

# SUPPORTING MAINE QUALITY OF PLACE

## **INVESTMENT & JOBS CREATION**

2009 Annual Report of the Maine Quality of Place Council

Submitted to Governor John E. Baldacci

### **COUNCIL MEMBERS**

Richard Barringer, Professor, Muskie School of Public Policy, USM, Council Chair Edward Barrett, City Manager, City of Bangor Kat Beaudoin, Bureau Chief, Bureau of Transportation Systems Planning, MaineDOT Martha Freeman, Director, State Planning Office Eleanor Kinney, Natural Resources Council of Maine Patrick McGowan, Commissioner, Department of Conservation Donna McNeil, Maine Arts Commission Director, Maine Cultural Affairs Council Matthew Polstein, President, New England Outdoor Center Thaxter Trafton, Commissioner, Department of Economic and Community Development Robert Thompson, Executive Director, Androscoggin Valley Council of Governments Robin Zinchuk, Executive Director, Bethel Area Chamber of Commerce

### STATE PLANNING OFFICE STAFF

Jody Harris Sue Inches Linda LaPlante

	January 2010
•.	Maine State Planning Office
	38 State House Station
HN	Augusta ME 04333
79	www.maine.gov/spo/qualityofplace
.M2	
M34	

2009

# CONTENTS

COUNCIL BACKGROUND	.2
COUNCIL ACTIVITIES FOR 2009 Advocating for LD 1389 Engaging the Private Sector Generating Funding. Implementing Recommendations	.2 .4 .5
ISSUES FOR COUNCIL DISCUSSION ANTICIPATED IN 2010	
CONCLUSION	.7
APPENDIX A – An Order to Create a Maine Quality of Place Jobs and Investment Strategy	.8
APPENDIX B – LD 1389	13

Printed under Appropriation # 010-07B-2101-008201

1

# COUNCIL BACKGROUND

In December 2007, the Governor's Council on Maine's Quality of Place recommended a new and needed investment strategy for Maine based on the state's globally-recognized quality of place. By conducting research, listening to testimony, and studying the economy of other states, the council confirmed that quality of place is Maine's chief economic asset and driver of future prosperity.

The Council recommended a new, added approach to economic development to build on the state's exceptional and marketable local strengths and create new high-value jobs, products, and services in Maine. The strategy would:

- $\checkmark$  build on indigenous assets rather than trying to duplicate what exists elsewhere;
- ✓ actively engage local people in economic and community development;
- ✓ incorporate the arts, culture, land conservation, downtown revitalization, historic preservation, outdoor recreation, and other non-traditional interests in economic development planning and implementation;
- ✓ develop a consensus within regions across the state, rather than pitting town against town; and
- ✓ build on federally-funded economic development planning and implementation.

This is an *asset-based* approach to economic development. Asset-based development uses existing assets, combines in them in new and productive ways, and markets them effectively to create job opportunities. This approach differs from traditional needs-based economic development, which seeks in the first instance to identify supposed weaknesses in a local community, and develop strategies to overcome these.

After receiving these recommendations, Governor Baldacci created the Maine Quality of Place Council by executive order in June 2008 and charged it with preparing legislation for his consideration, to create and implement quality of place investment strategies for Maine.

# **COUNCIL ACTIVITIES FOR 2009**

## Advocating for LD 1389

The Council's work this year focused on crafting and presenting to the Legislature's Committee on Business, Research and Economic Development (BRED) the Governor's quality of place bill, *An Act to Create State and Regional Quality of Place Investment Strategies for High-value Jobs, Products, and Services in Maine* (LD 1389). Senator Dennis Damon (D-Hancock) is the bill's sponsor. Co-sponsors include: Senator Elizabeth Schneider (D-Penobscot), Senator Jonathan Courtney (R-York), Senator Peter Mills (R-Somerset), Representative Nancy Smith (D-Monmouth), Representative John Piotti (D-Unity), Representative Robert Duchesne (D-Hudson), and Representative Seth Berry (D-Bowdoinham).

LD 1389 seeks to grow the Maine economy as a whole. It spells out a new and needed approach

to economic development that engages and empowers local people, makes good use of the existing regional economic development districts, and builds on local and regional assets to attract people and investment and create jobs. It complements traditional economic development programs and makes strategic use of scarce public, private, and philanthropic investment dollars.

