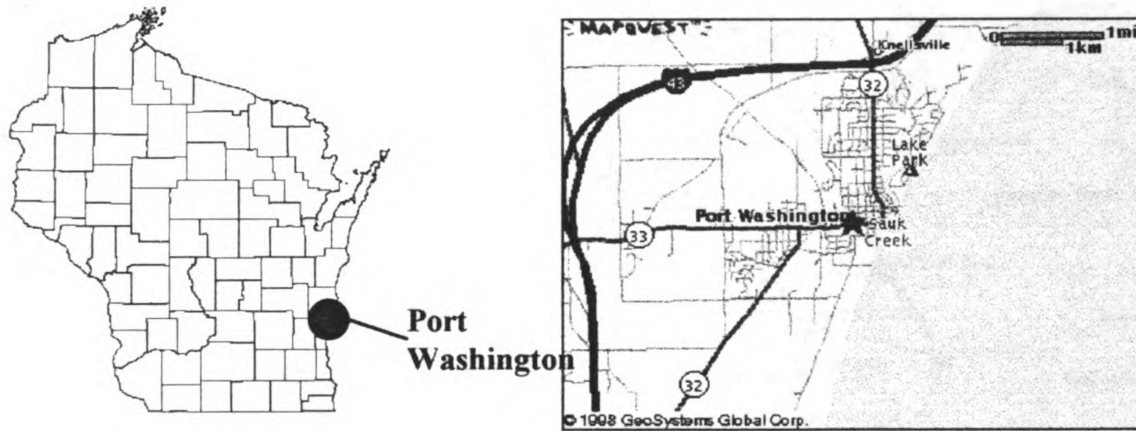
The WIS 17 bypass which has been proposed by the WisDOT is of much greater concern in the community of Rhineland. The possible route alternatives all come in close contact with the large commercial developments on the eastern side of the city, and the general feeling is that an intersection or interchange in this location will further exacerbate a growing sprawl and strip commercial development problem. This assumption is based on

the recent interest of many new national chain retailers to locate in this vicinity in response to the news about the new bypass project.

# Port Washington, Wisconsin (I-43)

---

## Case Study



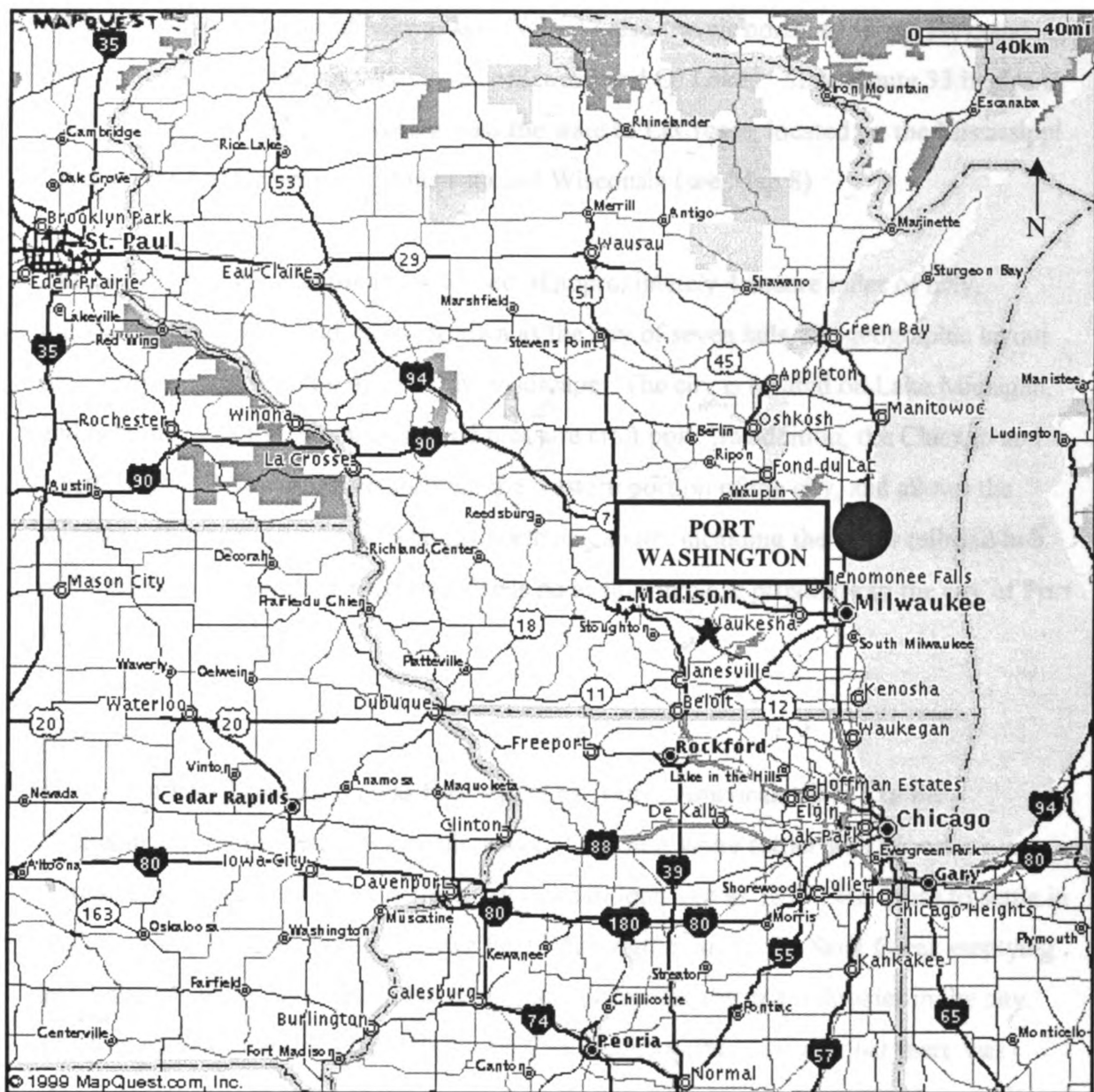
### Introduction

Port Washington, Wisconsin was chosen as a comparison city due to its location on Lake Michigan, and its similarity in size and population to Petoskey. The bypass here was built in the middle 1960s, and was a part of the United States Interstate Highway system. The development patterns in the vicinity of the interchanges on I-43 are used to study historical development along the bypass.

### Location

Port Washington, Wisconsin is as the name suggests, a port city located on the western shore of Lake Michigan in the center of Ozaukee County, in eastern Wisconsin. The city of Port Washington is located on I-43, approximately 25 miles north of Milwaukee, and about 115 miles north of Chicago. I-43 continues north to the city of Green Bay, located approximately 90 miles north of the city. Madison, the capital city is about 2 hours west of Port Washington.

Port Washington is serviced by three highways, WIS 32, WIS 33, and I-43. I-43 is the largest and most heavily traveled of the three, and travels from Beloit on the southern border of the state of Wisconsin, through Milwaukee, and then north to Green Bay. State



Map 8  
Port Washington, WI Location Map

Routes (WIS) 32 and 33 are also important thoroughfares in the area. WIS 32 allows access to Milwaukee, Racine, and Kenosha to the south via I-43 and I-94, finally splitting off as its own road south of Milwaukee. WIS 32 also travels north to Green Bay, and eventually to the Michigan/Wisconsin border at Land O' Lakes. State Route 33 begins in Port Washington, and heads west across the state to LaCrosse, located on the Mississippi River on the border between Minnesota and Wisconsin (see Map 8).

The city of Port Washington is comprised of approximately 4 square miles of hilly, undulating Wisconsin landscape. Known as the city of seven hills, the geographic layout of the city is formed and shaped by the landscape. The city is located on Lake Michigan, and is home to a large commercial and pleasure craft port. In addition, the Chicago and Northwestern Railroad travels through the western portion of the city, and allows the shipment of cargo and goods to points north and south, including the major railroad hub of Chicago to the south. Currently there is no airport in close proximity to the city of Port Washington.

