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Quality of Place and Job Growth: Selected Maine Cases

Prepared for:
Governor's Council on Maine's Quality of Place

Prepared by:
Maine State Planning Office

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Introduction

Without necessarily knowing it, numerous, forward-thinking Maine organizations and communities have adopted Quality of Place investment strategies to foment economic opportunity. Five examples — Maine Winter Sports Center, Maine Huts & Trails, Friends of Fort Knox, Downtown Bangor, and Maine North Star Alliance — are described in this report. From these, we learn that through imagination, ingenuity, and investment, regional Quality of Place assets may become the basis for important job growth. Further, we learn that:

- Quality of Place job growth is made possible through the energetic participation of private citizens and the public, private, and nonprofit sectors, working together, each doing what it does well.
- The results need not be long in coming when such investment is applied to Quality of Place assets.
- Quality of Place assets are place-specific, and must be assessed with care for their quality, authenticity, sustainability, and marketability.
- If these assets are to translate into good job opportunities, they must not be merely good, but recognized as indisputably better than anything else in the regional marketplace.
- Leadership matters. In each case, the vision, commitment, and communication and collaboration skills associated with effective leadership were necessary to success.

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Maine Winter Sports Center

Web: www.maineWSC.org

Location:

The Maine Winter Sports Center (MWSC) began as an economic development project for rural, isolated communities in far Northern Maine with a strong skiing tradition. Primarily focused on Aroostook County, the MWSC has expanded some of its programs statewide, notably to other rural areas.

Leveraged Asset:

The MWSC leverages the natural and cultural assets of rural Maine. The original model used Aroostook County because of its abundance of snow, world-class ski terrain, low cost of living, civic traditions, and strong work ethic. In addition, Aroostook County has a rich cultural history associated with skiing as it helped introduce skiing to the United States in the 1870s.

Partnerships and Regional Involvement:

The MWSC was started by a small group of devoted individuals who obtained initial funding from the Libra Foundation. The numerous volunteers for events reflect a broad cross-section of the regional and local communities, including business leaders, craftsmen, educators, retirees, and local government officials. The MWSC's board of directors has a similarly diverse makeup and it has successfully expanded to other parts of the state by engaging members of other local communities.

Strategy:

The goal of the MWSC is to create a new economic and cultural model for rural Maine communities, centering on community-run, non-profit ski areas. The MWSC identified five "critical success factors:" 1) inspired leadership, 2) strong community support, 3) world class facilities and programs, 4) Olympic aspirations, and 5) adequate and continued funding. These factors apply to both the MWSC as an organization and to each of its community-run programs.

Resources:

Funding for the MWSC originally came in 1999 from the Libra Foundation, which has continued to financially support the efforts of the MWSC in Aroostook County. Many of its activities require donations and the support of local and regional volunteers. The region has provided this in abundance. As an example, most biathlon World Cup events are organized with 50 or fewer volunteers, while the 2004 World Cup in Fort Kent had more than 700 volunteers. Over 40 million viewers around the world and 20,000 spectators in the stadium saw this event.

Activities:

MWSC runs several different programs, including:

- cross-country ski trails at local schools with a curriculum for coaches and skis and trail grooming equipment for these schools;

- world-class coaching and training facilities in both cross-country and biathlon for those individuals interested in advancing to the next level;
- two world-class cross-country and biathlon centers built by the MWSC, offering access free of charge;
- operation of community-based ski facilities to expand programs to other areas of the state, with capital for improvements to those without the resources to do these by themselves; and
- national and international competitions at its world-class venues.

During the green months, community programs include trails running, mountain biking, hiking, fly fishing, canoeing, and kayaking.