In the First Regular Session of the 124<sup>th</sup> Legislature, the Legislature's Business Research & Economic Development (BRED) committee took up the bill. The committee was presented with high-quality testimony and held two work sessions, but was still working on finding consensus on a couple of provisions when the deadline for reporting out bills passed. As a result, the bill went directly to the Senate without a committee report. Council members and staff worked hard to craft a Senate amendment that had the support of almost all committee members; but time ran out and the bill was "carried over" to the Legislature's second session.

The council and staff spent the summer and fall working with sponsors and committee members to fine-tune the legislation. At a final work session on November 11, 2009, the BRED committee reported out the bill ought-to-pass on a 9-3 vote, with three House members opposed. A vote of House and Senate is expected by January 22, 2010.

The 2006 Brookings report cites a number of chronic weaknesses in Maine's approach to economic development and job creation, prominent among them: (1) the changes in focus and emphasis with each new Administration over several decades; and (2) the lack of a clear, continuing, asset-based strategic focus and thrust. Among its three central recommendations, Brookings urges consistent and continuing investment in Maine's quality of place assets as our most important job-creation driver going forward. LD 1389 therefore establishes *Quality of Place* as an integral part of Maine's overall economic development strategy for the long term, beyond the current Administration and Legislature.

LD 1389 also:

- sends a clear signal to all citizens and public agencies, and creates a structure that will attract new federal, private, and philanthropic funding for sustainable development;
- empowers and strengthens the regional economic development districts and provides them with guidance as they work with citizens to identify marketable, regional assets and priorities among them;
- incentivizes citizens to participate in regional economic development efforts, as these priorities may be recognized by state and federal grant programs;
- assures coordinated economic development among state agencies and between the state and the regions, through a council consisting of public and private members;
- puts performance measures and reporting standards in place, so that future Legislatures and Administrations may effectively evaluate the effort and guide quality of place investments; and
- provides for close and continuing collaboration between the quality of place effort and the Legislature, through annual reporting to and oversight by the Business, Research & Economic Development Committee.

LD 1389 was the centerpiece of the quality of place council's work in 2009. The council looks forward to continuing to work with Governor Baldacci to implement the quality of place investment strategy.

## Engaging the Private Sector

The council strongly believes that only the active engagement in it of both the private and philanthropic communities will make this quality of place effort a success. This conviction was reinforced on October 29, 2009, when the council hosted Enterprise Saint John in Bangor to learn about similar efforts by our neighbors in New Brunswick to attract people and create jobs through asset-based, quality of place investment.

**Enterprise Saint John.** Steve Carson, Chief Executive Officer of Enterprise Saint John (ESJ), provided the Maine Quality of Place Council with an overview of the asset-based economic development strategies employed in Saint John. ESJ provides economic development leadership for the Saint John region, servicing the towns of Grand Bay-Westfield, Quispamsis, Rothesay, the Village of St. Martins, and the City of Saint John. ESJ works in partnership with municipal, provincial, and federal governments and their agencies, educational institutions, and the business community on business and entrepreneur development, investment attraction, and workforce expansion. They emphasize the need to *consistently* work together" across jurisdictions, sectors, and interests; and to "*balance* economic, social, and environmental priorities, to achieve sustainable community and economic development. (See <u>www.enterprisesj.com/</u> for more information about ESJ)

**Mobilize Maine.** One of Maine's key strategies for engaging the private sector has been Mobilize Maine. This is an economic development planning effort that draws on local citizen and business expertise to identify a region's place-based assets for the economic opportunities they present. It is based on the idea that, in order to prosper, Maine must invest in its own indigenous assets. Northern and Eastern Maine and the Kennebec and Androscoggin valley regions have held Mobilize Maine visioning and goal-setting setting sessions that have attracted large numbers of participants. The Department of Economic and Community Development (DECD) and the state's six regional Economic Development Districts (EDDs) are leading these efforts. They are now seeking \$2 million in federal funds and asking Maine businesses to donate to fund Mobilize Maine.

Efforts of the Northern Maine Development Commission are the most advanced, primarily because of their business partners. The Aroostook Partnership for Progress (APP), a publicprivate partnership dedicated to aggressive, effective, and results-oriented economic development, is their fundraising partner for Mobilize Maine. Like ESJ, the Aroostook business community has embraced Mobilize Maine because they understand that to be successful in attracting investment, they need to attract people to the County and keep them there.

