

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

Overall Economic Development Program For Northern Maine

Annual Report 1996

Prepared By:

**Northern Maine Development Commission
And Northern Maine Economic Development District**



Northern Maine Overall Economic Development Program

1996 Annual Report

Representing the:

*Fort Kent Redevelopment Area
Madawaska-Van Buren Redevelopment Area
Caribou-Presque Isle Redevelopment Area
Houlton Redevelopment Area
Patten-Island Falls Redevelopment Area
Aroostook County, Maine and the
Aroostook River Corridor Growth Center*

Prepared with the assistance of planning grant funds from the
U.S. Department of Commerce, Economic Development Administration
by:

**Northern Maine Development Commission and the
Northern Maine Economic Development District
2 South Main Street
P.O. Box 779
Caribou, Maine 04736**

Northern Maine Development Commission

Established as the Northern Maine Regional Planning Commission in June 1967

Incorporated November 14, 1969

Designated as an Economic Development District on April 9, 1975

Licensed by the SBA as a Certified Development Company on January 9, 1981

Table of Contents

Section I: The Economic Development District Council

Council Activities	1
Membership Chart.....	3
Meeting Minutes	4

Section II: Past Year's Activities

Economic & Community Development.....	21
Business Finance.....	25
Small Business Development Center	25
Planning Department.....	29
Mapping Department	29

Section III Changes in the Area's Economy

Business Climate.....	32
Forestry	33
Potato Industry	35
International Trade.....	36

Section IV: Development Strategies

Goal 1 Projects: Business Retention & Expansion	39
Goal 2 Projects: Natural Resource Redevelopment	43
Goal 3 Projects: Business Attraction and Image Building.....	45
Goal 4 Projects: Tourism & Recreational Resource Development.....	45
Goal 5 Projects: Local Community Development	47
Goal 6 Projects: Educational & Training System Improvements	52

Appendix

Letters of Support	
MDOT Statewide Transportation Improvement Program '96-'98	

I. Economic Development District Council

The Economic Development District Council was established by the NMDC in 1992 to increase local involvement in forming and implementing the Northern Maine Overall Economic Development Program (OEDP). Currently there are twenty-five members on the Council from throughout the region representing business, industry, agriculture, utilities, education and training, and health agencies, among other interests. Council members provide tremendous input throughout the development of the OEDP, making the program the truly dynamic economic development planning tool it was intended to be. Meetings are held at least six times a year, providing an excellent forum to discuss economic development issues from the perspective of both the private and public sectors. The goals of the OEDP grow directly from the Council's analyses of local conditions and their identification of the problems and opportunities relating to economic growth.

The Council also provides guidance on key economic development projects, the most significant of which is the Northern Maine Business Retention and Marketing Program. The program, built on the goals of the OEDP, was funded in 1995 by the Economic Development Administration under the Title IX program for Sudden and Severe Economic Dislocation.

This year, the Council has provided regular input into the Marketing Communications Program, from strategy development through the implementation of the program. This spring we launched the In-County campaign, and the summer and fall campaigns for business attraction and tourism are in progress.

The Council has met eight times during the 1996 OEDP season. In addition to the Overall Economic Development Program and the Marketing Communications program, the EDDC has been involved in the following economic issues and projects:

- In Summer 1995, the Council voted to recommend to the Executive Board that the NMDC support ACT (Aroostook County Tourism) in continuing its Snowmobile Aroostook Campaign with funding of \$5,500. Although a lack of snow hampered the 1995-96 winter tourism activity, the NMDC continued similar support of the 1996-97 campaign.

Also during that time, we voted to support the Potato Marketing Project with the Maine Potato Board and Maine Farmers Exchange for \$5,500. Four hundred boxes were distributed in ten stores throughout the Northeast with surveys packed in them. The survey response was excellent, with 26% of the surveys returned. Over 90% of the consumers had a favorable opinion of the product and the packaging. A report by the University of Maine on the results of the market test is expected momentarily, and the test will be expanded into larger markets this year.

- In September 1995 we voted to recommend to the Executive Board that the NMDC support development of the Sears Island Dry Cargo Port and the passage of the \$59 million transportation bond referendum. Unfortunately, the state withdrew its support of the cargo port because of environmental concerns. The Boston-based regional headquarters of the Environmental Protection Agency's insistence on wetland and eelgrass mitigation drove the cost of the port beyond the range of feasibility.
- In November, we voted for the NMDC to participate with \$5,000 in the Potato Export Development Project with the Maine Potato Board. The project will expand and develop export

markets for tablestock and value-added potatoes. The project is currently on hold, pending a decision from the National Potato Promotion Board.

The chart on the next page depicts the current membership of the Economic Development District Council, their community of residence, the interest they represent, and the date their membership began. Following the membership chart are the Council's meeting minutes since the approval of last year's OEDP.

**1996-97 Membership
Economic Development District Council**

District 1: Fort Kent - Allagash (4)

Don Guimond Town Manager <u>Fort Kent</u> Local Government	6/94	Peter St. John Katahdin Trust, V.P. <u>Fort Kent</u> Finance	11/93	OPEN	OPEN
---	------	---	-------	------	------

District 2: Madawaska - Van Buren (3)

Tom Kent Northern Trading Co. <u>Madawaska</u> Business	11/93	Norm Thibodeau <u>Van Buren</u> Business	11/93	OPEN	
--	-------	--	-------	------	--

District 3: Caribou - Presque Isle (11)

Barbara Ireland <u>Fort Fairfield</u> Health Care	11/93	Larry Clark, Ex. Dir. <u>Presque Isle Ind. Council</u> Economic Development	11/93	Jim Patterson <u>Presque Isle</u> Technology	11/93	David Ricker <u>Fort Fairfield</u> Housing	11/93
Barry McCrum Paragon Cable <u>Mars Hill</u> Telecommunications	5/95	Fred Bustard Maine Public Service <u>Presque Isle</u> Utilities	11/93	Larry Potter U of ME at Presque Isle <u>Fort Fairfield</u> Business	11/93	Connie Sandstrom ACAP <u>Presque Isle</u> Employment & Training	6/94
Mary Philbrook Aroost. Band of MicMacs <u>Presque Isle</u> Native Amer./Women	11/93	Chris Holmes New Penny Farm <u>Presque Isle</u> Agriculture/Environment	6/94	Mary Walton Loring Dev. Authority <u>Caribou</u> Economic Development	5/95		

District 4: Mapleton - Washburn (4)

Dave Lavway Maine Potato Board <u>Washburn</u> Agriculture	11/93	Pat Sutherland Northern Maine Tech. <u>Chapman</u> Education	11/93	John Edgecomb Town Manager <u>Castle Hill</u> Local Government	11/93	OPEN
---	-------	---	-------	---	-------	------

District 5: Houlton (5)

Charles Upton S. Aroostook Growth Cncl. <u>Houlton</u> Economic Development	11/93	Nancy Ketch Houlton Chamber of Com. <u>Houlton</u> Business	11/93	Audrey Zimmerman Women, Work & Comm. <u>Cary Plt.</u> Women	11/93	OPEN
OPEN						

District 6: Patten - Island Falls (2)

**County of
Aroostook (1)**

**Legislative
Delegation (1)**

Arnold Roach <u>Smyrna Mills</u> Agriculture	11/93	Marguerite Lawler People's Heritage Bank <u>Smyrna</u> Business/Finance	6/94	David Cyr County Commissioners <u>Caribou</u> Transportation	11/93	Rep. Gary O'Neal State Representative <u>Limestone</u>	5/95
--	-------	--	------	---	-------	--	------

**Economic Development District Council
NMDC Boardroom
August 3, 1995**

◆ ◆ ◆
Meeting Minutes

Members Present: David Cyr, David Ricker, David Lavway, Arnold Roach, Marguerite Lawler, Nancy Gervais, Ray Mersereau, Carolyn Dorsey, Thomas Kent, Larry Potter, Fred Bustard, Norman Thibodeau, Carl Theriault, Stephen Gagne, Connie Sandstrom, Chris Holmes

NMDC Staff: Don Flannery, Jane Caulfield

Call to Order

Dave Cyr called the meeting to order at 11:10 a.m., welcoming the Council members and Dick McDonald of McDonald / O'Meara Communications (MOC) was there to present the regional marketing plan.

Marketing Plan Presentation

Dick McDonald said that MOC began the process of forming the plan by assessing how local people felt about the past, and the region's future possibilities. The consultant's job was to create a map of how to achieve future prosperity built on our aspirations as a region.

He then presented the preliminary strategic direction of the plan:

1. Validation Process - MOC had made some core assumptions about doing business in Northern Maine based on initial research. Then they either validated or modified those assumptions. For example:

- Telecommunications infrastructure was not quite at par with the rest of the state as first assumed, and attraction activities would have to be conducted with NYNEX case-by-case.
- Energy costs did impact the types of business that could locate here, and MPS would have to be willing to negotiate EDRs.
- Tourism potential was greater than expected because of vast natural resources.

2. Overall Conclusions:

- Business Retention, Growth, and Start-Ups - emphasis should focus on helping existing businesses to grow and to expand, and to support business start-ups.
- Tourism - a strong opportunity to bring new money onto the region, and to spur business start-ups; and despite rumors, provides good jobs.
- Business Attraction - Large scale attraction from outside the state is probably not a good bet for Northern Maine, considering competitive environment.
- Attitudes: Pessimism and negativity could become a barrier to a truly successful business development program.

3. Most viable opportunities for Northern Maine's business development, in order of priority:

- Business retention, growth and start-ups (more cost-effective than attraction efforts)
 - Strategies: Provide business assistance programs and entrepreneurial support; create mechanism to fund "home grown" business in targeted sectors.

- Tourism marketing and promotion
 - Strategies: Develop four season soft-adventure tourism opportunities; increase the visibility of County in State tourism marketing.
- Business attraction
 - Attraction of businesses "from away" should focus on industry segments that can benefit from region's resources/assets. Motivate Maine businesses to expand here.

An internal campaign should be developed as part of the program to garner local support for economic development initiatives.

Council Discussion

There was some concern from the Council that after planning, funding would run out before activities were initiated. Don Flannery responded that out of the total budget of \$903,000, the regional marketing plan accounted for only \$42,000. The rest would be used to implement the marketing and business retention programs. Funding from the local private and public sector would be sought to continue the programs.

Other issues:

The importance of developing all modes of transportation to serve the region's businesses, including rails and seaports, which could increase export opportunities for natural resource industries.

Tourism development can't take place unless the whole region comes together under one concerted effort. There is a problem with attempts at promotion by eight different Chambers of Commerce that must be overcome. The regions must centralize and provide professional focus. We must also have method to measure tourism activity, to quantify tourism activity - where visitors are coming from and in what numbers, as well as their expenditures.

Maine's tourism budget is too small to be effective, although the return on investment in tourism promotion is estimated to be 3:1.

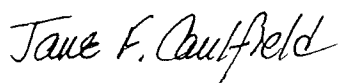
One-stop-shopping for business assistance needed - addressed as business development resource center as a business retention and expansion opportunity.

The Council felt it was a good preliminary plan. There was some concern about the program budget and who would be doing the work - there are so many program elements. Developing budgets and prioritizing activities - what would receive focus and the greatest financial resources, will all be ironed out by Fall.

Adjournment

There being no further discussion, David Cyr adjourned the meeting at 12:50 p.m.

Respectfully submitted,



Jane F. Caulfield
Economic Development Specialist

**Economic Development District Council
NMDC Boardroom
September 13, 1995**

◆ ◆ ◆
Meeting Minutes

Members Present: Barry McCrum, Fred Bustard, Chris Holmes, Audrey Zimmerman, Marguerite Lawler, Charles Upton, David Ricker, Gary O'Neal, Jim Patterson

Staff Present: Robert Clark, Jane Caulfield

Call to Order

Jane called the meeting to order at 11:08 and welcomed the members.

June 22 Meeting Minutes

Motion/Vote

No corrections being noted, Jane asked for a motion to accept the meeting minutes of June 22, 1995, as presented in the 1995 OEDP.

Motion made by David Ricker, seconded by Fred Bustard to accept the meeting minutes. Motion voted on and passed.

1995 OEDP Annual Report

Jane went through each section of the OEDP, asking the Council to comment and point out any errors that they may have found in their review. Several recommendations were made to add projects to the Development Strategies section, and to make a few changes to the Goals and Objectives. Several errors and typos were also noted. Chris Holmes still wanted more on the balance of trade issue. Jane responded that he should define exactly what he was looking for, so that it could be researched and added to the 1995 update of the Northern Maine Economic Profiles.

Motion/Vote

Jane asked for a motion to approve the 1995 OEDP Annual Report as revised and to recommend that the NMDC Executive Board approve the document at their September meeting.

Motion made by Marguerite Lawler, seconded by David Ricker to approve the 1995 OEDP. Motion voted on and passed.

Sears Island Dry Cargo Port

Jane passed out two handouts on this port construction project, which has been stagnant for 20 years. She stated that Maine has a long maritime tradition, but that port infrastructure needed to be modernized to meet today's exporting needs. Dry cargo tonnage increased 347% between 1981 and 1992, and manufactured exports generates large numbers of jobs. The project would be good for Northern Maine growers and manufacturers by supporting potato export trade. Loring's business attraction efforts would also be enhanced. Governor King and past Governors have supported the port construction at Sears Island, and many groups with an interest in economic development were also coming forward to support the project.

Motion/Vote

Jane asked for a motion for the Council to support construction of the Sears Island Cargo Port, and to recommend that the Executive Board also support the project.

Motion made by David Ricker, seconded by Gary O'Neal to support port construction. Motion voted on and passed.

Transportation Bond Issue

Jane passed out information from the Maine Better Transportation Association on the Transportation Bond issue that would be up for referendum vote in November. The State portion of the funding is \$58.9 million, and would generate an additional \$138 million in federal funds for highways and bridges, airports, ports, and rail and intermodal facilities. Of particular importance to Northern Maine is \$1 million for the Presque Isle Intermodal Facility.

Motion/Vote

Jane asked for a motion for the Council to support passage of the transportation bond and to recommend that the Executive Board also support the bond.

Motion made by David Ricker, seconded by Jim Patterson to support the transportation bond. Motion voted on and passed.

Natural Gas Pipeline

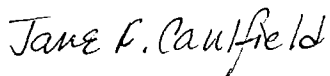
Two New England energy consortiums are in the process of developing plans to invest a total of \$1 billion in gas pipelines. The larger of the projects, approximately \$750 million, would bring presently untapped natural gas from offshore Nova Scotia to existing pipelines in Boston. Charles Upton felt that our region should explore the possibility of tapping into that pipeline, perhaps through the existing Searsport pipeline. Charles said the region's dependence on fuel oil in a world of natural gas users can hurt our ability to compete. The cost of energy is a major economic development issue in the region, because of climate and the cost of fuel in Northern Maine relative to the rest of the state and nation. The Council agreed that we should look into the feasibility of gaining access to the service, to determine whether it would be a mutually beneficial project for the region and the consortium.

Rep. Gary O'Neal has been corresponding with James Grasso of the Panhandle Eastern Corporation in Boston, who has been keeping Rep. O'Neal apprised of the project's development. He said he would try to get Mr. Grasso to make a presentation to the EDDC.

Adjournment

There being no further discussion, the meeting adjourned at 12:51 p.m.

Respectfully submitted,



Jane F. Caulfield
Economic Development Specialist

**Economic Development District Council
Northern Maine Development Commission
November 2, 1995**

◆ ◆ ◆
Meeting Minutes

Attendance

Members:

David D. Cyr, Chair - County Commissioners
Fred Bustard - Maine Public Service
Gary O'Neal - House of Representatives
Audrey Zimmerman - Women, Work & Community
Marguerite Lawler - Peoples Heritage Bank
David Ricker - Housing Director, Caribou
Larry Clark - Presque Isle Industrial Council
Barry McCrum - Paragon Cable
Chris Holmes - New Penny Farm
David Lavway - Maine Potato Board
John Edgecomb - Mapleton, Castle Hill & Chapman
Peter St. John - Katahdin Trust Company
Norm Thibodeau - Van Buren
Jim Patterson - Maine School Science & Math
Mary Walton - Loring Development Authority

Ex Officio Members:

(Community Development Directors/LEAD)
Ray Mersereau - Mars Hill (Town Manager)
Tony Levesque - Fort Fairfield
C.P. Harris - Limestone
Carolyn Dorsey - Caribou
Carl Theriault - Fort Kent
Dick York - York's of Houlton (LEAD)
Jim Brown - City of Presque Isle

Guests:

Stan Greaves - Maine Farmers Exchange
John Logan - Maine Potato Board
Al Kegis - University of Maine
Vicki Smith - MAP
Terry York - York's of Houlton

NMDC Staff:

Don Flannery, Judy Dinsmore, Robert Clark,
Alain Ouellette, Jane Caulfield

Call to Order

Mr. Cyr opened the meeting at 11:10 a.m. He thanked everyone in attendance and asked for a motion to approve the EDDC meeting minutes of August 3, 1995 and September 13, 1995.

Vote: Motion made by Ms. Lawler, seconded by Mr. Ricker to approve the meeting minutes of August 3, 1995 and September 13, 1995. Motion voted on and passed.

At this time Mr. Cyr asked for an update on the Snowmobile Aroostook Campaign.

Snowmobile Aroostook Campaign

Mr. Flannery stated that the NMDC provided ACT (Aroostook County Tourism) with \$5,500 to continue their Snowmobile Aroostook Campaign. He then introduced Ms. Vicki Smith of ACT for an update on the campaign.

Ms. Smith stated that with the funding, ACT purchased a full page co-op ad in "Snowgoer" magazine, which has a circulation of 100,000 snowmobilers. The Presque Isle Chamber of Commerce has already received 69 inquiries - a 15% response - with the highest response from New York, New Hampshire, and Pennsylvania. Paul McLauchlan of American International Travel placed one of the ads, and received ten inquiries about flying into Aroostook County for snowmobiling. ACT had four of the six pages on Aroostook County in the directory.