Measurable Economic and Social Outcomes:

There are several measurable outcomes. The economic outcomes can be measured by the attendance and television viewership of events and competitions, as well as the direct economic impact of spending in the community during events. Over 40 million people throughout the world watched the first World Cup Biathlon competition held at the 10th Mountain Center in Fort Kent. Close to 20,000 more attended the four-day event that brought \$5.2 million in economic impact to the community. In the 2005/06 season, MWSC athletes represented 70% of the US Olympic Biathlon team, and three more qualified for the Biathlon Junior World Championships. One of the ways to measure the social outcomes is by the number of school children who participate in programs run by the Center and the number of schools and communities with ski trails and programs. By the end of the 2008 ski season, MWSC expected to have more than 5,000 kids on skis in 96 communities throughout the state.

Maine Huts & Trails

Web: www.mainehuts.org

Location:

Maine Huts & Trails (MH&T) aims to build and maintain an 180-mile, non-motorized recreational corridor from Bethel to Moosehead Lake.

Leveraged Asset:

MH&T leverages the largely undeveloped, natural assets of Western Maine through the creation of remote, backcountry recreational opportunities that will also support environmental and experiential education.

Partnerships and Regional Involvement:

Maine Huts & Trails is a 501(c)(3) nonprofit formed in 2001 with offices in Kingfield. An 18-member board represents a wide range of local, regional, and statewide interests, including LL Bean, the Penobscot Indian Nation, the Kieve-Wavus Foundation, leading Maine banks, nature-based tourism businesses, and others.

Strategy:

The project's strategy is to bring outdoor enthusiasts to the area year-round, thus providing stability for local economies. Purchasing land and easements along the corridor will preserve that land for conservation and environmentally-sensitive economic development.

Resources:

The project is expected to take 5-10 years to complete at total cost of some \$14 million. Start-up funding is to be derived from capital campaigns and tax-exempt bonding. MH&T has successfully sought public funds (through Land for Maine's Future) for real estate acquisitions. Half a dozen full-time, organizational staff are now onboard, in addition to the five people hired to staff the first hut. The business plan includes detailed projections of capital campaign plans, trail and hut development, staffing, occupancy rates, and profit and loss projections. When completed, the project will be self-sustaining through income from lodging, user fees, and Maine Huts & Trails memberships.

Activities:

Maine Huts & Trails acquired trail land between The Forks and Carrabassett Valley. All or most of that trail has been constructed, although the proposed foot bridge across the Dead River near Grand Falls has not been permitted or built yet. The first lodge has been built near Poplar Stream Falls in Carrabassett Valley. The next planned hut, located along the east shore of Flagstaff Lake, recently received LURC approval. Poplar Stream Falls Hut opened on February 15, 2008, with the trails between Poplar Stream and the Flagstaff Lake hut site now open (and groomed in winter). The remainder of the trail between Carrabassett Valley and The Forks will be available for use later in 2008.

The overall plan envisions an 180-mile trail from the Bethel area to Moosehead Lake, with 12 huts positioned a day's hike apart along its course to provide lodging and support for trail users. The trail will be managed for muscle-powered recreation, including hiking, snowshoeing, cross-country skiing, biking, and paddling in a backcountry setting.

Measurable Economic and Social Outcomes:

The principal measure of success will be economic self-sufficiency of the operation, based on its bookings, membership, and fundraising. The project's business plan provides benchmarks for these items over the next several years. The number of guests, both overnight and day-use, will help measure the economic and social outcomes as well. As more people use the huts and trails, more economic benefit will come to the region, and awareness of environmental and conservation issues will spread.

MH&T plans to encourage use of the corridor and facilities by educational and other nonprofit institutions. It is also building a cadre of volunteers for trail maintenance and construction. Success in recruiting and maintaining this group will be an important measure of the operation's success in sustaining its local connections and support. Additional measures of success could be established through periodic surveys of local community and business leaders to evaluate the degree to which MH&T establishes itself in its host communities, successfully forges partnerships with local business for complementary and support services, and generates new jobs, income, and revenues.

Friends of Fort Knox

Fort Knox State Historic Site

Web: www.maine.gov/doc/parks

Friends of Fort Knox

Web: <http://fortknox.maine-guide.com/>

Penobscot Narrows Observatory

Web: www.maine.gov/observatory

Location:

Fort Knox State Historic Site and the Penobscot Narrows Observatory are located in Prospect, near Bucksport, Maine.