DECD has taken a lead role in getting Mobilize Maine off the ground and is helping the districts with fundraising, which in turn will help leverage additional federal dollars. DECD and the EDDs are organizing a leadership council comprised of the Chamber and business donors to help with fundraising. *The passage of the Governor's quality of place legislation (LD 1389) will help garner increased federal grants and private donations.* 

# **Generating Funding**

In addition to private fundraising, Maine's quality of place efforts are attractive to other funders. Maine's quality of place initiative is seen as cutting-edge and we are told that locally-initiated, regionally-developed, asset-based economic development is the kind of activity in which the Obama Administration wants to invest.

**Federal Support.** The federal Economic Development Administration has encouraged Maine's economic development districts to apply for funding to support the effort. The state's EDDs are preparing a \$2 million grant application to fund regional, asset-based planning and investment in each region. Federal funding would support staffing and the administrative costs of providing the additional services in each region.

**State Agency Support.** In addition, state funds support regional quality of place efforts. State Planning Office staff presented findings to the council from research on state grant programs. Staff examined five public grant programs to determine if they could/would support regionally-developed quality of place investments. The five are: Community Development Block Grants, MaineDOT's Quality Community Program, Land for Maine's Future Program, New Century Community Grants, and Riverfront Community Development Blonk Program. They interviewed grant program staff, examined grant program enabling legislation, looked at federal requirements where applicable, and considered the agency's funding criteria. They conclude that these grant programs not only may be used to support regional quality of place investment strategies assuming all other funding criteria had been met but, in some cases, existing grant scoring criteria already advantage regionally-developed quality of place projects.

**Environmental Funders Network.** Finally, Maine's philanthropic community has taken an interest in supporting Maine's quality of place. The Environmental Funders Network (EFN) has pledged \$2.25 million over three years toward local and statewide quality of place efforts. For the first time, private philanthropists have joined ranks to apply their shared resources towards a common end. Their stated goal is to advance the 25 recommendations of the Governor's Council on Maine's Quality of Place (see People, Place, and Prosperity: 1st Report of The Governor's Council on Maine's Quality of Place, December 2007 and Quality of Place and Job Growth: A New and Needed Maine Investment Strategy, Second Report of the Governor's Council on Maine's Quality of Place, May 6, 2008).

Contributors to this initiative include individual donors and foundations inspired by the Brookings Institution's 2006 *Charting Maine's Future* report. It is designed to advance projects that strengthen the link between the natural and built environments, emphasize public engagement, and recognize the elements required to build and sustain collaborations.

In spring 2009, 97 nonprofit organizations, government agencies, and regional collaboratives submitted letters of interest to the EFN; of those, 16 were selected to submit full proposals. In September 2009, the EFN awarded \$523,000 in grants to eight organizations, ranging in size from \$30,000 to \$100,000. They were made to:

- Casco Bay Estuary Partnership, for the Presumpscot River Conservation Planning, Vision, Values, and Priorities initiative;
- GrowSmart Maine, to expand grassroots base, promote regional collaborations, and engage the public;
- Healthy Community Coalition, to support public education efforts to ensure respectful use of private lands through programs involving youth and families;
- Maine Conservation Voters Education Fund, to bring Maine's environmental community together to develop a five-year vision, policy framework, and implementation plan for addressing Maine's most pressing environmental challenges;
- Maine Development Foundation, to strengthen links between the natural and built environment in Maine's historic downtowns;
- Maine Farmland Trust, to link the built landscape with working farms and wild lands;
- Small Woodland Owners Association of Maine, to encourage greater public access to private lands; and
- Trust for Public Land, to create regional municipal coalitions working in partnership with conservation and economic development interests to alter approach to protecting quality of place.

For more information on these awards, see www.environmentalfundersnetwork.org/.

## Implementing Recommendations

The Council met five times in 2009 and continued to work to implement the December 2007 recommendations of the Governor's Council on Maine's Quality of Place. In 2009 the council:

- Supported bond proposals for downtown redevelopment, historic preservation, land conservation, state parks, and bike and pedestrian trails, a number of which became part of the Governor's bond package and won legislative approval to be sent to voters. These include:
  - \$1.5 million for the Endangered Building Fund
  - \$9.5 million for the Land for Maine's Future program
  - \$3.5 million for working waterfronts
  - o \$500,000 million for bike and pedestrian trails

While not part of the Governor's bond package, the Legislature also enacted the Communities for Maine's Future, modeled after the Land for Maine's Future and focused on protecting Maine's built environment (downtowns, historic buildings, urban greenways, and other infrastructure). A \$3.5 million funding proposal for this program will go to voters in June 2010.

