

# **Northern Maine Comprehensive Economic Development Strategy (CEDS)**

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## **For Northern Maine**

### **2000**

## **Annual Report**

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  
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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 an Associate Development Corporation on January 9, 1981  
Established Small Business Development Center in 1979  
Maine Manufacturing Extension Partnership Field Office Established In October 1995  
Aroostook Champion Community established by Rural Development in December 1999

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*Residents of Aroostook County were asked to develop a vision of what they would like Aroostook County to be like in the Year 2008. Through three three-day catalysts held in north, central, and southern Aroostook County, 77 participants partnered together to develop this combined vision. The Vision was part of a Strategic Plan for application to be designated an Empowerment Zone through USDA-Rural Development. Aroostook County was designated a Champion Community through this process.*

*The purpose of the vision is that it gives the basis from which people can focus, and establish goals and tasks to achieve economic and community sustainability set forth in this statement. By partnering in combined efforts and looking far ahead, Northern Maine will achieve the "Vision for 2008". The following vision is what the people want Aroostook County to be like by the year 2008.*

## **AROOSTOOK COUNTY CHAMPION COMMUNITY VISION FOR 2008**

Aroostook County (The County) is a caring, vibrant and beautiful community in which to live, work and raise families. The area's natural beauty, cultural heritage and ethnic diversity attract visitors and permanent residents from all over the world. Well-managed lands, forests and abundant water bodies provide some of the nation's best outdoor recreational opportunities. World-class educational and widely available health care systems, low crime rate, affordable quality housing, outstanding public transportation, and a clean environment, make it a most desirable place to live. Aroostook County offers a quality of life second to none. It has achieved a safe and clean environment to raise children free of pollutants and crime. Our public safety agencies offer humane and effective services. It continues to be the safest county in Maine, which is one of the top three safest states in the nation.

Aroostook communities are diverse, economically vibrant, attractive, healthy and fun places to live, visit and conduct business. Aroostook County is the international crossroads linking the Eastern Canadian Provinces and the world with the United States. We invest in a dynamic and sound infrastructure that supports economic development and provides opportunities for everyone. Our communities offer family support, economic viability, cultural stimulation and a healthy environment. We are a close-knit community that values the wisdom of our elderly and the vision of our youth.

We have a participatory government system that encourages and supports involved citizenship. This is indicated by community involvement in the school system, participation in town meetings, volunteerism, consideration of diverse points of view, responsiveness on the part of decision makers, the willingness to assume leadership roles and the highest percentage of voters in the Northeast. Aroostook County leads the nation in rural leadership and management development. As a result, educational, municipal, county, medical, business, recreational, public and private partnership entities all work together. We have effective forums in place in the community to identify, discuss and deal with issues cohesively. Aroostook County has a well-

organized campaign for achieving equity in international border issues from free trade agreements. This and an excellent multi-modal transportation system and our location, place “The County” in a strategic position for the exchange of goods and services between the United States, Canada and the world. Private/public sector cooperation is the catalyst that ensures our success. We also focus local efforts on developing regional cooperation with our immediate neighbors in Canada. Politically, Aroostook County speaks as one voice.

Aroostook County has a technology infrastructure to support sales and service on the information highway. Our technological needs are satisfied by our own skills so that The County is not dependent on other skill sources. All communities in Aroostook County have a comprehensive plan in place to implement sustainable community and economic development. We have pre-permitted sites and buildings for light manufacturing and added value operations. Forestry and agriculture continue to be prime ingredients of our economy. Aroostook County leads the state in research and development of finished products from agriculture and forestry. New businesses, small and large are earmarked with a diversity of products. We have a minimum of 80% of our raw materials leaving The County on the newly completed I-95 as a finished product rather than as a raw product. We are also recycling 80% of all recyclable products.

Our transportation and communications infrastructures are state of the art, reliable, accessible and affordable. The 300 miles of state highway in the County have been completely upgraded in the last decade. Area air service continues to improve. The Loring Commerce Center (formerly Loring Air Force Base) is a hub for air cargo to Europe. More freight is moved at a lower cost to foster a healthier business climate. Utilities are affordable and plentiful. The County has a variety of plentiful, competitive, affordable, and increasingly renewable energy supplies. The County has struck a deal with other utilities to maintain an inexpensive source of energy. We aggressively pursue ways to use and conserve our resources prudently. Watersheds are environmentally sound and support our ability to live and work.

We have an educational system that is seamless and meets the needs of all our population. Our people are progressive, innovative, creative, ambitious and competitively educated. We have a commitment to maintaining our traditional values of industriousness, strong work ethic, strong family values, and pride in The County, cooperation and caring. People are meeting their spiritual, physical and emotional needs. In partnership with education, business and government, Aroostook County offers a skilled labor force with a first rate work ethic to serve all phases of industry. In addition, Aroostook County offers quality jobs at wages conducive to a high standard of living. There are enough job opportunities so that Aroostook County can compete with the more affluent southern counties of Maine and the wage level is increasing annually. Leadership skills have been greatly increased through management development programs. The investment The County makes in educating our youth stays here. We are hiring our own home grown professionals to run our successful businesses, schools, hospitals and government programs. Our businesses are good corporate citizens. They share responsibility with their communities for economic growth and stability. A variety of businesses provide plentiful and diverse job opportunities offering competitive wages and benefits. They encourage personal and professional growth, active community participation and significant investment of resources in the community. There are business and community alliances that attract and sustain businesses, which share our vision and retain our rural character. We have created an environment, which

encourages and supports the development of small businesses. Executives and owners of businesses are coming to the County as a result of a specific program designed to introduce them in person to the area.

Education in Aroostook County has developed a partnership with business to train students for opportunities within The County. High schools graduate English/ French bilingual youth to compete on the international market through the *Forum Francophone des Affaires*, (of which the state of Maine is the American headquarters). Eighty percent of the St. John Valley high school graduates in Aroostook County are bilingual. Aroostook County as a whole has increased bilingual skills 50% since 1998.

We are also a destination for visitors and potential residents. Our four seasons, wealth of open country, mountains, lakes and rivers provide the full range of recreational and vacation opportunities. A variety of shopping, dining and lodging are available. We are rich in history with a diverse heritage. Cultural offerings and community events provide entertainment, involvement and fulfillment. A flourishing arts community enriches and enhances our appreciation and expression of ourselves, our environment and our heritage. Bustling downtowns are cultural centers of our communities that provide a variety of quality consumer goods and services for all ages.

Strong tourism, high-tech services and industry, and value-added natural resource based industries create a diverse and growing economic base providing employment opportunities for all. Tourism revenue has increased 40% since 1998. We have achieved a partnership with our Canadian neighbors to link our walking, biking, ATV and snowmobile trails with theirs so that it is a true two-country experience for tourism. Our promotion of heritage tourism presents the cultural diversities of The County to welcome tourists, industry and international trade. For example, the St John Valley Acadian Culture is as well established as a tourism driven industry as the Cajun culture in Louisiana or the Acadian Culture in New Brunswick and Nova Scotia.

Aroostook County includes bilingual signage used to entice and welcome French speaking visitors. We encourage the continuation of the efforts of our French, Scottish, Native American, English, Swedish, African American, Irish and other populations to maintain their cultural and linguistic traditions. We have all these cultures working together for Aroostook County. The National Park Service is a continuing partner in this endeavor.

The County is a blend of diverse age groups with the resources to support them. The immigration of retirees supports the economy of Aroostook County by creating job opportunities for youth and the population is increasing every year. The County is a hospitable environment, a friendly, supportive place. Aroostook County is committed to coordinated economic, cultural and recreational development to foster growth and reverse the trend of outmigration.

## I. ECONOMIC DEVELOPMENT DISTRICT COUNCIL

Collaboration is a key characteristic of the Economic Development District Council, established by NMDC in 1992. This group networks to increase local involvement in forming and implementing the Northern Maine Comprehensive Economic Development Strategy (CEDS). Members of the council are positive, flexible, creative, and dynamic individuals who believe that partnering in collaborative efforts with the right combination of economic development will secure Northern Maine's future in the state, country and in the international arena. The Council continues to hold membership constant at twenty-nine and members represent business, industry, agriculture, utilities, education and training, and health agencies, among other interests, throughout the region.

Council members provide tremendous input throughout the development of the CEDS, making this document a "tool kit" for dynamic economic development. 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 CEDS grow directly from the Council's analyses of local conditions and their identification of the problems and opportunities relating to economic growth.

NMDC will continue with summer and fall campaigns for business attraction and tourism. In addition to the Comprehensive Economic Development Strategy the EDDC has been involved in the following economic issues and projects:

- In May 1999, **Maine Business Works**, of which NMDC is a partner, was first publicly showcased at "*Maine's Third Blaine House Conference & Exposition for Small Business*" held at the Augusta Civic Center. Since then, development of the database applications has continued, and the number of participating service providers has continued to increase. Maine's Governor Angus S. King officially unveiled **Maine Business Works** in November of 1999.
- By fall of 1999, all the household surveys for the **Workforce Analysis** were completed in the North Central area, and had begun in Northern Aroostook (Van Buren, Madawaska, and Fort Kent). The business surveys went out in the North Central area the first week of December, and later in December in Northern Aroostook. Business interviews were conducted after the holidays. The University of Southern Maine worked out situations where businesses have multiple locations and this data could skew the statistics. NMDC has direct access to the information that is posted on the Maine Business Works Web site. To make specific queries for information we are working to open access to the site to businesses and organizations that want to use the information as it was intended – to assist in business expansion/location decisions, or to develop educational programs.

- In November 1999 an **addendum** was made to the 1999 CEDS to include the removal of the remaining **Wherry Housing** at the Loring Commerce Centre. Removal of the housing will create possibilities for high value developable space.
- On December 29, 1999, NMDC entered into a **Memorandum of Agreement with USDA-Rural Development**, to implement the Strategic Plan for the **Aroostook Champion Community**. A delegation of fifty-five citizens were in attendance to witness the signing and voice their support to continue working towards the goals included in the plan. Selection as a Rural Champion Community includes benefits such as targeted funds from certain agencies, priority points for USDA programs, special benefits in law (such as direct receipt of excess federal property), special technical assistance from USDA for building organizational capacity and implementing the strategic plan. Over the past year, 39 benchmarks detailing projects were developed for posting on the Empowerment Zone web site.
- In February **TLN (Teaching Learning Network)** visited Aroostook County and filmed a great deal of footage for a five to six minute scene in one episode on the **Discovery Channel's Travel Channel** with a minimum of one re-run. This is a rare opportunity for Northern Maine to showcase its winter recreational and cultural opportunities to a highly targeted national audience.
- In August, nine national site location consultants came to Maine and Aroostook County. The theme of the Showcase was **"Rural Maine Works"** and after the two day tour the consultants stated that their perceptions of Maine had changed and that they would recommend rural Maine to their clients. A possible business lead was actualized through the Showcase this past year. A report summary on the showcase included with this annual CEDS has been sent to each council member that contains comments and suggestions on how to improve marketing efforts in Maine and Aroostook County, along with a sheet rating the different tours and regions in Maine.
- In March 2000 a **Preliminary Report** was published on **the Mature and Dominant Industries Project**, a joint project with the State of Maine and the Maine Economic Development District Association. The purpose of this report summarized the findings of the primary assessment tools employed in the project: (1) survey of 200 mature/dominant employers across the state and (2) identification of Maine communities that are host to mature/dominant employers and industry sectors. Seven mature industry sectors were identified as the target of the survey, including agriculture, fisheries, shoes, pulp and paper, textiles, wood products, and defense dependent businesses. The report included responses to the 47 survey questions. Ninety-two percent of the companies responding stated that company sales were either stable or increasing, yet 47% felt they were at under capacity regarding production.

Host communities were also involved in the assessment. The preliminary findings associated host communities as largely dependent on businesses or industry sectors in the following areas: Pulp and paper, lumber/wood products, fisheries, and defense. The most

frequently mentioned indicator was a pattern of layoffs/declining employment, coupled with a lack of professional town staff, leadership, and/or direction for economic development.

- Since March 2000, the **Maine Community Exchange Program** has met regularly to discuss a “Business to Business Exchange” Program to promote business networking in Northern Maine. The Maine Community Exchange program was developed in 1999 so CEO’s of southern Maine, particularly Cumberland County, could actually see how business can thrive in Aroostook County. Over the summer of 2000 approximately 10 meetings were planned to develop a teleconference for business interexchange and expansion.
- **The North/South Transportation Study** committee completed a series of public hearings in July 2000 to introduce the project, project team, agencies that are involved with the project, and review the Purpose and Needs statement with the general public. Three potential corridors were identified in the portion of Aroostook County located at the east of Route 11 and north of Interstate 95.

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 is the Council’s meeting minutes since the approval of last year’s OEDP.

**1999-2000 Membership  
Economic Development District Council**

**District 1: Fort Kent - Allagash (4)**

Carl Theriault <u>Fort Kent</u> Business Owner	3/97	Charles Rudelitch Community Dev. Director <u>Fort Kent</u> Economic Development	6/99	Roy Gardner Town Manager <u>Allagash</u> Local Government	1/98	OPEN
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**District 2: Madawaska - Van Buren (3)**

Dan Lapointe Comm. & Economic Dev. <u>Van Buren</u> Economic Development	9/97	Norm Thibodeau <u>Van Buren</u> Business	11/93	Arthur Faucher Town Manager <u>Madawaska</u> Local Government	9/97	
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**District 3: Caribou - Presque Isle (11)**

Carolyn Dorsey Husson College <u>Fort Fairfield</u> Education	9/97	Larry Clark <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	Walt Elish Maine Public Service <u>Presque Isle</u> Utilities	3/97	Donna Sturzl Loring Dev. Authority <u>Limestone</u> Economic Development	5/95	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	Barbara Ireland <u>Fort Fairfield</u> Health Care	11/93		

**District 4: Mapleton - Washburn (4)**

Mike Corey Maine Potato Board <u>Easton</u> Agriculture	9/97	Pat Sutherland Northern Maine Tech. College <u>Chapman</u> Education	11/93	John Edgecomb Town Manager <u>Castle Hill</u> Local Government	11/93	Larry Potter U of ME at Presque Isle <u>Mapleton</u> Business	11/93
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**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
John McLaughlin Southern Aroostook Dev. Corporation. <u>Houlton</u> Economic Development	6/99					

**District 6: Patten - Island Falls (2)**

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
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**County of  
Aroostook (1)**

**Legislative  
Delegation (1)**

## **II. PAST YEAR'S ACTIVITIES**

When the two-year marketing EDA and DECD program ended in 1997, two new state programs, the Business Development Marketing Partnership Program and the Maine Tourism Marketing Partnership Program helped provide funding in the continued effort to get the word out on Northern Maine. These programs are still very active. Funding of the programs has helped to raise the awareness of Northern Maine, and the state as a whole, as a viable and competitive option for business relocation, expansion and to promote Aroostook County as a year-round tourism destination.

The following is a brief description of the past year's activities of NMDC's Economic & Community Development, Business Finance, and Planning Departments, along with the Northern Maine Small Business Development Center. All programs support the development of Northern Maine in a way that builds on the region's resources and minimizes its liabilities. Many of the activities have been in place over the past five years with target dates for implementation or completion within the next five.

### **Economic & Community Development**

The Economic and Community Development Department plans, develops, and implements 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. The following is a list of programs and projects that the Economic and Community Development Department has been working on over the past year.

#### **Regional Work Force Analysis Program**

Northern Maine Development Commission teamed up this past year with Mid-State Economic Development Corporation to develop a comprehensive regional work force analysis for Maine and Aroostook County. The regional work force analysis will give Northern Maine the ability to offer businesses that would like to expand to Aroostook County the comprehensive labor force information they require to become established and to expand their business. When businesses are looking to locate in an area, they need to know if the type of skilled labor that exists in the chosen location is a good match for the type of business they do. The potential business needs to know up front if the direction they are headed in regarding location and work force is appropriate for them.

There are two labor market areas (LMA) that were targeted as pilot study sites in Maine, the Presque Isle/Caribou and the Waterville/Winslow labor market areas. The project was funded by Mid-State Economic Development Corporation and NMDC in the amount of \$150,000. The survey tool or template was designed by the Wadley-Donovan Group Ltd., a private economic development-consulting firm in New Jersey. The cost to develop the tool was \$30,000 and was funded by Mid-State Economic Development Corp (MSEDC) and NMDC contracted with the University of Southern Maine's Center for Business and Economic Research to do the survey in

the Waterville/Winslow, Presque Isle/Caribou areas and write the reports for both market sites. NMDC staff collected data from area businesses and conducted phone surveys of residents in the Presque Isle and Caribou areas. The survey was tallied and analyzed and the final report is available for the Presque Isle/Caribou area. All household surveys for North/Central Maine and Northern Aroostook County are completed and are available in a Preliminary Report for the North Central Maine area and a final report for Northern Aroostook County. The business survey portion for these two areas is still in the process of being completed. During this research 20 key employers within the area were identified and interviewed at their locations. The interview information was used to develop the final report which covered the following five topics: employment mobility and recruiting trends, unemployment and underemployment, employment costs; including both pay and benefits, education, training skills, and commuting patterns. This project proved to be very useful to the economic development of the area and provided the counselors the opportunity to contribute while learning more details about doing business in the local area.

Another goal of the project is to license and copyright the template and make it available to other communities in Maine at no cost. The template could then be offered out of state for a fee. The revenue from this will help fund the next survey, which needs to be done every three years. The survey will extend to include the rest of the State.

### **Geographic Information System (GIS) Development**

With thirty years of mapping services on record, NMDC's Mapping Department is moving forward with acquiring and implementing a higher level of detailed services for communities. Acadia Research has assessed the technological needs of the GIS Department and the organization as a whole. A workstation was completed during the summer of 2000 complete with a digitizing pad. This service will help communities take paper documents and make them into electronic files for easier viewing and convenient manipulation.