ACT also attended four snowmobile shows with 2,500 in attendance in Massachusetts, 5,000 in attendance in Pennsylvania and 10,000 in attendance in Syracuse. In the future they plan to place ads in Pennsylvania and Massachusetts snowmobile publications. Last year when they went to Pennsylvania there many comments that we were too far away - this year, they didn't hear that. She felt it was because the snowmobilers had a good experience when did come to the area. She stated that in Pennsylvania, people came to the booth and said that they had heard about Aroostook County's snowmobiling through friends. Looking at the surveys that were taken from lodging facilities in the area, they learned that 35% of those who visited last year were first-time visitors and 33% heard about us from friends.

Ms. Smith said that their budget has been severely reduced because of cuts in funding from the Office of Tourism. Two years ago they had \$37,000, last year they had \$20,000, and this year they only have \$8,000 to work with. There have been complaints from Massachusetts about the registration fee going from \$20 to \$60 for non-resident fees, but they did say we have very good trails. They were told that the money goes back to the clubs for trail maintenance, and that why we have an excellent trail system.

At this time Ms. Smith asked if there were any questions.

Mr. Harris asked if she had heard of visitors buying sleds locally and storing them here for the season so they could fly in and out of the area for snowmobiling. She said that although she had not heard of that specific case, she wouldn't be surprised; there is tremendous potential for business creation. Mr. Ricker stated that he was aware of several businesses that would have heated storage, maintenance warehouses available soon for snowsled storage.

Ms. Smith stated that they have tried to get money from the state for their campaign and were told that the money was not there. She also stated that the state told her that if they went as a state - as "Snowmobile Maine" they would get some assistance.

Mr. Ricker said that the region should make an effort to quantify marketing success; how many people are visiting? Ms. Smith said that they surveyed visitors through motels last year and found that occupancy increased 15% throughout the County. Based on that, the increase in tourism expenditures was estimated at over \$2,000,000.

Ms. Zimmerman asked if the 800 number that rings into the Presque Isle Chamber provides information on snow conditions and other information for the entire county. Ms. Smith said that it does.

Potato Marketing Project Update

Mr. Cyr stated that Mr. Stan Greaves would give a presentation on this project in which the NMDC, the Maine Farmer's Exchange and the Maine Potato Board are participating. Mr. Flannery stated that the NMDC funding comes from the natural resources portion of the Business Retention and Marketing Program, not from the marketing portion.

Mr. Greaves stated that the potato acreage has declined from 154,000 to 73,000 in the last 25 years. This is an average of 3,100 acreage per year, signaling the need to add value and regain market share. Mr. Greaves showed the group their 7.5 pound potato box, with four-color photos and recipes. The box is stackable and makes an attractive display. He explained that they are working on a home gardener seed potato box which is also capturing interest. The box costs 80¢ and the consumer will have to pay \$3.50 to \$4.00 for the box, which is not much more than they are paying for bulk potatoes.

Mr. Patterson asked how are they going to insure only the best potatoes go into the box. Mr. Greaves stated that the packers will be following their standards, they would control the varieties, and that the potatoes would be hand-picked for the boxws.

Mr. Flannery asked what stores were test markets for this product. Mr. Greaves stated that they were looking at many store chains; upscale chains especially liked the boxes and were very interested in selling them after the Christmas season. Mr. Greaves stated that they bought 70,000 boxes; 17,000 will go out as test for the table stock, and 30,000 have been bought for seed.

Mr. Kegis stated that as part of their marketing testing, Sugarloaf donated a weekend as an incentive for filling out the consumer questionnaire. The winning participant would win of four days and three nights at the resort. Mr. Logan added that Concord Foods of Brockton, Mass provided free sample packets of seasoning for wedge potatoes to pack with the potatoes.

Mr. Logan stated that one of the important messages to buyers is that Maine is willing to be innovative and competitive. We must be perceived as being creative in what we are trying to do. This product needs to go to stores that will serve the right market niche. We may not sell truckloads, but the product will serve a smaller market at higher price. If it goes to the wrong stores product will not sell successfully. Mr. Logan stated that he felt that the seed box has tremendous potential with stores like Wal-Mart, hardware and grocery produce sections. He said that the boxes can also be mailed as gifts.

Potato Export Development Project:

Mr. Lavway explained that this project was developed by the Maine Potato Board and the Northern Maine Development Commission to develop and expand export markets for potatoes grown in the United States (seed and tablestock as well as value-added products). Marketing activities will focus on the Caribbean, North Africa, Brazil, and Southeastern Europe. They are seeking \$75,000 from a variety of sources, including the NMDC, to fund the project.

Mr. Patterson asked how they would insure the quality of the exported potatoes. Mr. Lavway stated that this would be done through the inspection service -- quality problems are usually associated with tablestock, not seed. Mr. Flannery added that network development is an important part of the program, so that through trade missions and trade shows, all the players will understand expectations for quality.

Mr. Flannery stated that Mr. Rodney McCrum, president of the Export Development Committee of the Maine Potato Export Board, held his own in a meeting with the National Potato Promotion Board in defense of this proposal. The National Potato Promotion Board is in danger of losing funding, and now that they need our support in Maine they may be willing to respond to our proposal.

Mr. Flannery then entertained a motion from the EDDC to support the project.

Vote: Mr. Patterson made a motion to support this project for \$5,000. The motion was seconded by Mr. Edgecomb. The motion was voted on and passed.

Regional Marketing Plan

Mr. Flannery explained that there were good comments as well as negative ones about McDonald/O'Meara's marketing plan. An RFP will go out to consultants in November 1995 for the implementation of the plan, which will begin in the first quarter of 1996. The overall program was \$900,000, of which \$500,000 was for marketing, and the rest for business development activities.

Mr. Patterson asked if the RFP will be for all services or if it would be segmented. Mr. Flannery stated that one RFP will go out, but that consultants could team with other consultants with different areas of expertise, as in a contracting firm. The RFP will describe specific activities under the four basic components outlined in the plan: the in-county campaign, business attraction, business retention and growth, tourism marketing and promotion.

Ms. Zimmerman asked if McDonald/O'Meara will do just the planning portion of the project or will they also implement it. Mr. Flannery stated that if they respond to the RFP, they will work with us to implement the plan. Ms. Zimmerman stated that she felt we should make sure we have the infrastructure in place before marketing, and make sure we market an image that is not beyond what we really are.

Ms. Zimmerman also asked if activities would be prioritized to assure the most critical would be accomplished. Mr. Flannery stated that we would. Mr. Theriault asked how those decisions would be made. Mr. Flannery responded that feedback from the EDDC would be an important part of decision-making. Mr. Holmes asked that in regards to agriculture, would the focus be on new or existing industry. Mr. Flannery stated that it is for both existing and new businesses.

Mr. Flannery felt that tourism will not be the first priority of the program, but it will receive a good amount of attention. He felt described TOP (Targeted Opportunities Program) as one of the more important components of the Marketing Plan. TOP is a "homegrown" business development strategy that will bring together the resources of banks, real estate companies, utilities, and post-secondary educational institutions, along with NMDC; for the purpose of creating jobs.

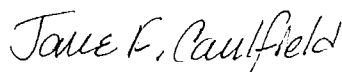
Ms. Zimmerman asked if this could be done locally; if we could do it. Mr. Flannery stated that yes, but we need someone from the outside to sit down with local players and bring it together. The NMDC cannot facilitate it because we are one of the players.

Ms. Zimmerman said that when McDonald/O'Meara did their initial presentation, they were going to come up with more specific businesses that might be appropriate. She voiced her disappointment at the lack of specificity in the final plan.

Vote: Mr. Cyr asked for a motion to recommend to the NMDC Executive Board that they support the Northern Maine Marketing Plan. Motion made by Mr. Ricker, seconded by Mr. St. John. Motion voted on and passed.

The chair declared meeting adjourned at 1:10 p.m.

Respectfully submitted,



Jane F. Caulfield
Economic Development Specialist

**Economic Development District Council
NMDC Boardroom
February 8, 1996**

◆ ◆ ◆
Meeting Minutes

Attendance

Members

Dave Ricker, City of Caribou
Barbara Ireland, Pines Health Center
Charles Upton, Town of Houlton
Marguerite Lawler, Peoples Heritage Bank
Larry Clark, Presque Isle Industrial Council
Barry McCrum, Paragon Cable
David Cyr, County of Aroostook
Fred Bustard, Maine Public Service
Chris Holmes, New Penny Farm
Dave Lavway, Maine Potato Board
Mary Walton, Loring Dev. Authority
Don Guimond, Town of Fort Kent
Connie Sandstrom, ACAP

Ex Officio

C.P. Harris, Limestone Dev. Foundation
David Wright, Fort Fairfield Comm. Dev.

Guests

Calvin Deschene, Maine Public Service
Carl Flora, Loring Development Authority

McDonald Communications

Dick McDonald, Kim Bard, Karla
McGowan, Paul Benoit .

NMDC Staff

Don Flannery, Alain Ouellette, Judy
Dinsmore, Jane Caulfield

Call to Order

David Cyr opened the meeting at 11:00 a.m. He asked if there were any corrections to the meeting minutes of November 2, 1995. None being noted he asked for a motion to accept the minutes.

Vote: Motion made by David Ricker, seconded by Marguerite Lawler. Motion voted on and passed.

Resignation of Chair

Jane Caulfield stated that David Cyr resigned as chair of the EDDC, due to work responsibilities. Don Flannery stated that an Executive Board member should be elected to the position to improve communication between the two groups. Nominations came in for John Edgecomb, who serves on both the Board and the Council. David Cyr asked for a motion to elect John Edgecomb as Chairperson for the Economic Development District Council.

Vote: Motion made by Charles Upton, seconded by David Ricker to nominate John Edgecomb as EDDC Chairperson. Motion voted on and passed.

Implementation Marketing Plan

At this time Jane Caulfield introduced Dick McDonald of McDonald Communications, the firm chosen to implement the marketing strategy they helped develop over the past year. Dick stated that during the year they became familiar with County issues, but he said the success of the program will depend on EDDC's input and County support.

Dick then presented the Implementation Plan -- the "Where we want to be" and "How we will get there" of the four major components of the program:

- In-County Campaign to garner local support of the marketing effort.
- Tourism, to develop and promote non-winter opportunities; and support pro-active development and growth of winter/snowmobiling-related tourism.
- Business attraction, to attract targeted businesses from away, and to motivate business from other parts of the state to expand into Aroostook County.
- T.O.P., to implement a research-based targeted business development organization.

Charles Upton asked how McDonald Communications will coordinate their business attraction with Maine & Company. Dick stated that they represent Maine & Company, as well as the Maine Department of Economic and Community Development (DECD). He stated that the focus of McDonald Communications is first and foremost on Aroostook County, and they will do everything they can to ensure that our interests are well-placed and well-positioned at the state level.

David Ricker asked if McDonald Communications would be addressing the marketing communications issues at the local level through local government, as a way of garnering support of the plan. Dick stated that McDonald Communications will work with the NMDC to develop local support through many avenues, and said that the EDDC must also advocate their support in their own business circles. He added that it was important to create the results that will get people to participate and keep the program going beyond the contract.

In-County Campaign

Dick stated that they organized a results oriented In-County Campaign to improve current perceptions. The current perception is the County is a great place to live, too bad the business and economic outlook is so bleak. The desired perception is the County's great quality of life includes employment and business development opportunities.

Dick explained the deliverables. He stated that we are looking at a County radio or television program on economic development issues so there is an ongoing vehicle to promote and discuss economic development issues and activities. The campaign will be promoted under the County's "It's Only Natural" positioning. A newsletter in "Kiplinger Report" format will provide solid information on long-term and short-term activities, to be mailed regularly to the community's opinion leaders. He stated that the concept of a County Chamber to identify opportunities for collaboration will be explored. Charles Upton suggested that we establish "The County Chamber" instead of "A County Chamber."

Tourism: Dick stated that tourism is a serious opportunity for Northern Maine, for expanding on both winter and non-winter activities. The perception that Aroostook County does not offer enough variety as a vacation destination must change.

We will produce a video that can be used for both tourism and business attraction, and a four-season tourism brochure. Editor site visits will be carefully planned to give writers a good time when they visit. We will increase our visibility at tourism trade shows.

Charles asked about creating a package of photos for agencies to use as backdrops in their work. Dick said that was a good idea to tag onto the planned solicitations for photo opportunities. As an example he said there are times when automobile or apparel companies are looking for a place to do photography. We will send out samples of what The County looks like -- the photo opportunities that are here.

Business Attraction: Dick stated that business attraction on the national level is very time-consuming, expensive and competitive, and we can't afford to waste resources. He stated that the effort must be targeted toward industries that can benefit from our resources despite the

drawbacks, such as back office operations. Not every business is right for The County. In addition to fulfillment packages and direct mail campaigns, trade missions will be part of this. We must renegotiate with the DECD to continue research for new industries to pursue.

As for motivating Maine businesses to expand into Northern Maine, Dick stated that because there is some pressure from the Southern part of the state with labor availability and cost, there are some worthwhile opportunities to go south and talk to them.

Targeted Opportunities Program (TOP): Dick said that TOP is the exciting part of the plan. If we cannot bring an information services company here, why can't we start our own? He stated that we need the right people to come to the table, to assess the viability of the venture and to get the financing to do it right. He stated that there is a lot of upside to people taking ownership right within the community to "grow our own." With the right structure, enthusiasm, and the right commitments (from the financial institutions more than anything else), this can work and we are going full force at it.

General Items: Dick outlined other activities in development:

- Web site for Aroostook County business attraction and tourism information. Working with others to see what exists, and how to develop it without stepping on private toes.
- Trade shows both tourism and business attraction side.
- Databases must be consolidated and updated in order to provide an accurate measure of economic growth and monitor visitor satisfaction as the program progresses.

Q & A

At this time Mr. McDonald asked for questions.

Charles Upton asked what the targeted industries were. Dick responded that the Harkins Study provided the initial information. We are still researching which businesses to target and assessing whether the existing infrastructure can support the recommendations of that study.

Carl Theriault asked who is going to the trade shows and is there funding to send them? Don Flannery stated that money is budgeted to travel to the shows, and that the organizations and individuals most appropriate in terms of knowledge and expertise for the type of trade show will attend.

Chris Holmes asked if they would be marketing agricultural products. Dick responded that this is not something they got directly involved with. Don stated that this is not part of the contract with McDonald Communications, but that under the larger program funded by the EDA/DECD there was funding for natural resource development activities. The NMDC was working with the industry on marketing and exporting of potatoes. Chris Holmes suggested that we promote potato tourism (festivals, farms, landscape etc.) in informational packages. David Lavway said the industry is facing issues of marketing and quality, and trying to get the players (growers, buyers, etc.) behind making needed changes.

Charles Upton asked about how NMDC and McDonald Communications was going to work with local communities. Dick responded through outreach, and through the feedback and advocacy from this Council (all Community Development Directors are ex-officio members.) The In-County Campaign will also get information out to the public. Any marketing done locally should carry the broad regional theme.

David Wright talked about the Fresh Way Project in Mars Hill, and how a concerted effort from the town, region, and state could bring an innovative business idea to reality. He said that one

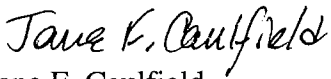
success can spur interest and energy on which more success can build. Where one goes, others follow.

Carl Theriault cautioned not to reinvent the wheel when looking for industry sectors to target for business attraction. He felt there was a lot of secondary research to tap into.

Adjournment

David asked if there was further discussion. There was none, so he adjourned the meeting at 12:57 p.m.

Respectfully submitted,



Jane F. Caulfield
Economic Development Specialist

**Economic Development District Council
Caribou Inn & Convention Center
April 23, 1996**



Meeting Minutes

Attendance

Members

John Edgecomb, Mapleton - Council Chair
Dave Ricker, City of Caribou
Patricia Sutherland, NMTC
Marguerite Lawler, Peoples Heritage Bank
Barry McCrum, Paragon Cable
David Cyr, County of Aroostook
Chris Holmes, New Penny Farm
Dave Lavway, Maine Potato Board
Mary Walton, Loring Dev. Authority
Don Guimond, Town of Fort Kent

Ex Officio

C.P. Harris, Limestone Dev. Foundation
Rosa McNally, Caribou Development Corp.
Tony Levesque, Fort Fairfield Comm. Dev.
Carl Theriault, Fort Kent Comm. Dev.

NMDC Executive Board/LEAD

Lewis Libby, Brian Hamel, Danny Martin,
Vicki Smith, CarolAnn Dube, Claudia
Stevens, Anna Watt, Carolyn Dorsey

NMDC Staff

Robert Clark, Don Flannery, Alain Ouellette,
Judy Dinsmore, Jane Caulfield, Julie
Dickinson, Linda Berube, Jay Kamm, Ruby
Bradbury, Tim Finnemore, Craig Staples,
Duane Walton, April Kennard, Sherrill
Campbell, Stephen McCulloch, Lee Thomas,
Andy Nadeau, Kenneth Murchison, Joella
McBrearty, Rod Thompson

McDonald Communications

Dick McDonald, Kim Bard, Karla McGowan

Call to Order/Welcome to New Chair

Don Flannery called the meeting to order at 11 a.m. , and welcomed John Edgecomb as the new Council chairperson, replacing David Cyr who had resigned due to other commitments. He thanked David for the time he was able to serve.

Minutes

John Edgecomb said that he felt that the Council one of his most important memberships because of its focus on local economic development, and said he felt honored to serve as its chair.

Moving to the next agenda item, he asked the Council if there were any corrections on the meeting minutes of February 8, 1996. None being noted, John asked for a motion to accept the minutes:

Motion/Vote:

Motion made by Marguerite Lawler, seconded by David Ricker to accept the minutes as presented. Motion voted on and passed.

1996 OEDP

John announced that the Council was beginning the 1996 OEDP process. He said that this year's process won't be as extensive as last year's when we held the Economic Opportunities conference to help reassess the plan's goals and objectives. He asked members interested in serving on the OEDP subcommittee to contact Jane.

John then welcomed the McDonald Communications team, who came up from Portland to launch the In-County campaign for the Marketing Communications Program. He introduced Dick McDonald who made the presentation.

Marketing Presentation

Dick said that this campaign launch was the culmination of 1 1/2 years of research and networking with local leadership. He said that the program comes from within the region, and that it was the result of a collective effort to increase wealth and create good jobs for the people of the County. He explained that the "Aroostook County -- It's Only Natural" logo weaves the region's heritage and cultural threads into a positioning that ties together future business development and tourism promotion efforts. It communicates to the world why we, as residents, like living, working and doing business in The County; it gets everybody on the same wavelength by embodying that belief that we have to much to offer and a sense of optimism for the future.