• Worked with legislative committees to sustain Maine's uniform building and energy code and historic tax credit as tools for downtown redevelopment.

- Worked with DEP on linking Maine's Site Location of Development law with growth management and land use planning. Bill language that would have favored site law development in those areas which communities have designated for growth was stricken; staff, council members, and the Community Preservation Advisory Committee continue to think about how to tie together state and local land use decision-making.
- Worked with MaineDOT on a manual to help communities build and connect local bike and pedestrian trail systems. The manual provides guidance and technical assistance, and identifies funding sources for communities interested in developing bike and pedestrian trails.

# **ISSUES FOR COUNCIL DISCUSSION ANTICIPATED IN 2010**

The council will continue to advocate for the passage of LD 1389 in the Second Session of the 124<sup>th</sup> Legislature. Other important issues that the council expects to address in 2010 include:

- Work with relevant state agencies to identify how they may actively promote, strengthen and support efforts to build upon Maine's quality of place assets, including initiatives that support and implement regional quality of place investment strategies;
- Create standards and guidelines for regional quality of place investment strategies;
- Provide guidance to the directors of the regional economic development districts for integrating regional capital investment plans, regional transportation plans, and other regional plans and strategies with regional quality of place investment strategies;
- Develop quantifiable measures that will effectively assess progress toward meeting the goals of the Maine quality of place investment strategy; and
- Continue to work on and monitor implementation of the December 2007 recommendations of the Governor's Council on Maine's Quality of Place.

# CONCLUSION

It has been a year of considerable if not complete accomplishment for the council, which continues to provide overall direction and support for Maine's quality of place investment strategy, and to work for passage of LD 1389. The council strove to promote close collaboration among the large range of quality of place interests, and to implement the still-sound recommendations of the Governor's Council on Maine's Quality of Place.

The members of the council remain grateful for the opportunity to serve the people of Maine; for the continuing support of the Governor for its mission and goals; and especially for the growing understanding of these within the Legislature and Maine as a whole.

# APPENDIX A – An Order to Create a Maine Quality of Place Jobs and Investment Strategy

June 6, 2008

13 FY 08/09

WHEREAS, Maine is rich in resources and potential for economic growth based on the state's unique character and Quality of Place; and

WHEREAS, entrepreneurs, employers, and skilled workers in today's high-growth industries especially value Quality of Place, making it a critical driver of economic growth and prosperity; and

WHEREAS, Maine's place-based assets, both natural and built, are diverse and plentiful, yet are today at risk from sprawling development and the lack of investment in downtowns and historic assets, the selling off of industrial forest ownership to new investor groups with diverse interests, and the loss of agricultural land and access to working waterfronts and outdoor recreational opportunities; and

WHEREAS, Quality of Place is a compelling framework for local and regional economic and community development, and a needed complement to traditional development strategies and programs to expand the workforce and create new high-value jobs; and

WHEREAS, Maine has underway a variety of promising, Quality of Place investment initiatives in the creative economy, nature-, adventure-, and heritage-based tourism, land conservation, and transportation planning; still, Maine government could be better organized to carry out these and other Quality of Place investment efforts; and

WHEREAS, the U.S. House of Representatives and Senate have enacted the Northern Border Regional Commission, patterned after the Appalachian Regional Commission, which promises to bring substantial federal assistance to Maine in support of place-based investment strategies and initiatives.

NOW, THEREFORE, I, John E. Baldacci, Governor of the State of Maine, do hereby order that it shall be the policy of the State of Maine to pursue a Quality of Place Investment Strategy as a complement to its traditional economic and community development programs, as follows:

#### Definition

A "Quality of Place Investment Strategy" is one that builds on exceptional and marketable, local and regional strengths, resources, and opportunities, to create new high-value jobs, products, and services. In practice, Quality of Place investment is market-based, locally-driven, regionally-organized, strategic from both a regional and statewide perspective, involves broad cross-sections of people in decision-making, and engages the private, public, and nonprofit sectors in its planning, financing, and implementation. At a minimum, it includes the five sequential steps of: 1) asset-mapping, 2) strategic planning, 3) education and training, 4) financing, and 5) marketing.