The Department's involvement in the North/South Highway Study for Northern Maine has led to the procurement of a Global Positioning Satellite Receiver. This equipment will be able to place "real world" coordinates on every building in the Highway Study. This would help in the evaluation of feasible routes for the corridor and possible obstacles through the various proposed pathways that will be established in the study.

NMDC will continue to use the software to map census information, trends in growth patterns, comprehensive plans, economic development reports, population densities, and household income patterns in Aroostook County and beyond.

The Mapping Department is also working towards two progressive programs that will be key to Northern Maine's economic success in the future. NMDC is actively seeking funding to expand its GIS capabilities to be able to develop packets for business inquiries and other requests quickly and efficiently. To date, data is developed through a variety of sources including electronic files, paper sources, and telephone contacts. A more effective and efficient way to gather information will be for NMDC Mapping Department to become a full fledged data resource center for access by communities and agencies. Many data resource entities have pledged their support to supply databases important to Northern Maine's economic development. These

resource entities include; Maine State Housing Authority, Maine Office of GIS, Loring Development Authority, Aroostook Family Investment Center, St. John Technology Center, Northern Maine Technical College, Time Warner Cable, Maine Public Service, the University of Maine at Fort Kent and Presque Isle, Houlton Band of Malisseets, and Aroostook Band of Micmac Indians. By forming a strong partnership between these and other data agencies, the ability to create business success in Northern Maine will be greatly enhanced. If funding is secured, this program would begin in the fall of 2000.

The second GIS program in the planning stages is the development of an electronic Comprehensive Plan for communities. This would not however, eliminate any community's access to their Comprehensive Plan, since information and maps could be supplied in hard copy form by NMDC. The electronic Comprehensive Plan would enable communities to attach demographics, natural resource information, and other data directly to maps in the program. Presently, maps and data are separated into tables and charts making comparisons and evaluations of data with land use issues challenging. NMDC would partner even closer with Northern Maine communities with this new program and would enable communities to fit data with maps to ensure their participation in making good planning decisions.

### **Maine Tourism Marketing Partnership Program**

#### *Marketing Strategy*

Over the last several years, the objective of Northern Maine's tourism marketing has been two-fold:

1. To support the proactive development of snowmobile marketing efforts, and build promotion of Aroostook's other winter activities (cross-country and alpine skiing, snowshoeing, ice fishing, sled dog racing, and winter festivals).
2. Develop and promote non-winter tourism opportunities
  - family camping with a variety of other outdoor recreation opportunities including hiking, biking, fishing, and canoeing.
  - recreational fishing (distinct from trophy fishing)
  - special events and festivals

A strong partnership continues amongst the Association of Aroostook Chambers of Commerce, Aroostook County Tourism (ACT) and the Northern Maine Development Commission (NMDC) to continue promoting Aroostook County as a tourism destination.

Aroostook County Tourism consists of a 15-member board of directors and a strong membership of 82, representing a diverse cross-section of business and public sector leaders. The executive directors of Aroostook's Chambers of Commerce all serve as members, as does NMDC's executive director. ACT has been at the forefront of many promotional projects over the years: magazine advertising in national and state snowmobile magazines, television advertising, and representation of Aroostook County at top trade shows throughout the Northeast U.S. To assist local businesses in meeting the needs of visitors and making the most of tourism opportunities,

ACT has sponsored, and co-sponsored with AACC and NMDC, workshops and seminars on subjects from hospitality training to tourism packaging.

Our goal is to maximize our efforts and collectively position Aroostook as a beautiful part of Maine that offers many recreational opportunities for vacationers in all four seasons. The plan has built upon past promotional programs for the region and will continue to strengthen established tourism networks. Some of these efforts include:

- **ACT's Snowmobile Aroostook Campaign** was launched in 1993 with funding from the Maine Tourism Partnership Program. The campaign successfully created a national awareness of the region as a first-rate snowmobiling destination. This campaign continues to date and success can be measured by an increase in visitors to snowmobile and output of trail maps printed.
- **NMDC's Marketing Communications Program** was initially funded through the Economic Development Administration in 1995, with matching funds from DECD's Regional Assistance Fund and local dues support. The tourism promotion component of the program generated award-winning promotional materials highlighting the attractions, activities and celebrations that can be enjoyed by visitors in all four seasons. The program has produced some high quality materials that were used in 1999, and that can be used as the foundation for the 2000-2001 program.
- AACC produces the **Northern Maine Snowmobile Trails map**, brings the local Chambers together to advertise in Maine Tourism Association publications, and contributes financially and with staff support to many regional marketing activities. Thirty thousand (30,000) snowmobile maps continue to be printed biennially, and used in winter fulfillment packages, distributed in snowmobile trade shows, and at local businesses. AACC's largest annual project is the production of the Northern Maine Snowmobile Trail Map in a joint effort with local snowmobile clubs. The maps show the 1,600 miles of trails in the Interconnected Trail System as well as other maintained trails. Thirty thousand (30,000) maps are printed biennially, and used in winter fulfillment packages, distributed in snowmobile trade shows, and at local businesses. All 30,000 maps were distributed this year (signifying a strong snowmobiling season), and this grant will provide for reprinting enough for the next two winters. AACC also contributes, both financially and with staff support, to many of the region's tourism promotional activities. They provide a presence at winter trade shows, and provide fulfillment to inquiries that come into their individual Chambers. Performance measurements included follow-up surveys that were implemented in the summer of 2000 in order to compare the findings to the 1999 seasons.
- A highlight of the 1999-year was the filming of a feature on Northern Maine's winter recreational and cultural opportunities. A five to six minute scene in one episode will air on **Discovery Channel's Travel Channel** with a minimum of one re-run. TLN's Public Relations Department will distribute articles and editorials in both regional and national magazines and newspapers. The show will also be promoted in four color print advertising in national publications such as *US News and World Report*, *Redbook*, *Travel*

*& Leisure.* In order to prepare TLN personnel for the on site filming, a package of promotional materials and color slides, and a list of events and local folks to contact was sent. Governor King made an appearance on camera at the Can-Am Sled Dog Race. Participants receive an edited broadcast quality master tape of the episode, customized for the region's specific marketing purposes and inclusion in the TLN Internet Web Site for one year. This is a rare opportunity for Northern Maine to showcase its winter recreational and cultural opportunities to a highly targeted national audience.

The Northern Maine Tourism Partnership Strategy meets the objectives of the Office of Tourism's *Five-Year Marketing and Development Strategy for Maine Tourism*. The plan targets similar demographic and geographic markets in the interest of encouraging new and repeat visitors to stay longer in Maine's northernmost region.

### **Regional Promotion Strategies**

The promotion strategies of tourism are regional in scope, and have and will continue to build upon the combined efforts of Aroostook County Tourism, Northern Maine Development Commission and the Association of Aroostook Chambers of Commerce – an effort that represents all the regional players involved in promoting Northern Maine as a vacation destination. Over the last several years, tourism development has been a major part of a comprehensive and regional program to build and diversify the Northern Maine economy by playing to its natural strengths. In addition to focusing financial and other resources to retain existing businesses and attract new investment into the region, the Marketing Communications program was designed to broaden tourism's impact on the local economy. The promotional efforts that celebrate what The County has to offer have improved lingering negative perceptions of Aroostook, both outside and inside the region. Marketing efforts have made local residents better ambassadors for their region, and further supports business attraction efforts by showing that Northern Maine has a lot to offer as a place to live and do business.

Tourism development has the potential of bringing "new money" into the region through visitors' direct expenditure of money for goods and services. The impact of these direct tourist expenditures then ripples throughout the local economy, resulting in the generation of additional jobs and tax revenue. In 1991, a study by Davidson-Peterson Associates found that tourists expended \$78 million in Aroostook, which supported 2,219 direct and indirect jobs and generated \$35 million in wages/salaries and proprietary income for Aroostook residents. This is a substantial economic impact for Aroostook, an impact that has certainly increased correlatively with the aggressive marketing activities of ACT, NMDC and AACC in the last several years.

ACT has worked with a local web site designer in developing tourism information for the region on [www.mainerec.com](http://www.mainerec.com). The site now represents over 300 county businesses and provides updated information on tourism packages and properties; activities; laws relating to hunting boating and fishing; recreational rentals, and more. The site also links to all local Chambers of Commerce. Hits on the web site and its associated links are nearly 200,000 a month.

ACT's largest ongoing program is the Snowmobile Aroostook campaign, which was initially funded under the Maine Tourism Partnership Program for the 1993-94 and 1994-95 winter seasons. The tracking system from those years helped ACT identify the most effective media,

top distant markets, and maintenance markets for snowmobiling. The Snowmobile Aroostook campaign resulted in a 166 percent increase in inquiries and a 15 percent increase in local occupancy. When Partnership funds became scarce, NMDC contributed over \$11,000.00 to the 1995-96 and 1996-97 campaigns from the EDA/DECD funded Marketing Communications Program. ACT was then able to continue the most essential components of their program.

The NMDC Marketing Communications program is a well-planned and well-funded effort, developed with input from local business and public sector leaders. The tourism component of the program, however, has been fully expended, and the Maine Tourism Partnership Program will ensure that the region will be able to continue its collaborative marketing efforts for another year. Marketing activities are coordinated with ACT's and AACC's activities, to maximize the use of financial and human resources.

A centralized source of information – the toll-free tourism number (1-888-21 MAINE) is published on all tourism promotional materials. In addition to a central contact for fulfillment packages, the information from the initial caller survey provides a basic database to assist in targeting market sectors, and to assess the success of marketing activities. NMDC staff will continue to fill out a short survey with information on the caller (name, address, etc.) and where the caller saw the ad. Information is then placed into a database. This initial contact will help gauge the response to different advertising placements, and will continue to measure the success of distributing materials at trade shows and information centers (callers who obtained the number from the brochure or map & guide are asked where they picked up these materials). In summer 2000, NMDC conducted a follow-up survey to all callers to assess how many visited The County, where they went and how much they spent. A report on the findings will be provided to the Maine Office of Tourism, as well as the boards and members of ACT, AACC, NMDC, and other interested parties.

- Aroostook web site ([www.thecounty.com](http://www.thecounty.com)) – A web site was designed to support NMDC's business attraction and tourism promotion efforts, with information on festivals and attractions all over The County. There are also links to other sites - local chambers provide community information, and [www.mainerec.com](http://www.mainerec.com) provides all types of tourism-related information and links.
- Aroostook Map & Guide – A 56-page full-color guide (with foldout map) on things to do and places to go in The County – 12,000 of the guides are available to enclose in fulfillment packages, and for distribution to local businesses and Chambers of Commerce, and Maine Visitor Centers.

### **Rural Champion Community**

NMDC signed a Memorandum of Agreement with USDA-Rural Development on December 29, 1999 to become the Aroostook Champion Community. This memorandum created a partnership between NMDC and USDA-Rural Development to work together to enhance and foster economic development for a designated Empowerment Zone and targeted projects. Benchmarked projects were revised and sent back to the various entities that submitted their projects for posting on the EZ web site. After their review, the projects were then sent to USDA-Rural Development in a benchmark format for review and then posted on the Empowerment

Zone/Enterprise Community website. By posting benchmarks on the website the national office of USDA- Rural Development can chart the progress of the Champion Communities and offer various funding sources and technical assistance for projects. With posted benchmarks and projects in progress, the region is ready to submit a strong application should a third round of EZ/EC funding be announced.

### **Mature and Dominant Industries Program**

This project studied Maine's mature and dominant industries in an attempt to develop programs that will ensure those businesses remain viable and continue to stay competitive in the global economy.

The \$375,000 study was a joint project of the Maine Department of Economic and Community Development (DECD) the Maine Economic Development District Association (MEDDA), and the U.S. Department of Commerce's Economic Development Administration.

Four goals have been accomplished for the Mature and Dominant Industries Project. They are:

- Identification of mature and dominant businesses and their host communities.
- Development of community, regional and state response plans.
- Analysis of the effectiveness of current programs to meet the short and long-term needs of communities and businesses and identification of new programs, where appropriate.
- Development of policy recommendations for consideration by the Legislature and Governor.

This project specifically looked at industries such as shoes, textiles, wood products, pulp and paper, agriculture, fisheries, and defense dependant businesses. These sectors of Maine's industries have experienced a long period of decline. The downward trend was assessed from a regional perspective by conducting a statewide inventory to determine the health of individual businesses within each sector. The capacity of local communities to address the effects of possible closures was also analyzed.

As a result of the process, businesses in the declining industry sectors have access to resources in order to remain competitive, the capacity to modernize their production technology, the ability to improve marketing practices, export goods, develop new products and build their workforce. Members of MEDDA include the Androscoggin Valley Council of Governments in Auburn, Eastern Maine Development Corporation in Bangor, the Greater Portland Council of Governments and Southern Maine Regional Planning Commission in Portland and Sanford, the Kennebec Valley Council of Governments in Fairfield, the Mid-Coast Council for Business Development in Brunswick, and the Northern Maine Development Commission in Caribou.

### **Business Development Program**

This program provides a full time advocate to help local businesses resolve issues relating to local, state and federal agencies, as well as other forms of direct assistance to help start and expand operations. The advocate also addresses a number of broad issues to help Northern Maine businesses become more competitive in the global marketplace. NMDC is currently working to establish cooperative relationships with companies in Quebec and Maine through the

Co-Enterprise partnership. This partnership allows companies from both sides of the border the opportunity to discuss possible business and trade opportunities.

### **Business Development Programs/Projects**

**Valley Paper, LLC.** In 1999, Valley Paper of Madawaska announced its interest in expanding its business to Van Buren, Maine. Valley Paper purchases waste paper from Fraser Paper and other sources, trim it, sort it, and resell it to companies with specific uses, such as the manufacturing of gift-wrap. NMDC worked very closely with Valley Paper, LLC., and the Town of Van Buren to help find the appropriate funding sources for the expansion. The Economic Development Administration has awarded Valley Paper, LLC. \$900,000 for the expansion project.

**Porter's Woodworking.** NMDC staff has continued to assist the company in a number of key areas. The initial focus of NMDC's work has focused on skill training, workplace automation, machinery acquisition, energy consumption, and re-use, market and product expansion. Assistance will continue to be provided from NMDC, DECD, and MEP to help continue the growth at Porter's Woodworking. Porter's Woodworking is the largest manufacturer of canoe parts and accessories in the United States.

**Regional Telecommunications Development.** In the spring of 1998, AT&T announced plans to locate the point-of-presence (POP) communications switch in Aroostook County. A POP is the legal point where the local exchanges company interfaces with AT&T. AT&T customers in the Presque Isle area were entering the network through Bell Atlantic's local serving office located in Presque Isle. From that office they were routed to the serving wire center at the AT&T Bangor POP. AT&T customers in Aroostook County were assessed additional mileage charges for transfers of calls to the Bangor POP. Since the local POP went on line, it has cut down businesses long-distance telephone costs. Local businesses such as MBNA, Sitel, and Maine Mutual Fire Insurance Co., which rely heavily on long-distance phone service, each stand to save thousands of dollars a year. Last year, AT&T completed a 150-mile fiber-optic cable system from Portland to Bangor. The POP switch was completed at the end of December 1999 and is housed in a building at the Presque Isle Industrial Park.

**Six-Year Transportation Plan.** Staff completed scoring of arterial and collector corridors for the Six-Year Transportation Plan. Final scoring at the regional level indicated a Route 1 project in Frenchville had the highest score in the region, followed by a project on Route 1 in Van Buren, and another on Route 161 in T17-R5. In the major collector category the top priorities were the Route 1 corridor from Houlton to Topsfield, Route 10 from Easton to Presque Isle, and Route 11 from Ashland to Fort Kent. The Regional Transportation Advisory Committee (RTAC) will be reviewing the final scoring and submitting their recommendations to MDOT. Once submitted to MDOT, the RTAC scoring will be combined with the Division Engineers scoring so that projects will be ranked for the Six-Year Plan.

**Aroostook County Transportation Study.** The Department entered into a multi-year contract with MDOT to provide a coordinated program of transportation planning services among regional stakeholders and other interested parties, and to provide computerized mapping services concerning the completion of the Aroostook County North/South Transportation Study. Partners

in the Study include: Maine Department of Transportation (MDOT), prime consultant Vanesse Hangen Brustlin Inc., LEAD, local, county, regional, state, and federal entities, and other interested parties. A Public Advisory Committee (PAC) was formed in April, 1999 to review sections of the Environmental Impact Statement and comment on potential corridors. PAC members have received information on the region's transportation systems, environmental, historical and cultural resources, and the socio-economic climate of the Study area. PAC members also heard from each community on their "vision" for the future. Finally, the PAC has reviewed the criteria used to screen potential corridors and will be commenting on the first forty corridors identified by the consultant.

**Irving Forest Products.** Irving Forest Products announced its intention to construct a state-of-the-art wood processing facility to be located at the Loring Commerce Centre. Irving's option to purchase approximately 400 acres of property at Loring expires in August 2001. Currently, permits and other processes, including approval by the Town of Limestone for Tax Increment Financing are being secured. NMDC was instrumental in the preparation of all the tax increment financing procedures enabling the project to proceed forward.

**McCain Expansion.** In September 2000 McCain Foods, Inc. announced the construction of a \$100,000,000 French fry production facility that will be located adjacent to their present facility in Easton. NMDC assisted in an intensive site search for the facility. McCain currently employs 638 people and the expansion would create an additional 200 plus jobs.

**Maine Business Works.** NMDC continues to work very closely with Central Maine Power and the University of Southern Maine in transforming MRED database (Maine's Resource for Economic Development) into a complete internet-based system for greater accessibility and connection to a much wider scope of economic development information and services. The website is named Maine Business Works and it can be found at [www.mainebusinessworks.com](http://www.mainebusinessworks.com). The site offers a wide range of economic development information such as agency profiles, loan programs, real estate and an events calendar. Existing information on MRED's Lotus Notes server was transformed to the Maine Business Works server. Maine Business Works is an economic development alliance comprised of Central Maine Power, the six regional economic development districts (MEDDA), the Maine Department of Economic and Community Development (DECD), the Maine Small Business Development Centers, and the University of Southern Maine's Center for Business and Economic Research.