### **History**

The city of Port Washington was first settled by Native American tribes like the Menominee and Fox of the Algonquin nation. The first white settler was Wooster Harrison, who began to develop the small town as long ago as 1835. He chose to settle in the location of what is now downtown Port Washington due to the Sauk Creek emptying into Lake Michigan here, providing energy and power for the first industries in the city. The first name of the town was Wisconsin City, but soon they realized that there was already another settlement of the same name, the name was changed to Washington City. In 1847, the city was named the county seat of the then Washington County, and the name was again changed to Port Washington. A large lighthouse was built on top of the bluff overlooking downtown in 1849. Recognizing the importance of the Lake to the city, a new manmade harbor was dredged in 1870

This opened a whole new set of opportunities for the city. Soon shipping of goods and recreation and fishing activities took off and gained importance in the city. In 1882, the city of Port Washington was incorporated. Soon, the city of Port Washington became an important industrial center in the region, with large factories which built things such as school furniture, gas engines, and other durable goods. A large powerplant was built adjacent to the harbor in 1908.

During the following decades, the city saw increased growth, and with it increased commercial and industrial activity. Since it was first settled, the city has grown to be a city of over 10,000 people, with more than adequate employment, educational, and recreational opportunities and resources. During the past several years, the city has begun to embrace the idea of promoting itself as a destination and vacation location, with a variety of shops, restaurants, hotels, and recreational assets to promote and enjoy (Port Washington, 1999).

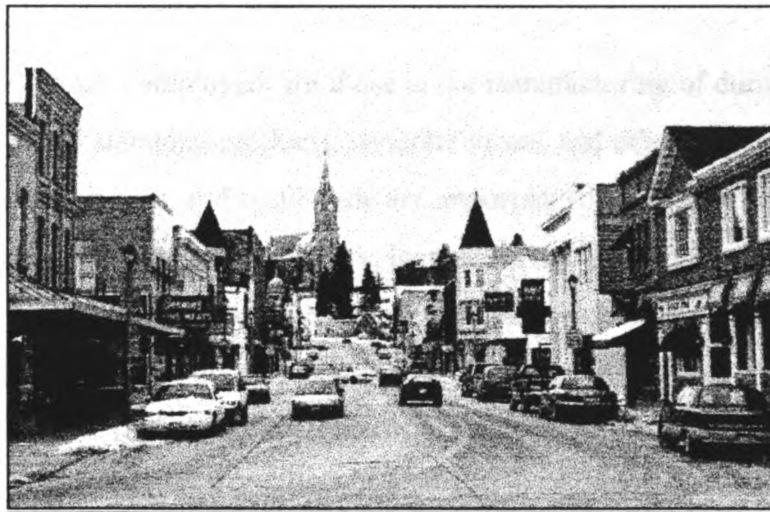


Figure 9 Downtown Port Washington, WI, 1999

### **Demographic Overview**

According to the Wisconsin Department of Administration, the city of Port Washington had 10,225 inhabitants in 1997. The US Bureau of the census statistics say that the city had 9,388 persons in the 1990 census. As can be seen, the city has grown very rapidly

over the past decade. According to the US Census, the total population of Ozaukee County was 72, 831 in 1990.

The population of Port Washington is primarily white and blue collar, employed by the many industrial facilities in the city. In addition, the city is home to a growing number of commuters to the Milwaukee area. The city of Port Washington is quickly becoming a bedroom community of Milwaukee, with the expansion of the metropolitan area.

Currently, the city of Port Washington is located on the outskirts of the Milwaukee metropolitan area. As mentioned above in the history portion of the case study, the economy of the city of Port Washington is good, and is constantly diversifying and improving. Over time, the economy of the city has undergone many changes, and the economic base of the city has adapted to these changes. An example of this is the shift from heavy industry to more light intensity industrial uses, and more recently a recognition of recreation and tourism as an important part of the economy of the city (Port Washington Interview, 1999).

Among the city's largest employers are those in the manufacturing of durable goods, such as gas engines, metal stamping products, concrete mixes, and other products. In addition, services such as health care, and retail trade are important to the economy of the city.

Port Washington has a large industrial park, located on the city's south side. According to the Southeastern Wisconsin Regional Planning Commission (SEWRPC), the income of residents in Ozaukee County and the city of Port Washington is considerably larger than those of the SEWRPC region, and the state of Wisconsin, with a 1994 per capita income of \$ 30,214 in comparison to \$ 23,453 and \$ 20,884 in the region and state respectively.

Tourism is an important part of the economy of Port Washington, and has this importance has greatly increased over the past several years, with the promotion of the harbor, parkland, and other recreational activities of the city. Downtown Port Washington is full of various shops, restaurants, and opportunities for entertainment and lodging for visitors, and the city is a busy place for tourists, and boaters in the summer months. With recent





and additional planned improvements to the harbor and waterfront, this tourist and visitor activity will likely continue to flourish and even grow in the coming years.

### **The I-43 Bypass and Related Development**

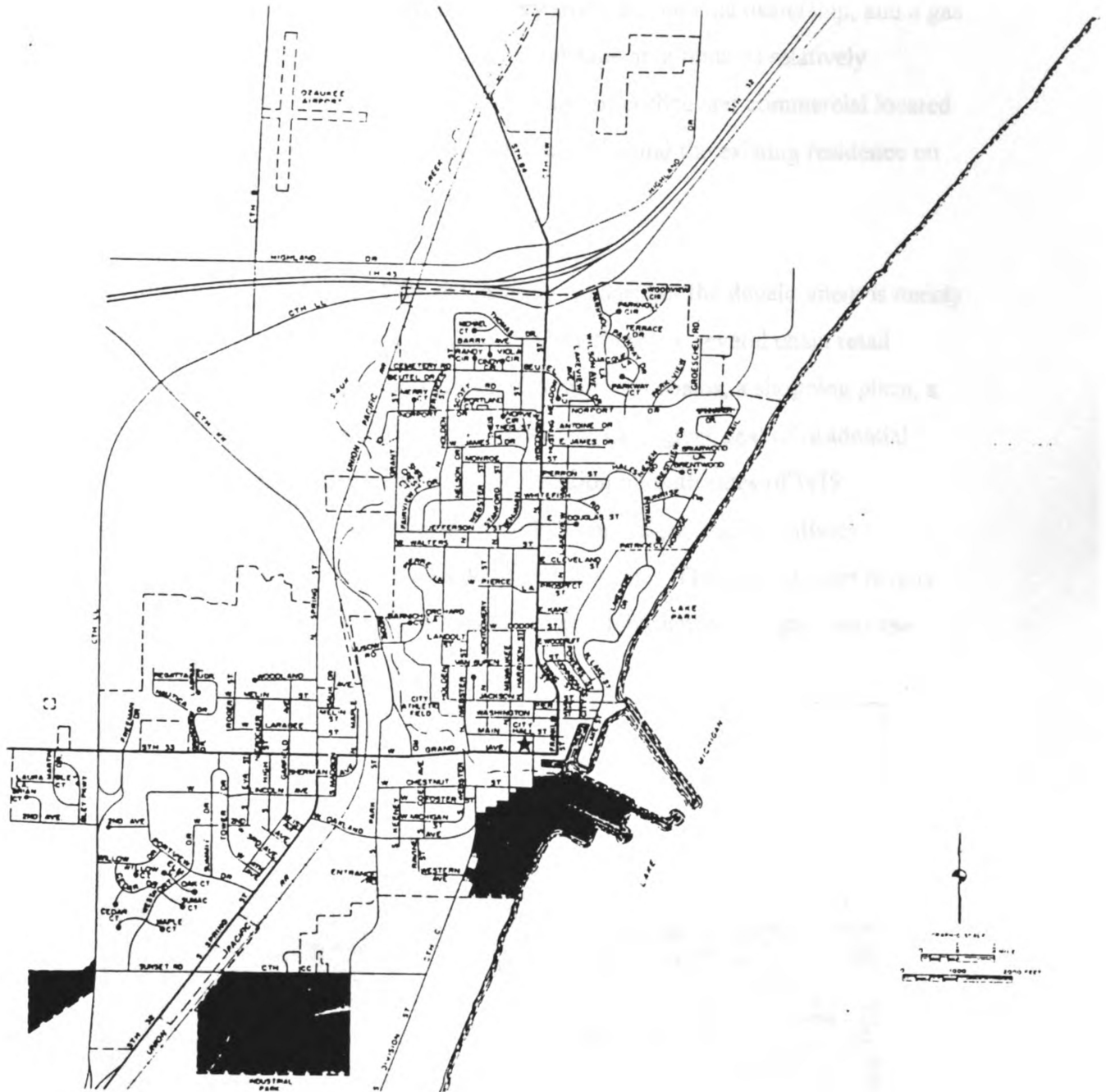
According to the WisDOT, the I-43 bypass was constructed as a part of the overall construction of I-43 from Beloit to Green Bay during the mid to late 1960s. Prior to this, US 141 followed the lakeshore and bypassed the city, in the location that is now County Road LL/Seven Hills Road. I-43, like most of the interstate highway system is a four-lane divided limited-access expressway which completely diverts traffic around the city of Port Washington. Three exits are located on the north, west, and southwest sides of the city, and allow easy access to all parts of the city.