#### Goals

The goals of this strategy are to:

A. Protect, strengthen, and develop Maine's Quality of Place assets, both natural and built;

B. Make the State's several regions more economically competitive and prosperous through increased investment, job opportunities, regional incomes, and public revenues; and

C. Create new jobs and valued products and services in Maine that will succeed in national and global markets for local, regional, and state benefit.

#### Maine Quality of Place Council

There is established a Maine Quality of Place Council to provide overall direction and support for this strategy. The Council comprises eleven members including five state executives and, to be appointed by the Governor, five public members and one representative of regional councils, as follows:

A. Five state executive: the Commissioner of Economic and Community Development or designee, the Commissioner of Transportation or designee, the Commissioner of Conservation or designee, the Director of State Planning or designee, and the Director of the Maine Arts Commission or designee;

B. Five public members selected for their knowledge of and commitment to protecting, enhancing, and building upon the State's natural, historic, cultural, recreational and downtown assets; and

C. One representative of the state's regional councils of government that are designated as federal economic development districts;

All members serve without compensation for three-year terms, staggered to assure continuity. No public member may serve more than two consecutive terms. For those members serving initial oneand two-year terms, the first term will be considered a full term.

The Chair of the Council will be appointed by and serve at the pleasure of the Governor, call meetings of the Council as needed, but not less than three times annually, and establish their agendas.

#### Duties

The duties of the Council are to:

A. Identify opportunities for improved coordination among all related state executive agencies in regard to their missions, policies, plans, programs, funding practices, activities, and, where applicable, regulations;

B. Create standards for regional Quality of Place investment plans and strategies;

C. Develop a process to award Quality of Place investment strategy planning and implementation grants to the state's regional councils of government/federal economic development districts;

D. Create standards and a process to award planning and implementation grants for broad Quality of Place investment projects of statewide significance;

E. Develop, apply, and report on quantifiable measures that will effectively assess progress toward meeting the goals of the Maine Quality of Place investment strategy;

F. Consult and coordinate with the Governor's Council on Competitiveness and the Economy, the Maine Economic Growth Council, Community Preservation Advisory Committee, and Intergovernmental Advisory Commission; and

G. With the State Planning Office, prepare legislation for the Governor's consideration by December 1, 2008, to establish a statewide and regional Quality of Place investment strategy for Maine.

#### Staffing, Guidelines, and Legislation

The State Planning Office shall provide staff support to the Council. At the direction of the Council, the State Planning Office shall prepare and publish guidelines for creating regional Quality of Place investment strategies to preserve, strengthen, and market Maine's place-based assets, both natural and built. These guidelines must present means to:

A. Develop the region's place-based assets and identify new and creative ways to generate investment, new jobs, income, and revenues from them;

B. Create regional inventories of cultural, natural, structural, and leadership resources, for use in developing strategies to increase their economic and social value to communities and regions;

C. Identify best practices for carrying out regional Quality of Place investment strategies; and

D. Identify performance standards to measure and evaluate the progress of such regional investment strategies' toward meeting the Maine Quality of Place goals.

#### Reporting

The Maine Quality of Place Council shall regularly report to the Governor, but not less than annually on December 1 of each year, including any suggestions for legislation.

#### State Government Support of Maine's Quality of Place Assets

The Commissioner of Conservation, the Commissioner of Economic and Community Development, the Commissioner of Transportation, and the Director of State Planning shall lead an effort by the executive agencies of state government to provide a continuing and sustainable framework to advance regional Quality of Place investment strategies. At their direction, the commissioners and heads of all executive agencies of state government shall:

A. Review their missions to identify how they can better actively protect, strengthen, and support efforts to build upon Maine's Quality of Place assets;

B. Examine their statutes, missions, policies, programs, activities, and funding practices and make appropriate administrative changes and propose statutory changes needed to support statewide and regional Quality of Place investment strategies;

C. Examine use of public resources to determine if they support regional Quality of Place implementation initiatives, with priority given to those that have potential for significant future economic growth and where the expected long-term return on public investment will be greatest;

D. Examine revising grant program requirements to reward regional Quality of Place investment strategies by providing set-asides or establishing preferences for them;

E. Review regulatory practices to identify where they compromise or run counter to advancing the Maine Quality of Place Investment Strategy and its goals; and

F. Identify opportunities for leveraging federal and state agency partnerships and resources toward these ends.

The State Planning Office shall invite the Maine State Housing Authority, the Finance Authority of Maine, the University of Maine System, and the Maine Community College System to join the effort to examine missions, policies, plans, programs, activities, and funding practices; to identify where and how they may best advance the Maine Quality of Place investment strategy; and to report as described below.