**Lamb-Weston, Inc.** Lamb-Weston announced its intention to construct a \$100 million french fry processing plant at the Loring Commerce Centre. Lamb-Weston's option expires in June 2001. The company is currently pursuing environmental permits and securing financing, including TIF financing from the Town of Limestone.

**Maine Winter Sports Center.** The Maine Winter Sports Center (MWSC) is constructing world-class Nordic Skiing and Biathlon venues in Fort Kent, Presque Isle, and Fort Fairfield. The MWSC has constructed Nordic Skiing trails in local communities throughout Aroostook County next to many K-12 educational institutions. The MWSC has also purchased Big Rock Alpine located in Mars Hill. Total committed investments and Libra Foundation funding total \$6 million

## **Community Development Block Grant Program**

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 the funding, each community is given a degree of assistance by NMDC at no cost; services beyond that scope are provided on a contractual basis.

In addition to providing direct technical assistance to 25 communities over the past year, NMDC has provided grant writing services, general administration services, and income surveys for 15 communities. NMDC again offered a remote/video Grant Administrator's Course. This course provides a complete survey of the process of developing and administering a CDBG-financed community project including financial procedures, bookkeeping, procurement, environmental review and construction contracting. Administering a CDBG program requires knowledge of the requirements essential to the Department of Housing and Urban Development (HUD). Beginning with the 2001 CDBG grant awards, communities must employ a certified grant administrator (as employee or consultant). Four registrants successfully completed this course.

During the past year, NMDC successfully administered a housing rehabilitation and replacement project for the Town of St. Francis. The coordination among other local, state, and federal agencies allowed for this program to benefit an additional 11 low-to-moderate persons. The Plantation of St. John was able to construct a community center with municipal offices for a total project cost of approximately \$220,000. The Town of Blaine completed a sewer hookup program for homeowners and the Town of Haynesville completed a Housing Program that assisted 17 homeowners with rehabilitation and/or replacement of their homes. Community Planning Grants were awarded to the Town of Frenchville and City of Caribou. The Town of Frenchville will use their planning grant for creating plans to restore and market an historic grist and carding mill. The City of Caribou will use their planning grant to develop plans to revitalize the downtown.

## **NMDC Micro Plan Program**

Northern Maine Development Commission (NMDC) developed a new Micro Plan Program for organizations. NMDC has provided assistance to many types of organizations and is in a position to create micro plans that will serve as a basis for an organization's well being and competitiveness in the race for scarce funds. The NMDC Micro Plan Program will provide a flexible structure so that an organization can use the plan like a "tool kit" for day to day and long-range goals. The Micro Plan would provide information and analysis on the organization's structure including; positions and their functions, services, programs, events, population served, and trends within the organization. In addition, charts would be developed depicting the

organizations revenues and expenditures over the past five years and projections for the next five years. Emphasis will be placed upon the goals and strategies of the organizations and its fiscal capacity to attain those goals.

With a flexible plan in place, an organization is in a prime position to apply to various funding sources. Having a plan also makes the tasks of preparing grant applications easier since information can be quickly gathered from the planning document. NMDC staff will work with the organizations to develop a Vision Statement and create a plan that reflects the organization's beliefs and values, while at the same time providing a solid structure from which to attain specific goals. Goals can include wish lists, increased revenue, added staffing, new programs, and events, and other benchmarks the organization deems are a priority. This past year, NMDC presented the planning program to several entities including the Battered Women's Project.

### **Maine Manufacturing Extension Partnership**

The Maine Manufacturers Extension Partnership (MEP) makes technologies available to area manufacturers that may not otherwise be feasible due to time, money or personnel constraints. Six basic services that are offered include: assessments, initial problem definition and project management of consulting services (public and private consultant), direct assistance, formation of peer networks, referrals to public sector providers and organization of workshops. Projects are focused in the areas of Adoption of Technologies, Marketing, Skills Enhancement, Work Organization, Productivity and Quality Improvements, Finance and Advanced Business Practices.

The Maine Science and Technology Foundation (MSTF) funded the establishment of a field office to serve Northern Maine manufacturers. The Northern Maine field office has played an integral part in obtaining funds through the Ballistic Missile Defense Organization's Small Business Innovative Research (SBIR) program, Design of Experiments (DOX), and Governors Training Initiative (GTI) for local manufacturers throughout Aroostook County.

The Maine MEP is an affiliate of the National Institute of Standards and Technology (NIST) under the U.S. Department of Commerce. The national MEP is a network of manufacturing extension centers that provide business and technical assistance to smaller manufacturers in all 50 states, the District of Columbia and Puerto Rico. Through MEP, manufacturers have access to more than 2000 manufacturing and business "coaches" whose job is to help firms make changes that lead to greater productivity, increased profits, and enhanced global competitiveness. In 1999 the northern Maine MEP field office is located at NMDC. The Maine Department of Economic and Community Development in collaboration with Maine MEP, Maine Department of Environmental Protection, and Central Maine Power obtained a grant from the Department of energy to assist secondary wood manufacturers in improving their manufacturing operations through free assessments and reports. The project called the Manufacturing Energy Technology and Environmental Report or METER, integrated energy efficiency, environmental compliance, pollution prevention, and technology utilization. Assessment participants included Kelly Lumber, Inc. in Ashland, Katahdin Forest Products in Oakfield, and MacDonald Enterprises in Limestone, and Porter's Woodworking in Patten. MEP staff work very closely with NMDC's Small Business Development Center and Business Finance Departments in combining their efforts to assist manufacturing companies in developing business and marketing plans.

## **Business Finance**

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The Business Finance Department administers NMDC's loan programs funded by the Economic Development Administration (EDA), Small Business Administration (SBA), the Finance Authority of Maine (FAME), Department of Economic and Community Development with EDA (DECD) and Rural Economic and Community Development (RECD, formally the Farmer's Home Administration). With the exception of the LBA Microloan Program, the Business Finance Department provides loan funds to leverage other private and public funding for new and existing businesses in our service district. The Finance Department also provides business counseling and loan packaging on a contract basis for existing and new businesses, and community programs designed to assist business development in local communities. Technical assistance for a variety of public and private loan programs as well as micro businesses is provided.

### **Business Assistance Program**

The Business Assistance (BA) program provides funds to assist businesses to create or retain jobs for low and moderate-income persons. The BA program will provide either loans, grants or a combination of each to meet the infrastructure, capital equipment and real property needs of businesses. The program assists those economic initiatives and development opportunities that are of sufficient magnitude to have a significant impact on a local or regional economy.

### **Development Fund**

The Development Fund (DF) Program provides funding to local governments, which in turn assist businesses to create jobs for low and moderate-income persons. The Business Finance Department assists units of general local government including plantations, to apply and receive DF funds. County governments may apply on behalf of unorganized territories.

### **EDA Revolving Loan Fund (EDA BUS & EDA AGR)**

The NMDC administers two EDA loan funds: 1.) the Business RLF provides low interest loans to new and existing industrial, manufacturing, and tourism businesses, and 2.) the Agricultural RLF provides direct loans to agricultural businesses involved in manufacturing activities. Since the program's inception in 1978, these loan funds have created 1050 jobs and saved 1,062 jobs in our region. We have closed loans totaling \$7,704,534.35, which helped leverage \$48,170,229.40 in private and public financing.

### **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% for conventional lender, 10% for the borrower, and 40% for the SBA.

### **Intermediary Relending Program I (IRP I)**

From a Loan obtained from the RECD in 1994 and our match, we have \$2,285,000 to lend in leverage funds to most types of businesses. Loans can be made for a maximum of \$250,000, or 75% of a project, whichever is lower. We have closed \$3,130,920.07 in loans that created 291 jobs and saved 310 jobs. We have helped leverage \$16,118,208.67 in private and public financing.

#### **Intermediary Relending Program II (IRP II)**

From a loan obtained from the RECD in 1998 and our match, we have \$1,015,836.00 to lend in leverage funds to most types of businesses. We have loaned all but \$305,836.

#### **SBA Microloan Program (SBA MICRO I, II & III)**

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. We have been granted three loans from SBA for a total of \$568,492.00. The current size of each Microloan portfolio is; SBA Micro I - \$144,484.59, SBA Micro II - \$117,894.87, and SBA Micro III - \$34,980.04 with \$82,966.52 left to draw. We have closed 44 loans totaling \$712,564.00 with 209 created or retained jobs.

#### **RECD Rural Business Enterprise Grant Program (RBEG)**

The RBEG is designed to support development of small and emerging private business enterprises in rural areas. We were granted a total of \$600,000 in RBEG funds and have a current outstanding loan balance of \$32,069.00 in RBEG I and \$165,532.57 in RBEG II. The repayment of the loans become the funds that make up the NMDC loan fund and since the RECD attachment to these funds is lost after repayment, they become available for a number of sources. We have loaned a total of \$1,177,493.99 that created 147 jobs and retained 197 jobs.

#### **Defense Diversification Loan Program**

Our DDLP program is a grant from DECD for \$1,200,000 in funding for businesses affected by the closure of Loring Air Force Base. The fund level is currently \$1,249,603.30. The program is for businesses that had a direct contract relationship with the base, or those businesses that will hire displaced workers. We have helped leverage \$24,150,412.64 in private and public financing and created 385 jobs and helped retain 236 jobs with this program.

#### **Regional Economic Development Loan Fund (REDLF)**

We were awarded a total \$1,200,000 in loan funds by the Finance Authority of Maine (FAME) to establish a revolving loan fund that will help local businesses use part of the bond funds obtained by the State for rural business assistance. The fund is currently at \$904,337.36, has created 315 jobs and helped retain 397 jobs. the funds have leveraged public or private funds totaling \$25,808,834.43.

#### **SBA Women's Pre-qualification Loan Program**

NMDC is one of three pilot projects in Maine to package and submit pre-qualification applications for businesses owned and actively managed by women, minorities, and veterans. 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. The potential borrower receives a qualification letter

that they take to conventional lenders for their financing requirements. We were the first in the Nation to have an application approved under this program.

### **DECD Development Fund Loans**

The Development Fund is a Community Development Block Grant program that provides financial resources to local governments, that in turn loan to businesses to create jobs for low and moderate-income people. The Development Fund provides “gap financing” and is limited to 40% of a project with a cap of \$100,000 for working capital, equipment, or fixed assets. NMDC provides this service to the local communities on a reimbursement basis for time, material and supplies used to prepare the application and administer the funds to the closing of the loan.

### **Loan Packaging**

The Business Finance Department provides services to package financial requests for existing and new business development in our service area. This service enables the proposed borrower to have a completed application package that they can take to the primary lender with confidence that will help shorten the processing and decision time of the lender. Many lenders refer prospective borrowers to this service for completion of the business plan and proformas. With the number of years of lending that the BFD staff has, this program also provides pre-analysis of the loan request by knowledgeable and professional seasoned lenders working with the borrowers primary lender. This assistance, provided for a fee (no fee if we are participating in the financial package with one of our loan funds), responds to direct requests from potential borrowers, as well as referrals from area bankers.

In addition to NMDC’s direct lending, loan packaging is available to area businesses. The majority of this activity is generated as a result of requests for assistance through SBA’s loan programs.

### **SBA Microloan Technical Assistance (SBA TA I, TA II & TA III)**

We are awarded TA funds from SBA to provide Technical Assistance to those borrowers that we make loans to from the SBA Microloan Fund Programs. This TA is intended to provide the ongoing support and assistance to these small businesses in order to help them grow and become sustainable businesses in our service area. We have a full time person that provided this service with a regular visitation schedule to meet with each business at least monthly. TA is provided in areas of management, accounting, marketing, personnel and many other areas that the business might need.

NMDC LOAN ACTIVITY 7/1/99 to 6/30/2000

<b>PROGRAM</b>	<b>#LNS MADE</b>	<b>AMOUNT OF LOAN</b>	<b>LEVERAGED</b>	<b>JOBS CREATED RETAINED</b>
IRP	0	\$0	\$0	0
IRP II	6	\$560,000	\$2,277,940	124
REDDLF	2	80,000	\$509,400	3
EDA BUS.	1	\$34,000	\$319,811	1
SBA MICRO III	2	\$31,200	\$0	2
SBA MICRO II	0	\$0	\$0	0
DEF.DIV	1	\$25,000	\$975,000	28
NMDCRLF	1	\$50,000	\$100,000	4
EDA AG	0	\$)	\$)	0
<b>TOTALS</b>	<b>12</b>	<b>\$780,200</b>	<b>\$4,182,151</b>	<b>164</b>

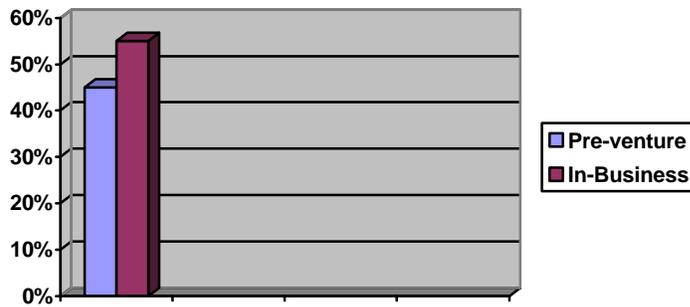
LOAN PACKAGING				
SBA 7A, SBA 504 WOMENS PREQUAL, B&I, OTHER PKG	0	\$0	\$0	0

## Small Business Development Center

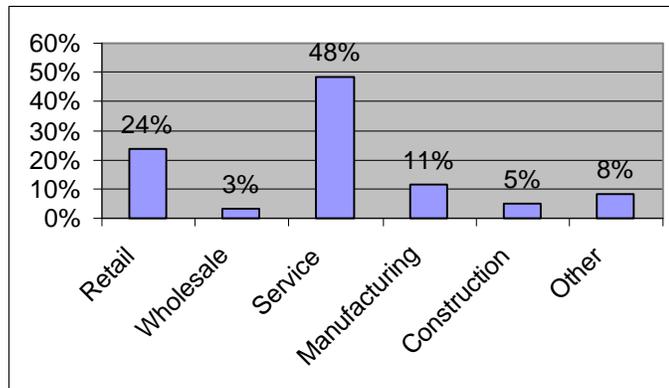
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Northern Maine Development Commission's Small Business Development Center provides comprehensive business assistance and information services to the small business community of Northern Maine through its main office located in Caribou and starlight office locations in Houlton and Fort Kent. The focus of Small Business Development center services is to strengthen Maine's economy by helping small businesses grow and develop.

NMDC's SBDC assists on average 328 small businesses per year. This year 47% of our clients could be classified as Pre-Venture or Start-up and 53% were operating businesses.



One-on-one counseling assistance is provided at no cost to potential and existing business owners and managers in the following areas; Business start-up and acquisition, sources of credit and financing, marketing and sales, market research, government procurement, recordkeeping, cashflow analysis operations and personnel management business liquidation/sale, business technical issues and other business related areas.



In 2000, the types of businesses the NMDC SBDC assisted included those in the retail, wholesale, service, manufacturing, construction, and other sectors. The largest sector was the service sector with 48%, followed by the retail sector with 24%. The smallest sector was the wholesale sector with 3%.

### The Aroostook HUBZone Project

The Aroostook HUBZone, Historically Underutilized Business Zone Symposium, for Aroostook County small business owners was a combined effort of the Small Business Administration, the Market Development Center and Northern Maine Development Commission's Small Business Development Center. The program's target audience was small businesses located in Aroostook County who might be interested in marketing their products and services to the federal government. The program was delivered in distinct sections and in two parts; an evening session and a follow-up session the next morning. The sessions were conducted at three locations; the University of Maine at Fort Kent in Fort Kent, Northern Maine Technical College and University of Maine at Presque Isle in Presque Isle, and the University of Maine at Presque Isle Outreach Campus in Houlton. The evening sessions explained what a HUBZone was, who could be certified as a HUBZone, and how to become certified. In addition, specific strategies to be used in doing business with the Department of Defense and an explanation of the bid matching services and contracting assistance services available from the Market Development Center were discussed. The morning following each evening session was set aside for one-on-one assistance. Businesses could sign up to receive help registering for HUBZone certification, and Market Development Center and SBA Pro-Net registration. Eighty-nine business people attended the evening training sessions with about 50% of those attending the follow-up sessions. SBDC, SBA, and MDC staff assisted clients with the on-line registration process and continue to follow-up with clients to assure clients get through the process smoothly. The workshops were a successful demonstration of how local, state and federal organizations can work together to benefit the small business community.

### Aroostook Business Information Group

This last year the Caribou office of the Maine Small Business Development Center become very active in attending and supporting the Aroostook Business Information Group or "ABIG" collaboration. The ABIG is an informal association of Aroostook County agencies working together in providing assistance to local businesses. With representatives from SBDC, SCORE, ACAP, UMPI, UMFK, NMTC, Aroostook Band of Micmacs, NMDC, and the local electric company attending, this organization has the ability to pool a vast amount of knowledge and expertise. The primary goal of the ABIG is to provide small businesses of Aroostook County with current information regarding sources of assistance and other resources available to them. The group also provides a medium for businesses to keep informed as to trends and events occurring not only at the local level, but the state and federal levels as well.

In the last fiscal year this organization has successfully completed two projects that would not have been possible without collaboration. The first project was a series of six business workshops offered at each of the three regional centers within the County. These workshops

brought the expertise of many organizations together to provide what can only be described as a conduit for the transfer of useful business and technical assistance information.

The second project, *The Aroostook County Resource Directory* is a thirty plus page guide of training, technical assistance, and lending options, made available to businesses by all of the different organizations and agencies located in the area. To handle the constantly changing face of public programs the directory will be updated via the Internet on [www.mainebusinessworks.org](http://www.mainebusinessworks.org). This will allow people to access the latest information. This directory is an exciting asset that the local business community can utilize in helping businesses grow and prosper.