Leveraged Asset:

The fort and observatory leverage the unique historical, cultural, and natural assets of the area.

Partnerships and Regional Involvement:

Historic Fort Knox was acquired from the federal government for the people of Maine under the leadership of Governor Percival Baxter in 1929. For years, the state struggled to preserve and interpret the fort with limited support and funds. In 1991, local residents and community leaders formed the Friends of Fort Knox. Since that time, the Friends have worked to raise over one million dollars for preservation and restoration, and with the Maine Department of Conservation have brought thousands of visitors annually to special events and programs.

When the Waldo-Hancock Bridge was scheduled for emergency replacement in 2001, the Maine Department of Transportation partnered with the Department of Conservation to plan operations for the Penobscot Narrows Observatory, which was to be constructed atop one of the new bridge pylons. The bridge and observatory, immediately adjacent to the historic site, became an integral part of the park operation after a successful opening in 2006. The Friends of Fort Knox assist in the operation and promotion of the fort and the observatory.

Strategy:

This unique public-private partnership leverages the strengths and expertise of three organizations to provide visitors with exceptional experiences. The Friends of Fort Knox provide important community and volunteer participation, both to increase visitation and programming, and to develop financial support for important preservation and educational projects. The Department of Conservation adds more than 60 years of park management experience to provide grounds, facilities, and visitor supervision. The Department of Transportation provides technology and engineering to construct and maintain a transportation structure unique on the American continent. The synergy of

these three organizations has been able to fully utilize the existing historical, cultural, and natural assets of the area.

Resources:

Revenues for the operation of Fort Knox State Historic Site and the Penobscot Narrows Observatory come from several sources. Admission fees provide important operation revenue, especially for the Penobscot Narrows Observatory, which has no public funds. The Friends of Fort Knox derives income from grants, membership fees, donations, contracts with state agencies, and gift shop sales to support activities and preservation projects. Public appropriations, including allocations from the state General Fund and the Maine State Park Fund (which derives revenue from conservation license plates) support operations at Fort Knox.

Activities:

The unique partnership at Fort Knox and the Penobscot Narrows Observatory allows for an expansive calendar of special activities, projects, and events. In 2006 and 2007, the Penobscot Narrows Bridge and Observatory opened amid three major community celebrations. All partners worked to welcome and serve over 100,000 visitors to the joint facility, with park use in 2007 more than twice that of 2006.

The Friends of Fort Knox organize and host an annual slate of special events, which in 2007 included a Paranormal/Psychic Faire, Scottish Tattoo, Pirate Day, Medieval Tournament, and Fright at the Fort, as well as cannon firings and 20th Maine Company "B" Civil War reenactments. In addition, the Friends completed two major restoration projects at the fort: the installation of an educational display in the Fort Officer's Quarters and the restoration of four cannon tubes and replication of carriages.

Measurable Economic and Social Outcomes:

Economic measures include the number of visitors, number of donations, and number of volunteer hours.

The development of Fort Knox and the Penobscot Narrows Observatory has expanded the value of the historical, cultural, and natural assets of the area into a major regional attraction, both for traveling tourists and for local residents. Public use at the site more than doubled in the year following the opening of the Penobscot Narrows Observatory. Community support and interest has grown significantly with the addition of the observatory. The bridge structure has captured the interest of media world-wide, drawing attention to the area.

Fort Knox State Historic Site employs only six seasonal workers to manage the entire campus. The fort relies heavily on volunteers and contract employees (provided by the Friends of Fort Knox) to greet visitors, collect fees, offer guided tours, staff the campus gift shop, and supervise the operation of the Penobscot Narrows Observatory. Additionally, hundreds of people donate their time, money, and efforts at the park during its six-month operating season. More than 4,400 volunteer hours are recorded on site each year in addition to the many planning sessions that take place outside the season.