The former route (US 141) traveled through the city of Port Washington and had to maneuver around a tight and sharp 90 degree turn, then it bypassed the city on the western edge, and finally, when the new interstate was developed, was again redirected to its current location part of the previous route has been replaced by WIS 32, which travels through the entire length of the city.

Over the years, the bypass expressway has attracted a great deal of development at the interchanges, especially at the west and north ends of the city. The aerial imagery shows that prior to the construction of I-43, there was very little, and in some cases, no development in the location of the current interchanges. Over time, and in response to the development of the expressway, a large amount of development has occurred in close proximity to the I-43 corridor. This development consists of primarily commercial property, but more recently, a large residential development has been introduced near the northern interchange.

Taking a deeper look at the development associated with the bypass expressway it is clear that a great deal of traditional and chain retail development has occurred in close proximity to the expressway. At the west interchange, development has occurred or is

# Map 9 Port Washington, WI City Map



under construction on all four corners. The northwest corner includes a gas station/convenience store, and a bank. A hotel, restaurant, and fast food establishments are located in close proximity to the interchange on the southwest corner. The southeast corner development includes a Wal-Mart, grocery store, automobile dealership, and a gas station. Only the northeastern quarter of this interchange area remains relatively undeveloped. However, there are some smaller uses both office and commercial located here. Currently, there is a construction project located behind the existing residence on the east side of the highway (see figure 11).

The interchange at the north end of the city is quite similar, but the development is mainly focused on the southern side of the expressway. Here there are several chain retail establishments, including a large supermarket, two fast food chains, a shopping plaza, a large factory and corresponding outlet store. There is also a great deal of residential growth in close proximity to the highway in this location on both sides of WIS 32/Wisconsin Avenue. The area to the north of the interchange is still relatively undeveloped in comparison to the south side of the overpass. The development here is primarily residential, but there are a few smaller retail establishments located near the intersection (see Map 9)(see figure 10).



Figure 10 WIS 32 at I-43 bypass, Port Washington, WI, 1999

**Figure 11 Before and After I-43 Bypass, Port Washington, WI**



Source: SEWRPC, 1963; Ozaukee County Land Information Office, 1995

### **Summary and Implications for Petoskey**

Port Washington is a good comparison to the Petoskey area in many ways. First, the area is experiencing very rapid growth and this trend shows no sign of changing in both communities. Both cities are approximately the same size, and enjoy the privilege of being located on Lake Michigan. The high points around both cities afford good views of the lake and the surrounding areas. The lake and the recreational opportunities associated with it are both important factors in these communities.

Because the rate of growth and type of development occurring in both Petoskey are the same, the community of Port Washington may be a good example of things to come in the Petoskey area. Most of the current development in the Port Washington area is located in close proximity to the interchanges and major roads parallel to I-43. As a result, it is safe to assume that in time, the same will occur in various areas around Petoskey, especially in the locations where intersections or interchanges are planned.

The development in the Port Washington area took place in relatively recent time period, and has begun to increase in amount and intensity in the past two decades. Before this, the city was not experiencing tremendous growth pressures. Unlike Port Washington, the development in Petoskey has always been rather constant, and growth pressures were always strong. During the past decade, the rate of growth of residential, commercial, and office real estate has increased dramatically. In fact, Petoskey has never seen the magnitude of growth it is currently experiencing.

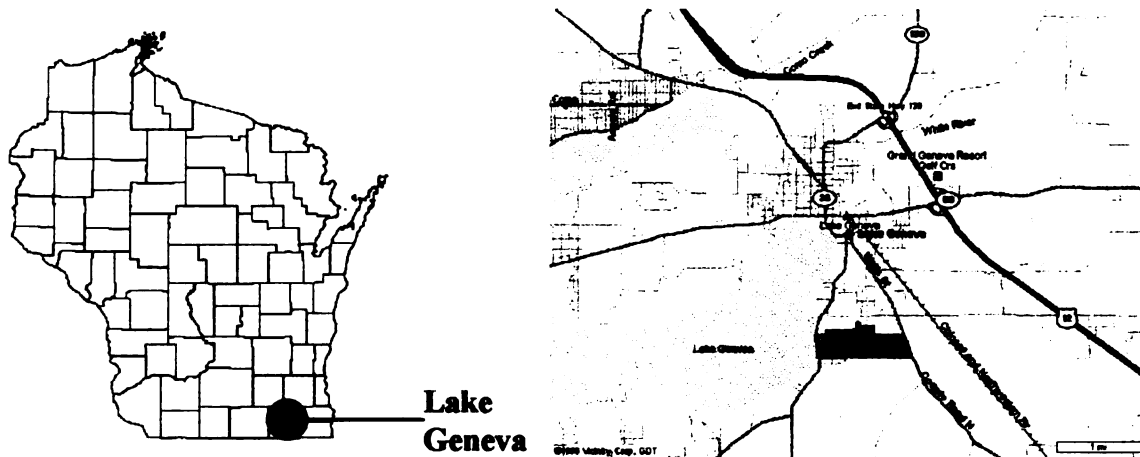
If the development patterns in Petoskey react to the development of the bypass, and growth at interchanges/intersections and in areas along the bypass, the result could be the same as what has occurred in Port Washington. The types of development in proximity to the interchanges along I-43 at Port Washington have already occurred in Petoskey, and one of the larger and more recent developments is located adjacent to the right of way for the proposed bypass.

Based on the Port Washington experience, it is likely that this type of development in Petoskey will serve to exacerbate the existing problem of sprawl and strip style development. This will probably be most pronounced in the location where the bypass will intersect with US 131 south of the city in Bear Creek Township, due to the availability of land in this area.