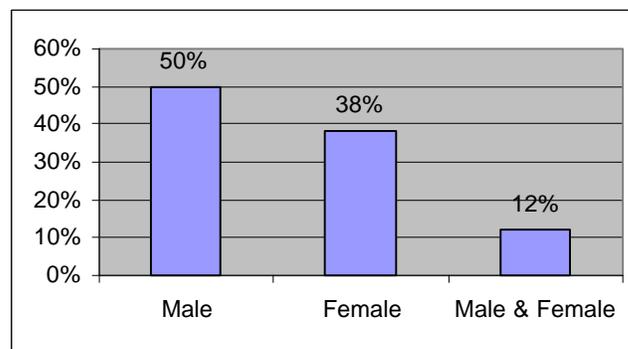
### **Training Programs**

The SBDC offers training seminars and conferences on business-related topics at key locations throughout Northern Maine, minimal fees may be charged. Programs are geared to local and regional needs as well as fundamental business issues.

### **Northern New England Products Trade Show**

The Northern New England Products Trade Show is an annual juried event featuring the finest giftware and specialty food products manufactured in Northern New England. This national recognized tradeshow provides Northern Maine manufacturers the opportunity to reach larger markets, to increase sales, and to gain valuable trade show experience. The show is held in Portland, Maine, and attendance is limited to wholesale buyers.

### **Gender**



Of the 328 businesses assisted by the NMDC Small Business Development Center in 2000, 50% were male owned and 38% were female owned, with 12% male and female owned conjointly. The percentage of female owned businesses seeking assistance from the NMDC SBDC has remained constant over the last two years.

Economic impact is tracked using Three criteria; Total capital Formation, Jobs created and retained and Average Sales increases of SBDC clients receiving assistance during the year. This year 3.5 million dollars on loan applications were submitted and 3.3 million dollars in loans was received, this combined with 844,000 dollars of owners investment yielded 4.4 million dollars of capital formation. Seventy-three (73) jobs were retained or created.

## **Planning Department**

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It is the goal of the Northern Maine Development Commission's (NMDC) Planning Department to preserve, protect, and enhance a lifestyle and quality of life in a way that will facilitate sustainable development for the communities and economies of northern Maine; while maximizing potentials and minimizing conflicts with land uses, natural resources, and the environment. This includes the desire for healthy, active communities whose residents respect the need for sound and sensible land use, quality jobs, sustainable economic growth, safe efficient roadways, and waste management options. Also, the need to foster stewardship of the natural resources (soil, water, and air) and to be respectful of the diverse natural beauty existing throughout northern Maine. The Department will work to enhance and protect vital natural resources and sensitive areas for their scenic, recreational, and tourism value and as a habitat for fish, waterfowl, and wildlife.

To accomplish this goal and objectives the Department provides extensive planning services, technical assistance, data, information, reports, model wording for regulations, education, and training on planning related issues and topics. During 2000, the Department was engaged in, and in many cases continues to work with, the following activities:

### **Contract Planning Services.**

The Planning Department continues to provide a wide variety of planning services on a contract basis, including: environmental, public facilities/infrastructure, agricultural/forestry, cultural and historic preservation, automobile graveyards/junkyards, groundwater and wellhead protection, special needs, watershed, aquifer, capital improvements, capital investments planning, cooperative purchasing, comprehensive planning, ordinance/regulation development, zoning, subdivisions, site design review, shoreland zoning, building codes, CAFOs, road surface management, urban forestry, recreation, trails, brownfields, housing, comprehensive planning, implementation development, ordinance development, development review, mapping, GIS, application development, and general land use and natural resource planning.. For 1999, the Department developed comprehensive plans for Frenchville, St. Agatha, Island Falls, Ashland, Madawaska, and Houlton; and advanced the implementation of the Plans for Westfield, Portage Lake, Ashland, Eagle Lake, Blaine, and Mapleton. Staff worked with an on-going contract with the Maine Bureau of Public Safety, to provide technical assistance to all of our communities in developing E-911 services (see below). In addition, the Department: worked with the Soil and Water Conservation District on a potato irrigation project; cooperated in the North-South Transportation Study (see below); assisted New Sweden on an update to their land use ordinance which includes confined animal feeding operations (CAFO) and nutrient management; completed Road Surface Management System (RSMS) programs in Fort Fairfield and Woodland; prepared several GIS and computerized mapping projects; drafted comprehensive planning and implementation grant applications for Ashland and St. Agatha; and produced several building code updates.

### **Community Planning and Investments Program (CPIP) Technical Assistance.**

The Department provides on-going technical assistance to communities seeking data/information about CPIP (a.k.a.: growth management program) and for communities throughout their CPIP process, from start-up meetings, grant/contract development, planning/implementation process, through to final plan review and certification. The Department assisted or is currently assisting eleven (11) communities in their CPIP; Frenchville, Madawaska, St. Agatha, Presque Isle, Westfield, Blaine, Eagle Lake, Houlton, Island Falls, Ashland, and Portage Lake. The Department actively promotes the program throughout the region by continually responding to inquiries and conducting workshops at the local and regional levels.

### **Land Use Ordinance Technical Assistance.**

The Department assists communities with technical assistance with state mandated land use regulation. In addition, staff assists communities with locally adopted land use regulation/ordinance development, amendments, training, interpretation, and compliance. These include regulations/ordinances for: zoning, subdivision, site design review, shoreland zoning, building codes, confined animal feeding operations (CAFOs), nutrient management, telecommunication facilities, floodplain, and various other land use standards. Municipalities are informed through our newsletter of actions taken by the last legislative session which could impact local land use regulation or programs. Staff: sponsored workshops on local ordinance adoption, administration, and enforcement, and other pertinent land use issues; administered and facilitated a series of 3 subregional workshops in Houlton, Caribou, and Fort Kent on the decision making process for land use applications; and attended planning board meetings in several communities to assist with development review.

### **Transportation Planning**

Staff continue to provide support to the Maine Department of Transportation (MDOT) and the Regional Transportation Advisory Committee Region-1 (RTAC) in formulating long range plans to assist in the improvement and development of the region's transportation systems. The Department is in the first year of a two-year contract with MDOT to complete transportation related projects throughout the region. Projects include: prioritizing road corridors as to their economic importance to the region for the 6-Year Transportation Plan, a northern Maine Freight Report, a Northern Maine Bicycle Plan, the airport task force, the identification of potential scenic by-ways in the St. John Valley, and the development of a public participation plan.

### **Northern Maine Bike Plan.**

Thanks to the efforts of a group of dedicated bicyclists, the Northern Maine Bicycle Plan has been completed. The Northern Maine Bicycle Coalition, a sub-committee of the Regional Transportation Advisory Committee (RTAC), completed the Plan and submitted their recommendations to the RTAC who then approved the Plan in the spring of 2000. The Plan identified a number of priority bike routes, including parts of Route 161, Cleveland Road, Route 1, Route 2, and Route 163. In addition, the Coalition felt that there were a minimum of three potential significant bike routes in the subregions including: the Tour d' Valle (north), Century Ride (central), and Haynesville Loop (south). The RTAC will review the Plan prior to its submission to MDOT.

### **Six-Year Transportation Plan**

Staff have completed scoring of arterial and collector corridors for the Six-Year Transportation Plan (Plan). Final scoring reflected a Route 1 project in Frenchville had the highest score in the region, followed by a project on Route 1 in Van Buren, and another on Route 161 in T17-R5. In the major collector category, the top priorities were the Route 1 corridor from Houlton to Topsfield, Route 10 from Easton to Presque Isle, and Route 11 from Ashland to Fort Kent. The Regional Transportation Advisory Committee (RTAC) will be reviewing the final scoring and submitting their recommendations to MDOT. Once submitted to MDOT, the RTAC scoring will be combined with the Division Engineers scoring so that projects will be ranked for the completed six-year Plan. RTAC and MDOT will be holding a series of public meetings this summer to review the Plan.

### **Aroostook County Transportation Study**

The Department has entered into a multi-year contract with the MDOT to provide a coordinated program of transportation planning services among regional stakeholders and other interested parties, and to provide computerized mapping services concerning the completion of the Aroostook County North/South Transportation Study. Partners in the Study include: MDOT, VHB (prime consultant) and their sub-consultants, LEAD, local, county, regional, state, and federal entities, and other interested parties. A Public Advisory Committee (PAC) was formed in April, 1999 to review sections of the Environmental Impact Statement and comment on potential corridors. PAC members have received information on the region's transportation systems, environmental, historical and cultural resources, and the socio-economic climate of the Study area. PAC members also heard from each community on their "vision" for the future. Finally, the PAC has also reviewed the criteria used to screen potential corridors and will be commenting on the first twenty corridors identified by the consultant.

### **Solid Waste Management.**

The Department provided technical assistance to municipalities to find local and regional solutions for solid waste management issues, which can translate into savings for local communities. The Department provided local communities with technical assistance to:

- Increase the awareness of the dangers (human health and environmental) of backyard burning, junkyards, and automobile graveyards.
- Provide high quality training and technical assistance to the region's Code Enforcement Officers concerning the enforcement of backyard burning, junkyard, and automobile graveyard ordinances.
- Reduce the amount of backyard burning and the number of junkyards and automobile graveyards, thereby reducing their environmental impact.
- Provide technical assistance for the development of model wording for backyard burning, junkyard, and automobile graveyard ordinances.
- Foster a broader understanding among citizens and businesses on the environmental (i.e. water quality protection) as well as economic reasons to implement or improve recycling and waste reduction activities.
- Promote and coordinate the regional collection, processing, and marketing of recycled and compostable materials to enhance the cost effectiveness of recycling centers serving the region. and

- Obtain measurable reductions in the quantities of solid wastes requiring disposal at regional landfills thereby lessening potential impacts to the region's water resources.

Department staff will be sponsoring three (3) sub-regional workshops where participants will have the opportunity to learn about the environmental and health risks of backyard burning, the proper disposal of ash, and alternatives to backyard burning. Guest speakers from NMDC, Department of Environmental Protection, Department of Human Services, and the local solid waste districts will be making presentations at these workshops. All residents of the NMDC service area will have the opportunity to attend one of the workshops. Staff will also sponsor and conduct three (3) sub-regional workshops designed to assist area CEOs with solid waste management issues commonly seen in municipalities. Guest speakers from the various solid waste disposal districts, Department of Environmental Protection, Department of Human Services, and NMDC will present topics such as, but may not be limited to: problems associated with backyard trash burning, junkyards, and automobile graveyards, technical assistance available for the CEO through the various environmental agencies, and state and federal rules regulating backyard burning and automobile graveyards.

#### **Code Enforcement Technical Assistance.**

NMDC is a state sanctioned Code Enforcement Officer (CEO) and Local Plumbing Inspector (LPI) examination site under an arrangement with the Maine State Planning Office (SPO). This is the only regional service of its type in Maine and allows those seeking CEO or LPI certification to take exams or obtain training materials at our Caribou office. Last year, the Department administered numerous examinations that helped communities gain substantial or full compliance with the Code Enforcement Certification law. In addition, the Department provides a library of materials and booklets on code enforcement and plumbing inspection, sponsors workshops on code enforcement and plumbing inspection, provides technical assistance for developing job descriptions, and supports the Aroostook Code Enforcement Officers Association that meets quarterly, often with a guest speaker, to discuss issues and program development.

#### **Floodplain Management and Hazard Mitigation Technical Assistance.**

Planning Department staff continue to work with the SPO and FEMA officials to offer technical assistance to municipalities with regards to floodplain management and hazard mitigation planning. Staff maintains a complete set of current floodplain maps, model ordinances, permits, certificates of elevation, decision trees, and information on the National Flood Insurance Program. Staff also maintain a file on the Community Rating System and each municipality's floodplain management ordinance. Staff offers technical assistance to municipalities in reviewing their Emergency Management Plans and maintains a model hazard mitigation plan. Staff is working to identify potential funding sources that will assist in the improvement of mapping of the region's floodplains. Staff also assisted several municipalities with grant applications to FEMA.

#### **E-911.**

Staff continued its contract with the state to work with the communities of northern Maine in the formation of local E-911 programs. The contract provides technical assistance and support, with a goal to have a complete E-911 addressing system in place for northern Maine. Staff answered

questions from the communities, media sources, and residents concerning the address conversion process, intersection range maps, signage, GPSing, contact persons, “roads only” communities, addressing officers, street address guides, and emergency service zones.

### **Cooperative Purchasing.**

Staff administered several municipal cooperative purchases, included: road salt, street signs, and computers. The Department’s road salt cooperative purchase procured over 10,000 tons, a 6 percent increase over last year. Prices continue to drop for salt and in most cases our price beats the State price for product. NMDC also requests quotes for computers, printers, and software on a semi-annual basis and many municipalities have purchased equipment through this program. In 1999, a total of 33 computers, printers, and software packages were purchased through the program. Additional cooperative purchases are planned for the coming months, such as liquid calcium chloride for both summer (dust) and winter (snow) use and the purchase of E-911 road signs.

### **Subdivision and Land Development (SaLaD) Review Technical Assistance.**

The Department provides communities with on-going technical assistance on subdivision and land development reviews. During the year, the Department conducted a series of training sessions for municipal officials and other interested parties to highlight the roles and responsibilities of Planning Boards, Boards of Appeal, and CEOs on how best to conduct a SaLaD reviews. Staff informed officials on recent revisions to the subdivision law, and assisted them in revising subdivision ordinances or regulations when requested. Staff provides on-call technical assistance to both member and non-member communities with subdivision and land development issues and reviews. A community may enter into a contract-for-services with the Department to do a full-scale review and develop findings-of-fact for the planning board for SaLaD applications.

### **Northern Maine Trails.**

The Department continues to take an active role in the development of a year-round, multi-use trail system for the region.

### **Brownfields.**

Staff inventoried, assessed, and drafted a list of potential brownfields sites in northern Maine’s Service Center Communities. Brownfields are industrial and commercial properties with known or suspected soil contamination problems. The environmental and financial challenges of dealing with these sites represent serious barriers to potential revitalization. Staff made contact with the 10 service center communities to explore identification of potential sites. Sites were then noted and moved on to the next step of owner contact to explore their options. The major objectives of this effort are to stimulate economic development, particularly through reuse of former industrial/commercial sites and to cleanup potentially hazardous sites. The Maine Legislature enacted the Voluntary Remedial Action Plan (VRAP) program, administered by Maine Department of Environmental Protection, to allow landowners, that voluntarily agree to cleanup contaminated sites, to avoid or minimize their liability exposure under state hazardous waste laws.

## **GIS and Mapping Department**

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With thirty years of mapping services on record, NMDC's Mapping Department is moving forward with acquiring and implementing a higher level of detailed services for communities. Acadia Research has assessed the technological needs of the GIS Department and the organization as a whole. A workstation was completed during the summer of 2000 complete with a digitizing pad. This service will help communities take paper documents and make them into electronic files for easier viewing and convenient manipulation.

The Department's involvement in the North/South Highway Study for Northern Maine has led to the procurement of a Global Positioning Satellite Receiver. This equipment will be able to place "real world" coordinates on every building in the Highway Study. This would help in the evaluation of feasible routes for the corridor and possible obstacles through the various proposed pathways that will be established in the study.

NMDC will continue to use the software to map census information, trends in growth patterns, comprehensive plans, economic development reports, population densities, and household income patterns in Aroostook County and beyond.

The Mapping Department is also working towards two progressive programs that will be key to Northern Maine's economic success in the future. NMDC is actively seeking funding to expand its GIS capabilities to be able to develop packets for business inquiries and other requests quickly and efficiently. To date, data is developed through a variety of sources including electronic files, paper sources, and telephone contacts. A more effective and efficient way to gather information will be for NMDC Mapping Department to become a full fledged data resource center for access by communities and agencies. Many data resource entities have pledged their support to supply databases important to Northern Maine's economic development. These resource entities include; Maine State Housing Authority, Maine Office of GIS, Loring Development Authority, Aroostook Family Investment Center, St. John Technology Center, Northern Maine Technical College, Time Warner Cable, Maine Public Service, the University of Maine at Fort Kent and Presque Isle, Houlton Band of Malisseets, and Aroostook Band of Micmac Indians. By forming a strong partnership between these and other data agencies, the ability to create business success in Northern Maine will be greatly enhanced. If funding is secured this program would begin in the fall of 2000.

The second GIS program in the planning stages is the development of an electronic Comprehensive Plan for communities. This would not however, eliminate any community's access to their Comprehensive Plan, since information and maps could be supplied in hard copy form by NMDC. The electronic Comprehensive Plan would enable communities to attach demographics, natural resource information, and other data directly to maps in the program. Presently, maps and data are separated into tables and charts making comparisons and evaluations of data with land use issues challenging. NMDC would partner even closer with Northern Maine communities with this new program and would enable communities to fit data with maps to ensure their participation in making good planning decisions.

Recently integrated with the Planning Department, GIS and Mapping Services continues to advance technology for Northern Maine communities and has been experimenting with database information management linkages. Data created within the NMDC office, and from the state's Office of Geographic Information Services (OGIS), was used to create the Maine Economic Development Districts Coverage Map. Each District was digitized into a shape file that can be queried by township. Currently, E-911 data is being manipulated in order to geocode physical addresses together with road centerline data. Other data being compiled and "managed" will feature the location of businesses, industries, and industrial/business parks so that they can be isolated and selected on a map to show physical and other pertinent information about the site. In addition, by including demographic information from the US Census Bureau such as "Low and Moderate Income" and "Labor Market Area", population figures can be illustrated geographically with linked data information. All of these data sets and maps will form the foundation of NMDC's GIS program.