Reinventing Downtown Bangor

Web: www.downtownbangor.com/

Location:

Downtown Bangor, Maine

Following the closing of Dow Air Force Base in 1968 and the advent of the Bangor Mall a decade later, downtown Bangor fell on hard times. Traditional retail anchors closed, as did smaller specialty stores and restaurants. Proprietors vacated four large downtown buildings and the space stayed empty. Upper floors were underutilized as the need for retail storage and professional office space dwindled. By the late 1980s, downtown Bangor was but a shell of its former self.

Leveraged Asset:

The City's primary asset was an inventory of underutilized, centrally-located, and architecturally-distinct structures, well served by transportation systems.

Partnerships and Regional Involvement:

The City worked with the Downtown Bangor Center Corporation, a non-profit organization established by the City with a board of directors representing various downtown interests. Individual projects involved partners including developers, private and public financial organizations, and governmental and quasi-governmental organizations.

Strategy:

To stimulate reuse of vacant or underutilized structures, create a downtown residential "neighborhood," attract visitors, and support continuing traditional uses, the City adopted a five-part strategy to "reinvent" downtown:

- Invest in public infrastructure, especially parking
- Support residential and mixed use development
- Support arts and culture venues/activities
- Attract specialty retail/restaurants
- Retain traditional office use

Resources:

Funding has come from the City's general fund, owner equity, and Community Development Block Grants, as well as from private donors, private lenders, and MaineHousing and other governmental and quasi-governmental agencies.

Activities:

1. Public Infrastructure: Since 1980, over \$9 million has been invested in downtown infrastructure. In addition to streetscape improvements and efforts to make the downtown more pedestrian-friendly, the City invested in downtown parking, including a 650-space garage, adequate parking being essential to attracting greater downtown activity.

2. **Residential and Mixed Use Development:** Through the collaboration of public, private, and non-profit agencies, older downtown properties have been renovated for mixed use. Most of these projects required public assistance to address the high costs associated with current building codes. A recent project with 12 residential units and street level commercial space cost just over \$1 million, with the City providing a \$450,000 low interest loan and \$108,000 in Tax Increment Financing matched by a \$350,000 bank loan and \$125,000 in owner equity.
3. **Arts and Culture:** Arts and cultural venues can serve as downtown “anchors.” The City initially invested \$2.5 million toward an \$8.5 million expansion to the Bangor Public Library. This was followed by the City’s donation of three floors of “white box” space in a vacant 120,000 square foot former department store to the Maine Discovery Museum; contribution of \$400,000 toward the relocation of the University of Maine’s Museum of Art; support for renovations to the Bangor Opera House, current home to the Penobscot Theatre; and support for the Bangor Museum and Center for History’s relocation to a new downtown space. The City also established a commission on cultural development with an annual \$125,000 budget, to provide grants to arts and cultural organizations for events and activities, many of which are conducted downtown.
4. **Specialty Retail/Restaurant/Entertainment:** While a small core of specialty retailers remained in downtown, the city worked to interest others and often supported such efforts through loan and grant programs. A major turning point occurred when the City purchased the Grant Building, another former department store, and leased its ground floor to Epic Sports, an outdoor oriented retailer, creating a more significant retail presence. Entrepreneurs established restaurant and other entertainment venues as downtown activity increased.
5. **Retaining Traditional Office Uses:** The City worked hard to maintain and expand traditional downtown office uses including government, financial institutions, and related professional services. Through a property exchange with the University of Maine System, the System relocated to the upper floors of the Grant Building, adding 125 employees to downtown. Bangor’s new police station was built downtown, and the Maine State Court System is constructing a new 100,000 square foot courthouse there.

Measurable Economic and Social Outcomes:

Three hundred and twenty-five new residential units have been created in the downtown area through a \$15 million investment in existing properties, more than 70 percent of which were made available to low and moderate income residents. For the 13 most recently completed projects, assessed values have increased from \$1.9 million to \$7.3 million. Between the first downtown occupancy survey in 2000 and the most recent in 2007, occupancy rates have increased from 79% to 89%. In the last two years, demand for downtown parking permits has increased by more than 12%.