The State Planning Office shall develop guidelines to assist agencies in examining the impact of their mission, policies, plans, statutes, programs, activities, funding practices, and regulations on Maine's Quality of Place efforts and related regional investment strategies.

Prior to November 1, 2008, the lead executives specified above shall report to the Maine Quality of Place Council and to the Governor with a comprehensive, state government-wide blueprint for implementing this investment strategy, complete with specific task and responsibility assignments, timelines, and benchmarks to measure the progress of each state agency toward aligning its mission, policies, plans, programs, activities, funding practices, and regulations with this strategy. By December 1, 2008, the State Planning Office shall prepare for the Governor's consideration any legislation necessary to implement findings under this section. The Council shall monitor progress toward fully implementing the blueprint and report annually to the Governor on the several agencies' progress toward this end.

#### **Regional focus**

Prior to November 1, 2008, the State Planning Office shall convene regional government and economic leaders to promote the Maine Quality of Place investment strategy, as follows:

A. The Office shall convene representatives of all the regional councils of government (COGs) designated as federal economic development districts (EDDs), namely, the Androscoggin Valley Council of Governments, Mid-coast Economic Development District, Kennebec Valley Council of Governments, Northern Maine Development Corporation, Eastern Maine Development Corporation, and Southern Maine Economic Development District. The Office shall consult with the Maine Quality of Place Council in preparing for this meeting.

B. At the meeting of COG/EDDS, the State Planning Office shall provide information on planning and implementing regional Quality of Place investment strategies, including how each COG/EDD may:

1. Create and staff at least one regional Quality of Place Council within the geographic region covered by each COG/EDD, as follows:

a) Each regional Quality of Place Council comprises public officials, community and non-profit leaders, and stakeholders engaged with local and regional business, tourism, and downtown development, with a special effort to include those knowledgeable about the main, marketable quality of place assets within the region including but not limited to natural resources and the landscape, historical and cultural assets, intellectual and educational assets, and transportation and recreational assets.

b) Each regional Quality of Place Council:

- o 1)Maps and inventories significant, marketable regional assets;
- 2)Develops regional place-based investment plans that conform to overall regional development plans;
- o 3) Establishes strategic priorities among potential regional investments and initiatives; and
- 4) Evaluates and recommends proposals for implementation project grants, using criteria developed by the Maine Quality of Place Council.
- Establish a joint regional council where the relevant geographic area and assets lie within the jurisdiction of more than one COG/EDD and councils for sub-regions within their coverage areas where such sub-regions are appropriate to address particular or unique market-based opportunities, the advancement of which is consistent with overall regional development strategies.
- 3. If available, administer State Quality of Place planning and implementation grant funds, including contract administration;
- 4. Leverage federal, private, and philanthropic funding to advance the Maine Quality of Place Investment Strategy and their regional counterparts;
- 5. Provide technical assistance to regional nonprofit organizations seeking to develop funding proposals for Quality of Place investment initiatives; and
- 6. Coordinate with neighboring COG/EDDs on Quality of Place plans and projects that cross regional boundaries.

#### Funding

Funding for regional Quality of Place investment strategy planning and implementation shall come from reconfiguring and reallocating existing state and federal resources, from private and philanthropic sources, and from such other funding sources as may be approved by the Legislature. In preparing legislation for the Governor's consideration prior to December 1, 2008, the State Planning

Office shall include any recommendations for funding Quality of Place investment strategies developed in consultation with the Maine Quality of Place Council, state agencies, and COG/EDDs.

Effective Date

The effective date of this order is June 6, 2008.

John E. Baldacci, Governor

# APPENDIX B – LD 1389

### 10-22-09 Draft Amendment, before committee amendments

Amend the bill by striking out the title "An Act to Create State and Regional Quality of Place Investment Strategies for High-value Jobs, Products and Services in Maine" and putting in its place the following: "An Act to Create Regional Quality of Place Investment Strategies for High-value Jobs, Products and Services in Maine."