Over the past year, staff have completed the following mapping projects: Aroostook County Transportation Study; Houlton Comprehensive Plan (utilities, land use, and shoreland); transportation mapping for Freight Plan and Bicycle Plan; Frenchville and Madawaska Comprehensive Plans; Blaine, Mapleton, Ashland, Eagle Lake, St. Agatha, Portage Lake land use ordinances; Patten utilities (CDBG); Presque Isle zoning revisions; Top of Maine Pain Management (EDA Grant); and Industrial Profile Update (EDA/Olympia Snow Request)

### III. CHANGES IN THE AREA'S ECONOMY

The Loring Development Authority continues to work diligently to develop the Loring Commerce Centre and their efforts continue to be very successful. Since the closure of Loring Air Force Base, the area has made many adjustments to offset the economic impact of the Base on Aroostook County. As of June 4, 1999, the Loring Commerce Centre has 21 tenants currently occupying approximately 1.2 million square feet of facility space and will employ approximately 1,300 people when fully operational. The LDA is currently in the process of having active discussions with a number of private sector prospects that would employ hundreds of additional employees. NMDC, along with the LDA and the local communities, will continue to work towards building a stable economy for Aroostook County residents.

In this section, the major economic changes and issues over the past year are recorded. A comprehensive overview of the regional economy is provided in an updated supplement to the Comprehensive Economic Development Strategy Program.

#### **Business Climate**

**Major Start-ups and Expansions.** The Loring Commerce Centre has seen many new business development projects arrive at the former Loring Air Force Base over the past few years. Currently, over 35% of the available building square footage and 49% of the land are presently committed to use at the Loring Commerce Centre. The major business developments that have occurred over the past two years has resulted in a commitment of 1,321, replacing over 100% of civilian jobs that were lost when Loring closed in September 1994.

#### **Business Development Projects at the Loring Commerce Centre:**

**Maine National Guard Vehicle Refurbishment Center.** The Maine Army National Guard commenced operations in September 1997. The center currently occupies 400,000 square feet and will employ 200 people. The center has quickly earned a reputation as the leader in excellence that consistently delivers its products at an affordable price and ahead of schedule. The refurbishment center performs various types of work on military wheeled vehicles, including five-ton trucks and High Mobility Multipurpose Wheeled Vehicles (HMMWV), and D-7 Dozers.

In addition, LEAN Manufacturing will be implementing an efficiency study to enhance production at the Maine Readiness Sustainable Refurbishment Center.

**Sitel Corp. of Omaha, Nebraska.** In November of 1997 Sitel announced that it was locating a facility at the Loring Commerce Centre. Since the opening, Sitel has grown to 350 employees and company officials couldn't be more pleased with the local workforce, which boast the lowest turnover rate in Sitel's insurance network and is highly ranked in productivity. Start-up of the operation commenced in May 1998 and has grown steadily since that date.

**S & G Growers purchased the assets of Speedling, Inc.** of Sun City, Florida to continue the development of strawberry and broccoli seedling transplant production, based upon their

successful operation at Loring last summer. The company grew over 600,000 transplants this past summer, which were ultimately shipped to Florida.

Hydroblend, Inc. of Idaho announced at the LDA's June 9, 1999 Board meeting that it was their intention to expand its food processing related business at Loring. Hydroblend, Inc. occupies a former 41,800 square foot warehouse facility and will employ 30 people at full production.

Maine Winter Sports Center. The United States Biathlon Association has supported the creation of a cross-country and rifle marksmanship-training center in Aroostook County, focusing on the facilities being built throughout Aroostook County. This project with others at the Loring Commerce Centre, trains local athletes with the goal of having the site become a training site for the Olympic training team and world-class athletes. This entity has also purchased the Big Rock Alpine Ski Center in Mars Hill. The Libra Foundation has contributed \$6 million dollars to help fund the project.

Business Incubator Facility. The Loring Development Authority (LDA), in partnership with the Town of Limestone has secured a \$400,000 grant from the Department of Economic and Community Development (DECD) to renovate the former 41,000 square foot base exchange as the location of the new incubator facility. The State of Maine has also appropriated \$600,000 to fund the development of this incubator facility.

In addition, Loring has over 20 tenants that include: Loring Job Corps, DFAS, MacDonald Enterprises, etc, employing in total over 1,000 people.

Expansions in other areas of the region:

MBNA America Bank, N.A. MBNA announced in the Winter of 1999 that it would be building a facility in Presque Isle and Fort Kent, Maine. Both sites were constructed and MBNA is operating at the new sites. MBNA is a consumer credit card company that employs 200 people at each site.

Val d' Amour USA, LLC. Val d' Amour is a precision metal manufacturing company based in Campbellton, New Brunswick that recently located their business in Caribou, Maine. The company currently supplies 195 companies in Canada with debarking attachments. Val d' Amour intends to fill a niche in the American sawmill industry. The company employs 7 people.

Maine Woods Company. Maine Woods Company is a new \$10 million dollar mill and specialized kiln facility located in Portage, Maine. The company is expected to process over 12 million board feet of hardwood per year. Maine Woods Company created approximately 40 jobs.

Valley Paper Company, LLC. Located in Madawaska, Maine, Valley Paper purchases waste paper from Fraser Paper and other sources, trims it, sorts it, and resells it to companies with specific uses, such as the manufacturing of gift wrap. The Economic Development Administration has awarded Valley Paper, LLC. \$900,000 for the expansion project.

McCain Foods Inc. Located in Easton, Maine, McCains will improve its Easton facility by adding a \$70 million potato processing plant expansion. The expansion will include a new

french-fry production line with the capacity to produce battered french fries, an upgrading of existing lines and the construction of a new wastewater treatment facility. 70 jobs will be added to the 600 employees already at McCains. The plant currently uses 15,000 to 20,000 acres of potatoes per year, the expansion will increase the need for potatoes to another 12,000 to 15,000 acres.

In addition to these projects, The future Potato Research Storage Facility in Presque Isle and Lamb-Weston french fry processing facility at the Loring Commerce Centre demonstrate the foresight of Northern Maine industry to construct state-of-the-art facilities to enhance agricultural storage and production. The future Irving Wood Processing Facility, to be located at the Loring Commerce Centre and present Valley Paper Company in Van Buren demonstrate forward moving technology not only in the area of state-of-the-art facilities in wood processing, but in economics found in and recovery of paper waste. A circular movement in industry is occurring and Aroostook County is building economic footholds at all phases of production. Since a workforce is needed to fill positions in these industries, local universities and colleges are working with industry to provide a trained and skilled workforce. The retainment of the labor force continues to be an issue and one that the educational institution of Northern Maine is addressing.

#### **Lay-Offs and Closures in 1999-2000:**

*Sherman Lumber* – The 105-year old lumber and hardwood flooring mill-ceased operations in the spring of 1999. The plant employed over 70 people and plans are still being made to try and get the plant up and running again.

*Ward Cabin Co.* – Ward Cabin Co., the nation’s oldest manufacturer of log homes closed in March 1999. Town officials have been trying to gain interest in the business by offering various loan packages. The company employed 30 people.

There were no major closures or lay-offs in the fiscal year following these events.

#### **Forestry**

Primary forest products manufacturers are principally engaged in the conversion of logs into lumber. Few true primary forest products manufacturers exist due to the fact that most sawmills have added operations beyond the primary stage in an effort to increase product value. Commonly, sawmills are considered primary forest products operations in the State of Maine. There are approximately 350 primary forest products operations in the State.

Secondary forest products manufacturers are those that add value to wood or wood fiber beyond the primary conversion stage. Included in this classification are furniture and fixture manufacturers, paper mills, panel manufacturers and similar manufacturers. There are currently approximately 500 secondary forest products manufacturers in Maine.

#### **Number of Businesses and Trends During the period 1993-1998**

The data reported here are taken from the 1993 to 1997 editions of the Maine Employment Statistical Handbook published by the Maine Department of Labor. Data include all “covered

employers” subject to the Maine Employment Security Law based on quarterly tax filings required under that law. These data do not include Federal government employees, self-employed individuals (sole proprietorships), unpaid family members, railroad workers, and certain farm and domestic workers. According to the Maine Department of Labor, covered employers account for more than 97% of the total nonfarm wage and salary employment in Maine and all of the goods producing industries in the industrial sectors. While it is likely that a small percentage of sole proprietors and unpaid family members benefit from employment and earnings generated in the wood products industry, this number is assumed to be a relatively small and not likely to bias the reported data.

Table III.B. shows the number of Maine woods products companies operating during the five-year period between 1993 and 1997. It also shows the relative importance of these numbers as a percentage all manufacturing firms and as a percentage of firms from all business sectors in Maine.

In 1997 the Department of Labor reported 850 total employers in the wood products sector (SIC Codes 24 and 25). The number of wood products companies has grown 9% over the last five years from 780 in 1993 to the 1997 level of 850. Growth in the number of companies in this sector was relatively slow at about 1.5% per year from 1993 to 1996 but increased by 4.8% in 1997, rising from 811 to 850. The 1997 number represents 33% of total manufacturers, and 2% of all employers.

Although the number of companies producing wood products has shown growth over the last five years, wood products manufacturers have declined very slightly as a percentage of total manufacturers. In 1993 wood products companies comprised 34.1% of manufacturers. By 1997 this share had fallen to 33.1%. As a percentage of all employers it stayed nearly constant at 2.2% during the entire period. The decline as a percentage of manufacturers may not be statistically significant, but the trend points to the likelihood that the rate of new company formation in the wood products industry is slightly lower than that of other manufacturers.

	1994	1995	1995	1996	1997
Number of Lumber and Wood Products Manufacturers	780	791	806	811	850
Percentage of All Manufacturers	34.12%	33.70%	33.51%	33.39%	33.15%
Percentage of All Employers	2.20%	2.17%	2.19%	2.18%	2.16%

**Number of persons employed by the industry and trends over the past 5 years.**

Table III.C. shows the number of people employed by the wood products sector during the five-year period between 1993 and 1997. It also shows the relative importance of these numbers as a percentage of all manufacturing employees and as a percentage of all covered employees in Maine.

In 1997 the Department of Labor reported 11,715 total employees working in the wood products sector (SIC Codes 24 and 25). This number represents 13.5% of total persons employed by

manufacturers in Maine, and 2.7% of covered employment for all Maine employers. During the five-year period from 1993 to 1997, the number of employees has varied from a low of 11,200 in 1996 to a high of 11,715 in 1997. The variance may be due in part to reporting problems in 1995 and 1996 when the Department of Labor could not disclose the number of employees in firms with more than 250 employees. It is not clear how much of an impact the lack of those data have on the trends for this period. However, as Table III.C. shows, the number hit a high in 1997. It is of special interest to note that, contrary to the trend shown above in Table III.B., the contribution to overall employment by the wood products sector has increased relative to manufacturers as a whole. So while new company formation has not exceeded that of other manufactures, the latest data show that job formation by wood products companies outstripped that of other manufacturers in 1997.

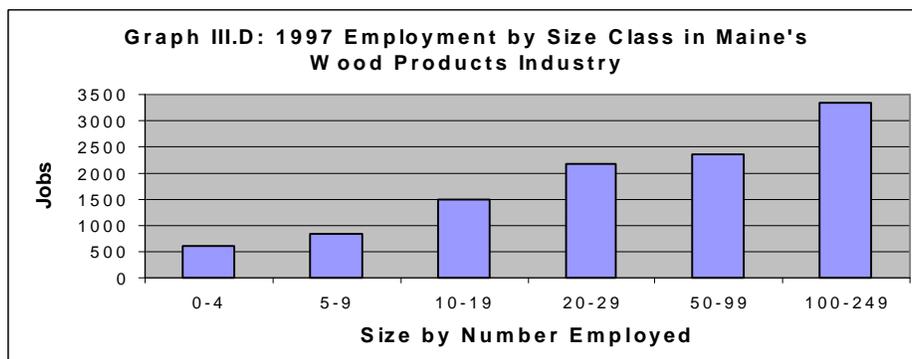
	1993	1994	1995	1996	1997
Number of Person Employed by Lumber and Wood Products Manufacturers*	11346	11474	11461	11210	11715
Percentage of All Manufacturers	12.71%	12.80%	12.65%	12.38%	13.54%
Percentage of All Employers	2.89%	2.83%	2.74%	2.68%	2.73%

\* In 1995 and 1996 the number of employees for companies having more than 250 was not available.

**Comparison of contribution to employment by size class within the industry.**

As might be expected, wood products companies vary greatly in size when compared on the basis of the number of employees per company. As reported over the last five years, the number of companies within a given size class is inversely proportional to the number of employees per company. In other words, the number of companies declines as the number of employees per company increases. Of the 850 companies reporting in 1997, 55% employed four people or less and 70% employed 9 people or less. Companies with over 100 employees accounted for less than 5% of the total. This trend holds true for the prior four years as well.

Graph III.D compares total jobs by size class in 1997.



If we define companies with less than 50 employees as “small” and companies with 50 or more employees as “large”. The 1997 data allow us to say that the employment in the industry is nearly equally divided among small and large companies. However, the per company

contribution to employment by the large companies is very important. While this group comprises only 7% of wood products companies in Maine it accounts for nearly one-half of the jobs in this sector. Relatively speaking the loss of a single large company will greatly impact overall job count in the industry.

The Table below shows the breadth of the primary and secondary processing within Aroostook County. Every county within the state is affected by the industry. The total value of products in 1996 was in excess of \$4.9 billion.

County/Industry	Value of Product (\$MM)	Gross Wages (\$MM)	Avg. wages	Workers
<b>Aroostook</b>				
Lumber & Wood Products	227.76	36.76	\$21,370	1720
Furniture	2.32	0.70	\$23,689	29
Pulp and Paper	314.77	74.90	\$54,872	1365

Data from 1996 Implan Database

Compiled by David B. Field, Department of Forest Management, University of Maine.

### **The Export of Raw Materials**

It's unlikely there is a more controversial issue within the Maine wood products industry than the export of raw materials that are harvested in Maine forests. Many citizens believe it would be far better for the state economy if these sawlogs were processed here. If this were to occur, more residents would be employed and current mills could expand, and new mills would be constructed. Industries supporting these expanded or new mills would benefit. More income taxes would be paid to the State and local communities would receive more property taxes. Some environmental benefits could occur if less trucking took place, and there might be less pressure put on the land.

In 1997, 1.5 Bbf (billion board feet) of timber was harvested from Maine forests and 481 million board feet (32%) were exported, of which 463 Mmbf (million board feet), 96% of the total, went to Canadian provinces. This large percentage of logs exported to the provinces started when the Spruce budworm epidemic hit Maine and it has continued unabated since. Maine did import 181 Mmbf of sawlogs and 61% of that came from the provinces. In the US, New Hampshire is Maine's largest trading partner. That relationship has decreased, however, as the Canadian markets have increased and is now only 24% of our imports and 1% of our exports.

### **The Canadian Factor**

In 1997, 481 Mmbf of both softwood and hardwood sawlogs were exported from Maine and 89% of that went to Quebec. In return, virtually no Quebec softwood logs came to Maine. The total softwood component export amount to Quebec was 390 Mmbf. 355 Mmbf or 90% of the State's Spruce/Fir total sawlog exports went to the province. The provinces' soft wood lumber production has gone up substantially as it is reported to have increased from 3.6 Bbf in 1991 to 6.6 Bbf in 1997. Hardwood sawlog exports to Quebec in 1997 were listed at 34 Mmbf, but with a return of only 1.5 Mmbf. After Crown land, imports have provided the second largest source of wood for Quebec's mills. On the other hand, a huge amount of lower valued biomass and some pulpwood and chips did come from the province to supply Maine mills.

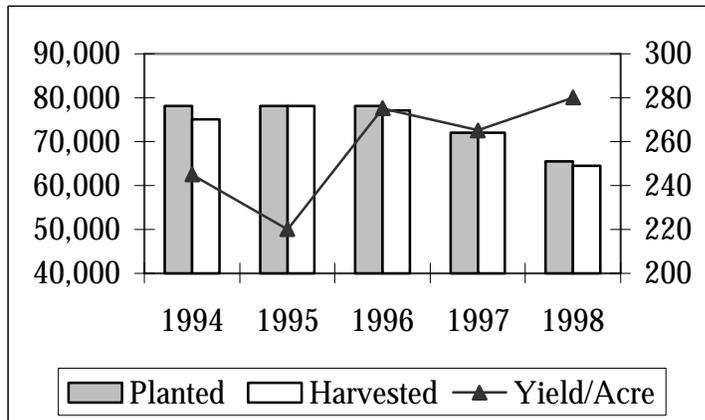
New Brunswick is a different story. In 1997, that province imported only 18 Mmbf of Maine softwood logs (mainly Pine), but it exported to Maine 73 Mmbf of softwood (mainly Spruce/Fir) logs. Maine hardwood sawlog exports to New Brunswick were 16 Mmbf and the province exported 30 Mmbf (88% Aspen) of hardwood sawlogs to the State. They also exported a huge amount of pulpwood, biomass and chips to Maine.

**Potato Industry**

**Maine Potato Production**

In 1998, Maine’s growers planted 65,500 acres of potatoes, harvesting just over 64,000 acres. Although the number of acres harvested has decreased by 16% from 1994 to 1998, yields have increased by 14%, helping total production to remain steady at over 18 million cwt.

Acreage and Yields, 1994 to 1998



**Maine Potatoes: Acres, Yield and Production 1994 - 1998**

	Acres		Cwt.	
	Planted	Harvested	Yield/Acre	Production (000)
1994	78,000	75,000	245	18,375
1995	78,000	78,000	220	17,160
1996	78,000	77,000	275	21,175
1997	72,000	72,000	265	19,080

Source: 1999 New England Agricultural Statistics

**Total Retail Value**

By the time Maine’s 1998 potatoes worked their way through the marketing system, their production value of \$90 million was increased to nearly a half billion dollars:

- French fries bring in the high total retail value of \$258 million. The retail price averaged \$.86/lb. for over 300 million pounds of finished product.
- The potato chip market brings in the second highest retail value at over \$140 million. The retail price was \$2.88/lb. for nearly 49 million pounds of finished product.

- The tablestock market had a retail value of nearly \$79 million. The retail price was \$.16/lb. for in nearly 493 million lbs. of finished product.
- The seed market, with a total retail value of over \$16 million, received \$.11/lb. for over 180 million pounds of finished product.