Maine's North Star Alliance Initiative

Web: www.maine.gov/wired

Location:

Maine's North Star Alliance Initiative (NSAI) serves a region comprising 12 of Maine's 16 counties including the state's eight coastal counties (York, Cumberland, Sagadahoc, Lincoln, Knox, Hancock, Waldo, and Washington), as well as the four counties most affected by the closure of the Brunswick Naval Air Station (Androscoggin, Kennebec, Penobscot, and Piscataquis).

Leveraged Asset:

NSAI leverages the skills-based assets developed over the 400-plus years of commercialization in Maine's boat building and marine trades, as well as the emerging technology of the composite industry. These industries exist within a mutual cluster and represent much of the economic base of Maine's midcoast region. In addition, they utilize Maine's natural resource assets, primarily regional waterways and the coastline.

Partnerships and Regional Involvement:

NSAI grew out of grant funding from the US Department of Labor (USDOL) WIRED (Workforce Innovation in Regional Economic Development) Initiative and is structured to be industry-focused and industry-led, aligning local and regional partnerships with a statewide workforce and economic development vision. The grant partners include three major industry associations (Maine Composites Alliance, Maine Built Boats Inc., and Maine Marine Trade Association), the University of Maine Advanced Engineered Wood Composites Center (AEWC), the Maine Community College System, the Maine Technology Institute, the Maine Community Foundation, the Governor's Office, the state departments of Labor, Education and Economic and Community Development, local and regional workforce investment boards, regional economic development districts, as well as representation from within the targeted cluster industry.

Strategy:

The strategy for NSAI focuses on investing in workforce and economic development to drive business and create jobs in Coastal Maine in the boatbuilding, marine, and composites industries. The primary strategy for growth utilizes the "Four Pillars of Economic Development:" market development, research and development, workforce development, and capitalization and infrastructure development.

Resources:

NSAI was funded through a \$15 million grant from the USDOL. It leverages partnerships for additional funding to achieve its goals. An example is the Maine Advanced Technology Center located in Brunswick. The center was recently established through a combination of an additional grant from the USDOL Community Based Jobs Grant Program in the amount of \$2.2 million awarded to Southern Maine Community College, an approximate \$800,000 investment from the Town of Brunswick in the renovation and outfit of town-owned property, \$300,000 in equipment purchased with NSAI funding, and curriculum development from both the University of Maine Advanced Engineered

Wood Composites Center and ACSM, Inc., a private advanced composites technology company.

Activities:

Numerous activities are currently in progress and include:

- The AEWC received funding to act as a research and development hub for the composites industry.
- Establishment of a series of five programs that cover employee training costs to support workforce development associated with new products and advanced technologies.
- Customized management training to strengthen small and growing companies.
- Partnership with American Boat & Yacht Council (ABYC) and the American Composites Manufacturing Association (ACMA) to customize their nationally-recognized curriculum guidelines and standards for industry-related certification programs offered around the state.
- Partnership with The Landing School of Arundel as well as the Husson Eastport Boat School to provide ABYC and ACMA prep and certifications to secondary and community college instructors.
- A branding and market outreach campaign to increase domestic and international exposure to Maine-made boats in order to increase sales as well as advertise career availability within the targeted sector.

Measurable Economic and Social Outcomes:

The metrics reported on the NSAI implementation plan include:

- Increase the number of new jobs for targeted businesses and the cluster as a whole (compared to US/state benchmarks); increase the wage and salary earnings per worker; increase job retention.
- Positive responses to industry satisfaction inquiries.
- Increases in new products/markets, patent applications/prototypes and university “spin-offs” in targeted sectors.
- Number of attained degrees or certificates; increases in the number entering and completing training programs as well as increases in placements in targeted industry employment; reduction in dollars per worker trained; lower “turnaround time” from entering training to employment.
- Creation of new curriculum within both public and private learning institutions as demanded by industry to advance its workforce.
- Working through the model of NSAI to carry out the over-arching mission of USDOL WIRED by transforming the statewide economic delivery system and redefining how service providers partner and collaborate.