The newsprint ad will go into the Bangor Daily News on May 27, and into the local papers the following Wednesday. The ad depicts a brown paper cover being torn back to reveal the heading "With all The County has to offer, it's too good to keep secret" followed by copy explaining the full marketing campaign.

Dick felt that this campaign not just the usual, it's deeply rooted in the region's strengths and values. Good work force, quality of life, strong sense of community -- the things many are searching for now.

Q & A

Alain Ouellette: How will this theme be used in future economic development activities -- business development and tourism attraction efforts?

Dick: The logo will be used as part of tourism ads in southern Maine newspapers this summer, and in a four season tourism brochure -- the ads will not only to promote tourism, but will create a more positive image for northern Maine. The logo will also be featured on stationary and pocket folders and other materials in the NMDC's promotional efforts.

Carl Theriault: What are the next steps in the In-County campaign?

Dick: A newsletter, a marketing campaign update, is going to a mailing list of 400+ "opinion leaders" in the business and public sectors throughout The County. We are also developing a monthly half-hour "chat show" on business and economic development subjects for local broadcast.

Carl: How long will this program be funded?

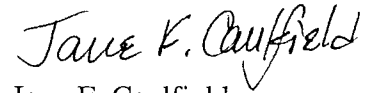
Don: We are funded by the EDA and DECD grants through 1997, and we are building the local support to sustain the program beyond the initial funding. Local businesses and communities will have to help support the activities as funding runs out.

Marguerite Lawler suggested adding web site and toll free number to ads and other materials.

Adjournment

John asked if there was any other questions. There were none, so he adjourned the meeting at 11:50 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Jane F. Caulfield".

Jane F. Caulfield
Economic Development Specialist

**Economic Development District Council
NMDC Boardroom
Meeting Minutes**

◆ ◆ ◆
May 9, 1996

Attendance

Members

Barbara Ireland, Pines Health
David Ricker, Caribou
John Edgecomb, Castle Hill, Council Chair
David Cyr, County of Aroostook
Norman Thibodeau, Van Buren
Barry McCrum, Mars Hill
Chris Holmes, Presque Isle
Mary Walton, Loring Development Authority

Ex Officio

Larry Cote, Van Buren
Jim Brown, Presque Isle
Tony Levesque, Fort Fairfield

NMDC Staff

Jane Caulfield

Call to Order

John Edgecomb called the meeting to order at 11 a.m., and asked if the Council would more actively participate in this year's OEDP process -- the NMDC Marketing Communications program is taking a lot of staff time this year. He then gave the floor to Jane Caulfield to present the 1996 OEDP outline.

1996 OEDP

Jane handed out copies of the latest EDA guidelines for the OEDP, and then went through each section, asking for the Council's feedback. The first section, "The Economic Development Council" is pretty cut and dried. It presents a chart of active members, a summary of the year's activities, and the minutes of the year's meetings.

The second section, "Past Year's Activities" highlights the NMDC economic development related programs and activities. We will also highlight the Loring Commerce Centre activities, because of its relevance to the economic vitality of the entire region. Mary Walton has graciously offered her assistance in this area. It has been a busy year for them as well.

The Council responded that one of the functions of the OEDP document was to coordinate the efforts of the region's organizations involved in economic development. They felt that the activities of the Family Investment Centers, the Regional Transportation Advisory Committee, and Aroostook County Tourism should also be included in this section. Also municipal revolving loan fund activities.

They also felt that representatives of the NMDC should talk about the OEDP process, economic development activities and other services at City and Town Council meetings. It might be especially helpful at NMDC dues time.

The third section, "Changes in the Area's Economy" summarizes major changes in the local economy. In addition to continuing border crossing issues, employment and unemployment trends, the Council would like to study the clearcutting referendum and the balance of trade issue. Also the current state of the potato industry -- the effect of last year's drought, the Prince Edward Island imports.

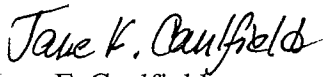
John and David Cyr would research the clearcutting issue, Chris Holmes and Charles Upton would look into the balance of trade issue.

The fourth and final section "Development Strategies" updates the current inventory of the region's most important economic and community development projects. Jane said that community development directors and other community officials can be a big help by reviewing last year's projects and faxing her an update.

Adjournment

John asked if there were any other comments or questions. With none offered, he adjourned the meeting at 1:00 p.m.

Respectfully submitted,



Jane F. Caulfield
Economic Development Specialist

II. Past Year's Activities

The following is a description of the activities undertaken at the NMDC that support the goals and objectives of Northern Maine's Overall Economic Development Program. McDonald Communications completed the Marketing Communications Plan in October 1995, and was subsequently retained to implement the plan in January 1996. The program funded by the Economic Development Administration (EDA), the Maine Department of Economic & Community Development, and local community dues has since then gotten off to a solid start.

This and many other programs offered by the Commission's Economic & Community Development, Business Finance, and Planning Departments along with our Small Business Development Center all support the development of Northern Maine that makes the best use of its resources.

Economic & Community Development

The Economic and Community Development Department plans, develops, and implements the NMDC's development activities. Funding from the Economic Development Administration (EDA), the Maine Department of Economic and Community Development, Maine Science and Technology Foundation, local community dues, and earnings from contract administration are all used to provide services.

Marketing Communications Program

In-County Campaign. The campaign was launched in April 1996, local residents were the first to see the logo "Aroostook County -- Its Only Natural" and the positioning statement that will unite business and tourism development efforts. Activities will be ongoing as the program progresses to inform and involve County residents:

- Marketing campaign updates in a short newsletter format are mailed regularly to local "opinion leaders" in the business and public sectors.
- Presently working with Paragon Cable and WAGM-TV to determine the feasibility of developing a local 1/2 hour chat show on business and economic development related subjects.

Summer Tourism Ad Campaign. Three large full color ads ran in the Maine Sunday Telegram on June 9, June 16, and June 30, targeting the Southern Maine market. The first "overall ad" also ran in travel/tourism supplements in the Bangor Daily News and the Maine Sunday Telegram, and feature a toll free number, which comes into three dedicated lines at the NMDC; and an Internet web site address.

Tourism Fulfillment. Our administrative assistants field the tourism calls, responding to each with a fulfillment package containing:

- Fact sheets of things to do and places to go
- A full color, four season brochure
- A ten-question survey with a contest to boost response.

Four Season Brochures. Distributed to the local Chambers, and to local hotel and restaurant properties for their customers. NMDC just became a member of the Maine Publicity Bureau and

paid the fee to display 3,000 brochures in all seven visitor centers. Additional brochures will be distributed in tourism properties in the southern part of the state.

NIDA Competition. The summer tourism print advertising campaign and tourism brochure garnered top awards in the 1996 Annual Literature & Promotion Awards Competition sponsored by the Northeastern Industrial Developer's Association (NIDA). The Aroostook summer tourism ad campaign received the Best of Class Award and the tourism fulfillment brochure received the Superior Award in their respective categories. The ads and brochure invite travelers to "discover the other Maine," and highlight the seasonal activities and the cultural heritage of Northern Maine.

Internet web site. The Aroostook web site (www.thecounty.com) for business attraction and tourism promotion is now under construction. Business attraction and tourism promotion materials are currently being formatted into an attractive and useful web site, with links to other appropriate sites. One of those links will be the State of Maine.

Trade show booth. We have purchased a trade show booth and are researching the most productive shows to attend and then start scheduling attendance. McDonald Communications will design the displays that can be interchangeably used for both tourism promotion and business attraction.

TOP Program (Targeted Opportunities Program) The NMDC is planning a strategy meeting in late September to kick off the program. TOP is designed to bring together local businesses and organizations in a structured entity to provide the financial resources and the expertise needed to develop "homegrown" businesses.

Loring Marketing Plan

The NMDC assisted the Loring Development Authority (in applying for EDA funding to develop and implement a marketing strategy for the Loring Commerce Centre. The application was presented as an amendment to the Northern Maine Business Retention and Marketing Program, and was awarded \$300,000 in 1996. The LDA also used \$105,000 in state match from the Maine Department of Economic and Community Development for total project funding of \$405,000. The Loring Marketing Program has received national recognition, having received numerous literature and materials awards at the National Association of Installations Developers (NAID) at their 1996 annual meeting, as well as from the 1996 Literature and Promotion Awards Competition sponsored by the Northeastern Industrial Developers Association (NIDA).

Fresh Way, Inc.

Construction of a \$13 million fresh cut potato processing plant is scheduled to begin in Fall 1996 in the Town of Mars Hill. The plant will process fresh, peeled, and packaged potatoes for a growing grocery and institutional market. The goal of this type of processing is to market 100% of the potatoes delivered to the facility at their highest value.

The NMDC assisted the project by assisting the Town of Mars Hill in developing a TIF (Tax Increment Financing) district which would fund \$1.2 million for waste treatment infrastructure. The remaining \$400,000 for waste treatment will be funded with an Economic Development Infrastructure Grant, for which the NMDC successfully applied in 1996. In addition, the NMDC's Business Finance Department applied for a Small Business Administration 504 loan for \$1 million and has approved \$500,000 in other leverage financing from several of its revolving loan fund sources.

Community Development Block Grants

The objective of the CDBG program is to help local governments implement programs that benefit low and moderate income people and improve deteriorated business and residential districts and economic conditions. All of the activities funded must be part of an overall community development strategy that supports public and private investment.

The CDBG Technical Assistance Program is funded by the Maine Department of Economic and Community Development to help communities with application requirements and to answer general questions. Depending on funding, each community is given a degree of assistance at no cost; services beyond that scope are provided on a contractual basis.

Phase I & II Applications. The NMDC prepared and submitted twelve applications on behalf of its member communities in the 1996 Community Development Block Grant Program: Four for housing assistance, six for public facilities / infrastructure, and two for economic development infrastructure. Limited technical assistance was provided to approximately ten other communities in developing their applications.

Five of these communities were invited into the second phase of the program. The NMDC contracted with all five to perform project development activities:

- Housing Assistance for the County of Aroostook (Connor and T17 R5), St. John Plantation and Weston.
- Public Facilities / Infrastructure for Danforth; downtown revitalization.
- Economic Development Infrastructure for Mars Hill's Fresh Way Inc. project (waste treatment).

Maine Manufacturing Extension Partnership

The Northern Maine Office of the Maine Manufacturing Extension Partnership (MEP) opened in October 1995. In the first eight months of operation, the potential economic impact to the local economy has been approximately \$774,000 in increased sales, \$2.7 million in company investment and nineteen jobs created or saved. This combines for a potential total economic impact of \$3,524,780.

The mission of Maine MEP is to assist Maine manufacturers in becoming more competitive by applying manufacturing and management technologies. Projects have ranged from technical assessments which assisted a local company in receiving financing to actual technical help in the proper selection, installation, and adjustment of production equipment.

In the first eight months, the NMDC field engineer completed approximately twenty-seven initial site visits. As a result, six technical projects of eight or more hours were completed for an array of industry sectors including metal products, textile, food production and livestock feed processing: Two to assist company startups, one to assist expansion of an existing company into a new business, three to assist solving production line problems for a single company. In addition, twenty-four other projects of less than eight hours have been completed. Training has also been made available to area manufacturers in such areas as the Internet and Ergonomics.

Although the first eight months of operation has been relatively successful, a plan for continuous improvement with three target areas has been laid out for the next year:

- Generation of fees for services to offset program costs.
- Market penetration. Our goal is to conduct at least seven initial site visits per month by October 1996, at which time virtually every manufacturer in the region will have

been contacted at least once by phone. From November 1996 to June 1997, we anticipate making three initial site visits per month.

- Development of additional products to offer the manufacturer, such as ISO 9000, Microcomputer-Based Decision Support Systems, OSHA Safety Plans and Performance Benchmarking Review.

Business Development Program

This program provides a full time advocate to directly assist the region's businesses in resolving permitting, financing, and other issues relating to local, state and federal agencies. The advocate also addresses a number of broad issues to help northern Maine businesses become more competitive in the global marketplace:

International Development.

- Collaborating with the Chaudiere Appalache region of Quebec to continue the business matchmaking services initially begun in 1995 and more recently in May 1996 in Quebec City. Working with one of Canada's largest pork producers with the goal of establishing a presence in the US.
- Participation in the first of its kind SBA/Ireland Partnership Initiative by providing opportunities for northern Maine businesses to establish cooperative relationships with companies in Ireland.

Infrastructure Development.

- Continue to work with US and Canada enterprises interested in gaining access to natural gas. NMDC's ultimate goal is to provide the information necessary for natural gas services to the region.

Job Development Training.

- Provided job training assistance to eight companies in northern Maine through the Governor's Training Initiative. Nearly \$100,000 was secured for the region's businesses.

Business Development.

- Assistance to Gerber Childrenswear in expanding production into new sectors
 - Assistance to a major international food dehydration company with the goal of establishing a plant in northern Maine
 - Direct assistance to over 30 businesses participating in the Maine Department of Labor's Business Visitation Fast Track Program.
 - Currently organizing a business tour for Governor King and other State economic development officials of one of Canada's largest and most diverse companies.
 - Assistance with the production of canola and soybean in the County.
- Provided market development assistance from a number of small, but growing businesses.
- Participated in planning Annual Governor's Day Economic Development Forum at the University of Maine at Orono.
 - Assisted Freshway by participating in the establishment of a Tax Increment Financing district in Mars Hill.
 - Organized a tour of wood harvesting practices employed by Seven Islands Co. for state officials and regional businesses.

Maine School of Science and Mathematics (MSSM)

The Town of Limestone, host of Maine's first magnet school for the state's highest achieving juniors and seniors, received \$1 million in EDA funding to convert the former Limestone

Elementary School into dormitories for MSSM. NMDC staff assisted Limestone and the magnet school with building a case for the project as an economic engine for the Town, and in development of the application itself.

Regional Telecommunications Development

The NMDC is currently in the process of assessing the region's current uses and needs of telecommunications technology. A survey was sent out to local businesses and industries, and a report will be presented to Governor Angus King during his visit on Governor's Day in late September. The report will assist the region in planning future development of its telecommunications infrastructure as a means of enhancing the competitiveness of existing business as well as our ability to attract new investment to the region.

Maritimes & Northeast Pipeline Project

Panhandle Eastern Corporation of Boston is currently planning development of a pipeline to bring presently untapped natural gas from offshore Nova Scotia to markets in southern New England. The NMDC, working with State Senator Leo Keiffer of Caribou and Jim Mitchell of Public Policy Associates in Portland, is currently conducting a survey of the region's larger businesses and industries to assess if enough demand exists to warrant creating a spur line to serve Northern Maine.

Business Finance

The Business Finance Department administers the NMDC's loan programs funded by the Economic Development Administration (EDA), the Small Business Administration (SBA), the Rural Development Administration (RDA), and Rural Economic and Community Development (RECD, formally the Farmer's Home Administration). The Finance Department also provides business counseling and loan packaging on a contract basis for existing and new businesses, and technical assistance for a variety of public and private loan programs.

Loring Air Force Base closure, several poor years in the potato industry and unfavorable weather affecting the tourism industry continue to affect the amount of money in circulation in Northern Maine, with numbers of small businesses contacting the NMDC for counseling, direct loans, and leverage funding increasing. Work with local businesses in restructuring, down-sizing, or reallocating assets has also increased. The NMDC has responded by expanding its finance programs to meet the needs of local business. The Business Finance staff now includes two loan officers and a business finance assistant, in addition to the department director.

Due to federal budget cuts in some program areas that have been historically funded (such as the EDA revolving loan programs) we are looking at programs where we can borrow funds with low interest rates and long term paybacks. Relending the funds will help us meet the demand of local businesses needing assistance. The result will, however, lead to a more conservative lending policy, as funds from loan repayments must be used to repay our program loan obligations.

EDA Revolving Loan Fund (RLF)

The NMDC administers two types of EDA-RLFs: 1.) The Business RLF provides low interest loans to new and existing industrial and manufacturing businesses, and 2.) the Agricultural RLF provides direct loans to businesses involved in manufacturing or industrial agricultural activities. Since the program's inception in 1978 we have loaned \$6,480,670. These loan funds have created or retained 1,623 jobs in our region. From May 1995 to June 1996 we closed loans totaling \$170,124 which helped create or retain thirty jobs. This leveraged \$251,550 in bank loan funds.

SBA 504 Loan Program

As the region's Associate Development Company for Small Business Administration 504 loans, we process new requests and service prior loans. These are fixed asset loans for a maximum 40% of total project cost. The standard program of participation is 50% from conventional lender, 10% from the borrower, and 40% from the SBA. From May 1995 to June 1996 we have approved two loans that are awaiting funding in this program. One was leveraged for a \$3,000,000 motel renovation and the other helped leverage over \$13,000,000 for construction of a processing plant. Sixty jobs will be created immediately, and another 150 within two years; eighteen jobs will be retained.

Intermediary Relending Program

From a loan obtained from the RECD in 1994, we have \$2,285,000 to lend in leverage funds to most types of businesses. Loans can be made for a maximum of \$150,000, or 75% of a project, whichever is lower. Since the program's inception in 1994 we have loaned \$2,132,100. These loan funds have created or retained 75 jobs in our region. From May 1995 to June 1996 we closed loans totaling \$1,790,100 which helped create or retain sixty jobs. This leveraged \$5,819,399 in bank loan funds. We have applied for another \$1 million this year due to demand and success of this program.

SBA Microloan Program

This is a small loan program that allows us to make up to \$25,000 available directly to businesses without leverage requirements, with the objective of providing capital to small businesses that cannot obtain credit from conventional sources. Since the program's inception we have loaned \$490,550. These loan funds have created or retained ninety jobs in our region. From May 1995 to June 1996 we closed loans totaling \$189,050, helping to create or retain thirty jobs.

SBA Women's Prequalification Loan Program

The NMDC is one of three pilot projects in Maine to package and submit prequalification applications for businesses owned and actively managed by women. The program is intended to streamline the application process for loan requests of \$250,000 or less, and the service is provided for a fee. We were the first in the nation to have an application approved under this program, and since have packaged and submitted 32 applications.

RECD Rural Business Enterprise Grant Program (RBEG)

The RBEG is designed to support development of small and emerging private business enterprises in rural areas. Since the program's inception we have loaned \$600,000. These loan funds have created or retained 173 jobs in our region. The repayments on this program are used to fund the NMDC loan fund that continues to relend to businesses or uses the repayment to match other loan fund programs as needed.