Amend the bill by striking out everything after the enacting clause and before the summary and inserting the following:

Sec. 1. 5 MRSA pt. 16-A, c. 365 is enacted to read:

## PART 16-A

## MAINE QUALITY OF PLACE

## CHAPTER 365

## MAINE QUALITY OF PLACE JOBS CREATION AND INVESTMENT STRATEGY

### §7019. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

1. Council. "Council" means the Maine Quality of Place Council established under section 12004-G, subsection 29-C.

2. Quality of place assets. "Quality of place assets" means those exceptional, marketable, placebased competitive strengths, resources, and advantages that drive the local and regional economy and its sustainability, including:

A. Sustainable economic activities based on natural resources, including farming, fishing, forestry, nature and heritage-based tourism, and outdoor recreation and leisure

- B. Downtowns and community centers;
- C. Historic buildings, structures and related facilities;;
- D. Arts, culture and creative economy activities;
- E. Landscapes, including the working landscapes of farms, forests and waterfronts;

F. Access to outdoor recreation and leisure over public and private lands, including motorized and nonmotorized activities;

<u>G.</u> Skills and knowledge of a workforce that relate to quality of place, including but not limited to those of workers in fishing, farming, forestry, research, historic preservation, the arts and culture, tourism and outdoor

recreation and leisure; and

H. Intellectual assets including schools and colleges, research institutes, museums and educational programs.

3. Regional economic development district. "Regional economic development district" means a regional planning and development agency designated under Title 30-A, section 2341 that has a comprehensive economic development strategy under 42 United States Code, Section 3162.

4. Regional quality of place assets inventory. "Regional quality of place asset inventory" means a listing, mapping and assessment of identified local and regional quality of place assets.

5. Regional quality of place investment strategy. "Regional quality of place investment strategy" means a plan of action, including its proposed sources of funding, that builds upon a regional quality of place assets inventory to achieve the following goals:

A. Creation of new, high-value jobs, products and services in the geographic area served by a regional economic development district;

B. Increased regional investment, incomes and public revenues; and

C. Increased protection, enhancement and marketing of assets identified as economic drivers in a regional quality of place asset inventory.

## §7019-A. Council

1. Composition. The Council consists of 11 members, 6 who are private citizens and 5 who are permanent members. The permanent members are the Commissioner of Economic and Community Development; the Commissioner of Transportation; one Commissioner from either the Department of Agriculture, the Department of Conservation, the Department of Inland Fisheries and Wildlife or the Department of Marine Resources as chosen by the Governor; the Director of the State Planning Office; and the chair of the Cultural Affairs Council.

2. Appointments. The 6 private citizens are appointed by the Governor, subject to review by the joint standing committee of the Legislature having jurisdiction over matters pertaining to business, research, and economic development and to confirmation by the Legislature.

3. Qualifications. The 6 private citizens shall be selected for their knowledge of and commitment to protecting, enhancing, and building upon the State's natural, historic, cultural, intellectual, tourism, outdoor recreational and downtown assets for marketability and jobs creation. One private citizen must be a representative of the regional economic development districts.

4. Terms. The appointed private citizen members are appointed to staggered 4-year terms. The initial appointments are: 2 members for 2-year terms; 2 members for 3-year terms; and 2 members for 4-year terms. Appointed private citizen members may not serve more than 2 consecutive 4-year terms.

5. Chair. The chair of the council shall be selected from among and by its members to serve for up to three years.

6. Meetings. The council shall meet at least 3 times each year. The chair shall call the meetings of the council and establish their agenda. A quorum of the council for the transaction of business is 7 members.

7. **Rules.** The council, acting in accordance with chapter 375, may adopt rules it considers necessary for the conduct of its business and the carrying out of its responsibilities. Council rules are routine technical rules under chapter 375, subchapter 2-A.

**8. Compensation.** Appointed members are entitled to receive compensation equal to travel expenses as allowed under section 12004-G, subsection 29-C while engaged in council activities. The Executive Department, State Planning Office shall absorb these costs.

9. Assistance. The Department of Economic and Community Development and the Executive Department, State Planning Office shall jointly provide staff support to the council. The Department of Economic and Community Development; the Department of Conservation; the Department of Transportation; the Cultural Affairs Council; the Department of Inland Fisheries and Wildlife; the Department of Agriculture, Food and Rural Resources; the Department of Marine Resources; the Executive Department, State Planning Office; and all other state agencies shall provide assistance considered necessary by the council to fulfill the objectives of this chapter.