### 1998 Crop Estimates

Utilization	CWT Shipped (000)	Recovery Rate	Lbs.		
			Finished Product (000)	Retail Price \$/Lb.	Retail Value (\$000)
<b>Tablestock</b>	4,700	100%	470,000	0.16	75,200
<b>Seed</b>	1,600	100%	160,000	0.12	19,200
<b>French Fries</b>	6,500	50%	325,000	0.86	279,500
<b>Chipping</b>	1,950	25%	48,750	2.88	140,400
<b>Totals</b>	<b>14,750</b>		<b>1,003,750</b>	<b>1.00</b>	<b>514,300</b>

Sources: Agricultural Statistics Board, NASS/USDA, National Potato Council, and Maine Potato Board.

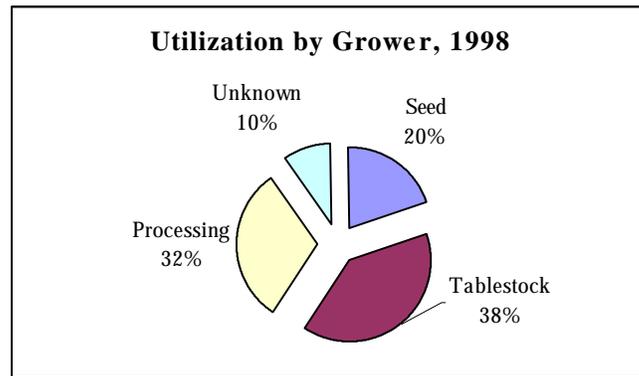
### Economic Benefit of Maine's Agricultural / Potato Industry

- The net value added\* to the National economy from Maine's agricultural sector was nearly \$200 million in 1996 (USDA Economic Research Service).
- 16.8% of Maine's 1995 employment was involved in farm and farm-related jobs, including production, farm inputs, processing and marketing, and in wholesale and retail sales (USDA Economic Research Service).
- In Maine there are 22,009 workers on 2,472 farms generating a total payroll of \$64 million. (1997 Census of Agriculture).
- 1,646 people are employed in frozen fruit and vegetable processing, generating gross wages of \$31 million in Maine. Overall, food processing provides 6,478 jobs and over \$149 million in wages (Census of Maine Manufactures, 1997, MDOL).
- There are 586 potato farms in Maine that harvested 73,085 acres of cropland. This is 18% of the state's total harvested cropland (1997 Census of Agriculture).
- Potatoes are the number one agricultural commodity in Maine, with sales nearly \$105 million, or 24% of the state's total agricultural receipts (1997 Census of Agriculture).

## Utilization

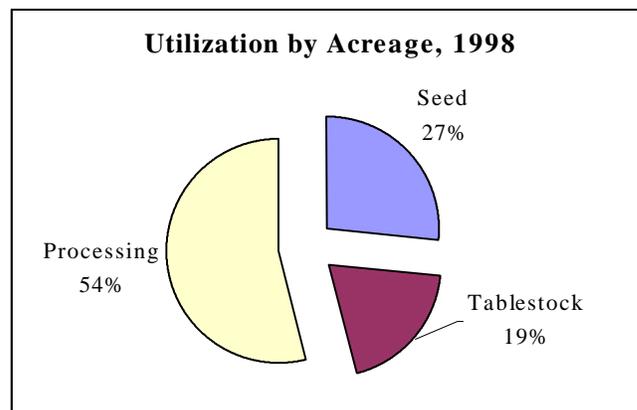
### By Grower:

- 32% growers raise potatoes for processing, primarily for french fries and potato chips.
- 38% of Maine growers raise potatoes for tablestock.
- 20% of growers raise seed potatoes.



### By Acreage:

- 54% of Maine's potato acreage is in processing varieties; 23,865 acres for french fries, and 10,965 acres for chip varieties.
- 19% of the acreage is in tablestock varieties.
- 27% of the acreage is in seed potatoes.



	Growers		Acres Harvested	
	Number	Percent	Number	Percent
Seed	98	20%	17,229	27%
Tablestock	191	39%	12,441	19%
Processing	155	32%	34,830	54%
Unknown	48	10%		
<b>Total</b>	<b>492</b>	<b>100%</b>	<b>64,500</b>	<b>100%</b>

Source: Maine Potato Board

### Employment & Unemployment

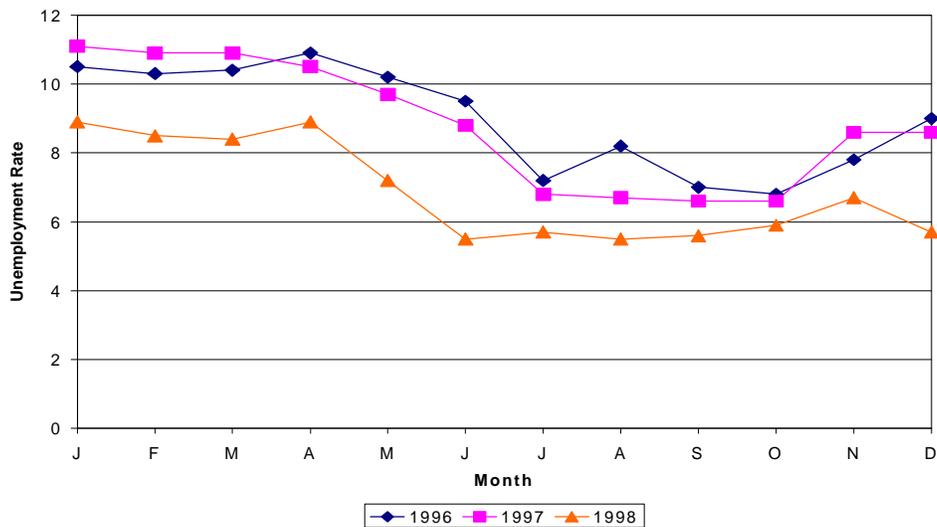
Unemployment rates have fallen steadily from 1996 to 1998, from 9% in 1995 to 7.6% in 1998. The number of employed dropped slightly by 370 from 1996 to 1997, but then increased by 614 in 1997. Total employment increased from 34,020 in 1997 to 34,634 in 1998, while the number of unemployed decreased from 3,590 to 2,650 in the same year.

### Annual Average Labor Force Estimates

Year	Labor Force	Employment	Unemployment	Unemp. Rate
1996	38,890	35,390	3,500	9.0
1997	37,610	34,020	3,590	9.5
1998	37,284	34,634	2,650	7.6

Source: Maine Dept. of Labor, Civilian Labor Force Estimates

### Aroostook County Unemployment Rates, 1996-98



## IV. GOALS & STRATEGIES

### Goals and Strategies

In July and August 1998, Northern Maine Development Commission convened and sponsored three “Community Catalysts” in the northern, central and southern sub-regions of Aroostook County. The three 3-day catalyst sessions were held to encourage the greatest community participation possible in creating this strategic plan. The Center for Consensual Democracy (Wiscasset, Maine) facilitated the meetings, and reported on the outcome of each of the Catalysts. The reports provided a strategic vision for Aroostook County’s future, a set of prioritized goals, and strategies to meet those goals.

The three reports showed distinct agreement on top priorities for increasing economic opportunity in the zone. NMDC staff brought the results of the three meetings into one strategic plan for the Aroostook County Empowerment Zone (ACEZ). In addition, elements from two other important planning processes were integrated into this basic plan: (1.) Local Comprehensive Planning - eleven communities within the designated Empowerment Zone boundaries completed local comprehensive plans. (2.) Comprehensive Economic Development Strategy (CEDS) - Northern Maine, designated as an Economic Development District by the Economic Development Administration (EDA), completed the required five-year Update in 1997, complete with new goals and strategies. Both the local comprehensive planning process and the CEDS require extensive community participation. In addition, EDA funding in 1995 to plan and implement a marketing communication program for the region. The primary and secondary research used to create the marketing plan, and the experience gained in implementation has provided a valuable supporting information in developing the Aroostook County Empowerment Zone application.

The greatest problem facing Northern Maine is the continued outmigration of population in search of greater opportunity. The vision of Aroostook’s future focuses on creating quality job opportunities by encouraging a diverse and stable economy that makes the best use of the region’s natural and human resources. Local residents decided that three goals required the greatest energy from the community, because they are the prime constraints to achieving the vision:

- Goal I            Support Business Success – Create an environment that supports the success of existing business and new start-ups.
- Goal II           Promote Aroostook County – Implement an integrated regional marketing program for business and tourism development.
- Goal III          Improve Public Infrastructure Systems – Upgrade the condition and capacity of the infrastructure to support business expansion.

The immediate task is to accomplish the first three goals, and then to elevate and break succeeding constraints until the vision has been achieved. A unified effort from Aroostook’s communities is necessary to accomplish the prime strategies, therefore portions of Goal VI relating to a unified Aroostook County will be focused on supporting Goal I.



**\*Establish skill (re-) training programs and facilities**

Support entrepreneurial project development

Establish business incubators

Expand incentives for new business development

Support expansion of University and other R&D programs

Establish a “Made in Aroostook” campaign / brand

**Strategy 3 - Encourage private sector involvement in business development**

Broaden Aroostook’s definition of Economic Development beyond government aid

Educate and involve the business community in implementing strategy

Encourage private sector to fund projects in the strategic plan

**\*Est. community-based peer lending program (like a credit union for development)**

Support leadership training in Aroostook

Provide on-site childcare

**Strategy 4 – Minimize or eliminate barriers to progress**

Streamline regulatory requirements

**\*Expand business advocacy / technical assistance programs**

Assist businesses through environmental permitting process

**Strategy 5 - Create and maintain strong business alliances**

Business alliance summit meeting countywide for economic development

Encourage participation in US / Canada partnership conferences

Develop cross-industry alliances / networks

Encourage regional partnerships among businesses and organizations

**Strategy 6 - Provide support to workers**

Provide new residents with database of existing housing

Assist in securing appropriate housing for incoming residents / employees

Assist in finding jobs for relocating spouses

Provide 24-hour childcare services

Expand transportation options for employees

Orient new residents to life in Aroostook County

**Strategy 7 - Encourage residents to support local businesses**

Buy consumer products locally

Broker locally grown products to local stores and restaurants

**Strategy 8 – Unify Aroostook (moved from Goal VI)**

Encourage unified support of this strategic plan

Coordinate implementation of vision projects through one entity

Define the roles for the participants in this vision

Begin implementing projects as resources allow

Inform and involve people in strategic plan activities

Build awareness and involvement through media

Create public/private sector partnerships

Promote more cooperation between Aroostook communities

Encourage towns to think beyond their boundaries

Encourage regional cooperation

Encourage behaviors that unite people

Develop open minds

Work more in public and less in private

**GOAL II**

**PROMOTE AROOSTOOK COUNTY**

**Action Statement**

**Implement an integrated regional marketing program for business and tourism development.**

The region will aggressively market its natural strengths to attract businesses in its targeted industries in a program that builds on substantial previous experience. Early in 1998, NMDC completed a two-year marketing communications program for Aroostook County, funded by the Economic Development Administration, with matching funds from the Maine Department of Economic and Community Development (DECD) and local dues support from member communities. A recent grant from a new DECD program (Maine Business Development Marketing Partnership Program) will allow NMDC to continue some of the most successful business attraction activities. The one-year program is leveraged with support from several local partners. However, marketing efforts must be well funded and sustained over time to be truly effective.

The Aroostook campaign will dovetail with Maine's marketing efforts, seeking prospects from other New England States. In addition, Aroostook will market to Quebec and the Maritime Provinces of Canada, because of geographic proximity to major Canadian markets (approximately 67% of Canada's population is located within overnight driving time from Aroostook), and because of cultural and economic similarities. Many Canadian businesses are realizing the growing importance of the "Made in the USA" label to American consumers, and are actively looking for the opportunity to set up shop on this side of the border. The poor exchange rate on the Canadian versus the US dollar also makes it beneficial for Canadian businesses to operate in the US. The region's available and affordable labor force and affordable commercial and industrial real estate give the region a substantial competitive advantage in attracting businesses for expansion and relocation.

NMDC will employ three major tactics in implementing the business development marketing strategy: industry trade shows, international marketing, and media relations. Quality promotional materials will provide prospects with information on the benefits of living and doing business in Aroostook. Through an amendment of the EDA marketing communications program, NMDC has been funded to conduct an analysis of the local workforce, and to develop a Geographic Information System (GIS). The combination of the workforce analysis (and other business related data) with the GIS system will provide prospects with factual information in a visual form, customized to their needs.

The EDA funded Marketing Communications Program also provided experience in marketing the region for tourism development. Funding from the Maine Tourism Partnership Program (also DECD with local partners) has allowed NMDC to continue some of the more successful marketing efforts into 1999. The goal of tourism marketing is to maximize regional efforts and to collectively position Aroostook County as a beautiful part of Maine that offers many recreational opportunities for vacationers in all four seasons.

The marketing strategy will continue to be two-fold: 1.) To support the proactive development of snowmobile marketing efforts, and to build promotion of Aroostook's other winter activities (cross-country skiing, snowshoeing, ice fishing, sled-dog racing, and winter festivals); and 2.) To develop and promote non-winter tourism opportunities: family camping and other outdoor recreation opportunities, recreational fishing, and special events and festivals. These activities build on the tourism opportunities inherent in Aroostook's natural resources and celebration of a rich natural and cultural heritage.

Tactics for tourism attraction include quality advertising in targeted tourism and outdoor recreation publications, attendance at winter and summer recreational trade shows, development of quality promotional materials, and a centralized toll-free information line.

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## **Prime Strategies**

### **Part 1 - Attract New Businesses / New Business Investment**

#### **Strategy 1 - Target industries that make best use of region's resources**

(See Goal I, Strategy 1 – same industry sectors)

Conduct market research

Continue to research successful business development in similar regions

Learn from others: assess what works and what doesn't

Continue to seek business sectors compatible with ACEZ resources

Develop aggressive marketing campaign

Ensure funding for a coordinated and sustained marketing effort

Market proactively the benefits of living and doing business in ACEZ

#### **Increase trade missions in U.S.**

Provide quality promotional / informational materials to prospects

#### **Provide "hard" information to prospects**

**\*Assess local work force skills / education**

**\*Develop GIS system to provide custom information within 48 hours**

**\*Coordinate trips for CEOs interested in coming to ACEZ**

Get editors of publications to visit and write editorials

Promote ACEZ as the center of an economic region

**\*Display greater presence at trade shows**

Market available business development programs

#### **Strategy 2 - Capitalize on region's proximity to Canada**

Promote bilingual workforce and cultural similarities

Work with *Forum Francophone des Affaires*

Use resources of U of Me at Fort Kent (*Archives Acadiennes*)  
Assist Canadian businesses in doing business in ACEZ  
Take advantage of Canadian training / educational programs

**\*Increase business trade missions to Canada**

Assist businesses in expanding use of existing Free Trade Zone  
Create international economic development district with Canada

**Strategy 3 - Take full advantage of the assets at Loring Commerce Centre**

Continue national and international marketing for targeted industries  
Attract large private sector aircraft company to Loring Commerce Centre  
Bring aviation school to Loring Commerce Centre  
Establish winter survival training facility for military forces  
National Guard do summer camp at Loring Commerce Centre  
Make Loring the “Outdoor Concert Center of the Northeast”

**Part 2 – Promote region’s four season recreational and cultural tourism opportunities**

**Strategy 1 - Support regional/international coordination of tourism activities/promotion**

**Support development / implementation of regional tourism plan**

**\*Create a regional tourism development office**

Develop and promote inter-community vacation / adventure packages  
Work with travel agents to develop packages  
Coordinate scheduling of community festivals in ACEZ  
Coordinate cultural and entertainment events in ACEZ  
Strengthen ties with tourist bureaus in Maritime Canada and Quebec  
Support cooperative events such as Fort Kent Can Am sled-dog race

**\*Strategy 2 - Develop quality promotional materials**

Capture the natural beauty of Aroostook  
Get editors of publications to visit and write editorials  
Establish Aroostook as a photo location for catalogs, etc.  
Expand trade show / co-op advertising activities  
Expand central tourism line and fulfillment  
Inform local residents of activities through media  
Publish Aroostook events calendar

**\*Strategy 3 - Develop tourism-related services and infrastructure**

Develop quality restaurants and hotels, other tourism-related businesses  
Establish more tourist information centers  
Improve municipal recreational facilities (parks, trails, boat landings, etc.)  
Promote hospitality and friendliness  
Improve highway signage  
Provide bilingual highway signage (French / English)  
Expand scheduled train excursions

Add public rest areas in the ACEZ

**Strategy 4 - Build outdoor recreational opportunities on region's natural resources**

- Enhance multi-use trail systems throughout ACEZ
- Expand alpine and cross-country skiing opportunities
- Support development of Loring Commerce Centre wildlife refuge
- Complete the Appalachian Trail to Canada
- Do more to re-establish sport fishing in Aroostook rivers
- Establish conservation camp centers - education
- Create a northern outward bound center
- Pursue location of Olympic biathlon training grounds
- Develop riverboat excursion / entertainment for visitors
  - Get Snowmobile/ATV clubs working together
- Promote Aroostook's early foliage through media and Internet
- Provide snowmobile trail updates on Internet and tourism phone line

**Strategy 6 - Support Aroostook Arts and Cultural Heritage**

**\*Develop and promote historical sites as tourism attractions**

- Broaden advertising for heritage celebrations
- Develop tour exchanges between Aroostook and Louisiana Acadians (Cajuns)
- Support local arts community events / festivals
- Develop cooperative promotional program for artists
- Support and expand historical society activities
- Establish international music camp
- Expand craft fairs

**Strategy 7 - Build on Proximity with Quebec and Maritime Provinces**

- Make Aroostook a destination for Canadians
- Strengthen ties with Canada's tourist bureaus
- Build on shared cultural / natural heritage of St. John River
  - Coordinate US / Canadian regulations
- Link trails on both sides of the border
  - Initiate political action to link trails
- Develop shared development / conservation plan for St. John River

## **GOAL III**

## **IMPROVE PUBLIC INFRASTRUCTURE SYSTEMS**

### **Action Statement**

**Upgrade the condition and capacity of the region's infrastructure to support business expansion.**

The strategic plan identifies that the cost and access of transportation was a barrier to doing business in the region. The maintenance and expansion of the transportation system promotes economic growth by allowing businesses and industries to become more competitive with other regions of the country. Activities over the next ten years will focus on improving the quality of the region's transportation system in an effort to provide businesses, residents, and visitors with a time and cost-efficient multi-modal system.