DECD Development Fund Loans

The Development Fund is a Community Development Block Grant program that provides financial resources to local governments, that in turn assists businesses to create jobs for low and moderate income people. The DF provides "gap financing;" it is limited to 40% of a project with a cap of \$100,000 for working capital and fixed assets. The NMDC has contacted several communities in our service district to pursue State Development Funds for relending to local businesses. In the last six years we have obtained or assisted communities in seven applications totaling more than \$600,000 and affecting over 200 jobs.

Defense Diversification Loan Program

We have closed on one loan for \$250,000 under this program that is a first come funding program by the State DECD. We have two others in the works totaling an additional \$500,000. We have been advised that these loans will be approved and closed in 1996. The repayment of these loans will enable us to relend to businesses in the future creating new loanable funds of \$750,000

Regional Revolving Loan Fund (FAME)

We have been allocated \$341,000 under this program that can be loaned to businesses primarily affected by the Loring Air Force Base closure to help develop new or change existing industries in the areas of wood value added products, technology companies and telecommunications companies. To date we have approved a loan for \$200,000 and are looking at another for \$141,000. These funds will also remain to be lent to prospective borrowers in the future.

Loan portfolio management. This year we have entered into contracts with the Limestone Development Foundation and the Southern Aroostook Growth Council to manage their loan portfolios for their FAME Regional Revolving Loan Funds. This contract will help the communities develop their own programs, during which time we will handle all aspects of the program with their respective decision-making boards.

Applications for New Funding Sources

The following new loan programs secured by the NMDC will provide needed leverage for local businesses:

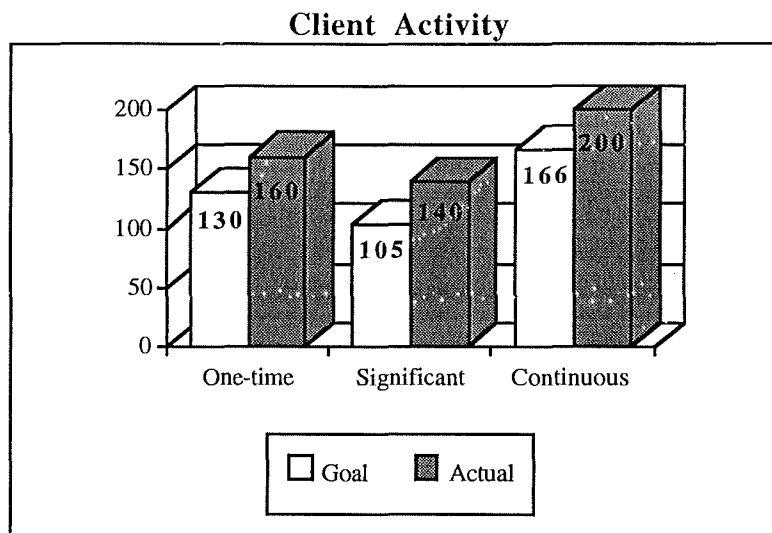
Recapitalization and additional loans. In the next year we will apply for approximately \$225,000 in additional funding for the SBA Microloan Program. Additionally, we will apply to RECD for \$500,000 in the RBEG program.

Rural Economic Community Development. We have applied for an additional loan of \$1,000,000 to fund a second IRP loan fund. We have been advised that we are one of few that put the first loan fund to its intended use and within our time frame.

Community Development Financial Institution. We will be looking at possible funding of a revolving loan program under this new program in 1996. We also have been working with a national bank on the participation program that accompanies this new funding source.

Small Business Development Center

The Small Business Development Center continues to provide technical assistance and counseling to existing and potential area small businesses. Our service center counseled over 350 businesses during the 95-96 fiscal year, achieving a record 125% of contract goals for counseling activity.

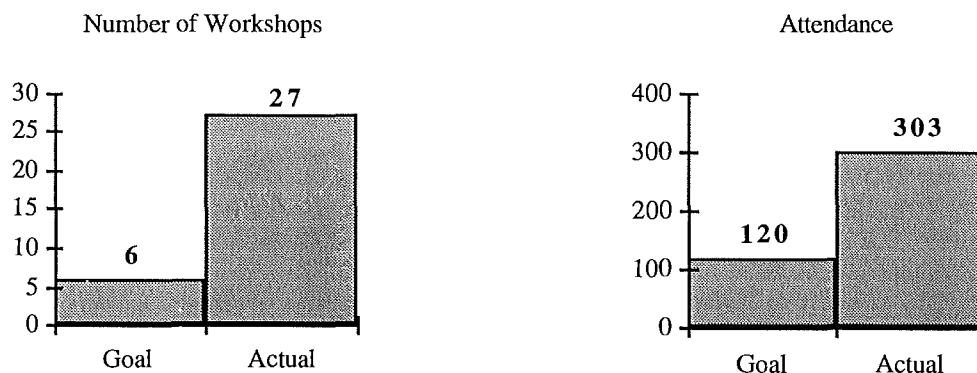


Note: One-time - one counseling visit during fiscal year; Continuous - more than one visit, but less than six hours of counseling during a fiscal year; Significant - six or more hours of counselor time.

Twenty seven training events were delivered by the NMDC's SBDC during the contract year, including a series developed through a partnership with the Maine Department of Labor and the other Maine SBDC service centers. All six programs were broadcast live via the University Interactive Television Network (ITV) and are available on videotape: "The Business Plan," "Marketing and Sales," "Accounting and Control," "Financing your Business," "Personnel -- Human Resources and Legal," "Tax and Insurance."

Our SBDC service center also provided training in partnership with Martha Lostrom, Executive Editor of the Aroostook County newspapers (Northeast Publishing). Topics included "Marketing without a Budget" and "Successful Trade Show Tactics." Once again partnering with Northeast Publishing, along with the Microsoft Corporation, and Paragon Cable, we were able to provide area businesses with access to the "America at Work" Microsoft TV series. This series of six one-hour business workshops focused on how to use and integrate computer technology into business operations.

SBDC Workshops, 1995-96



Planning Department

In an effort to preserve northern Maine's special character, quality of life, environment, and natural resources while encouraging sound communities and economic growth, the NMDC actively promotes planning in all the communities and region. The goal is to encourage the appropriate use of land and resources throughout Northern Maine by providing information, education, and training, and technical assistance on planning related issues to meet community and regional needs.

Transportation Planning

The Northern Maine Development Commission, Regional Transportation Advisory Committee (RTAC), and the Maine Department of Transportation worked together on a number of projects important to the region. This past spring, municipalities were given the opportunity to participate in two new programs sponsored by the MDOT. These two programs have the potential of improving the transportation systems in northern Maine, providing for transportation needs, and creating jobs.

Transportation 2000 (T2000). Created to help municipalities develop and implement innovative Transportation Demand Management (TDM), land use, and alternative mode strategies that address congestion problems or other unmet transportation needs in the region. The Northern Maine Regional Transportation Advisory Committee (NMRTAC) was allocated up to \$625,000 for T-2000 projects. With this allocation, up to three projects can be funded. Winning projects will be funded on an 80/20 basis with the municipality/governmental agency selected assuring the provision of the 20 percent match.

Region 1 received seven applications for the preliminary round. Three were chosen by the NMRTAC to proceed to Phase 2 of the competition. The three are:

- Houlton: Transload facility (truck to train)
- Frenchville: International reservation system at the Northern Aroostook Regional Airport
- Fort Kent, St. John and St. Francis: Year round multi-use trail system

These finalists will be provided funding to refine their proposals and to make a presentation to the NMRTAC in September. The NMRTAC will make a final decision at that time as to which will be approved for funding from the 1997-98 MDOT Transportation budget. The NMDC assisted a number of communities with their T2000 applications.

Collector Road Development Award Program. This new program focuses on projects that will enhance the economic development potential of the region. Municipalities must nominate from projects that are classified as federal Major Collectors. The projects awarded funding through this program are intended to bring the selected segments of roadway up to the new State Standards for Non-National Highway System highways.

There was one submission to the program from Region 1, Route 164 in Caribou. The NMDC and the NMRTAC worked together to prioritize the nominated project based on potential economic benefits. The MDOT will make the final selections based upon the regional priorities as determined by the NMRTAC.

Comprehensive Planning

Comprehensive planning has become a voluntary process for communities since the amendment of Maine's Growth Management Act in 1991. However, comprehensive planning is gaining importance as a method of directing economic growth while maintaining and improving quality of life. On a contract basis, the Department is developing comprehensive plans for Caswell,

Bridgewater, Westfield, Portage, Eagle Lake, Blaine, Ashland, Woodland, Limestone, Madawaska, Grand Isle, St. Agatha, Frenchville, and Van Buren. We advanced the implementation of the comprehensive plans for Limestone, Caribou, Fort Fairfield, Van Buren, Mapleton, Loring Commerce Centre, and Fort Kent.

In addition, we provided technical assistance to our communities through the General Fund Contract (Maine State Planning Office - MSPO) for a variety of programs. As an example, staff presented a program on growth management, and the history of land use planning in Maine and the US to the Easton High School senior class.

Other technical assistance programs offered under the General Fund Contract include:

- Land Use Ordinance Technical Assistance. In addition to direct technical assistance, staff administered a series of five land use workshops sponsored by the Lincoln Institute and the Maine State Planning Office, three workshops on Planning Board / Board of Appeals procedures, and the Annual Two-Light Christmas Workshop.
- Code Enforcement Technical Assistance
- Floodplain Management Technical Assistance
- Subdivision Review Technical Assistance

Northern Maine Trails

The NMDC has taken an active role in the development of a year-round multi-use trail system for the region and the creation of the Northern Maine Trails Association (NMTA). We have assisted in drafting by-laws and the future incorporation of the NMTA. The Association is made up of a Board of Directors from each of the various user groups, businesses, municipalities, and affected landowner groups and membership is open to any interested party. The purpose of the NMTA is to facilitate the funding, development, maintenance, and enhancement of high quality year-round trail systems for northern Maine.

Eco-Tourism

The Department has joined an effort for eco-tourism development in western New Brunswick which could have "spill-over" assets for the region from Madawaska to Hamlin along the St. John River corridor. The group is drafting a plan to identify and assess resources and needs relating to eco-tourism, and to recommend a strategy for development.

Regional Solid Waste Planning

The Department assisted municipalities in finding local and regional solutions for solid waste management issues that will bring about long-term savings. Technical assistance is provided to communities with an array of services and educational activities:

- Exploration capital investment strategies for the collection, expansion, or start-up of solid waste and recycling programs;
- Compilation of municipal solid waste and recycling composition and generation data;
- Coordination of Northern Maine Solid Waste Management Committee activities;
- Information on Maine's recycling policy and solid waste management regulations;
- Workshops on the latest waste management techniques;
- Evaluation and development of bulky waste management strategies;
- Development of solid waste facility applications; and
- Community education on recycling and composting with informational and promotional materials as well as facilitating local school projects and contests.

Recycling for Renters: In April, the Planning Department kicked-off a series of recycling workshops for owners and tenants of apartments and other forms of multi-family housing under a special program entitled "Recycling for Renters." The program will help start or improve upon recycling activities in multi-family housing units. Approximately one out of five households in Northern Maine live in multi-family dwellings, and currently recycling programs for these households are under-utilized or aren't readily available. A series of workshops took place in 1996 to provide people with the information on how to start-up a recycling program in their multi-family units. A Caribou multi-family housing unit is planned for this Fall.

Bulky Waste Management Planning Manual: The Department worked with communities and solid waste districts throughout northern Maine to inventory and analyze the various methods used to deal with the bulky wastes such as appliances, tires, construction debris and furniture. Staff developed and distributed Bulky Waste Management Planning Options manual to municipalities or solid waste districts/associations. The manual details current practices being followed and provided a menu of possible management options for municipalities to consider based upon a community's population, location, type of solid waste facilities used, and financial resources. Another viable option is a user friendly program to separate various bulky wastes at the source of generation into the most easily processed/recyclable categories prior to bringing them to a waste facility.

Garbage Gab News Column: The department writes a bi-monthly news column entitled "Garbage Gab" for the local weekly newspapers. The news column covers solid waste management issues and a variety of information on waste reduction and recycling techniques and alternatives that can be practiced by the average resident or small business operating in the region.

Project Compost will enter its fourth year, providing workshops and technical assistance to communities wishing to implement a backyard composting program. Project Compost also encompasses the Student Master Composter program for high school students, in which several behind the counter food waste composting projects for school cafeterias were developed.

Mapping Department

General Mapping

The NMDC Mapping Department continues to provide a wide array of mapping services and support for member communities. Currently we are working with the Planning Department on several Comprehensive Plan map sets. Comprehensive plan map sets for fourteen towns are in various stages of completion, with work continuing on the mapping portion of the Loring Commerce Centre Land Use Project and the New Sweden Tax Map Project .

We are striving to remain current with technology, having completed a basic Internet class at Northern Maine Technical College, and attending meetings of the State of Maine GIS Users Group. We are also organizing a subgroup of planning organizations with similar needs to our own, and exploring better use of the State of Maine Office of Geographic Information Systems (OGIS) references and map products with emphasis on their GENIE project.

911-E For Northern Maine

Keeping in mind the projected start-up date of December 31, 1997, the NMDC is continuing to link the communities in our region to the OGIS and NetWorks (The Consultants hired by the State to implement the 911-E program) by acting as liaison and by fielding questions at our office or by forwarding calls to correct agencies.

III. Changes in the Area's Economy

The effects of base closure continue to ripple through the regional economy, compounded by several difficult years in the potato industry, and by the effects of Canadian trade policies and exchange rates. However, the coordinated business development and marketing efforts from the NMDC and the Loring Development Authority are becoming part of the local vernacular, and support for the programs is growing. Our communities are also working hard to build business at the local level. Baseline indicators have been recorded, and the next couple of years will tell where the programs are succeeding and where adjustments must be made. This year shows some wins and some losses, but the region is pulling together to lay a solid foundation for future growth.

Business Climate

Major Start-ups and Expansions. The majority of new business development in the region has been associated with the Loring Commerce Centre. There are presently 654 people living and/or working at the former Air Force Base, and it is expected that by Fall 1996, that number will exceed 1,000. Over 30% of the available building square footage and 60% of the land are presently committed to use at the Loring Commerce Centre. This use has resulted in the replacement of approximately 70% of the civilian jobs that were lost when Loring closed in September 1994.

- Defense Finance and Accounting Service (DFAS). Opened in May 1995, the center now employs 56 military and 200 civilians, of which approximately 50% have been hired locally. The center is expected to employ 550 when fully operational in 1997.
- Job Corps Center. A \$6.3 million renovation project for the buildings awarded to CJP Associates, a consortium of local contractors. On May 7, the Maine Department of Labor awarded a \$9.9 million management contract to Training & Development Corporation of Bucksport, Maine. The center will open in late 1996 ramping to 380 students and employing 131 people.

Expansions other areas of the region:

- Maine School of Science and Mathematics, Limestone. Opened in September 1995 as a specialized residential school for high-achieving high school juniors and seniors. Fall 1996 enrollment will be 170 students, with 42 faculty and staff. In April the Town of Limestone received a \$1 million EDA grant with a \$400,000 match from a Maine Community Block Grant to renovate the former Limestone Elementary School into a dormitory that will house 150 students.
- Fresh Way, Inc., Mars Hill. Construction of a \$13 million food processing plant in Mars Hill is expected to employ 75 when it starts up later in the Fall of 1996, and will employ between 100 and 175 people by the fourth year of operation.
- Maine Frozen Foods, Caribou. CDBG funding received to increase the plant's waste pre-treatment capacity, which will allow the plant to increase production of existing products and go into new product lines. The project will create 35 additional full-time jobs and stabilize 100 existing jobs.

Northland Frozen Foods, Fort Kent. CDBG funding to increase pretreatment and freezer capacity. Project will create 16 new jobs and stabilize 75 existing jobs.

Major Lay-offs and Closures.

- Ames Department Stores. In January, Ames stores in Presque Isle, Caribou, Houlton and Madawaska closed, with a loss of 198 jobs.
- Shop n' Save. Also in January, 61 jobs were lost when Shop n' Save in Madawaska and Fort Kent were closed.
- Gerber Childrenswear. In Fort Kent 58 employees were laid-off indefinitely in February when part of contract with a major buyer was lost.
- Interstate Foods. In Fort Fairfield, 65 employees were laid off in 1996.

Forestry

Clearcutting Referendum. A referendum entitled "A Bill to Promote Forest Rehabilitation and Eliminate Clearcutting" will appear on Maine's November 1996 ballot. The issue has spurred heated debate throughout the state since it was introduced this spring, and is being closely watched in other heavily forested areas of the country. The referendum would control all timber harvesting in the unorganized towns and plantations of Maine, which are under LURC (Land Use Regulation Commission) jurisdiction.

Jonathan Carter, leader of Maine's Green Party and main author of the referendum, asserts that spruce stocks in the North Woods are at an all-time low, and that it will take decades for the forest to recover from of heavy cutting that has occurred since 1982. According to Carter, the new forest will be not be as diverse as the old one because the planting practices of paper companies and their use of herbicides on faster growing hardwoods limit competition with fir. He says that as the fir mature in 40 to 60 years, the budworm will also be resurfacing, requiring heavy pesticide use to control another outbreak. Proponents of the referendum feel that the forest is being destroyed for short-term profits, and that sustainable practices must be enforced to ensure that the North Woods will be productive enough to provide jobs in the future.

Paper companies say that the heavy cutting during that period was in response to a spruce budworm epidemic that killed thousands of cords of fir and smaller amounts of spruce. The forest was heavily harvested at the time to salvage dying trees. Company foresters say that any disturbance in a spruce-fir forest, whether it is a fire or budworm epidemic, will initially cause a heavy growth of fir. Opponents of the referendum feel that restrictions on wood harvesting are too severe, and that Maine citizens were led to believe that the referendum's focus was on the elimination of clearcutting. In effect, the referendum would impose standards that control all timber harvesting in Maine's unorganized towns and plantations. This area includes 57% of the State's 17.7 million acres of forest land.