# Lake Geneva, Wisconsin (US 12)

---

## Case Study



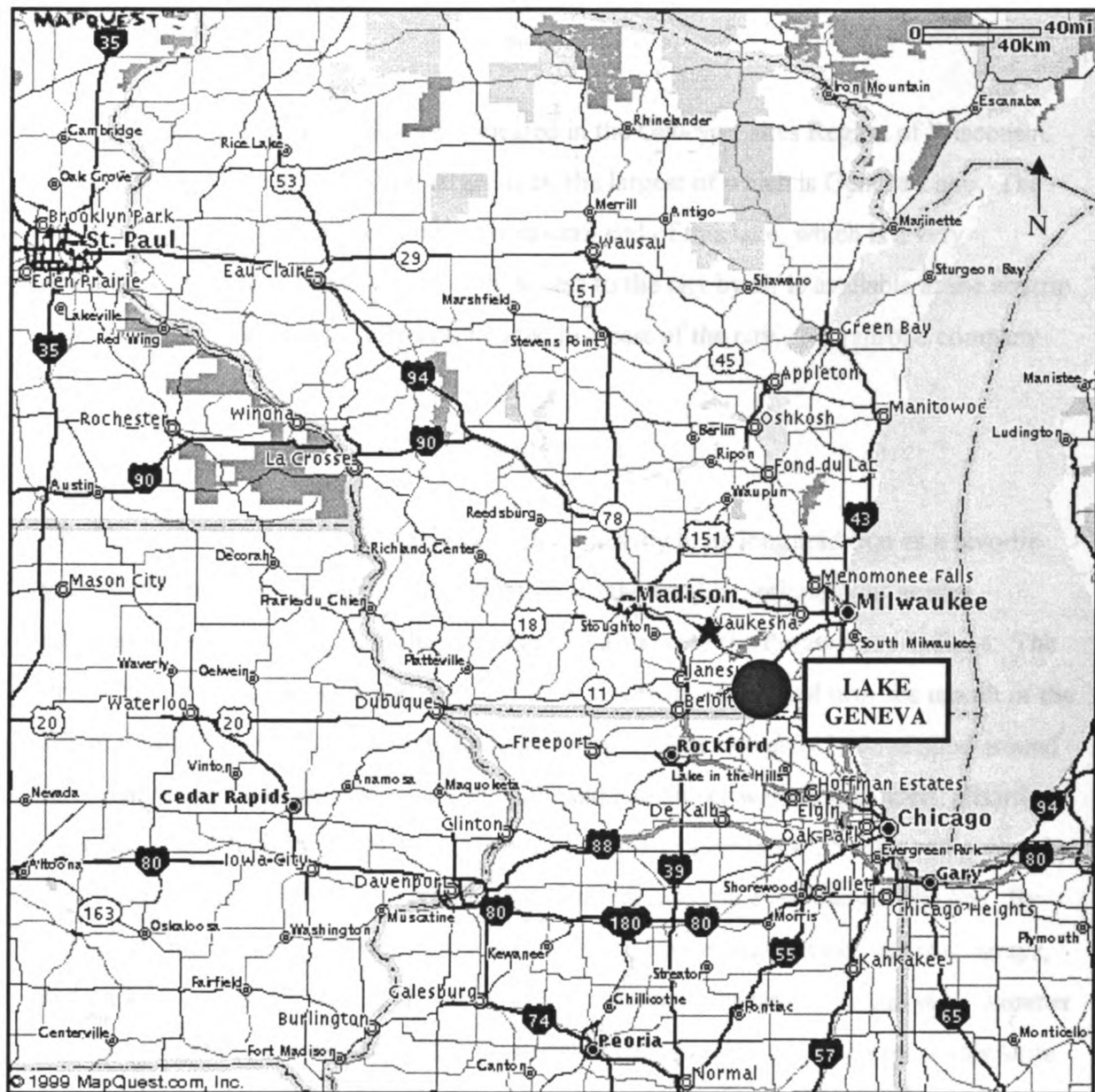
### Introduction

There are many similarities between the cities of Petoskey and Lake Geneva. Among these include population, economic base and activity, and history. Lake Geneva was chosen as a comparison community to Petoskey for this reason. Since the highway which bypasses the city of Lake Geneva was built over 30 years ago, it will serve as a good example for historical development comparison in this study.

### Location

The City of Lake Geneva is located in the Geneva Lakes Region, in Southeastern Wisconsin, just north of the Illinois border. The three highways which serve the city are US 12, WIS 50, and WIS 120. The largest of the three is US 12, a four-lane, divided limited-access highway which allows access to the city from Chicago 73 miles to the southeast, and Madison located approximately 73 miles northwest. State Routes 120 and 50 are the north-south and east-west routes which serve the city respectively. State Route 120 travels from I-43 north of the city to the state border, and continues into Illinois as Illinois 47. State Route 50 begins in Kenosha to the east, and continues west to the community of Delavan, just west of Lake Geneva on I-43. Lake Geneva is located





Map 10  
Lake Geneva, WI Location Map



approximately six miles south of I-43, which can be accessed by all three highways. The nearest major metropolitan area is Milwaukee 45 miles northeast, which can be reached via I-43 (see Map 10).

As mentioned above, Lake Geneva is located in the Geneva Lakes Region of Wisconsin. This region is made up of several large lakes, the largest of which is Geneva Lake. The city of Lake Geneva is located on the far eastern end of this lake, which is a very important resource to the city. The only access to the city by air is available at the airstrip located in the Grand Geneva Resort, located just east of the city. No railroad company services the city.

### **History**

The history of the city of Lake Geneva is based heavily in its long tradition as a favorite year-round vacation and weekend destination for the wealthy, primarily of nearby Chicago. The first residents in the Lake Geneva area were the Potawatomi Indians. The first white settler to the area was John Brink, a surveyor. He settled near the mouth of the White River in what is now downtown Lake Geneva. The city quickly developed around this location, and a large grist mill, a sawmill, and a distillery were constructed. Shortly after the great Chicago Fire of 1871, the area became a favorite location for many wealthy business owners and officials to rebuild their lives after losing everything in the fire. By 1900, the entire shore of Geneva Lake was developed with large estates, resorts, camps, and parks. Around the turn of the century, the community became a very popular summer tourist destination, and as a result the economy of the area thrived. Because of this large increase in popularity, and the existence of so many stately mansions, the community earned its nickname of “the Newport of the West.”

The community continues to retain its position as a favored vacation and tourist destination today. It is home to several premier resorts and clubs, and has a very successful and unique central business district with many shops, eateries, entertainment and service establishments. The waterfront is a focal point for the city, with the Riviera

Docks, from which the Geneva Lake Cruise Line departs from late April to Early November. The city is also known for its many inns, bed and breakfasts, and guest houses. It is one of the premier resorts of the of the Midwest (Lake Geneva, 1999).



Figure 12 Downtown Lake Geneva, WI, 1999

### **Demographic Overview**

The city of Lake Geneva had approximately 6,548 residents according to 1998 estimates released by the Southeast Wisconsin Regional Planning Commission. This represents a 9.5 percent change from 1990, when, according to the Wisconsin Department of Administration, the city had 5,979 people. According to the 1980 Census of Population, the city had 5,612 residents. The total population of Walworth County was 82,045 in 1998, and 75,000 in 1990 according to the US Census Bureau.

According to the US Census Bureau, the population of the city of Lake Geneva is mostly white, and the city is about half blue-collar and half white-collar workers. Among the largest employers in the city are the large resorts and tourism-based activities such as the Grand Geneva Resort, The Geneva Inn, and Geneva National. The medical facilities in the city, and the larger industries, including a producer of rubber products also employ many people in the city. The economy of the city of Lake Geneva is flourishing, and has been in

good standing throughout its existence. The economic base of the city of Lake Geneva is based greatly upon industrial and commercial activities. In particular, the commercial activity is centered on the many businesses which target and cater to tourists and resorters in the Geneva Lakes Area. Among the largest industrial concerns in the city is a rubber machine parts manufacturer, electronic instruments manufacturers, and other factories of various types.

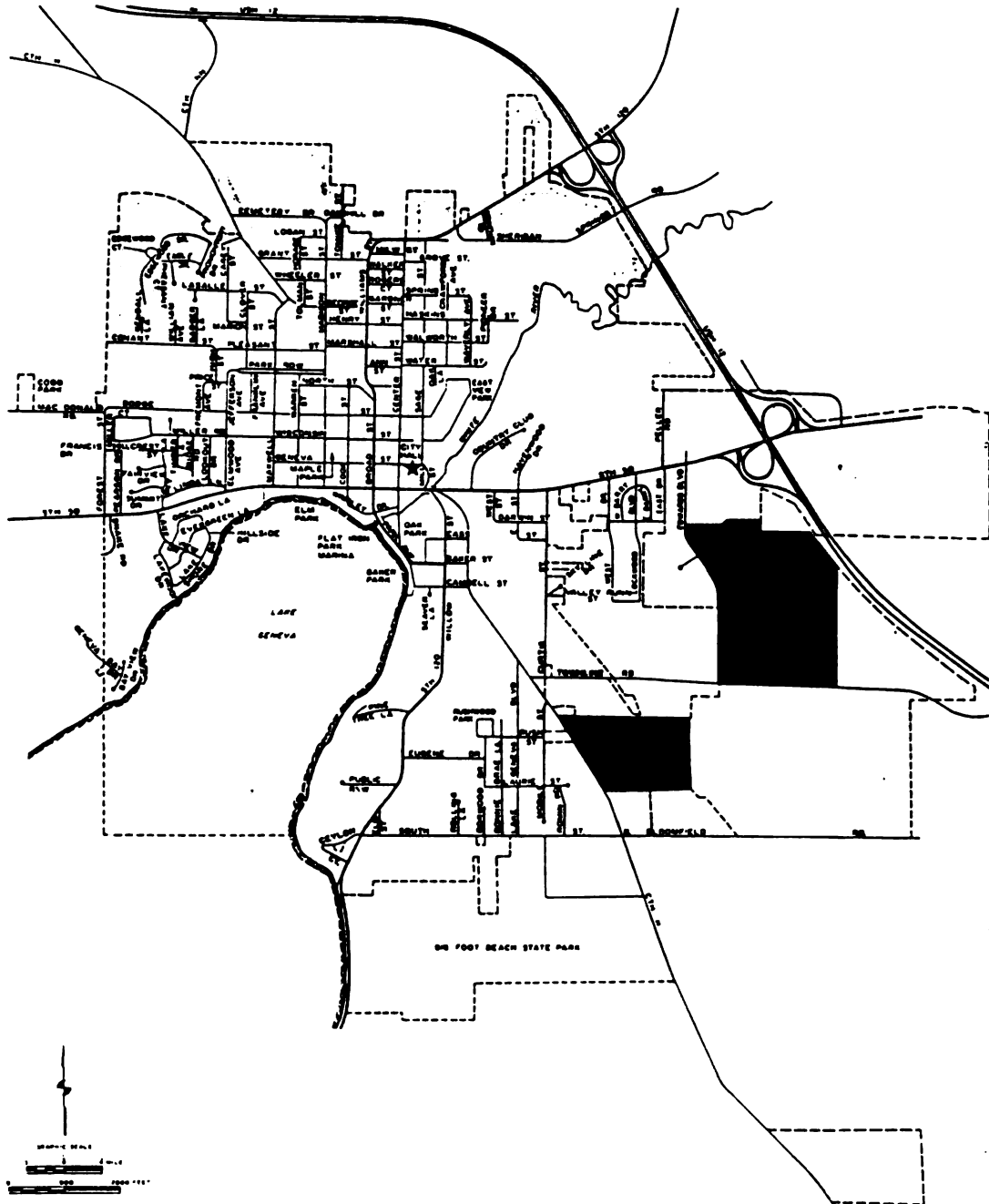
Tourism is the most visible type of economic activity in the Lake Geneva area, and is the economic heart of the city. The city is home to several large year-round resorts, numerous shops, restaurants, and recreational activities. According to the Wisconsin Department of Tourism, approximately 6,000 full-time jobs are tourism-related in Walworth County. Of these, it can be assumed that a majority are located in the Geneva Lakes region, and a good share of those in Lake Geneva. The tourism activity in the Lake Geneva area is characterized by wealthier visitors who come to the city to relax, shop, recreate, and dine in the many tourist-related establishments (Lake Geneva, 1999). According to the Wisconsin Department of Tourism, the Lake Geneva area is among the top 10 tourist destinations in the state.