Many local communities are in dire need of expanding water and sewer infrastructure not only to meet current needs, but also to provide adequate capacity for growing industries. Maine's environmental laws are stringent, and municipalities have difficulty in funding water treatment facilities needed to meet water quality standards.

The ability of rural regions to competitively enter the global market is dependent on a reliable and cost-effective telecommunications infrastructure. Although there is a spine of fiber optic telecom service that generally follows US Route 1, there is a need to expand that service outward and upward. High electrical costs are also a concern in Aroostook, and future costs are uncertain as Maine's electrical utilities will be deregulated by March 1, 2000, when consumers will choose their suppliers from a variety of competing energy brokers and generators. Natural gas pipelines are being developed in Canada, with lines entering Maine, but substantially south of this region. Local leadership continues to stay abreast of developments in natural gas service, as well as other alternative sources of energy.

### **Prime Strategies**

#### **Strategy 1 - Improve transportation systems**

##### Maintain and improve the region's primary and secondary roadways

- Continue RTAC (MDOT Regional Transportation Advisory Committee) in prioritizing / advocating transportation needs
- Support completion of I-95 from Houlton to St. John Valley
  - Advocate need to Legislative / Congressional delegations
  - Initiate local grass roots effort to support project
- Upgrade Route 1
- Upgrade Route 2 to accommodate truck traffic safely
- Upgrade Route 11 to handle truck weights, inc. winter /spring thaws

##### Expand trucking distribution systems

- Encourage reciprocal trucking regulations between Canada and US

##### Increase commercial flights in and out of ACEZ

- Instrument precision approach systems for all airports in ACEZ
- Support regional air service

Expand railroad system for commercial transportation

**\*Support expansion of intermodal / transload facilities**

Expand rail distribution systems

Develop public transportation services

Expand bus service

Develop passenger rail service

Improve international border crossings and roads into Canada

## **Strategy 2 – Provide efficient public facilities and services**

Upgrade municipal infrastructure

Ensure capacity of sewer and water systems meets anticipated needs

Develop long term plan for disposal of solid waste

Expand recycling programs

Maintain integrity of town roads and streets

Develop industrial and commercial properties

**\*Build serviced speculative buildings where appropriate**

Develop sites for industrial development

Expand Free Trade Zones

Develop and maintain database of sites and buildings

Incorporate infrastructure and properties into GIS

Explore cost-effective energy options

Bring natural gas into The County

Explore using existing petroleum pipelines for natural gas

Explore feasibility of Hydro Quebec for electrical power supply

Develop alternative sources of energy

## **Strategy 4 - Develop state-of-the-art telecommunication systems**

**\*Establish telecommunications / teleconferencing centers**

Widen accessibility to the fiber optic network

Resolve redundancy and cost issues of telecom infrastructure

Develop Internet capabilities in schools / local governments / non-profits

Develop local access cable for communities

## **GOAL IV**

## **EXPAND NATURAL RESOURCE-BASED BUSINESS**

**Action Statement**      **Provide quality jobs by adding value to our natural resources.**

Natural resource industries built the region, and have continued growth potential because of the region's abundant supply of raw material. The first two goals of this strategic plan relating to business development and attraction give attention to creating value-added opportunities. However, the potato industry, once Aroostook's chief commodity, has been in decline over the past decade. In addition to finding ways to increase potato acreage, the future of the agricultural sector depends on diversifying the crops grown. Developing niche markets for agricultural crops produced under sustainable, organic methods; livestock production and aquaculture also have potential for the local farming community.

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### **Concurrent Strategies**

#### **Strategy 1 – Support development of forest products industries**

- Support development of value-added wood products manufacturing
- Develop commercial uses for wood by-products
- Support University R&D for natural resource based industries
- Look for ways around "legislative solutions" to forestry management issues

#### **Strategy 2 – Support development of agriculture**

- Support development of value-added manufacturing for agricultural products
- Diversify agricultural products
  - Develop new crops / livestock and related processing in ACEZ (flax, soybeans, etc.)
- Support development of organic, sustainable farming methods
  - Develop certified-organic farming assistance center

#### **Strategy 3 – Develop aquaculture opportunities**

- Explore markets / feasibility of aquaculture industry
- Establish commercial fish farm
- Establish hydroponic agricultural center

## **GOAL V**

## **DEVELOP A WELL-EDUCATED AND WELL-TRAINED WORK FORCE**

### **Action Statement      Provide world-class educational and training opportunities for all.**

In addition to providing enriching educational opportunities for local residents, job training must be provided not only for existing jobs, but for jobs of the future. Students should be prepared for highly skilled, quickly evolving technical jobs in industry sectors that Aroostook will attract and expand. Funding is also needed for facilities in which to provide customized training for new and expanding businesses.

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### **Concurrent Strategies**

#### **Strategy 1 – Expand and improve pre-K through High School education**

- Develop foreign language programs for all elementary schools
- Expand art programs
- Develop pre-K school programs
- Encourage parent involvement in education
- Create after-school programs
- Fund a wider variety of sports programs
- Improve agricultural/forestry programs
- Develop and use technology in education
- Expand computer programs in schools
- Encourage creative teaching methods

#### **Strategy 2 – Expand and improve post-secondary opportunities**

- Increase accessibility through telecommunications
  - Bring in professional graduate program by telecommunications
  - Maximize distance learning
- Expand computer programs in post secondary schools
- Develop entrepreneurial program for high school & college students
- Establish scholarship programs for ACEZ high schools
  - Provide scholarship incentives to remain in ACEZ

#### **Strategy 4 – Make more efficient use of school resources**

- Consolidate school administrative functions
- Find new ways to pay for school operating costs besides property tax
- Cross-utilize programs and functions at all schools
- Develop year-round school usage

#### **Strategy 5 - Create partnerships between business and education**

- Provide apprenticeship/internship opportunities
- Assist graduates in finding jobs locally
- Link education with local job opportunities
- Expand customized training programs for local jobs
- Assess existing skill levels; provide for needs

**Strategy 6 - Make Aroostook schools so good people come from all over to attend**

- Establish an agricultural magnet school
- Expand Maine School of Science and Math

**GOAL VI**

**ACHIEVE UNITY IN AROOSTOOK COUNTY**

**Action Statement**

**Foster inter-community cooperation in achieving the vision of Aroostook's future.**

The success of this program depends on the support from a unified Aroostook community. It is essential to foster involvement from local residents and private sector in this effort to create a sustainable economic future. This goal calls for informing the public on the progress in implementing this strategic plan, and encouraging their involvement in realizing the vision.

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**Prime Strategies**

**Strategy 1 – Unify Aroostook (moved to Goal I)**

Encourage unified support of this strategic plan

- Coordinate implementation of vision projects through one entity
- Define the roles for the participants in this vision
- Begin implementing projects as resources allow
- Inform and involve people in strategic plan activities
  - Build awareness and involvement through media
- Create public/private sector partnerships

Promote more cooperation between Aroostook communities

- Encourage towns to think beyond their boundaries
- Encourage behaviors that unite people
- Develop open minds
  - Work more in public and less in private

**Concurrent Strategies**

**Strategy 2 - Build county pride**

- Instill children's pride in heritage, and to pass it on to future generations
  - Encourage local residents and businesses to shop locally
- Link students with senior citizens
- Encourage residents to promote ACEZ

**Strategy 3 - Promote positive political environment / Employ political process**

Advocate Aroostook's needs and concerns to State and Federal leadership

- Create watchdog group to follow legislators and representatives
- Increase awareness of the power of accessibility to representatives
- Overcome image of "The Other Maine"
- Provide positive, progressive information on local issues & developments

Increase Citizen Involvement in Civic Affairs

- Encourage citizens to vote



Bring social services into the school system  
Provide client-centered social services

**Strategy 6 – Upgrade community services**

Expand emergency protective services  
Improve and expand emergency medical services throughout region  
Coordinate police and enforcement with neighborhood efforts  
Emergency calling phones on interstate and primary secondary roads  
Bring E-911 into all communities  
Establish county YMCA/YWCA  
Expand and revitalize public libraries

**GOAL VIII                      STEWARD AROOSTOOK’S NATURAL RESOURCES AND WAY OF LIFE.**

**Action Statement              Balance development with the need to protect valuable natural resources and the small community rural character.**

**Concurrent Strategies**

**Strategy 1 – Steward valuable natural resources**

Ensure appropriate use of land for industry, farming, commerce, housing, and recreation  
Increase understanding of how development affects environment  
Protect water quality, wildlife habitat, and unique natural areas  
Maintain & upgrade lake and river quality in ACEZ  
Replace to the earth what we take (replenish natural resources)  
Integrate environmental land management plans  
Develop non-polluting industries

**Strategy 2 – Preserve a treasured way of life**

Plan for orderly growth; avoid sprawl  
Preserve community values - heritage and diversity  
Develop and maintain open spaces and recreational areas  
Pursue community development /revitalization grants  
Help downtown/village areas to thrive

**Strategy 3 – Beautify Aroostook**

Consider scenic vistas when planning development  
Fund an adopt-a-highway program  
Clean up Route 1 using local Civilian Conservation Corps model  
Plant trees along streets and highways  
Encourage property owners to maintain land and buildings

## V. NORTHERN MAINE – TOP PRIORITY PROJECT LIST

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<b>BUSINESS DEVELOPMENT RESOURCES</b>					
<p><b><u>Construct Business &amp; Industry Training Center:</u></b> NMTC is seeking funding to establish a site for a Business/Industry Training Center, which will work in tandem with Quality Centers Program, GTI, and other workforce development initiatives. The Center will conduct assessment of local training needs/availability of programs. The Center will continue to research to ensure programs meet the needs of the employers, employees, and students.</p>	NMTC State of Maine	\$2,580,000	Federal Resources	2000-2002	X
<p><b><u>North/South Highway Construction:</u></b> Construction of a limited access highway from a point to be determined in Southern Aroostook to the St. John Valley.</p>	MDOT Federal (Districtwide)	\$250-500 Million	80% Federal 20% State	2000-2010	X
<p><b><u>Northern Maine Transmission Corporation:</u></b> Funding provided to conduct a feasibility study to determine the feasibility of constructing a power line to northern Maine tying the region into the United States grid system.</p>	Countywide	\$500,000	Legislative	2000-2001	X
<b>TELECOMMUNICATIONS/ TECHNOLOGY IMPROVEMENTS</b>					
<p><b><u>Develop Speculative Buildings:</u></b> Develop industrial and commercial properties that will serve as speculative buildings where appropriate.</p>	Local Communities	\$1,000,000	Federal Resources	2000-2002	X

<b><u>Develop Intermodal &amp; Transload Facilities:</u></b> Improve transportation systems by expanding the railroad system for commercial transportation by supporting expansions of intermodal and transload facilities.	MDOT NMDC	\$3,375,000	Federal Resources	2000- 2002	X
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<b><u>Northern Maine Regional Airport Hangar Facility:</u></b> Construction of an aircraft hangar at the Northern Maine Regional Airport.	City (Presque Isle)	\$750,000	City MDOT FAA	2000	X
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**SEWER/WATER  
INFRASTRUCTURE  
IMPROVEMENTS**

<b><u>Northland Frozen Foods:</u></b> Funding for land acquisition and construction of a wastewater treatment facility so Northland Frozen foods can expand their operations.	Town (Fort Kent)	\$9,000,000 \$3,000,000 Sewer Expansion	EDA CDBG Private	2000- 2001	X
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<b><u>Maine Frozen Foods:</u></b> Improvements to Industrial and Municipal wastewater facilities to allow Maine Frozen Foods, Inc. a vegetable processing plant the ability to expand their operations.	City (Caribou)	\$3,200,000	EDA CDBG Private Town	2000- 2001	X
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<b><u>Madawaska Water System Improvements:</u></b> Development of municipal well in response to quality problems in existing surface water supply. Additional storage also required to serve growing residential use and increasing need at Fraser Paper.	Town (Madawaska)	Engineering- \$35,000  Water System Improvement Unknown	DHS  EDA CDBG RD	2000- 2001	X
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**REGIONAL INDUSTRIAL  
PARK/BUSINESS  
DEVELOPMENT**

<b><u>St. John Valley Industrial Park:</u></b> Development of an Industrial Park for the communities located in the St. John Valley for Business and Industrial Development.	St. John Valley Communities	\$10-12 Million	DECD- Super Park Fund EDA Local	2000- 2005	X
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<b>Valley Paper Company:</b> Madawaska based company looking to expand its operations to the Town of Van Buren. The company currently uses waste paper from Fraser Paper and manufacturers it into a variety of useful paper products.	Town (Van Buren)	\$2.6 Million	Valley Paper Rural Development EDI EDA Town	2000-2001	X
<b>LEAN Manufacturing:</b> Maine Readiness Sustainable Refurbishment Center will implement an efficiency study to enhance production.	NMDC MEP	\$120,000	EDA NMDC	2000	X
<b>Potato Research Storage Facility:</b> Construct a state-of-the-art potato research storage facility at the Aroostook Farm in Presque Isle.	MPB NMDC MEP	\$932,500	PMIF, MPB, UM, State, FED	2000	X
<b>DEFENSE IMPACT FUNDING/ LDA PROJECTS</b>					
<b>Loring Commerce Centre Operations:</b> For day-to-day operations in connection with Loring redevelopment	LDA (District-wide)	\$4,000,000	LDA EDA (Defense Impact Funding Only) State	2000-2002	NAI
<b>Caretaker Agreement:</b> Protection and maintenance services of facility.	LDA	\$15,000,000	AFBCA (Defense Impact Funding Only)	2000-2004	X
<b>Infrastructure Upgrades:</b> Demolition of nose docks and housing, infrastructure improvements, sewerage treatment and water plant improvements, extension and upgrade of rail line, and construction of rail handling facility and warehouse.	LDA	\$27,000,000	LDA EDA (Defense Impact Funding Only)	2000-2002	NAI
Aviation upgrades to hangar and ramp.		\$8,000,000			
<b>Business Incubator:</b> The LDA will develop a business incubator at the Loring Commerce Centre focusing on forest products and agricultural industries. The Incubator will provide entrepreneurs with the shared services and equipment they need to develop and market new products successfully in the first critical year of operation.	LDA NMDC State Applicants	\$2,047,080	LDA CDBG State	2000-2003	
<b>Maine Winter Sports Center:</b> Construct and operate a world-class Nordic Skiing, Biathlon, and Alpine Skiing training center.	Aroostook Communities	\$6 Million	MWSC Libra Foundation	2000-2003	X



## VI. DEVELOPMENT STRATEGIES

### Goal 1: Business Retention, Expansion & Attraction

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. The goal is supported by objectives directed at building natural resource-based industries, business development resources, and education and training programs.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>OneAroostook Business Attraction Marketing Program:</u> Implementation of a comprehensive strategy designed to retain existing business and attract new investment into the region.	NMDC (Districtwide)	\$734,000	DECD	2000-2002	X
* <i>Southern Aroostook Development Corporation:</i> Received funds to implement a marketing plan for 22 communities in the Houlton area.	SADC	\$35,000	DECD	2000	X
* <i>St. John Valley Business Attraction Program:</i> to market the Saint John Valley to targeted businesses in Southern New England and Eastern Canada As a site for relocation and expansion	St. John Valley Communities Local Chambers Fraser Paper Irving Woodlands	\$70,000	DECD Local Partners	2000-2001	X
<u>Maine Tourism Marketing Partnership Program:</u> To promote the proactive development of snowmobile marketing efforts, and build promotion of Aroostook's other winter activities. Develop and promote non-winter tourism opportunities.	NMDC ACT AACC	\$91,633	Maine Office of Tourism Chambers of Commerce ACT NMDC Private	2000-2001	X
<u>Rural Empowerment Zone/Enterprise Community Program Implementation Strategy:</u> To create conditions for sustainable economic and community development by the end of the 10-year federal partnership. <i>Application:</i> Funding provided to develop application to USDA for Empowerment Zone designation.	NMDC	\$40 Million \$96 Million  \$27,000	USDA Match  DECD 37% SPO 26% Maine 37% Community Foundation NMDC	2000-2008  2001	X

<u>Lamb-Weston Facility:</u> Construction of a new french fry processing facility at the Loring Commerce Centre.	Lamb-Weston LDA	\$100,000,000	Lamb-Weston	2000- 2002	X
<u>Irving Wood Processing Facility:</u> Construction of a wood processing facility at the Loring Commerce Centre.	Irving LDA	\$150,000,000	Irving	2000- 2002	X
<u>Business Advocacy:</u> Expand business advocacy and technical assistance programs. Identify mature and dominant industries and “at-risk” communities and develop policies/procedures for handling distressed industries and their host communities.	NMDC DECD	\$238,750	Federal Resources	2000- 2003	X
<u>Business Attraction Trade Shows:</u> Research to determine which trade shows to attend and to develop print advertising campaigns, direct mail campaigns, develop a business attraction package, and develop a media relations campaign.	NMDC Maine & Company Maine Public Service (MPS) Loring Development Authority (LDA)	\$525,000	Federal Resources	2000- 2003	X
<u>Trade Missions:</u> Increase business trade missions in the U.S. and Canada. Develop prospect database from direct mail campaign and trade shows attended.	NMDC SADC Maine & Company DECD	\$100,000	Federal Resources	2000- 2003	X
<u>Develop Geographic Information System:</u> Develop GIS system to provide customized business attraction information within 48 hours that will include information on infrastructure, labor market, demographics, existing business, and educational resources.	NMDC	\$149,000	Federal Resources	2000- 2002	X
<u>Establish Targeted Industry Loan Pool:</u> To establish loan pools for business leverage finance needs. Establish loan underwriting guidelines and publicize loan program availability.	NMDC	\$805,000	Federal Resources	2000- 2003	X