In July 1996, the Maine Forest Service and the Maine State Planning Office released an analysis entitled "Economic Impact of the Citizens Initiative to Promote Forest Rehabilitation and Eliminate Clearcutting" to provide Maine voters with information on the referendum. The study estimates the projected timber supply and overall impact of the measure on the Maine economy -- it does not address any biological or ecosystem issues. The following summarizes the major points of the study:

Timber Harvest Analysis

- The annual timber harvest in LURC jurisdiction would be reduced by 1.78 million cords of spruce-fir and hardwood -- down 36% from current annual harvest of 4.95 million cords.

- During the first 30 years, a reduction in the allowable annual harvest of spruce-fir by 57% (from 1.75 to .75 million cords), and northern hardwoods by 60% (from 1 to .4 million cords) from current harvest levels. The Maine Forest Service considers sustainable harvest levels to be 2 million cords for spruce-fir, and .8 million cords for hardwoods annually.

Timber Supply and Wood Cost Analysis

- The state supply of spruce-fir and hardwood after market forces raise imports and lower exports is projected to be 3,580,000 cords, 19% less than current demand. As the market adjusts to the reduced supply and to new logging standards, prices of mill delivered wood are projected to increase by 17%.

Economic Impact Analysis

- The estimated annual employment level would fall by 15,600 jobs (-2%) throughout all industry sectors in Maine. Total annual wage and salary would decline by \$439 million (-4%), and total output would decline by \$1.3 billion (-3%).
- Long-term economic impacts are significant, although more difficult to quantify. Passage of the referendum will make it difficult for Maine to compete with other states and regions worldwide that have less restrictive regulations. Maine's lumber and paper industry's ability to draw in future capital investment, and to compete in the global marketplace will be eroded, causing future job losses.

Economic Impact of Clearcutting Referendum, Maine

	Lumber Sector	Paper Sector	All Other Sectors	Total Maine Economy
Employment Level	15,000	15,000	695,000	725,000
Number of Jobs	-3,800	-3,200	-8,600	-15,600
Percent	-25%	-21%	-1%	-2%
Wage & Salary Level	\$265 million	\$700 million	\$10.4 billion	\$11.4 billion
Impact	-\$68 million	-\$166 million	-\$205 million	-\$439 million
Percent	-26%	-24%	-2%	-4%
Output Level (1987 \$)	\$837 million	\$2.8 billion	\$35.2 billion	\$38.8 billion
Impact	-\$213 million	-\$645 million	-\$490 million	-\$1.3 billion
Percent	-25%	-23%	-1%	-3%

Source: "Economic Impact of the Citizen's Initiative to Promote Forest Rehabilitation and Eliminate Clearcutting," Maine Forest Service and Maine State Planning Office, July 3, 1996.

Note: Employment, wage & salary, and output levels are 1997 projections, the year that the effects of the referendum would be felt in the Maine economy if passed.

Maine Governor Angus King is introducing an alternative to the forestry referendum to a special Legislative session in September called The Compact for Maine's Forests. If the compact is approved by the Legislature, it will appear on the November ballot next to the original referendum question. The compact was crafted by 15 of the state's largest landowners and four conservation groups over the last eight months in an effort to protect both the health and sustainability of the northern forests as well as the economic viability of the landowners. The key feature of the agreement is the commitment of the large landowners to independent audits of their forest practices. A new sustainable forest management audit board would create standards for the program through a broad-based public process.

Potato Industry

Drought and Blight. This spring, eleven Maine counties were declared agricultural disaster areas because of hot dry weather from May to December. The designation made low interest emergency loans available to farmers that experienced severe losses. In the same year, 2,200 of the nation's 3,200 counties were also declared agricultural disaster areas, and because Aroostook farmers plant later than in other parts of the country, there were funding shortages. In all, approximately 70 Aroostook County farmers were found eligible to receive the loans.

This contrasts to the previous three growing seasons when wet summer weather brought on late blight problems, forcing some producers to plow under infected acreage. Another effect of the blight is the breakdown of tubers while in storage facilities. In 1994, an estimated 1.1 million cwt. was hauled out and dumped after originally being placed in storage.

Canadian Imports. Maine potato farmers assert that for almost two decades they have faced unfair competition from subsidized Canadian potatoes flooding the East Coast market. While the Maine industry has shrunk from 108,000 acres to 78,000 acres from 1980 to 1995, the reverse has happened in Prince Edward Island where potato acreage has grown from 56,000 acres to 113,000. In addition to subsidization for equipment, storage and land, Canadian potatoes can enter the U.S. with relative ease, while all Provinces must approve of an import for an easement to be granted. Growers would like to see the influx of subsidized Canadian potatoes into Eastern Seaboard markets halted.

Strategic Marketing Conference. In 1953 a Boston public relations firm concluded that establishing mandatory standards for tablestock was necessary to improve the industry image. In March 1996, the Maine Potato Board, with support from the Northern Maine Development Commission, sponsored a two-day conference on strategic marketing that brought the region's top growers and other industry leadership together to address the crisis situation of the tablestock industry.

In his keynote speech, Dr. David W. Downey, Director of the Center for Agricultural Business at Perdue University, told the audience that Maine's potato industry was in danger of becoming extinct unless growers, dealers, and others in the industry make significant changes that cater to consumer needs and desires. He felt that to gain a stronger position in the market, the Maine potato industry should use their energy to become competitive rather than to fight Canadian imports. The industry must become proactive in understanding the wants and needs of their customers and then create a "system" that works seamlessly to meet those needs.

The following key recommendations were made to the Maine Potato Board by the conference participants:

- Implement key inspections
- Develop a market order
- Develop a grower-oriented market information mechanism
- Establish mechanisms that balance the dealer/grower relationship
- Develop a grower cooperative proposal to centralize packing and marketing
- Develop markets for off-grade potatoes

As a result of the conference, the Maine Potato Board voted in April to approve mandatory inspection for tablestock potatoes as the first step of improving the image of the Maine potato in

East Coast markets. They are also working to establish a dehydrated processing facility for off-grade potatoes.

International Trade

The U.S. Department of Commerce estimates that every \$1 billion of manufactured exports generates more than 20,000 manufacturing jobs with a potential spin-off of two to three times that number of service jobs. In their "Analysis of Maine/Canada Trade with Policy Recommendations" (for Mainewatch, 1995), Pan Atlantic Consultants stated that the export of goods and services and greater overall engagement in the global economy is one of the keys to Maine's economic development.

The study further states that Canada is the United States most natural and largest trading partner -- in fact, the Canada/U.S. trading block is the largest in the world. Maine's proximity to two strong and diverse, internationally-oriented markets (Quebec and Ontario) provides Maine's businesses with a strong opportunity for international trade. More than one-third of Maine's manufactured exports go to Canada, and since the introduction of the U.S.-Canada Free Trade Agreement (FTA) the North American Free Trade Agreement (NAFTA), and the General Agreement on Trade and Tariffs (GATT), which all helped liberalize trading conditions, trade has increased significantly. In 1994, Maine was ranked 42nd in growth of exports among the U.S. states, but by the third quarter of 1995, Maine was ranked 11th, chiefly due to growth in high tech industries (principally National Semiconductor) and the rising price of paper.

Historically, the vast majority of Maine exports to Canada have been in a limited number of natural resource categories, principally wood and lumber products, pulp and paper, and fish. As in other New England states, growth has occurred from exporting a product mix that is higher value-added and less natural resource based. Growth is also tied with aggressive and forward-thinking initiatives at the public sector level to help companies overcome some of the barriers to international trade. Small companies find that entering the international arena is hindered primarily by the poor exchange rate of the Canadian versus the U.S. dollar, but there are barriers that can be mitigated, such as non-tariff barriers (excessive paperwork, inspection standards, etc.) and the need for technical assistance for market development. There is also a need to develop strategic alliances between Maine and Canadian companies to add value in international business development.

In an effort to mitigate some of these barriers, the State of Maine has recently opened the Maine International Trade Center in Portland to assist businesses in entering and competing in the international marketplace. The center will offer "one-stop" shopping for services, including current market information, foreign and U.S. government official contacts and direct assistance in pursuing business opportunities. In addition, Co-Enterprise, a collaboration between the Maine Chamber of Commerce and Business Alliance and the Business Forum Quebec Chaudiere Appalaches, brings businesses from both sides of the border together on an annual basis. The mission of the conference is to provide opportunities for Maine and Quebec businesses to form manufacturing agreements, distribution networks, joint research and development, investment options, and market expansion.

Aroostook Manufacturing. In Aroostook County, the manufacturing product mix is still quite narrow, and heavily based in natural resources, with 28% of the total value of product from lumber and wood manufacturing (including logging), and 18% from food processing. Although the value of manufacturing product in Aroostook has fluctuated over the last eight years, the export of manufactured goods to foreign countries has increased by 107% from 1990 to 1994.. There still exists a substantial trade imbalance; Aroostook County manufacturers imported over \$138 million from foreign countries for use in manufacturing their products, but exported only \$61 million of goods. This represents a trade deficit of over \$77 million.

Aroostook Manufacturing Export Activity

	1986	1990	1994	% Change	
				86-94	90-94
Value of Product (\$000)					
Aroostook	726,486	858,443	776,654	6.9	-9.5
Maine	9,448,490	11,406,119	12,391,422	31.1	8.6
Value as % of State	7.7	7.5	6.3		
Foreign Exports (\$000)					
Imports					
Aroostook	140,269	190,620	138,588	-1.2	-27.3
Maine	429,451	644,733	612,640	42.7	-5.0
Imports as % of State	32.7	29.6	22.6		
Exports					
Aroostook	23,615	29,663	61,491	160.4	107.3
Maine	403,855	762,996	1,038,816	157.2	36.1
Exports as % of State	5.8	3.9	5.9		

Census of Maine Manufacturers, Maine Department of Labor

Potato Marketing. Potato production has fallen considerably over the last nine years for which data is available, as has the export and chip stock to other states and countries. Part of the reason for variance is that 1985 brought an excellent crop, while dry weather caused a small crop in 1994. Despite this, the export of certified seed to other countries increased substantially.

Aroostook Potato Marketing Trends

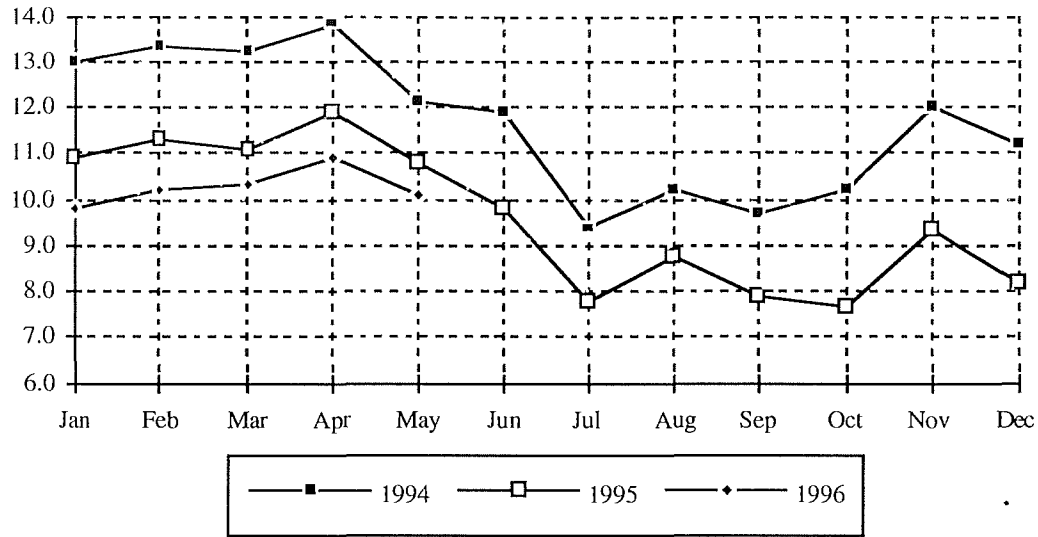
	1985-86	1994-95	% Change
Acres planted	98,000	78,000	-20
Production (cwt.)	27,160,000	17,250,000	-36
Export to other countries			
Table & chip stock (truck units)	73	35	-52
Certified seed (50,000 lb. units)	137	195	42
Export to other states			
Table & chip stock (truck units)	22,373	13,267	-41
Certified seed (50,000 lb. units)	3,568	3,066	-14
Processed (cwt.)	6,280,000	4,555,000	-27

Marketing Maine Potatoes, USDA Agricultural Marketing Service.

Employment & Unemployment

Unemployment rates were lower overall in 1995 than they were in 1994, in response to an increase in the number of jobs. Total employment increased from 33,420 in 1994 to 34,880 in 1995, while the number of unemployed decreased from 4,700 to 3,920 in the same year. However, the number of higher-paying manufacturing jobs continues to decline while lower-paying retail trade and services jobs are increasing.

Aroostook County Unemployment Rates

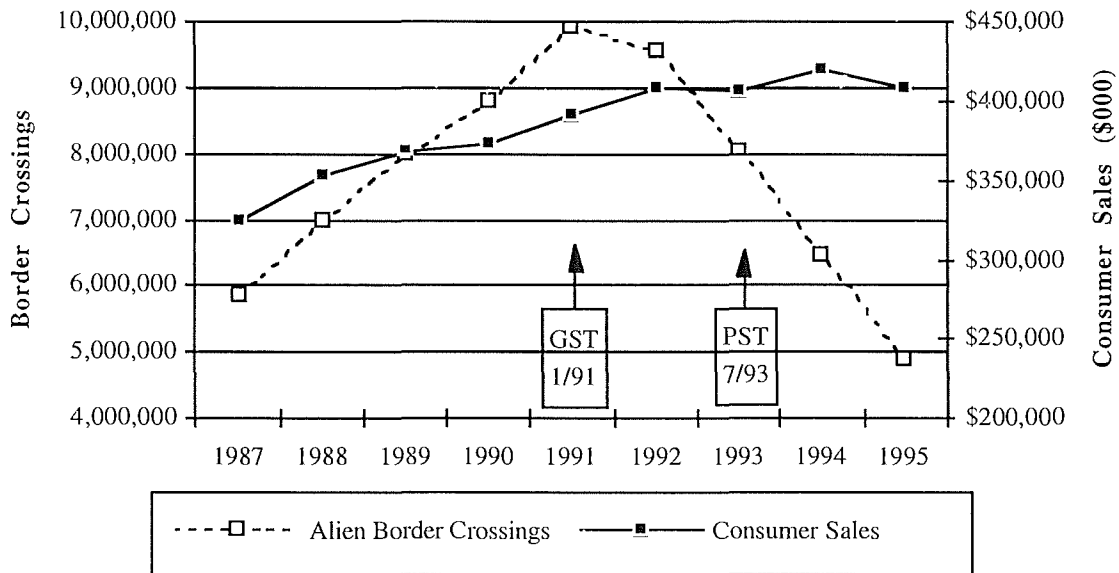


Source: Maine Department of Labor; Labor Market Digest

Border Crossings and Retail Trade

The number of Canadians coming across the border continues to decrease, chiefly for the same reason that hinders other trade with Canada -- the poor exchange rate of the Canadian versus the U.S. dollar. Cross-border shopping is additionally affected by the collection of provincial taxes at the border and increasing tariffs on certain goods coming back into Canada. Despite the decrease in cross border shopping, retail sales have been reasonably steady in northern Maine.

Northern Maine Border Crossings v. Retail Trade



Sources: Immigration & Naturalization Service, Portland, ME; and the Maine Retail Sales Annual Review, State Planning Office.

IV. Development Strategies

Goal 1: Business Retention and Expansion

The focus of these activities is to create the best possible environment within the region to support the retention and expansion of existing businesses, and to encourage the start-up of new businesses. The programs and projects have a regional impact, that is, they are designed to address the needs of a diversity of businesses throughout all of Northern Maine, with attention given to sustaining them with support from both public and private stakeholders.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
-----------------------------	--	------------------	--------------------------------	---------------	------------------------------

Top Priority Projects:

1. Northern Maine Business Retention and Marketing					
Program: <u>Regional Strategy:</u>	NMDC	\$903,000	EDA \$677,000 DECD \$200,000 Local \$26,000	95-97	X
Implementation of a comprehensive strategy designed to create an environment for sustainable economic development. Programs will be implemented in six areas:					
<ul style="list-style-type: none"> • Business retention and expansion • Regional marketing • Natural resources redevelopment • New technology development • International market development • Local community development 					
<u>Loring Marketing Strategy:</u>	NMDC/LDA	\$405,000	EDA OEA/State	96-97	X
Amendment to the Northern Maine Business Retention and Marketing Program to create an identity and presence in economic development circles in order to recruit businesses that will export goods and services out of the region.					
Applying for additional EDA funding in FY 97-98.		\$350,000		97-98	X
2. Business Finance					
Programs: <u>EDA Revolving Loan Fund:</u>	NMDC	\$2.4 million	Self-sustaining	on-going	X
Financing and technical assistance for new and existing manufacturing and industrial businesses, as well as for private sector packaging.					