### **The US 12 Bypass and Related Development**

According to the Wisconsin Department of Transportation, the US 12 expressway was constructed and opened to the public in the middle 1960s. The facility consists of four lanes of divided limited-access roadway, with conventional interchanges at major junctions. The city is served by two interchanges, located where the expressway intersects State Routes 50 and 120. The expressway completely diverts traffic away from the city, and basically parallels the former route.

The former route of US 12 entered the city on the southeast side on County Highway H, and followed the path of what is now Wells Street. Then the highway shifted two and one-half blocks west on WIS 50 in downtown Lake Geneva, and joined WIS 120, heading

## Map 11 Lake Geneva, WI City Map



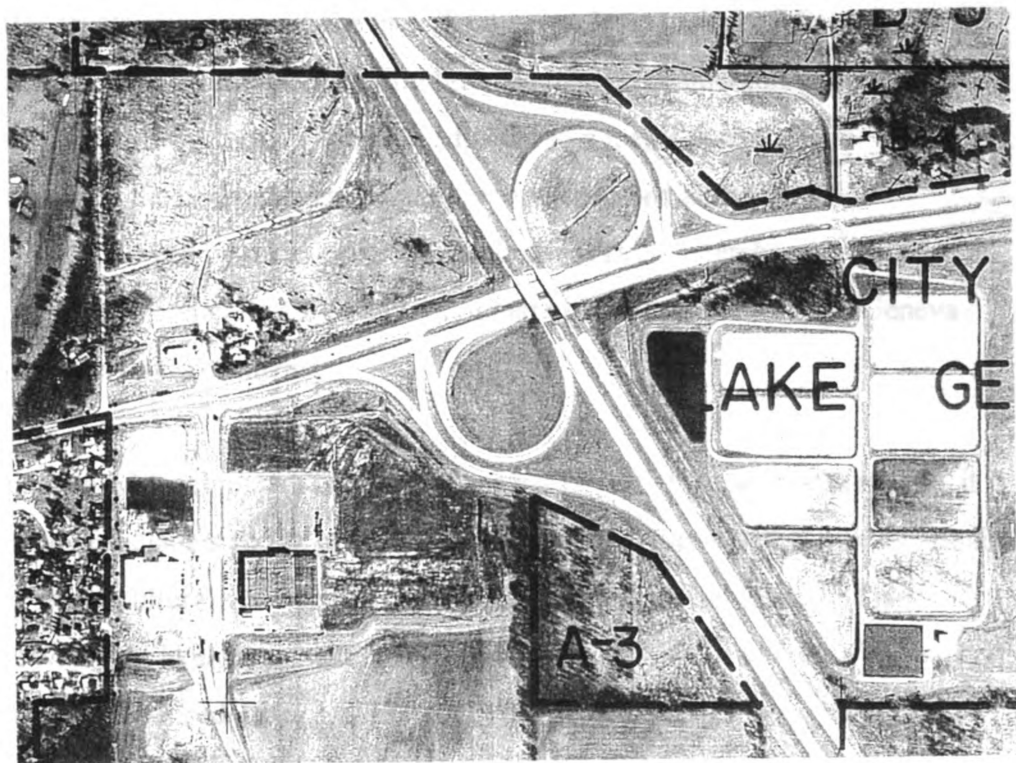
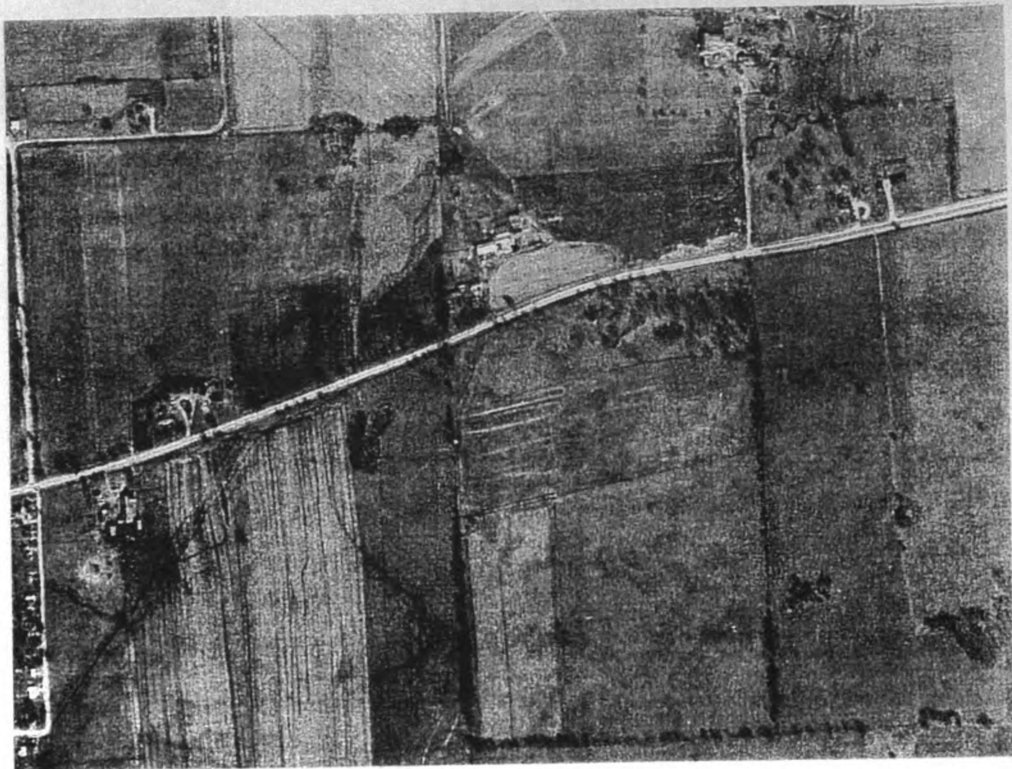
north on Broad Street through downtown. The roadway then went west and northwest along George Street, and followed the route of the current County Highway H, toward the county seat, Elkhorn. The previous alignment was not well suited to the heavy resort and through traffic, and included three sharp turns within the city, as well as narrow lanes of roadway, and steep grades.