## §7019-B. Council responsibilities

<u>The council shall facilitate interagency coordination of state and regional activities regarding regional quality of place investment strategies as follows:</u>

<u>1. Standards and Guidance</u>. In consultation with directors of the regional economic development districts, the council shall establish standards and guidelines for regional quality of place investment strategies. The standards and guidelines shall ensure that regional quality of place investment strategies are developed with broad public input.

The council shall provide guidance to the directors of the regional economic development districts for integrating regional capital investment plans, regional transportation plans and other regional plans and strategies with regional quality of place investment strategies.

2. Interagency Coordination. The council shall work with relevant state agencies to identify how they can actively promote, strengthen and support efforts to build upon Maine's quality of place assets, including initiatives that support and implement regional quality of place investment strategies. State agencies shall be encouraged to fund projects that are identified as priorities in regional asset based strategies developed by regional economic development districts according to the guidance in this chapter. The Council shall coordinate its work with other state economic plans and consult with the Department of Economic and Community Development in the context of its economic development strategy authority under Title 5, section 13053; the Maine Development Foundation in the context of its economic development strategy authority under section 917-A, subsection 2; the Economic Growth Council in the context of its economic development strategy authority under section 929-B, subsection 1; the Maine Community College System; and the University of Maine System.

3. Performance measures. In consultation with the directors of the regional economic development districts, the council shall develop performance measures to assess the contribution of regional quality of place investment strategies to the goals described in section 7019, subsection 5.

4. Annual Report. The council shall report on its activities to the Governor and seek input from and report on its activities to the joint standing committee of the Legislature having jurisdiction over business, research and economic development matters prior to December 31st of each year. In its report, the council shall describe whether and how regional quality of place investment strategies have contributed to the goals described in section 7019, subsection 5, and make any recommendations necessary to further the purposes of this chapter.

Sec. 2. 5 MRSA §12004-G, sub-§29-C is enacted to read:

### 29-C. Natural and Built Assets

Natural and Built Assets Maine Quality of Place Council Travel Expenses for Appointed Members

5 MRSA §7019-A

### Sec. 3. 30-A MRSA §2343 is enacted to read:

## § 2343. Regional quality of place investment strategies

If a regional economic development district as defined in Title 5, section 7019, subsection 3 chooses to develop a regional quality of place assets inventory and regional quality of place investment strategy as defined in Title 5, section 7019, subsections 4 and 5, the district shall engage leading representatives of natural resource-based businesses, tourism, outdoor recreation and leisure, land conservation, arts and culture, historic preservation, downtown and community revitalization, municipal, transportation and workforce development interests within the region, and shall consult with the Maine Quality of Place Council as established in Title 5, chapter 365.

In addition to a regional quality of place asset inventory, a regional quality of place investment strategy must include:

1. Market opportunities. Identification of sustainable market opportunities that build upon the region's identified quality of place assets.

2. Investments. An investment plan that includes one or more initiatives designed to realize the identified market opportunities.

<u>3. Priorities.</u> Priorities among the region's identified and recommended quality of place investments and initiatives;

4. Other support. Opportunities and approaches for leveraging other public and private development activities and funds to support the regional quality of place investment strategy; and

5. Implementation. A plan to achieve full implementation, monitoring and measurement of the results of the strategy.

## SUMMARY

This amendment strikes the bill and replaces it with the establishment of a Maine Quality of Council, composed of relevant state agency and private representatives, to guide, in consultation with Regional Economic Development Districts, the creation of regional quality of place investment strategies by those districts and state interagency coordination around those strategies. The amendment further:

1. Adds language that includes as quality of place assets sustainable activities based on natural resources, including farming, fishing, forestry, nature and heritage-based tourism and outdoor recreation and leisure, including motorized and non-motorized activities; and intellectual assets including schools and colleges, research institutes, museums and educational programs.

2. Strikes reference to a Maine Quality of Place Investment Fund.

3. Charges the Department of Economic and Community Development and the State Planning Office with joint staffing of the Maine Quality of Place Council.

4. Changes reporting by the Council from a biennial to an annual report to the Governor and the Joint Standing Committee on Business, Research and Economic Development.

5. Makes it clear that the Council's coordination of interagency activities in support of regional quality of place investment strategies and consultation with other state agencies must be done in the context of the Department of Economic and Community Development's, Maine Development Foundation's and Economic Growth Council's state economic development strategy authority.

6. Adds language that clears away any possible mandate for the Regional Economic Development Districts.

÷

7. Eliminates from the bill the Maine Quality of Place Prosperity Award.