Environmental Impact Key:			
B Beneficial Impact	NAI No Adverse Impact	MI Minimal Impact	
A Adverse Impact	X Not Applicable		

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>RECD RBEG 1&2 - Revolving Loan Funds:</u> To assist and expand existing businesses affected by Loring AFB closure, to attract new business and industry to the area, and to assist displaced workers. Applying for an additional \$500,000 in FY 96-97.	NMDC (District-wide)	\$600,000	RECD	on-going	X
<u>SBA Microloan Program:</u> Direct loans not to exceed \$25,000 businesses that currently do not qualify for commercial private lending.	NMDC (District-wide)	\$287,500		on-going	X
<u>RECD IRP Loan Program:</u> The NMDC has received funding for an Intermediary Relending Program to assist the needs of local business and industry. Applying for an additional \$1 million in FY 96-97.	NMDC (District-wide)	\$2,275,000	RECD DECD Local	on-going	X
<u>Defense Diversification RLF:</u> To provide loan leverage for defense contractors and business restructuring that will result in hiring civil service workers displaced by defense cutbacks. Applying for an additional \$450,000 in FY 96-97	NMDC (District-wide)	\$200,000	75% EDA 25% DECD	on-going	X
<u>SBA 504:</u> Fixed asset loans for a maximum 40% of total project cost. Standard program of participation is 50% from conventional lender, 10% from the borrower, and 40% from the SBA	NMDC (District-wide)	\$		on-going	X
<u>Regional Economic Development RLF:</u> To provide loan leverage to all types of business to retain or create jobs in rural communities.	NMDC (District-wide)	\$341,000		on-going	X
3. Loring Development Authority (LDA):					
<u>Operations and Management:</u> For O&M of Loring's physical assets, with emphasis on marketing and redevelopment.	LDA (District-wide)	\$6,136,000	OEA State	97-2001	NAI
<u>Caretaker Agreement:</u> Protective and maintenance services of facility.		\$15,000,000	AFBCA		X
<u>Demolition/Infrastructure Upgrades:</u> Demolition of No. & So Wherry Housing and infrastructure improvements.		\$Unknown	EDA LDA		NAI

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
<u>Loring Commerce Centre Revitalization Partnership:</u> Two year educational program to identify and address obstacles and liability associated with environmental contamination; and to promote sound environmental redevelop- ment.	LDA	\$75,000	EPA	97-98	BI
4. Manufacturing Modernization Partnership Program: Establishment of a regional field office with engineer to "broker" technical and business services for local firms and to organize them into cooperative networks.	NMDC (District-wide)	\$79,750	MSTF \$60,000 Local \$50,000	96-97	X

Additional Projects:

A. <u>EDA Planning Grant Contract Extension:</u> Funding for annual up- date and implementation of the dis- trict's Overall Economic Develop- ment Program.	NMDC (District-wide)	\$54,667	EDA \$41,000 NMDC Dues \$13,667	96-97	X
B. <u>Business Development Program:</u> Direct assistance through outreach to local business and industry. Services include general business assistance, marketing, environmental permitting, and assisting access to state and federal funding sources.	NMDC (District-wide)	\$79,548	DECD \$50,000 NMDC \$29,548	96-97	X
C. <u>SBDC Business Counseling Contract Extension:</u> Funds area workshops, seminars, and individual counseling of 400+ prospects yearly on small business finance and development.	NMDC (District-wide)	\$110,000	55% DECD 38% SBA 7% USM	96-97	X
D. <u>DECD Development Fund:</u> A grant to communities to loan to local businesses on a contract basis.		Max. 40% of project up to \$100,000	40% DECD 60% Other	96-97	X

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
E. <u>Regional Industrial Economic Development Seminars:</u> To familiarize lending institutions with lending regulations of the EDA Revolving Loan Fund, the SBA 504 Program and other sources of business and economic development loans.	Banks (District-wide)	\$Unknown	NMDC EDA SBA	96-97	X
F. <u>SBA Microloan Technical Assistance:</u> Technical assistance to businesses receiving micro-loans.	NMDC (District-wide)	\$158,000	75% SBA 25% DECD	96-97	X
G. <u>SBA Women's Prequalification Pilot Program:</u> A short form application to obtain pre-qualification or SBA guaranty to obtain private banking loans for women-owned businesses or start-ups.	NMDC (District-wide)	\$250,000 Max. per applicant	SBA Private	96-97	X
H. <u>Aroostook Free-Net:</u> Local access network and bulletin board that will provide connectivity for the region's businesses and government. The NMDC will place a commuter bulletin board on the site to assist carpooling and public transportation providers.	NMDC (District-wide)	\$5,328	NMDC National Public Telecomputing Network	96-97	X

Goal 2: Natural Resource Redevelopment

Northern Maine is rich in agricultural and forest resources, one of the region's greatest strengths. These traditional industries, both production and processing, built the region, but have remained stagnant while market needs have changed. Redevelopment of this sector calls for activities focused on tapping new markets and developing new products, especially those with value added. Improving the competitiveness and productivity of natural resource manufacturers will also benefit from the business retention and expansion activities (Goal 1).

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
-----------------------------	---	---------------	--------------------------	------------	----------------------

Top Priority Projects:

1. Maine Potato Support Project: Development of seed export trade to regions identified by the National Potato Promotion Board as having potential -- Mexico, South America, Caribbean, and Southeastern Europe.	Maine Potato Board NMDC	\$450,000	MPB NMDC-EDA ME Dept of Ag NPPB USDA/FSMIP Federal Private	96-98	X
2. Natural Resources Program: This portion of the Northern Maine Business Retention and Marketing Program will fund technical assistance to explore new markets, new crops, and added value products from existing resources.	NMDC (District-wide)	\$184,500	75% EDA 22% DECD 3% Local	96-97	X
Potato Marketing Project: Continuation of market test for uniformly-sized potatoes in attractively designed seven pound boxes. Favorable response from consumers on last year's test run - University of Maine report available.	Maine Farmers Exchange (District-wide)	\$15,400	MFJ MPB NMDC	96-97	X

Additional Projects:

A. Maine Seed Potato Program Improvements: Provision of funding and continued support of the Maine Potato Breeding Program through the Maine Potato Board Research Committee.	Maine Potato Board (District-wide)	Undetermined	State/Fed	95-2000	X
B. Cranberry Crop Development: Technical assistance to establish test plots and perform market studies to determine the suitability of cranberries for Aroostook County. First test plots planted in '94, first harvest anticipated in '97.	Unknown (District-wide)	\$150,000	FmHA EDA State Local	94-97	NAI

Environmental Impact Key:	B Beneficial Impact	NAI No Adverse Impact	MI Minimal Impact
	A Adverse Impact	X Not Applicable	

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
C. <u>Soil and Water Management in the Potato Cropping System:</u> A long term interdisciplinary study to determine the impact of improved soil and water management systems on the long-term productivity, profitability and environmental impact of the potato agro-ecosystem.	Aroostook Soil & Water Mgt Board (District-wide)	\$325,000/yr.	Federal State	94- 2002	BI
D. <u>Northern New England Products Development & Marketing Center:</u> International trade development center to help New England's natural resource industries avail themselves of export opportunities. Also to develop and promote value-added products and to enhance the marketing and merchandising skills of producers and marketers.	University of Maine (District-wide)	\$850,000/yr.	Unknown	94-98	NAI
E. <u>Northern Maine Irrigation Plan:</u> Draft of plan developed by state agencies and agricultural interests for drought mitigation. Calls for direct withdrawal of surface water and construction of storage lagoons.	DEP	\$Unknwn	Federal State	96-98	Unk.
F. <u>Northern Forest Land Study:</u> Continue to work with state & local agencies to develop the forest industry within the region, as well as new products and markets.	Undetermined (District-wide)	Undetermined	EDA/State/Local	93-95	X
G. <u>Maine Potato Market Advisory Program:</u> To provide information to the potato industry in Maine and nationwide. Services include dissemination of information through radio, television, toll-free market recording; statistical data base services research assistance and market consulting services.	Maine Potato Board (District-wide)	\$38,000	Unknown	93-95	NAI
H. <u>Maine Forest Products Marketing Initiative:</u> To identify international markets for forest products.	RC&D (District-wide)	\$205,000	RC&D MFS DECD	94-96	X
I. <u>Loring Wildlife Refuge:</u> Proposal to use +3,900 acres of Loring properties to establish a refuge for the protection and study of native wildlife. Budget includes start-up costs and five year operations.	US Fish & Wildlife Service (District-wide)	\$1,425,850		97- 2000	BI

Goal 3: Business Attraction & Image Building

Activities build on the region's rich natural resources and cultural diversity to take advantage of growing soft adventure travel and heritage tourism. Tourism brings "new money" into the region and opportunities for related business start-ups.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
-----------------------------	--	------------------	--------------------------------	---------------	------------------------------

Top Priority Project:

1. Northern Maine Regional Marketing Plan: As part of the Northern Maine Business Retention and Marketing Program, the development of a marketing program that focuses on business attraction, tourism, and image building locally and state-wide.	NMDC (District-wide)	\$614,304	EDA \$603,704 NMDC \$10,600	96-97	X
---	-------------------------	-----------	--------------------------------	-------	---

Goal 4: Tourism & Recreational Resource Development

Activities build on the region's rich natural resources and cultural diversity to take advantage of growing soft adventure travel and heritage tourism. Tourism brings "new money" and opportunities for related business start-ups into the region.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
-----------------------------	--	------------------	--------------------------------	---------------	------------------------------

Top Priority Projects:

1. Regional Tourism Development: As part of the Northern Maine Business Retention and Marketing Strategy's regional marketing efforts.	NMDC (District-wide)	\$42,000	EDA \$31,500 Local \$10,500	96-97	X
2. Snowmobile Aroostook Campaign: Continuation of a successful marketing effort to promote snowmobiling in Northern Maine.	Aroostook County Tourism	\$18,700	NMDC ACT DECD (Office of Tourism)	96-97	X

Environmental Impact Key:	B Beneficial Impact	NAI No Adverse Impact	MI Minimal Impact
	A Adverse Impact	X Not Applicable	

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
-----------------------------	--	------------------	--------------------------------	---------------	------------------------------

Additional Projects:

A. <u>MicMac Lodge Project:</u> Development of a 20-room MicMac Lodge in northern Aroostook to attract big game hunters and sport fishers interested in learning traditional native ways. The lodge will also serve as an outlet for MicMac crafts. Seeking funding to employ a project coordinator.	Aroostook Band of MicMacs (District-wide)	\$30,000	First Nations Development Institute	95-96	X
B. <u>Northern Maine State Park Expansion Program:</u> Proposal to develop and/or expand State Park facilities in northern Maine.	Undetermined (District-wide)	Undetermined	DOC/BOR	94-95	X

Goal 5: Local Community Development

The top priority is to expand the capacity of local communities to provide affordable, effective development services within a regional framework. As the regional business development program brings opportunity to the region, individual communities must be ready to take advantage of those opportunities. Additional projects provide for community development planning, and local infrastructure to support community development goals.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
-----------------------------	---	------------------	--------------------------------	---------------	------------------------------

Top Priority Project:

1. Community Development Capacity Building: Working with local communities to develop economic development strategies that work in tandem with the regional strategy, and to assess infrastructure and commercial/ industrial building needs.	NMDC (District-wide)	\$45,800	75% EDA 22% DECD 3% Local	95-97	X
--	-------------------------	----------	---------------------------------	-------	---

Additional Projects:

A. Growth Management Contracts:

Developing comprehensive plans for 11 communities.	Communities (District-wide)	\$140,000- 150,000	75% SPO 25% Local	96-98	BI
Advancing the implementation of comprehensive plans in seven communities.	Communities (District-wide)	\$100,000- 110,000	75% DECD 25% Local	96-98	BI

B. Community Development Block Grant Program:

<i>Contract Administration.</i> The NMDC anticipates assisting 3 communities with full implementation of their Community Development Block Grant programs.	Communities (District-wide)	\$90,000	90% DECD 10% Local	96-98	X
<i>Technical Assistance Program.</i> Funding to continue the NMDC's assistance to area communities seeking CDBG funds. The grants are designed to address the needs of individual communities.	NMDC (District-wide)	\$31,600	75% DECD (\$27,500) 25% NMDC Dues (\$4,100)	96-97	BI
<i>Phase II Planning Contracts.</i> Assistance to six communities successful in Phase I with project planning and development.	NMDC (District-wide)	\$18,500	DECD \$15,000 Local \$3,500	96-97	BI

Environmental Impact Key:	B Beneficial Impact	NAI No Adverse Impact	MI Minimal Impact
	A Adverse Impact	X Not Applicable	

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
C. <u>Solid Waste Management Program</u> : Technical assistance to municipalities in finding regional solutions to solid waste management problems.	NMDC (District-wide)	\$65,000	RECD	96-97	BI
D. <u>Housing Development for Low Income/Elderly</u> : NLM, Inc. -- Construction of 16 family units in Houlton.	Developer (Houlton)	\$1,320,850	RECD	97-98	MI
Lakeside Associates -- Construction of 12 elderly units in Sinclair.	Developer (Sinclair)	\$718,000	RECD	97-98	MI
Hillside Associates -- Construction of 24 elderly units in Fort Fairfield.	Developer (Fort Fairfield)	\$1,316,081	RECD	97-98	MI
E. <u>Caribou Weather Station</u> : Local effort to ensure continuation of local weather station operation that serves northern half of the state. Distance from centralized stations cannot provide accurate forecasts necessary for growers, aviation, school bus safety, and other uses.	Local Volunteers (District-wide)	None	None	96-97	X
F. <u>Ashland Water and Sewer Project</u> : Drill wells or upgrade present filtering system to comply with the Safe Drinking Water Act.	Town (Ashland)	\$600,000	RECD	94-96	BI
G. <u>Caribou Business District Revitalization</u> : Seeking funding to implement strategies provided in 1996 marketing plan.	City (Caribou)	\$500,000	Undetermined	96-97	X
H. <u>Caribou Collins Pond Corridor Project</u> - Phase I.	City (Caribou)	\$250,000- \$350,000		96-97	NAI
I. <u>Caribou Family Housing</u> : 16 units of single family housing to be acquired by a consortium of service providers for homeless assistance.	Facilities, Inc. (Caribou)	Renovation - \$75,000	US Dept. HHS MSHA	96-97	NAI
J. <u>County of Aroostook Housing</u> : Rehabilitation of substandard housing in T17 R5 and Connor.	Aroostook County (T17 R5 & Connor)	\$	CDBG County	96-97	NAI
K. <u>Danforth Downtown Revitalization</u> : Renovations to Union Hall and water mains and storm drains on Central St.	Town (Danforth)	\$400,000	CDBG Town	96-97	BI

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
L. <u>Eagle Lake Regional Health Center</u> : Renovate existing 630 sq. ft., refinance 1991 addition with this new addition.	Town (Eagle Lake)	\$260,300	RECD	95-96	NAI
M. <u>Fort Fairfield Flood Mitigation</u> : Town will pursue funding to construct dike to protect business district from flooding of Aroostook River.	Town (Fort Fairfield)	\$3.6 million	Federal Town CDBG	96-2000	
N. <u>Fort Kent Wastewater Treatment Plant Improvements</u> : Renovation of plant and expansion of wastewater treatment capacity that will allow the creation of 100+ processing jobs at Northland Frozen Foods.	Town (Fort Kent Redevelopment Area)	\$8.5 million	EPA DEP CDBG	96-97	BI
O. <u>Fort Kent Alternative Forest Products Study</u> : Feasibility analysis of value-added forest products.	Town (Fort Kent Redevelopment Area)	\$54,000	MFS	96-97	X
P. <u>Grand Isle Public Facilities Project</u> Improvements to the museum et centre culturel du Mont Carmel; energy conservation and handicapped access.	Town (Grand Isle)	\$	CDBG Town	96-97	NAI
Q. <u>Houlton Bangor St.</u> : Reconstruction of street and underground infrastructure to meet the needs of existing development.	Town (Houlton)	\$1 million	MDOT CDBG H. Water Co. Town	2000	BI
R. <u>Houlton Telecommunications Upgrade</u> : Install fiber optic system, upgrade switching to best available POP to support growth of telecommunications industries.	Town (Houlton)	Undetermined	NYNEX CDBG Town	98-99	NAI
S. <u>Houlton Downtown Marketing</u> : Develop marketing strategy to address changing local retail structure.	Town/Ch. of Com. (Houlton)	\$30,000	CDBG Private	97-98	X
T. <u>Houlton Micro-Business Park</u> : Develop suitable locations for small businesses using vacant B&A property.	Town/B&A RR	Undetermined	CDBG Town Private	98	NAI

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
U. <u>Limestone Downtown Revitalization:</u> Seeking funding to develop a strategy to mitigate impact of Loring closure and to capitalize on new opportunities provided by DFAS, magnet school, Job Corps.	Town (Limestone)	Undetermined	CDBG/Town/Private	96-97	NAI
V. <u>Limestone Housing Program:</u> Currently funded to rehab residential units. Will seek future funding for demolition/relocation assistance.	Town (Limestone)	\$300,000	CDBG/Town	96-97	NAI
W. <u>Limestone Industrial Park:</u> Seeking funding to redevelop park from industrial to residential use; and to bring sewer and water extensions to site.	Town (Limestone)	\$400,000	CDBG/Town	96-97	NAI
X. <u>Limestone RV Campground:</u> Seeking funding to develop an 18 to 24 site campground at Trafton Lake.	Town (Limestone)	Undetermined	Town/Private	96-97	MI
Y. <u>Limestone Water & Sewer District:</u> Seeking funding to update water treatment plant and Silver Brook Stream watershed to provide residents with safe drinking water.	Town (Limestone)	\$600,000	CDBG/Town/ 319 Funding	96-97	NAI
Z. <u>Mapleton Downtown Revitalization:</u> Removal of dilapidated buildings, sidewalk rehabilitation.	Town (Mapleton)	\$890,000	CDBG/EDA	95-96	NAI
a. <u>Mapleton Fire Department:</u> Expansion of facility to three bays, and addition of wash-down and maintenance areas. Possible dispatch room/office.	Town (Mapleton)	\$200,000- 300,000	Fed/State	95-96	NAI
b. <u>Mapleton Salt Shed:</u> Construction of a salt storage shed to meet state mandates.	Town (Mapleton)	\$100,000	40% MDOT 20% CDBG	95-96	BI
c. <u>Mapleton Septic System Replacement Program:</u> Replacement of residential septic systems to conform to the Clean Water Act. DEP Small Community Grants Program.	Town (Mapleton)	\$20,000	DEP	95-96	BI