The development along the US 12 corridor, and at the interchanges has been relatively moderate, and a great deal has been constructed in the past decade in close proximity to the expressway. Both interchanges at WIS 120 and 50 have experienced development. The type of development located in these two locations is typical of other interchange development patterns seen across the nation. The WIS 50 Interchange is more highly developed than that of the WIS 120 location, just one mile to the north. Here development can be found on all sides of the interchange. The most activity is located on the southwest corner of the interchange. This development includes a Wal-Mart, Large Chain Supermarket, fast food restaurant, and a small shopping plaza. There is also a large business and light industrial park located south of the above facilities. The other corners are less impacted by development. The northwest corner houses a gas station, office/professional building, and a small shopping plaza, with chain establishments. Across the highway, the southeast corner is occupied by the city's wastewater treatment facilities, while the land on the northeast corner, as well as the entire eastern side of the highway north to WIS 120 is owned by the Grand Geneva Spa and Resort, but is free of development (see figure 13).

The interchange at WIS 120 is characterized by similar development to that of the WIS 50 location. The southeast corner is occupied by a large strip-type shopping center with a large chain supermarket, and a chain retail department store anchor. The southwest corner of the interchange is relatively free of development, but is zoned for single-family moderate density residential use. The opposite side of the expressway is less developed. There is a new movie cinema located north of the interchange are on the northeastern



**Figure 13 Before and After US 12 Bypass, Lake Geneva, WI**



Source: SEWRPC, 1963; Walworth County Department of Planning, Zoning, and Sanitation, 1999

corner, and an extractive/excavation use located on the northwestern corner of the interchange (see Map 11).

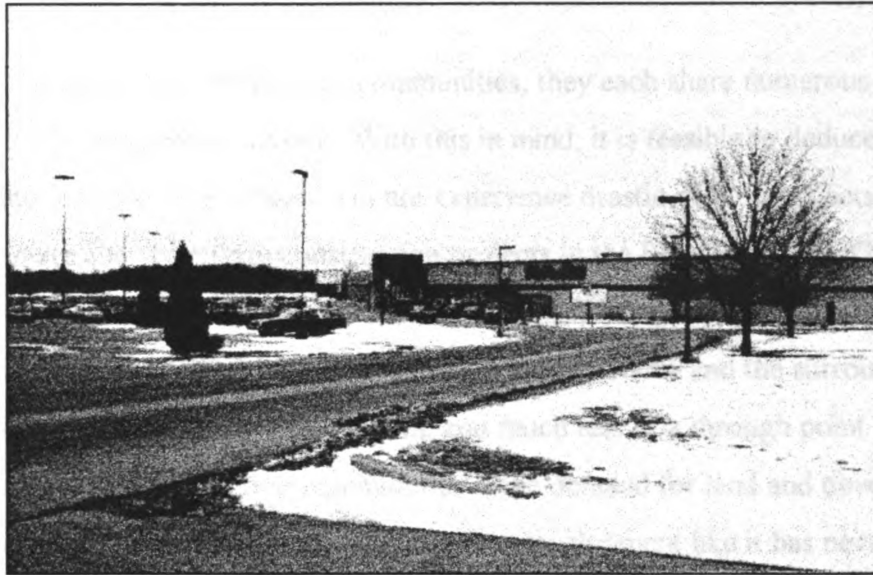


Figure 14 WIS 120 at US 12 Bypass, Lake Geneva, WI, 1999

### **Summary and Implications for Petoskey**

In general, the development around the interchanges has been typical of that of other highway locations. It is characterized by traditional chain retail operations, and other types of business that thrive upon a location adjacent to a major thoroughfare. The development around the interchanges in Lake Geneva occurred at the WIS 120 interchange first, followed by the construction near the WIS 50 interchange, which took place in the late 1980s and early 1990s. Development of the land in the Lake Geneva Business Park is currently occurring.

Although this type of development is occurring or has occurred in the Petoskey area, it is likely that the areas adjacent to the proposed bypass right-of-way which currently remain undeveloped or agricultural will become candidates for future development. This development will most likely resemble the type which has been built in Lake Geneva, and is currently being introduced along US 131 south of the city of Petoskey. The development of some of the corners of the bypasses along US 12 in Lake Geneva is not

possible due to natural constraints such as wetlands. It must also be noted, that the lake Geneva is not experiencing the same level of development pressure as the areas surrounding Petoskey.

In terms of the comparison of the two communities, they each share numerous similarities, including size, history, and economy. With this in mind, it is feasible to deduce that the central business district of Petoskey will not experience drastic negative effects as a result of the immediate and short term construction projects in the Petoskey area. The downtown area of Lake Geneva remained very successful in spite of the removal of the additional traffic from the downtown. The city of Lake Geneva and the surrounding Geneva Lakes Region is a major destination, and much less of a through point. The only major difference between the two communities is the demand for land and development sites. Currently, the Petoskey area is experiencing development like it has never seen, while the development of Lake Geneva has not been overwhelming and as intense as that of Petoskey.



## **Conclusions and Recommendations**

---

Based upon the analysis of the current and historical trends and attitudes in the Petoskey area, as well as the information gathered for the case studies of comparison communities, the proposed US 31/Petoskey Area Bypass will result in significant changes in the Petoskey area. Whether the outcome is positive or negative, depends upon a number of factors, including strict land planning and management policies, active citizen participation, and a desire to preserve the picturesque and quaint character of the Petoskey community.

Based on the results of the Wisconsin case studies, it is possible to control and direct the development related to the bypass. With careful monitoring and promotion, the historic Petoskey Central Business District may not experience negative effects as a result of potential development in the vicinity of the bypass. However, the current atmosphere of stability and success enjoyed by the business owners in downtown Petoskey's Gaslight District may be compromised if proper conservation and innovative land use measures are not considered and implemented.

Given the existing development types and trends in the Petoskey area, it is very safe to assume that similar activity will result and possibly be exacerbated by the development of the US 31/Petoskey Area bypass without careful and astute commitment to controlling land development. Since historically, highways tend to invite development, often commercial in nature, it is likely that commercial development will occur in the vicinity of the bypass, especially near the intersections and interchanges along the new route. The trend of development in the areas which will be the site of new access points to the bypass has been one of wide scale, traditional strip-type development, on large plots of previously agricultural land. The most recent developments have been in the form of gigantic shopping center areas anchored by national chains and big box discount retail establishments.

This type of strip commercial development is also prevalent in all of the comparison communities. As seen in both the recent and historic case studies, commercial development has occurred in reaction to the existence of a highway bypass. Only in Rhinelanders does this scenario differ, due to the lack of adequate public facilities necessary to support this type and intensity of development. Once these facilities are extended to the areas in proximity to the bypass, the result is expected to be the same in the Rhinelanders area as well. As a rule, all suitable land adjacent to highway bypasses in the case study communities has been developed or is being developed. In cases where this has not yet occurred, the probability of development is quite high. With this in mind, as well as trends in the Petoskey area and northwestern Michigan, it is likely that the lands adjacent to the bypass will develop in the same fashion, and at a much faster rate than in the comparison communities. Without proper management techniques, the land in the vicinity of the Petoskey bypass will be characterized by traditional sprawling commercial mixed use, and residential development. If current trends are allowed to continue, Petoskey will quickly become yet another example of sprawl and congestion in the United States.

With these underlying issues in mind, it is crucial that the Petoskey community and all stakeholders become actively involved in preservation and land conservation techniques. This requires cooperation from residents, stakeholders, and public entities alike. The government units connected to the bypass issue must develop specific policies and guidelines for future land development and conservation. The residents of Petoskey and the surrounding townships need to remain actively involved in the public input processes concerning development proposals and decisions. Merchants and business owners in downtown Petoskey must actively continue to promote business activities and opportunities in downtown Petoskey. Attitudes and positions towards economic development of any type by the chamber of commerce must change, and the current atmosphere of acceptance of any type of development should be discarded and reconsidered if the current economic success enjoyed by Petoskey is to remain.

In order to suggest preferred and desired development types and patterns in the Petoskey area, local planners and governmental units should consider growth management and land conservation techniques such as planned unit development, conservation subdivision design, performance standards, overlay zoning, historic and cultural preservation, architectural and site standards, development blueprints, and other various methods of control. Control and management of land resources and growth is one of the most important issues in the Petoskey area. Each of these as well as other considerations is detailed in the following section.

### **Suggested Land Conservation and Management Techniques**

#### **CONSERVATION SUBDIVISION DESIGN**

This is a recent movement geared toward the conservation of open space and agricultural lands, in rapidly developing areas and areas with future development potential. This practice is currently growing in popularity and use. The idea of this type of rural conservation technique is to require minimum amounts of open space retained and undeveloped in order to preserve open space, and create a more aesthetically pleasing community. This type of development should only occur in areas adjacent to existing continuous urban development, and not in all areas of a municipality or other governmental unit. Conservation subdivision design should be used in areas in close proximity to the bypass in both Resort and Bear Creek Townships.

#### **PLANNED UNIT DEVELOPMENT**

This technique affords greater control of development and may allow better standards for development. This type of land control mechanism can be used in the same areas and in unison with conservation subdivision design. It can result in a more harmonious development mixture and pattern, when combined with other control and management techniques. Planning and other policy-making bodies have greater control and strength with planned unit development in comparison to traditional zoning techniques.

## **TRANSFER/PURCHASE OF DEVELOPMENT RIGHTS**

Many communities in the United States and Michigan have begun to incorporate techniques for preservation of open and agricultural lands by way of transfer or purchase of development rights techniques. This is a type of growth management technique which involves the establishment of a program in which land development rights are purchased by a community, or land owners may transfer their development rights from a sending area to a receiving zone deemed appropriate by local policy makers. Generally this method is a voluntary incentive-driven system which may be used to slow or halt urbanization in specific areas of a community. The Petoskey area could see great benefits in terms of growth management as a result of the use of a transfer or purchase of development rights program. The most likely candidate for the sending area would be those areas of prime agricultural land identified in the DEIS, whereas the receiving zone would be located at points where development is to be concentrated near the existing pockets of densely packed development. With this in mind, it could appear that the receiving zone(s) would be located on or in close proximity to major thoroughfares, such as US 131, US 31, and Mitchell Road on the Petoskey side of the new bypass route.

## **HISTORIC AND CULTURAL PRESERVATION TECHNIQUES**

Careful consideration should be given to the thoughtful and adequate preservation of historic and cultural resources and structures in order to retain the character of the community. Historic districts and ordinances may be established in order to preserve and protect valuable sites which reflect community character. Strict guidelines should be instituted in order to allow for the security of historic sites and structures. Some historic districts have been formed in the city, and one in northern Resort Township. Continuance of the use and creation of historic districts including clusters of historic farmhouses should be employed in Bear Creek Township in areas which could be directly effected by the bypass route.

## **ARCHITECTURAL AND SITE DESIGN GUIDELINES AND STANDARDS**

Through the steadfast adoption and use of specific and appropriate site and architectural standards, a more orderly and harmonious development pattern along with a greater level of aesthetic quality may be achieved. Careful consideration of desired architectural and site design standards will help to retain the positive image of the Petoskey area as a favored tourist destination. It is important to include adequate buffering and vegetative cover in order to preserve scenic vistas, and avoid visual pollution of the landscape. These are already in place in the jurisdictions in the Petoskey area, but require more attention. Careful watch of variance from the standards set by councils and boards should be undertaken, to ensure the consideration and provision of aesthetically pleasing structures in the rapidly developing areas surrounding Petoskey.

## **OVERLAY DISTRICT/TIF DISTRICT/DEVELOPMENT AUTHORITY**

These bodies, which serve to guide development in a community, can be incorporated as a part of a community's planning or business advisory committees or councils. These represent various sources of financial support for the physical improvement and maintenance of a district. Such authorities or programs may be used to provide needed aesthetic improvements and pedestrian facilities. These techniques are being more widely used in suburban fringe areas as well as urbanized central areas. Examples of improvements provided by these techniques include signage and banner programs, pedestrian facilities, landscaping and aesthetic improvements, building and facade improvements as well as various other additions and improvements. A suggested location for a Tax Increment Financing District would be at the two major gateways to the city, US 131, and US 31 on the east side of the city. Suggested improvements in this area include the installation of banners and attractive lighting which would serve as a welcoming mechanism for the community, as opposed to the existing haphazard signage and lighting found in the commercial strips in the gateway areas of the city.

## **DEVELOPMENT BLUEPRINT/SERVICE BOUNDARY/GROWTH BOUNDARY**

This is a process in which current conditions and future development potential is assessed and considered in order to develop a pattern of desired, guided urbanization, through a the use of a boundary or designated service area which is determined by a governmental or policy-making body. The intent of this type of growth management technique is to provide for the orderly development of an urbanized area, while preserving other areas for rural and open use. These boundaries should be established and followed, allowing for adequate area for development so as to avoid sharp increases in land and real estate prices. In order to conduct the analysis necessary to develop a growth boundary or blueprint for development, a committee, such as the Intergovernmental Planning Group, which formed as a result of the release of the bypass proposal during the early stages of planning the facility should be utilized. This group would include representatives from each of the governmental units around the city, as well as representatives from the city and various interest groups and stakeholders.

## **INTERGOVERNMENTAL COOPERATION/RELATIONSHIPS**

This is crucial to the Petoskey area in order to provide for the orderly and appropriate development, as well as the preservation of important historic, cultural, and natural resources, while retaining the character of the Petoskey area. The governmental units in the Petoskey area must work together to manage growth and sustain the economic prosperity and function of Petoskey and the surrounding region. A set of policies for growth management, conservation, and promotion should be established and agreed upon in order to ensure a positive future for the community of Petoskey.

These suggestions represent only a handful of potential methods which may be used to assure positive growth, management, and preservation in the Petoskey area. The underlying idea that must be considered is the unique position and special character that the community possesses. In order for this to avoid from being compromised, proper methods should be considered and implemented.

## Bibliography

---

Alonso, William. *Location and Land Use: Toward a Theory of Land Rent*. Cambridge, MA: Harvard University Press, 1964.

Barlowe, Raleigh. *Land Resource Economics*. Englewood Cliffs, NJ: Prentice Hall, 1986.

Bay Harbor Resort Homepage. Available from <http://www.bayharbor.com>; Internet; Accessed April 1999.

Coil, John L. *Effects of opening M-21 Expressway*. Flint: Region V Planning and Development Commission, 1984.

Fort Atkinson, WI Business Owners and Residents. Interview with business owners and residents conducted by author, March 1999.

Fort Atkinson Area Chamber of Commerce. Fort Atkinson 1999 Visitor's Guide. Fort Atkinson, WI: Fort Atkinson Area Chamber of Commerce, 1999.

Giuliano, Genevieve. "Land Use Impacts of Transportation Investments: Highway and Transit". *The Geography of Urban Transportation*, 2<sup>nd</sup> ed., Susan Hanson, ed. New York: Guilford Press, 1995.

*Historical Glimpses: Petoskey*. Petoskey: Little Traverse Historical Society, 1986.

Lake Geneva Area Convention and Visitor's Bureau. Lake Geneva Area Visitor's Guide 1999. Lake Geneva, WI: Lake Geneva Area Convention and Visitor's Bureau, 1999.

Michigan State University/Highway Traffic Safety Center, and U.S. Department of Commerce, Bureau of Public Roads. *Economic and Social Impacts of Highway Improvements*. East Lansing: MSU/Highway Traffic Safety Center, 1961.

Pennsylvania State University Highway Impact Research Staff. *Blairsville: A Bypass Study*. University Park: Pennsylvania State University, 1962.

*Petoskey Regional Chamber of Commerce Home Page*; available from <http://www.petoskey.com>; Internet; Accessed 28 January 1998.

Petoskey Residents and Business Owners. Interview conducted by author, August 1998. Petoskey, MI.