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
d. <u>Mapleton Sewer Rehab</u> : Rehab of 20-year old collection and treatment system to remove discharge from the Presque Isle Stream. Continuing study to find cost-effective solutions.	Town (Mapleton)	\$5,000,000	RECD CDBG EPA	98-2000	BI
e. <u>Mars Hill Waste Treatment Improvements</u> : Infrastructure to handle waste from proposed Fresh Way potato processing plant.	Town (Mars Hill Area)	\$1.4 million	CDBG RECD Local Private	96-97	
f. <u>Skyway Industrial Park Improvements</u> : Building #1305 (formerly Converse) -- Complete rehab of 40,000 sq. ft. building. Building #401 (former International Paper) Rehab of 90,000 sq. ft. building. Former IGA Warehouse-development of transload facility.	City (Central Subregion)	\$800,000 - \$1,000,000 \$1.5 million \$1 million	EDA CDBG Local Same Same	96-98 97-2000 Same	NAI NAI NAI
g. <u>St. Francis Public Facilities Project</u> : Improvements to Sunset Drive and Fire Dept.	Town (St. Francis)	\$	CDBG Town	96-97	NAI
h. <u>St. Francis Housing Project</u> : Rehabilitation/replacement of 18 residential units.	Town (St. Francis)	\$	CDBG/Town	95-96	NAI
i. <u>St. John Housing Project</u> : Rehab of 17 to 18 substandard homes.	Town (St. John)	\$	CDBG Town	96-97	NAI
j. <u>Van Buren Sewer Treatment Plant</u> : Improvements to correct the plant's inflow and infiltration problems. Pre-engineering is currently in progress.	Town (Van Buren)	Undetermined	RECD State Local	95-96	BI
k. <u>Regional Composting Facility</u> : Construction of a facility for composting municipal solid waste of Van Buren and surrounding communities.	Town (Van Buren)	\$837,000	State Federal Local	95-96	BI
l. <u>Van Buren General Purpose Planning Grant</u> : Improvements to St. John Avenue.	Town (Van Buren)		CDBG Town	95-96	NAI
m. <u>Van Buren Recycling Center & Transfer Station</u>	Town (Van Buren)	\$312,000		96-97	BI
n. <u>Weston Housing Project</u> : Rehab of substandard housing.	Town (Weston)	\$	CDBG Town	96-97	NAI

Goal 6: Educational & Training System Improvements

Educational and training institutions at all levels are critical players in a healthy regional economic system. Local economic development is supported by programs that address the needs of 1.) local business by providing customized training and updating skills for changing technologies; 2.) local labor supply when programs are built around locally available jobs.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
-----------------------------	---	---------------	--------------------------	------------	----------------------

1. <u>Maine Quality Centers Program:</u> Program for businesses that are creating jobs in Maine. Provides customized training free of charge to students and businesses. Training targeted to high skill, full-time jobs with benefits. NMTC seeking funding to establish site for Business/Industry Training Center, which will work in tandem with Quality Centers Program.	Technical College System/NMTC (Statewide)	\$675,000	State	95-97	X
--	---	-----------	-------	-------	---

A. <u>Northern Maine Technical College Library/Student Center:</u> To meet student needs for expanded library services and to provide students with study, social, cultural and support meeting areas.	NMTC (District-wide)	\$2,000,000	Federal/State	95-97	MI
--	----------------------	-------------	---------------	-------	----

B. <u>Manufacturing Engineering Technology Program:</u> To equip existing lab area for instruction and to hire necessary instructors for initial two years of program. Local manufacturers will be active participants, both in instruction and on-site student learning.	NMTC (District-wide)	\$600,000	Federal State Local	95-97	X
---	----------------------	-----------	---------------------------	-------	---

C. <u>Projects with Industry Program:</u> Employment and rehabilitation and placement services for handicapped of rural Maine.	BDL Employment & Rehabilitation Services (District-wide)	\$837,428	EDUC	95-97	X
--	--	-----------	------	-------	---

D. <u>Houlton Technology Training:</u> Develop "storefront technology" adult education training center.	SAD 29	Unknown	Dept of Ed DOL Private	97-98	X
---	--------	---------	------------------------------	-------	---

Environmental Impact Key:	B Beneficial Impact	NAI No Impact	MI Minimal Impact
	A Adverse Impact	X Not Applicable	

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
E. <u>Ashland STR Facility:</u> Appli- cation from Echo 2000 (consortium of local school districts) for dis- counted conveyance pending. Facility will be used for educational programs with media / communica- tions focus.	US Dept. of Education (Central Aroostook)		US Dept. of Education	96	NAI

Goal 7: Transportation System Improvements

The focus of activities under Goal 7 is to provide businesses, residents, and visitors with a time- and cost-efficient multi-modal transportation system. The maintenance and expansion of the existing system will promote economic growth in the region by allowing its businesses and industries to be more competitive with other regions of the country.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
-----------------------------	--	------------------	--------------------------------	---------------	------------------------------

Top Priority Project:

A. <u>Northern Maine Limited Access Highway</u> : Construction of a limited access highway from Houlton to the St. John Valley supported by economic impact study. The MDOT has received \$800,000 in federal funding to identify reasonable alternatives to highway construction.	MDOT/Federal (District-wide)	\$250-500 million	80% Federal 20% State	94-97	X
--	---------------------------------	----------------------	--------------------------	-------	---

Additional Projects:

A. <u>Transportation 2000 (T2000)</u> : Assistance for municipalities in developing and implementing strategies to meet transportation needs. Projects chosen by NMRTAC to proceed into Phase II:	Towns (District-wide)	\$625,000	MDOT Towns	96-98	X
Houlton Transload Facility accommodate truck/rail transfer.	Town/B&A RR	\$350,000			
Frenchville International Reservation System at the Northern Maine Regional Airport.	Town/Pine State Airlines	\$25,000			
Heritage Trail; a year-round multi-use trail through Fort Kent,	Towns	\$250,000			
B. <u>Collector Road Development Program</u> : To bring non-national highway systems up to new state standards in an effort to enhance economic development potential of region.	Towns (District-wide)	\$590,000	MDOT	96-97	X

Environmental Impact Key:	B Beneficial Impact	NAI No Adverse Impact	MI Minimal Impact
	A Adverse Impact	X Not Applicable	

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
D. <u>Presque Isle Intermodal Project</u> : Construction of a new railroad loading dock facility to enable trucks to transfer trailers or containers to rail cars. Preliminary engineering, RFP for operator in 1996. Construction expected to begin Spring 1997.	City (District-wide)	\$2.5-3.5 million	Federal/City	95-97	NAI
E. <u>Ludlow Road Improvements</u> : Reconstruction of four miles of deteriorated and unsafe town road that serves as a collector road for the Interstate system.	Town (Ludlow area)	Undetermined	MDOT Town	96-97	NAI

MDOT Transportation Improvement Program

Statewide Transportation Improvement Projects

Federal FY96-98 STIP listing of projects for NMRTAC (Northern Maine Regional Transportation Advisory Committee) follow this section.

Air Transportation Projects

Listed below are the air transportation projects included in the FY96-97 STIP slated for Northern Maine. Funding for air transportation projects statewide includes \$20 million in Federal funds, \$1.6 million in local funds, along with \$2.5 million from DOT's \$15.5 million Economic Development Bond Issue (1995).

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
MDOT Air Transp Projects	MDOT (District-wide)			96-97	
F. <u>Caribou Municipal Airport</u> : Resurface 182.9 m runway 29. Update airport master plan.		\$50,000 \$80,000	GF Bond FAA/GF Bond		NAI X
G. <u>Northern Aroostook Regional Airport (Frenchville)</u> : Resurface existing aircraft parking ramp.		\$50,000	GF Bond		NAI
H. <u>Northern Maine Regional Airport</u> : Reconstruct taxiway and terminal ramp. Update airport master plan. Acquisition of aircraft rescue and firefighting equipment.		\$1,133,333 \$166,666 \$245,000	FAA/GF Bond FAA/GF Bond FAA/GF Bond		NAI X X
Other Air Transportation Projects					
I. <u>Customs Pre-clearance of Aircraft</u> : Seeking Canadian Customs to resume pre-clearance of light aircraft into Houlton International Airport to enhance free trade.	Houlton (District-wide)	N/A	N/A	95-96	X
J. <u>Houlton International Airport ILS</u> : Install full operations instrumental landing system (ILS).	Houlton (District-wide)	\$400,000	FAA MDOT Town	98-99	X

Listing of all Projects by Planning Region
RTAC 1

Municipality

Category of Work		Rt./Road Name	Division	Page	Estimated Cost
PIN	Description of Work				

6530.00	Highway Rehabilitation \ Upgrade and Pave	Ladner Rd.	1	II-H- 1	\$135,000
---------	---	------------	---	---------	-----------

Fort Fairfield

System Preservation

5970.00	Highway Reconstruction \ Roadway	Route 161	1	II-G- 3	\$1,075,000
6620.00	Highway Resurfacing \ Medium	Route 167	1	II-G- 3	\$265,000
6741.00	PCE-Bridge \ Rehabilitation	Munson Hill Rd.	1	II-G- 3	\$30,000
	Highway Resurfacing \ Hot Maintenance Mulch	Grimes Rd.	1	II-I- 1	**

Fort Kent

Enhancement

6830.00	Pedestrian/Bicycle Facility	Route 1/161	1	II-G- 4	\$850,000
---------	-----------------------------	-------------	---	---------	-----------

Safety

6761.00	Rail/Highway Crossing \ Rehab Signals	S. Perley Brook Rd.	1	II-G- 4	\$55,000
---------	---------------------------------------	---------------------	---	---------	----------

System Preservation

6621.00	Highway Resurfacing \ Medium	Route 161	1	II-G- 4	**
	Highway Resurfacing \ Hot Maintenance Mulch	N. Perley Brook Rd.	1	II-I- 1	\$36,700
	Highway Resurfacing \ Hot Maintenance Mulch	Fort Kent Mills Rd.	1	II-I- 1	\$4,100
	Highway Resurfacing \ Hot Maintenance Mulch	Strip Rd.	1	II-I- 1	\$10,300

Frenchville

System Preservation

	Highway Resurfacing \ Hot Maintenance Mulch	Airport Rd.	1	II-I- 1	\$20,600
	Highway Resurfacing \ Hot Maintenance Mulch	Brishlotte Rd. (SA 5,4)	1	II-I- 3	**
	Airport Rehabilitation \ Aircraft Parking		1	II-A- 2	\$50,000

Hamlin

System Preservation

6617.00	Highway Resurfacing \ Medium	Route 1A	1	II-G- 3	**
	Highway Resurfacing \ Hot Maintenance Mulch	Boundary Rd.	1	II-I- 1	\$9,100

Herseytown Twp

System Preservation

6594.00	Highway Resurfacing \ Pavement Rehabilitation	Route 95	1	II-G-21	**
	Highway Resurfacing \ Hot Maintenance Mulch	Route 11	1	II-I- 3	**

Hodgdon

System Preservation

	Highway Resurfacing \ Hot Maintenance Mulch	Hodgdon Center Rd.	1	II-I- 2	\$9,500
--	---	--------------------	---	---------	---------

Houlton

System Preservation

Listing of all Projects by Planning Region
RTAC 1

Municipality

Category of Work		Rt./Road Name	Division	Page	Estimated Cost
PIN	Description of Work				
6512.00	PCE-Highway \ Resurfacing	Route 95	1	II-G- 4	\$60,000
6583.00	Highway Miscellaneous \ Crack Seal	Route 95	1	II-G- 5	**
6743.00	PCE-Bridge \ Replacement	Porter Settlement Rd	1	II-G- 4	\$40,000
	Highway Resurfacing \ Hot Maintenance Mulch	"B" Rd.	1	II-I- 2	\$32,200
	Airport Rehabilitation \ Runway		1	II-A- 2	\$110,000

Island Falls

System Preservation

6582.00	Highway Miscellaneous \ Crack Seal	Route 95	1	II-G- 5	**
	Highway Resurfacing \ Hot Maintenance Mulch	Belvedere Rd.	1	II-I- 1	**

Ludlow

System Preservation

6583.00	Highway Miscellaneous \ Crack Seal	Route 95	1	II-G- 5	**
---------	------------------------------------	----------	---	---------	----

Macwahoc Plt

System Preservation

	Highway Resurfacing \ Hot Maintenance Mulch	Route 170	1	II-I- 2	\$17,300
--	---	-----------	---	---------	----------

Madawaska

System Preservation

	Highway Resurfacing \ Hot Maintenance Mulch	Beaulieu Rd.	1	II-I- 2	\$123,600
	Highway Resurfacing \ Hot Maintenance Mulch	Birch Pt. Rd.	1	II-I- 2	\$36,000
6531.00	Highway Rehabilitation \ Guardrail Install/Replace	Beaulieu Rd.	1	II-H- 1	\$33,000

Mapleton

System Preservation

	Highway Resurfacing \ Hot Maintenance Mulch	Hughes Rd.	1	II-I- 2	\$35,000
--	---	------------	---	---------	----------

Mars Hill

System Preservation

	Highway Resurfacing \ Hot Maintenance Mulch	W. Ridge Rd.	1	II-I- 2	\$92,400
--	---	--------------	---	---------	----------

Masardis

Safety

6763.00	Rail/Highway Crossing \ Rehab Crossing	Route 11	1	II-G- 4	\$70,000
---------	--	----------	---	---------	----------

System Preservation

	Rail Rehabilitation \ Rail Line		1	II-E- 1	\$1,750,000
--	---------------------------------	--	---	---------	-------------

Molunkus Twp

System Preservation

6639.00	Highway Resurfacing \ Medium	Route 157	3	II-G-18	**
---------	------------------------------	-----------	---	---------	----

Listing of all Projects by Planning Region
RTAC 1

Municipality						Estimated
Category of Work						Cost
PIN	Description of Work	Rt./Road Name	Division	Page		
New Canada Plt						
System Preservation						
6621.00	Highway Resurfacing \ Medium	Route 161	1	II-G- 4		\$140,000
New Limerick						
System Preservation						
6583.00	Highway Miscellaneous \ Crack Seal	Route 95	1	II-G- 5		**
Oakfield						
System Preservation						
5645.00	Highway Resurfacing \ Pavement Rehabilitation	Route 95	1	II-G- 4		\$945,000
Portage Lake						
System Preservation						
4269.00	Highway Reconstruction \ Roadway	Route 11	1	II-G- 5		\$1,395,000
Presque Isle						
New Capacity						
	Intermodal Expansion \ Rail/Truck Facility	Rail/Truck	1	II-C- 1		\$3,000,000
System Management						
	Operational Improvements \ Airport		1	II-A- 4		\$166,666
	Operational Improvements \ Airport		1	II-A- 4		\$277,777
System Preservation						
4343.10	Highway Reconstruction \ Roadway	Route 1	1	II-G- 6		**
5736.00	Highway Reconstruction \ Roadway	Route 1	1	II-G- 5		\$810,000
	Highway Resurfacing \ Hot Maintenance Mulch	Route 210	1	II-I- 2		\$21,900
	Rail Rehabilitation \ Rail Line		1	II-E- 1		**
	Transit Facilities \ Vehicle Replacement		1	II-B- 5		\$104,672
	Airport Rehabilitation \ Taxiway & Terminal Ramp		1	II-A- 3		\$1,133,333
	Transit Facilities \ Vehicle Replacement		1	II-B- 5		\$150,000
Sherman						
System Preservation						
6582.00	Highway Miscellaneous \ Crack Seal	Route 95	1	II-G- 5		\$27,000
6594.00	Highway Resurfacing \ Pavement Rehabilitation	Route 95	1	II-G-21		**
6622.00	Highway Resurfacing \ Medium	Route 2	1	II-G- 5		**
	Highway Resurfacing \ Hot Maintenance Mulch	Route 11	1	II-I- 3		\$123,200
Silver Ridge Tw						
System Preservation						
6622.00	Highway Resurfacing \ Medium		1	II-G- 5		\$1,340,000

Listing of all Projects by Planning Region
RTAC 1

Municipality

Category of Work					Estimated
PIN	Description of Work	Rt./Road Name	Division	Page	Cost
Smyrna					
System Preservation					
5645.00	Highway Resurfacing \ Pavement Rehabilitation	Route 95	1	II-G- 4	**
6583.00	Highway Miscellaneous \ Crack Seal	Route 95	1	II-G- 5	\$51,000
St. Agatha					
System Preservation					
	Highway Resurfacing \ Hot Maintenance Mulch	Beaulieu Rd. (SA 2)	1	II-I- 2	**
	Highway Resurfacing \ Hot Maintenance Mulch	Flat Mt. Rd.	1	II-I- 3	\$57,400
	Highway Resurfacing \ Hot Maintenance Mulch	Brishlotte Rd.	1	II-I- 3	\$39,000
6532.00	Highway Rehabilitation \ Culvert Replacement	Cleveland Rd.	1	II-H- 1	\$59,000
6533.00	Highway Rehabilitation \ Heavy	Ouellette Rd. (SA 4)	1	II-H- 1	**
Stacyville					
Safety					
6764.00	Rail/Highway Crossing \ Rehab Crossing	Route 11	1	II-G- 6	\$100,000
System Preservation					
6608.00	PCE-Highway \ Reconstruction	Route 11	1	II-G- 6	\$100,000
	Highway Resurfacing \ Hot Maintenance Mulch	Route 11 (SA 3)	1	II-I- 3	**
Stockholm					
System Preservation					
	Highway Resurfacing \ Hot Maintenance Mulch	Lake Rd.	1	II-I- 3	\$23,300
T09 R05					
System Preservation					
6745.00	Bridge Replacement \ Structure	Oxbow Rd.	1	II-G- 6	\$100,000
6534.00	Highway Rehabilitation \ Culvert Replacement	Oxbow Rd.	1	II-H- 1	\$51,000
T15 R06					
System Preservation					
6623.00	Highway Resurfacing \ Medium	Route 11	1	II-G- 6	\$120,000
T16 R04					
System Preservation					
6624.00	Highway Resurfacing \ Medium	Route 161	1	II-G- 6	\$1,230,000
T17 R04					
System Preservation					
6624.00	Highway Resurfacing \ Medium	Route 161	1	II-G- 6	**

Listing of all Projects by **Planning Region**
RTAC 1

Municipality

Category of Work						Estimated
PIN	Description of Work	Rt./Road Name	Division	Page		Cost
T17 R05						
System Preservation						
	Highway Resurfacing \ Hot Maintenance Mulch	<i>Flat Mt. Rd. (SA 3)</i>	1	II-I- 3		**
6533.00	Highway Rehabilitation \ Heavy	<i>Ouellette Rd.</i>	1	II-H- 1		\$122,000
Van Buren						
System Preservation						
5971.00	Highway Resurfacing \ Medium	<i>Route 1</i>	1	II-G- 6		\$230,000
6617.00	Highway Resurfacing \ Medium	<i>Route 1A</i>	1	II-G- 3		**
Westfield						
System Preservation						
4343.10	Highway Reconstruction \ Roadway	<i>Route 1</i>	1	II-G- 6		\$2,000,000
Winterville Plt						
System Preservation						
6623.00	Highway Resurfacing \ Medium	<i>Route 11</i>	1	II-G- 6		**
	Highway Resurfacing \ Hot Maintenance Mulch	<i>Quimby Rd.</i>	1	II-I- 3		\$49,500
Woodland						
System Preservation						
6748.00	Bridge Replacement \ Structure		1	II-G- 7		\$100,000
6749.00	Bridge Replacement \ Structure	<i>Carson Road</i>	1	II-G- 7		\$100,000
	Highway Resurfacing \ Hot Maintenance Mulch	<i>Colby Rd.</i>	1	II-I- 3		\$33,000

Appendix



County of Aroostook, COMMISSIONERS' OFFICE

COURTHOUSE 240 SWEDEN STREET, SUITE 1 CARIBOU ME 04736 (207) 493-3318
FAX (207) 493-3491



COUNTY ADMINISTRATOR
ROLAND D. MARTIN

COUNTY COMMISSIONERS

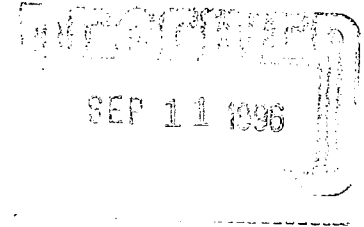
PAUL J. ADAMS
HOULTON

NORMAN L. FOURNIER
WALLAGRASS

JOHN D. McELWEE
CARIBOU

September 10, 1996

Ms. Patricia Sutherland
Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, ME 04736



Dear Ms. Sutherland:

The County of Aroostook has actively participated in the 1996 Overall Economic Development Program (OEDP) planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

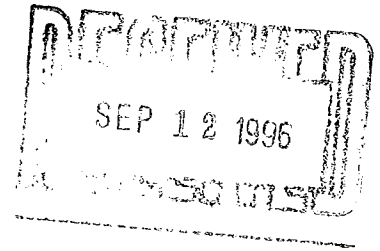
We have reviewed and approve the OEDP document and believe that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration (EDA) in our economic development endeavors.