- Port Washington Area Chamber of Commerce and Visitor's Bureau. Port Washington Visitor and Tourist Guide 1999. Port Washington, WI: Port Washington Area Chamber of Commerce and Visitor's Bureau, 1999.
- Port Washington Business Owners. Interview with business owners conducted by author. Port Washington, WI, 1999.
- Rhineland Area Chamber of Commerce. Rhineland 1999. Rhineland, WI: Rhineland Area Chamber of Commerce, 1999.
- Rhineland, WI Business Owners. Interview conducted by the author, January 1999. Rhineland, WI.
- Southeastern Wisconsin Regional Planning Commission. Interview with staff conducted by the author. Waukesha, WI, January 1999.
- State of Michigan Department of Transportation. Interview with Muhammad Alghurabi and David Geiger conducted by author, October 1998, April 1999. Lansing, MI.
- State of Michigan Department of Transportation. *US-31 at Bay View, Emmet County, Michigan, an Environmental Impact Statement*. Lansing: State of MI. Dept. of Transportation, 1987.
- Urban Land Institute. Shopping Center Development Handbook. Community Builders Handbook Series. Washington, D.C.: Urban Land Institute, 1977.
- U.S. Department of Transportation-Federal Highway Administration, and Michigan Department of Transportation. *US-31 Petoskey Area Improvement Project: Draft Environmental Impact Statement Section 4(f) Evaluation*. Lansing: Mich. Dept. of Transportation, 1994.
- U.S. Department of Transportation, and U.S. Department of Housing and Urban Development. *The Land Use and Urban Development Impacts of Beltways*. Washington, DC: GPO, 1980.
- Wagner, Hulse. *The Economic Effects of Bypass Highways On Selected Kansas Communities*. Lawrence: University of Kansas Center for Research in Business, 1959.
- Wisconsin Department of Transportation. *Highway Bypasses: Wisconsin Communities Share their Experiences*. Madison: Wisconsin Dept. of Transportation, Division of Planning and Budget, 1988.
- Yeh, Daniel. *The Economic Impacts of Highway Bypasses on Communities*. Madison: WisDOT, February 1998.



## **Appendices**

---

### **Sample Interview Sheet**

How long has your business been here?

How would you describe the economy of Fort Atkinson?

Has it changed in the past 5-10 years?

What is your opinion of the WIS 26 Bypass?

How (if at all) has the bypass changed the city?

Has the bypass had any type of impact on your business? How? What?

Do you feel the bypass was necessary for Fort Atkinson?

How do you feel about the proposed US 12 bypass?

Do you think it will help or hurt business in downtown?

Additional comments:

**TO: Citizens Concerned About a Beltway**  
**FROM: Earth Day Action, S.A.V.E., Sierra Club, Growth & Development Forum**

### ***DON'T GIVE UP YET!***

It's not too late to convince MDOT (the Michigan Department of Transportation) that we don't want ANY of their proposed beltways around Petoskey.

Did you notice that none of the options given to this community involve improving existing roads only? The only option that even considered widening US 31 had a beltway attached to it (the Bayview bypass, C-4).

Yet MDOT stated several times at public meetings that they would given the community that option. Let's hold them to their word!

A group of us have been meeting regularly to fashion an "existing roads" alternative to present to MDOT. The plan we came up with involves:

- \* Widening US 31 and US 131 to 4 lanes (where it is not already that wide).
- \* Leave Bay View at 3 lanes (historic protection)
- \* Open up Howard and Atkins Roads for local traffic
- \* Upgrade River Road to ease congestion from the main highways
- \* Incorporate various *Traffic Demand Management and Transportation Systems*

*Management* ideas into the broad plan (this would include such things as traffic lights, left turn lanes, buses, bike paths, ride-share lots, possibly a ferry boat to take people from Petoskey to Harbor Springs, etc.)

We think MDOT has the whole plan backwards: MDOT suggests building a new road (beltway) that would destroy homes, farms, wetlands, and businesses for the benefit of 16% of the traffic that is termed "through" traffic, traffic that has no intention of stopping in our community! We say let those 16% of vehicles go on through on existing US 31 and US 131. Instead, let's upgrade existing side roads for local traffic. The "scenic parkway" MDOT plans would only be scenic to those driving on it -- the people who want to bypass Petoskey anyway! Why should we destroy our way of life and our greenbelts and open spaces to give these folks a view on their way through?

***What can you do?*** Write to MDOT and ask them to go back and analyze the "existing roads" option -- without any beltway. Feel free to remind them that they promised to do this but didn't. Even if you already submitted comments on the beltway, there is no limit to the number of times you can submit comments. But you only have until September 26th, so please jot a note TODAY. If they get hundreds of letters asking for a new alternative, it will be hard for them to ignore.

### ***For your information:***

- Bear Creek Township has gone on record as opposing a beltway
- Resort Township has gone on record as opposing a beltway
- A group of us have a meeting in Lansing on September 22 with the Director of MDOT to present the above plan
- The Tip of the Mitt Watershed Council Board of Directors adopted a position opposing all of MDOT's alternatives due to excessive water resource impacts

**Please help!** Write to: Mr. Philip Chisholm, MDOT, P.O. Box 30050, Lansing, MI 48909 before September 26.

**We also need financial assistance to keep the work going -- please read the letter from Dr. Tanton on the inside cover of this mailing. And THANKS FOR YOUR EFFORTS!**

## BELTWAY NEWS

### Don't Believe Myths About Beltway

**MYTH #1 - A "Parkway" style beltway will be scenic and prevent development.**

To the Michigan Dept. of Transportation (MDOT), a "Parkway" refers to a landscaped divided highway and has nothing to do with preventing commercial developments along the path of a new road. It is widely acknowledged by MDOT and local planners that preventing development along a bypass will be impossible. Viewing, hearing, and smelling a beltway will not be anything like a "Parkway" experience.

**MYTH #2 - A Bypass will be good for "commerce."**

The "near south" and "far south" bypass alignments divert traffic away from existing businesses. Ask any retailer whether business will be increased by redirecting customers away from an establishment. A bypass will certainly displace and relocate businesses, but making Petoskey a place to get through rather than a good place to go can only be bad for business in a town with an economy based on tourism.

**MYTH #3 - After a bypass is built, the downtown can be reconnected with the waterfront.**

This pipedream of bypass proponents is pure fantasy. The existing path of US 31 will continue to carry the bulk of the traffic after a bypass is constructed, according to MDOT, because most of the popular traffic "attractors" like Northern Michigan Hospital, Petoskey's downtown business district, the Petoskey waterfront, and Bay View are located along its path.

**MYTH #4 - The damage a bypass does to farms, homes, businesses, wetlands, views, etc., is unavoidable if we are to solve the traffic problem.**

In 1987, as part of the environmental impact statement for the Bay View highway project, MDOT stated that a widening of existing US 31 to four lanes would serve Petoskey's traffic needs far into the future. That same year, they rejected building a bypass as a solution to the congestion on US 31 through Bay View because of unacceptably high impacts in relation to the amount of traffic that would be diverted to a new road. There are very workable alternatives to MDOT's bypasses that manage our transportation needs and preserve the character and quality of life in our community.

**MYTH #5 - We can trust MDOT to determine what's best for our area.**

Our public servants at MDOT are good road builders. They are not good urban planners, visionaries, environmentalists or business people. They are not members of our community. The bypass alignments proposed by MDOT are in conflict with the new City-County Master Plan as drafted by our Intergovernmental Planning Group. Our town is already ranked 15th among the 100 best small towns in America; a bypass will destroy the rural character and quality of life that merits this ranking.

**MYTH #6 - The majority of the traffic on US 31 is "through" traffic that could be diverted to a bypass, leaving US 31 for the "locals."** Origin and destination studies prove that at least 84% of the traffic on US 31 is local traffic with an origin or destination within the Petoskey area. Only 16% is through traffic, and it is a certainty that many of these drivers would choose the more scenic waterfront route even if there was an alternative.

**MYTH #7 - There's nothing you can do -- MDOT is going to build whatever they want to anyway.**

This can only happen if the majority of residents allow it to happen. Hundreds of people who attended the Public Hearing in August spoke out and are moving to preserve the town we love by building consensus around transportation proposals that are in harmony with our county master plan.

You can influence the final outcome in three ways:

1. Write or call your county commissioner, city councilperson, and county and city planning commissioners and tell them what you think.
2. Mail your comments on the proposed bypass alignments to MDOT postmarked by September 26.
3. Join us by sending in your check to support our efforts. Getting information out to the public can get expensive and your donations are tax deductible.

*This message was brought to you by the Growth and Development Forum so that you can be informed and participate in the process.*

Do you want to be kept informed about the beltway?

Name \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

Phone/s \_\_\_\_\_

☐ Enclosed is a donation of \$ \_\_\_\_\_ to help with efforts to inform the public about the proposed beltway project.

Mail to Growth & Development Forum, 316 1/2 Mitchell, Suite 4, Petoskey, MI 49770.  
Make checks payable to Growth and Development Forum. Contributions are tax-deductible.



MICHIGAN STATE UNIVERSITY LIBRARIES



3 1293 02625 5012