Sincerely,

Roland D. Martin
County Administrator

Piscataquis County Commissioners

51 EAST MAIN STREET
DOVER-FOXCROFT, MAINE 04426
207-564-2161



September 11, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, ME 04736

Dear Ms. Sutherland:

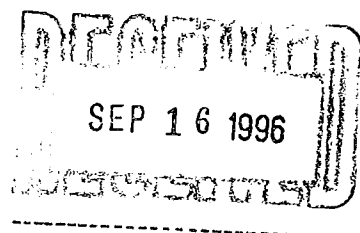
The Piscataquis County Commissioners approve of the OEDP document and believe that it accurately reflects the region's issues, goals and projects. They appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,

Carolyn K. Doore, Clerk
Piscataquis County Commissioners

TOWN OF BANCROFT

September 9 1996



Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, ME 04736

Dear Ms. Sutherland:

The Town/~~City~~ of Bancroft has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

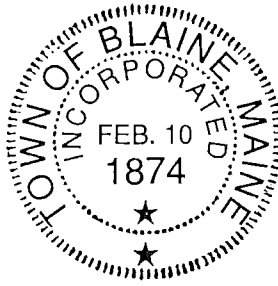
Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,

(Signature, Name, and Title of the
Municipality's Chief Elected Official)

First Selectman
Dennis Nevrante Sr.

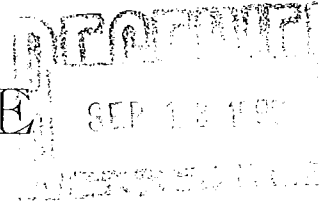
CHAPPY CLARK
Town Manager



P.O. Box 190
04734
Phone 425-2611

TOWN OF BLAINE, MAINE

September 11, 1996



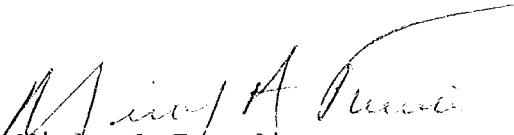
Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, ME. 04736-0779

Dear Ms. Sutherland:

The Town of Blaine has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

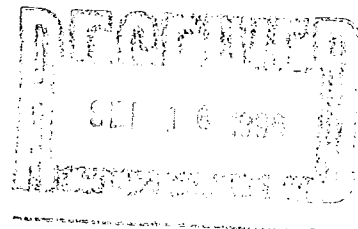
Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,


Michael Tweedie
Chairman of the Selectmen

TOWN OF CASTLE HILL

PULCIFUR ROAD - P. O. Box 500
MAPLETON, MAINE 04757-0500



OFFICE OF TOWN MANAGER

PHONE/FAX 764-3754

September 12, 1996

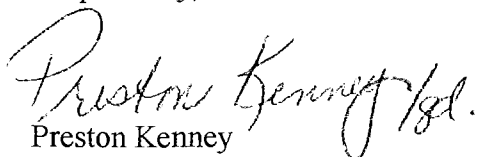
Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
PO Box 779
Caribou, ME 04736

Dear Ms. Sutherland:

The Town of Castle Hill actively participated in the 1996 Overall Economic Development Program planning process, not only financially through annual membership dues, but also by allowing our town manager the opportunity to chair the Economic Development District Council for the Northern Maine Development Commission.

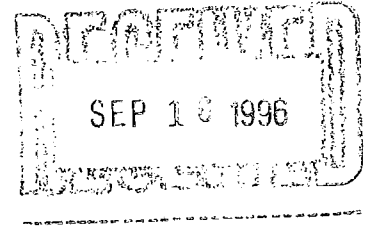
Our community enthusiastically supports and approves the OEDP document and believes that it accurately reflects our regions issues, goals and projects. We appreciate the hard work and continued support of the Economic Development Administration in our economic development endeavors. With the help of NMDC and the EDA we look forward to future economic growth for our region.

Respectfully,


Preston Kenney
Chairman of Board of Selectmen

TOWN OF CHAPMAN

PULCFUR ROAD - P. O. Box 500
MAPLETON, MAINE 04757-0500



OFFICE OF TOWN MANAGER

Phone/Fax 764-3754

September 12, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
PO Box 779
Caribou, ME 04736

Dear Ms. Sutherland:

The Town of Chapman actively participated in the 1996 Overall Economic Development Program planning process, not only financially through annual membership dues, but also by allowing our town manager the opportunity to chair the Economic Development District Council for the Northern Maine Development Commission.

Our community enthusiastically supports and approves the OEDP document and believes that it accurately reflects our regions issues, goals and projects. We appreciate the hard work and continued support of the Economic Development Administration in our economic development endeavors. With the help of NMDC and the EDA we look forward to future economic growth for our region.

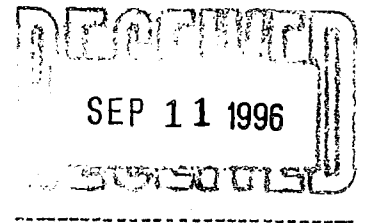
Respectfully,

Kevin Carter
Chairman of Board of Selectmen

TOWN OF DANFORTH

P.O. Box 117
Danforth, Maine 04424

(207) 448-2321



September 10, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, ME 04736

Dear Ms. Sutherland:

The Town of Danforth has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals, and projects. We appreciate the continued support of the Economic Development Administration in our economic endeavors.

Sincerely,

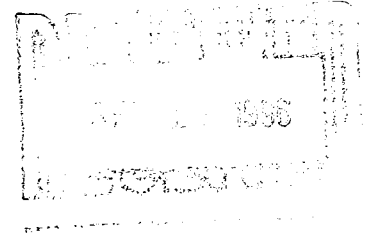
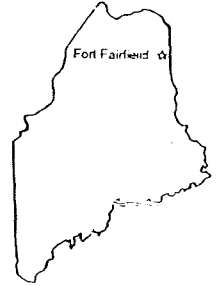
Tammy Bonner
Town Manager



TOWN OF FORT FAIRFIELD

Opportunities For Industry, Business, Homes

P.O. Box 451
FORT FAIRFIELD, MAINE 04742
Tel. 472-3800



September 11, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P. O. box 779
Caribou, ME 04736

Dear Ms. Sutherland:

The Town of Fort Fairfield has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

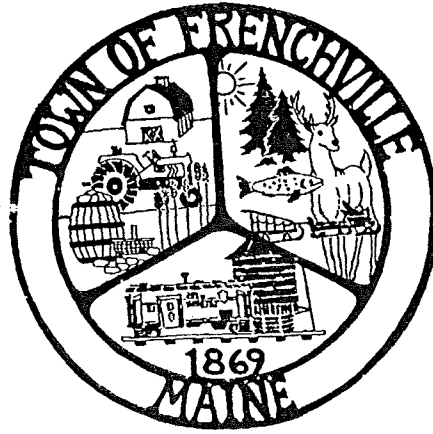
Sincerely,

Eugene J. Conlogue
Town Manager

EJC:as

283 U.S. Rte. 1
Tel.: 543-7301

Box 146
Frenchville, Maine 04745



September 9, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
PO Box 779
Caribou ME 04736

Dear Ms. Sutherland:

The Town of Frenchville has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

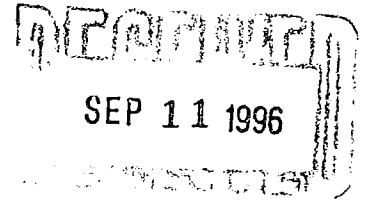
Sincerely,

Philip G. Levesque
Town Manager



Garfield Plantation

Ashland, Maine 04732



September 9, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
PO Box 779
Caribou ME 04736

Dear Ms. Sutherland:

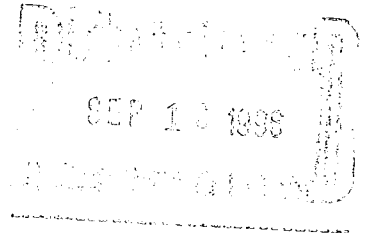
The Plantation of Garfield has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,

John R. Orcutt
Chairman of Selectmen
Garfield Plantation

Town of Linneus
R.R. 2 - Box 2500
Houlton, Maine 04730-9606



September 10, 1996

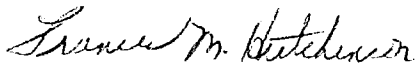
Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O.Box 779
Caribou, Maine 04736

Dear Ms. Sutherland:

The Town of Linneus has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

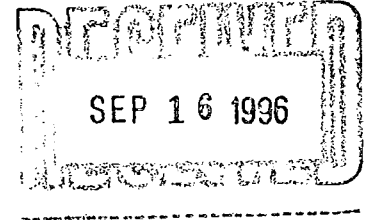
Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,


Frances M. Hutchinson
Town Manager

TOWN OF MAPLETON

PULCIFUR ROAD
P. O. Box 500
MAPLETON, MAINE 04757-0500



OFFICE OF TOWN MANGER

PHONE\FAX 764-3754

September 12, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
PO Box 779
Caribou, ME 04736

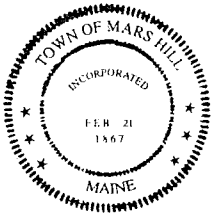
Dear Ms. Sutherland:

The Town of Mapleton has actively participated in the 1996 Overall Economic Development Program planning process, not only financially through annual membership dues, but also by allowing our town manager the opportunity to chair the Economic Development District Council for the Northern Maine Development Commission.

Our community enthusiastically supports and approves the OEDP document and believes that it accurately reflects our regions issues, goals and projects. We appreciate the hard work and continued support of the Economic Development Administration in our economic development endeavors. With the help of NMDC and the EDA we look forward to future economic growth for our region.

Respectfully,

Scott Smith
Chairman of Board of Selectmen



Mars Hill
*"Where the Sun Rises First
in the USA"*



RECEIVED
SEP 11 1996

September 9, 1996

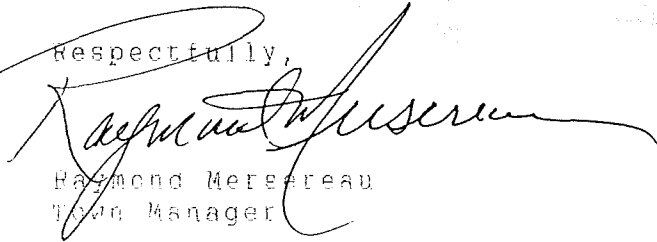
Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, Me. 04736

Dear Ms. Sutherland:

The town of Mars Hill has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Development Commission.

Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,


Raymond Mersereau
Town Manager

SEP 11 1996

TOWN OF PERHAM
P. O. BOX 69
PERHAM, MAINE 04766
TEL: 207-455-5887

September 9, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P. O. Box 779
Caribou, Maine 04736

Dear Ms. Sutherland:

The Town of Perham has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

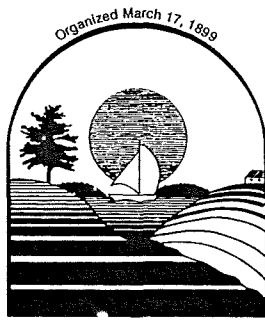
Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,



Robert R. Blackstone
Selectman - Chairman

DAVID P. DAIGLE
Town Manager
Gérant Municipal

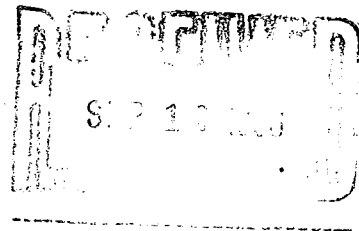


419 Main Street
P.O. Box 106
St. Agatha, Maine
04772-0106
Phone 207-543-7305
FAX 207-543-7306

Town of St. Agatha • Municipalité de Ste. Agathe

September 11, 1996

Ms. Patricia Sutherland, Chairperson
N.M.D.C.
P.O. Box 779
Caribou, ME 04736



Dear Ms. Sutherland:

The Town of St. Agatha has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the N.M.D.C.

Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,

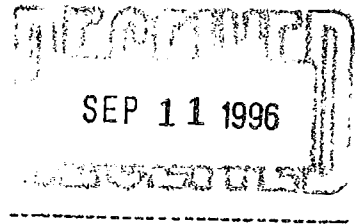
A handwritten signature in cursive script that reads "Diane Castonguay".

Diane Castonguay
Chairwoman, Board of Selectmen

PLANTATION OF ST. JOHN

R. F. D. No. 3

FORT KENT, MAINE 04743



September 9, 1996

Ms. Patricia Sutherland
Northern Maine Development Commission
P.O. Box 779
Caribou, ME 04736

Dear Ms. Sutherland:

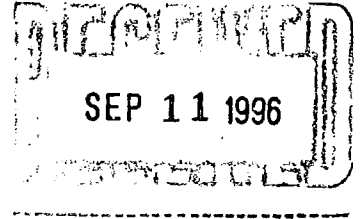
St. John Plantation has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership dues to the Northern Maine Development Commission.

Our community approves the OEDP documents and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,

Fernald Jandreau
1st Assessor

Town of Sherman
Sherman Mills, Maine 04776-0096



September 10, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, ME 04736

Dear Ms. Sutherland:

The Town of Sherman has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Development Commission.

Our community approves the OEDP document and beleives that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,

Debra J. O'Roak
Town Manager

TOWN OF WADE, MAINE

Wendell Doody, Jr. - 1st Selectman
R.F.D. #1, Box 1200
Washburn, Maine 04786
Telephone: (207) 455-4941

September 9th, 1996

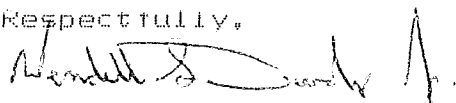
Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, Me 04736

Dear Ms. Sutherland:

The Town of Wade has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

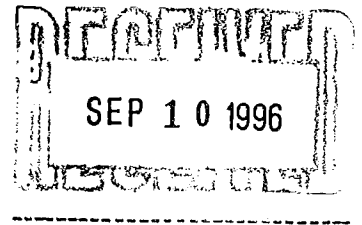
Respectfully,


Wendell S. Doody Jr.

TOWN OF WASHBURN

1 SOUTH MAIN STREET P.O. BOX 504
WASHBURN, MAINE 04786

TEL. 207-455-8485 FAX 207-455-4319



SEPTEMBER 09., 1996

MS. PATRICIA SUTHERLAND, CHAIRPERSON
NORTHERN MAINE DEVELOPMENT COMMISSION
P.O. BOX 779
CARIBOU, MAINE 04736

DEAR MS. SUTHERLAND:

THE TOWN OF WASHBURN HAS ACTIVELY PARTICIPATED IN THE 1996 OVER-ALL ECONOMIC DEVELOPMENT PROGRAM PLANNING PROCESS AND CONTRIBUTES FINANCIALLY TO THIS EFFORT THROUGH ANNUAL PAID MEMBERSHIP TO THE NORTHERN MAINE DEVELOPMENT COMMISSION.

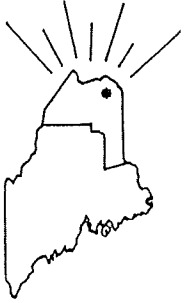
OUR COMMUNITY APPROVES THE OEDP DOCUMENT AND BELIEVES THAT IT ACCURATELY REFLECTS OUR REGION'S ISSUES, GOALS AND PROJECTS. WE APPRECIATE THE CONTINUED SUPPORT OF THE ECONOMIC DEVELOPMENT ADMINISTRATION IN OUR ECONOMIC DEVELOPMENT ENDEAVORS.

RESPECTFULLY,

A handwritten signature in cursive script that reads "Rodney Leach".

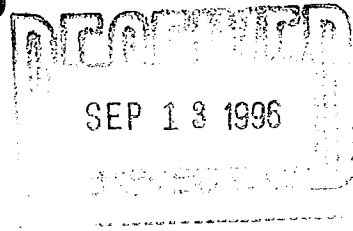
RODNEY LEACH, CHAIRPERSON
WASHBURN TOWN COUNCIL





TOWN OF WOODLAND

Aroostook County
R.F.D. #1 — Box 83-B
Caribou, Maine 04736
(207) 498-6133



September 9, 1996

Ms. Patricia Sutherland, Chairperson
Northern Maine Development Commission
P.O. Box 779
Caribou, Maine 04736-0779

Dear Ms. Sutherland:

The Town of Woodland has actively participated in the 1996 Overall Economic Development Program planning process and contributes financially to this effort through annual paid membership to the Northern Maine Development Commission.

Our community approves the OEDP document and believes that it accurately reflects our region's issues, goals, and projects. We appreciate the continued support of the Economic Development Administration in our economic development endeavors.

Respectfully,

Ronald Moir, Chairman
Board of Selectmen

**Overall Economic Development Program
For Northern Maine**

**Annual Report
1996**