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>Create Regional Tourism Development Office:</u> To develop a regional tourism development office that will support regional and international coordination of tourism activities and promotion by development and implementation of a regional tourism plan.	NMDC Maine Office of Tourism ACT AACC	\$219,400	Federal Resources	2000-2002	NAI
<u>Promote Historical and Cultural Sites:</u> Develop and promote historical sites as tourism attractions and support Aroostook Arts and Cultural Heritage.	NMDC Maine Office of Tourism AACC	\$104,400	Federal Resources	2000-2002	X
<u>Invest in Tourism Related Infrastructure:</u> Develop a needs assessment of tourism related infrastructure	NMDC AACC Maine office of Tourism	\$1,000,000	Federal Resources	2000-2002	NAI
<u>Telecommunications/ Teleconference Centers:</u> Develop State-of-the-Art telecommunications systems infrastructure.	NMDC Time Warner Cable Regional Cable Companies	\$2,750,000	Federal Resources	2000-2002	X
<u>Targeted Opportunities Program (TOP):</u> To develop programs to assist business start-up and expansion and set up regional equity capital fund.	NMDC	\$1,605,000	Federal Resources	2000-2002	X

<b>Environmental Impact Key:</b>	<b>BI</b> Beneficial Impact	<b>NAI</b> No Adverse Impact	<b>MI</b> Minimal Impact		
	<b>A</b> Adverse Impact	<b>X</b> Not Applicable			
Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<b>• Natural Resource Industry Projects</b>					
<u>Maine Potato Export Project:</u> Development of seed, table stock, and value-added products for export 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	2000-2001	X
<u>Maine Seed Potato Program Improvements:</u> Provision of funding and continued support of the Maine Potato Breeding Program through the Maine Potato Board Research Committee and Maine Dept of Agriculture.	Maine Seed Potato Board (Districtwide)	\$Unknown	State/Fed	2000-2003	X

<u>Cranberry Crop Development:</u> 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.	CASWCD (Districtwide)	\$150,000	RD EDA State Local	2000- 2003	NAI
<u>McCain Foods, Inc:</u> Expansion to McCains Foods USA potato processing plant in Easton.	Town (Easton) McCains	\$100,000,000	TIF Municipal Bonds ETIF	2000- 2001	BI
<u>Federal Agricultural Research Station:</u> Continued agricultural research and to find control measures for late potato blight.	State	\$300,000	Fed State	2000- 2001	BI
<u>U.S. Dept of Agriculture:</u> Awarded funds to Aroostook County to enhance conservation efforts.	State	\$345,000	Fed State	2000- 2001	BI

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<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 agri-ecosystem.	Aroostook Soil & Water Mgt Board (Districtwide)	\$325,000/yr.	Federal State	2000- 2006	BI
<u>Development &amp; Marketing Center:</u> International trade development center to help New England's natural resource industries avail themselves of export opportunities.	University of Maine (Districtwide)	\$850,000/yr.	Unknown	On- going	NAI

Loring Wildlife Refuge: +3,900 acres of Loring properties for 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 DOI 2001-2005 BI

Aroostook Water and Soil Management Program:

- Central Aroostook Soil and Water Conservation District Program Management. CASWCD \$7,000 Federal 2000-2003 BI
- Continuation of Irrigation Research Project. AWSM \$73,000 Federal\State 2000-2003 BI
- Technical Assistance for development of Irrigation Best Management Practices. AWSM \$25,500 Federal\State 2000-2003 BI
- Low flow studies on targeted streams in St. John River Basin cost-shared with U.S.G.S. AWSM U.S.G.S. \$24,000 Federal State 2000-2003 NAI

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
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• **Business Development Resources**

EDA Revolving Loan Fund: Financing and technical assistance for new and existing manufacturing and industrial businesses, as well as for private sector packaging. NMDC (Districtwide) \$1.9 million Self-sustaining On-going X

RD RBEG 1&2 - Revolving Loan Funds: 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. NMDC (Districtwide) \$616,000 RECD On-going X

<u>SBA Microloan Program:</u> Direct loans not to exceed \$25,000 to businesses that currently do not qualify for commercial private lending.	NMDC (Districtwide)	\$315,418		On-going	X
<u>RECD IRPII Loan Program:</u> NMDC has received funding for an Intermediary Relending Program to assist the needs of local business and industry. Awarded an additional \$1 million in FY 97-98.	NMDC (Districtwide)	\$3,392,000	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.	NMDC (Districtwide)	\$1,574,567	75% EDA 25% DECD/FAME	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 (Districtwide)	\$2,000,000	SBA	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 (Districtwide)	\$1,000,000	FAME	On-going	X

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>CDBG Development Fund:</u> A grant for communities to loan to local businesses on a contract basis.	Communities (Districtwide)	Max. 40% of project up to \$200,000	40% DECD 60% Other	On-going	X
<u>CDBG Business Assistance Program:</u> A grant for communities to provide businesses with funds for infrastructure, capital equipment, and real property.	Communities (Districtwide)	Maximum grant/ loan \$400,000	DECD	On-going	X

<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 (Districtwide)	N/A	NMDC EDA SBA	On-going	X
<u>SBA Microloan Technical Assistance:</u> Technical assistance to businesses receiving micro-loans.	NMDC (Districtwide)	\$30,000	75% SBA 25% DECD	On-going	X
<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 (Districtwide)	\$250,000 Max. per applicant	SBA Private	On-going	X
<u>Manufacturing Modernization Partnership Program:</u> 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 (Districtwide)	\$110,000	MSTF/MEP \$60,000 Local \$50,000	On-going	X
<u>Business Development Program:</u> Direct assistance through outreach to local business and industry. Services include general business assistance, marketing, environmental permitting, and assisting with access to state and federal funding sources.	NMDC (Districtwide)	\$80,000	DECD \$55,000 NMDC \$25,000	On-going	X

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environ- mental Impact
<u>SBDC Business Counseling Contract</u> <u>Extension:</u> Funds area workshops, seminars and individual counseling of 400+ prospects yearly on small business finance and development	NMDC (Districtwide)	\$112,000	55% DECD 38% SBA 7% USM	On- going	X
<u>EDA Planning Grant Contract</u> <u>Extension:</u> Funding for annual update and implementation of the district's Overall Economic Development Program.	NMDC (Districtwide)	\$72,000	EDA \$54,000 NMDC dues \$18,000	On- going	X
<b>• Education and Training Program</b>					
<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.	Technical College System/NMTC (Statewide)	As Needed	State	2000- 2001	X
NMTC seeking funding to establish site for Business/Industry Training Center, which will work in tandem with Quality Centers Program, GTI, and other workforce development initiatives.	NMTC	\$1,500,000	FED State Local Private	2000- 2006	NI
<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	2000- 2001	MI
<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	2001 2004	X

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>Adult Daytime Learning Center:</u> Facilitate expansion of services to adult education in Fort Fairfield area.	SAD #20 Town (Fort Fairfield)	\$50,000	Local DOE	2000- 2001	X
<u>Aroostook County Action Program:</u> Comprehensive Head Start wrap-around services will be delivered to 17 new children and their families in the town of Houlton.	ACAP	\$229,689	DHHS	2000- 2002	X
<u>Aroostook County Action Program:</u> Head Start service to be provided.	ACAP	\$1,331,224	DHHS	2000- 2003	X
<u>Aroostook County Action Program:</u> Early Head Start Project.	ACAP	\$648,849	DHHS	2000- 2001	X
<u>Aroostook Mental Health Center:</u> Senior Reach program.	AMHC	\$288,034	U.S. Dept of Human Services	2000- 2003	X
<u>Maine School Administrative District #29:</u> Development and dissemination of a rural model for Gifted and Talented Students Education programs	MSAD #29	\$213,302	U.S. Dept of Education	2000- 2002	X
<u>Maine School of Science &amp; Mathematics:</u> Currently operating its sole residence hall at capacity and is turning away students qualified to attend. The project would be the construction of a 100-bed dormitory.	Town of Limestone	\$3.5 million	Federal State Local	2001- 2002	X

## Goal 2: Infrastructure Improvements

Economic development depends on a modern, well-maintained infrastructure with the capacity to support the activity of business and industry, as well as the needs of residents. Transportation; telecommunications; and municipal sewer, water, and solid waste systems must be efficient and cost-effective for Northern Maine to remain competitive with other regions of the country.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
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### • Transportation Projects

<u>Houlton Transload Facility:</u> Construction to accommodate truck/rail transfer.	Town B&A RR	\$350,000	MDOT B&A RR	2001	X
<u>Urban Rural Initiative 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)	\$540,000	MDOT	On-going	X
<u>City of Presque Isle:</u> Rehabilitation of Gouldville Bridge.	City (Presque Isle)	\$315,000	MDOT City of Presque Isle	2000-2001	X
<u>Presque Isle Intermodal Garage/Office:</u> Facility to house loader and tractor.	City (Presque Isle)	\$250,000	DECD EDA	2000-2002	NAI
<u>Skyway Industrial Park Improvements:</u> Rehab missile hanger #1305.	City (Presque Isle)	\$350,000	DECD EDA	2002-2004	X
Rehabilitation of Gouldville Bridge.	City (Presque Isle)	\$315,000	MDOT City of Presque Isle	2000-2001	X
Monson Pond Bridge Project	Town (Fort Fairfield)	\$590,000	MDOT CDBG	2000-2001	BI

**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.

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>McCain new road construction:</u> 1.9 miles of new roadway to be constructed to the new expansion.	McCain Town of Easton	\$1,000,000	MDOT	2001	X
<u>Connector Road Construction:</u> Construction of a connector road between Rt. 163 and 167, to the Station Road in Easton, to eliminate truck traffic in downtown Presque Isle.	City of Presque Isle Town of Easton	\$5,500,000	MDOT	2000-2004	X
<p>• <b>Community Development Projects</b></p>					
<u>Community Development Capacity Building:</u> 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	2000-2001	X
<u>Growth Management Contracts:</u> Developing comprehensive plans for 11 communities.	Communities (District-wide)	\$140,000-150,000	75% SPO 25% Local	2000-2001	BI
Advancing the implementation of comprehensive plans in seven communities.	Communities (District-wide)	\$100,000-110,000	75% DECD 25% Local	2000-2001	BI
<u>Community Development Block Grant Program:</u> <i>Contract Administration.</i> NMDC anticipates assisting 1 communities with full implementation of their Community Development Block Grant programs.	Communities (District-wide)	\$40,000	90% DECD 10% Local	2000-2001	X

<u>Technical Assistance Program:</u> Funding to continue NMDC's assistance to area communities seeking CDBG funds. The grants are designed to address the needs of individual communities.	NMDC (District-wide)	\$35,000	DECD NMDC	On-going	X
					X
<u>Aroostook Area Agency on Aging:</u> Aroostook RSVP	AAAA	\$214,659	Corporation for National Service	2000- 2001	X
<u>Aroostook Band of Micmacs:</u> Micmac Cultural Community and Education Services	Aroostook Band of Micmacs	\$500,000	Rural Development	2000- 2001	X
<u>Aroostook Emergency Medical Services Council:</u> Rural Outreach Emergency Medical Services Training Programs	AEMS	\$178,825	U.S. Dept. of Health and Human Services	2000- 2001	X
<u>Solid Waste Management Program:</u> Technical assistance to municipalities in finding regional solutions to solid waste management problems.	NMDC (District-wide)	\$65,000	Rural Development	On-going	BI
<u>Housing Development for Low Income/Elderly:</u>					
• NLM, Inc. -- Construction of 16 family units in Houlton.	Developer (Houlton)	\$1,320,850	Rural Development	2000- 2001	MI
• Lakeside Associates -- Construction of 12 elderly units in Sinclair.	Developer (Sinclair)	\$718,000	Rural Development	2000- 2001	MI
• Hillside Associates -- Twenty-four elderly units in Fort Fairfield.	Developer (Fort Fairfield)	\$1,316,081	Rural Development	2000- 2001	MI
<u>Van Buren Waste Water Facility:</u> Divert storm water from sewer and Upgrade treatment facility.	Town (Van Buren)	\$3,000,000	CDBG DEP Town	2000- 2001	BI

<u>Caribou Utilities District Sewer Expansion Study:</u> Study being Developed to consider expansion for economic and community development.	City (Caribou)	\$20,000	EDA DECD RECD	2000-2001	X
<u>Caribou Fire &amp; Ambulance Facility Expansion</u> Expansion of fire & ambulance facility to accommodate equipment & services.	City of Caribou	\$260,000	FEMA State City	2001-2003	X
<u>City of Caribou Recreation Facility Expansion</u> Renovate the existing armory facility to develop a community wellness center to include an aquatic center, new gymnasium and space for other City Departments.	City of Caribou	\$2,100,000	Federal State Private Local	2001-2003	X
<u>Caribou Public Works Building Expansion</u> Expansion of public works building to accommodate paint facilities for heavy equipment	City of Caribou	\$96,000	Federal State Local	2001-2002	X
<u>Caribou Downtown Revitalization:</u> Implement a downtown revitalization program in the City of Caribou.	City of Caribou	\$1,500,000	CDBG City Private	2001-2002	X
<u>Caribou Trailhead Facility:</u> Develop a trailhead facility on City owned land adjacent to Otter Street to provide access to Bangor & Aroostook Trail.	City of Caribou Recreation Dept.	\$40,000	Maine Trail Fund City	2000-2001	X
<u>RECD IRP Loan Program:</u> Application pending to receive funding for an Intermediary Relending Program to assist needs of local businesses.	Caribou Development Corporation	\$600,000	RECD CDC	2000-2001	X

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<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	2000-2001	NAI
<u>Chapman Housing Rehab</u> : Acquisition, demolition and relocation.	Town (Chapman)	\$300,000	CDBG Town	2000-2001	NAI
<u>Eagle Lake Industrial Park</u> : Extend water/sewer lines. Purchase additional acreage.	Town of Eagle Lake	\$400,000	CDBG Town	2000-2001	X
<u>Beach Area/Water-Front</u> : Purchase land to expand beach/recreation area.	Town	\$200,000	Town EPA Grant	2000-2001	X
<u>Northern Aroostook Solid Waste Association (NASWA)</u> : Construct storage/recycling building.	Municipal Partners	\$80,000	NASWA CDBG	2000-2001	X
<u>Eagle Lake/Winterville Housing Rehab</u> : For benefit of LMI households.	EagleLake Winterville (Town-wide)	\$300,000	CDBG	2000-2001	X
<u>Eagle Lake/Winterville Micro Loan</u> : For job creation/retention for LMI individuals.	Eagle Lake Winterville (Town-wide)	\$100,000	CDBG	2001-2002	X
<u>Public Library/Chamber Office/Community Center</u> : Acquisition and rehab or construction of building.	Eagle Lake	\$250,000	CDBG	2001-2002	X

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>Easton: McCains Expansion.</u> \$15 million for Wastewater Treatment Facility.	Town (Easton) McCains	\$70 Million	TIF Municipal Bonds ETIF	2000-2001	BI
<u>ECO 2000:</u> Northern Maine Telecommunications Infrastructure Planning Project	ECO2000	\$221,650	National Telecommunication and Information Adm.	2000-2001	X
<u>Fort Fairfield Flood Control Dams:</u> To repair and maintain the Town's dams along major brooks.	Town (Fort Fairfield)	\$250,000	FEMA MDOT Town	2000-2001	BI
<u>Fort Fairfield Public Safety Building:</u> Rehabilitate the Fort Fairfield Armory into a Public Safety Building.	Town (Fort Fairfield)	\$400,000	Federal State Local	2001-2002	BI
<u>Fort Fairfield Town Office/ Municipal Building:</u> Improvements to public safety facilities. Address handicapped accessibility issues.	Town (Fort Fairfield)	\$200,000	Local	2000-2001	BI
<u>Fort Fairfield Starch Facility:</u> Renovation of an existing building to construct a state-of-the-art starch processing facility to eliminate potato-processing wastes.	Town (Fort Fairfield)	\$10 million	CDBG Town Private	2001	BI
<u>Fort Fairfield Riverfront Park:</u>	Town (Fort Fairfield)	\$200,000	Town DOC	2000-2001	X
<u>Fort Fairfield:</u> Revolving Loan Fund	Town (Fort Fairfield)	\$100,000 max per application	Town	On-going	X

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<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
<u>Houlton Band of Maliseet Indians:</u> Food and Nutrition Project.	Houlton Band of Maliseet Indians	\$93,571	DHHS	2000-2001	X
<u>Manufacturing Technology Program in Houlton:</u> Develop a CNC machining and fabrication education program to serve the precision metal sector.	MVR2 SADC Houlton	\$245,865	Nellie Mae Foundation Maine Technological Institute Cluster Proposal	2000-2001	X
<u>Houlton Spec Building:</u> Build and market new spec building to attract new business to Houlton.	Town (Houlton)	\$800,000	Fed State Private Local	2000-2002	X
<u>Houlton Intermodal Site:</u> In conjunction with B&A RR, construction of an Intermodal freight transfer facility.	Town B&A RR MLS Inc. (Houlton)	\$350,000	B&A MDOT	2000-2002	BI
<u>Southern Aroostook Industrial Park:</u> Construct a regional industrial/commercial park in southern Aroostook.	Upper Valley Economic Council Sherman Stacyville Patten Mount Chase	\$5,000,000	EDA Municipal	2002-2003	X
<u>Houlton Micro-Business Park:</u> Develop suitable locations for small businesses, using vacant B&A property.	Town B&A RR (Houlton Redevelopment Area)	\$Unknown	CDBG Town Private	2000-2001	NAI
<u>Houlton Business Information Brochure:</u> Using modern telecommunications techniques, complete Business Information Disk and mailing package.	Town (Houlton)	\$3-5,000	Town	2000	BI
<u>Houlton Telecommunications Upgrade:</u> Install fiber optic system, upgrade switching to best available POP to support growth of telecommunications industries.	Town (Houlton)	\$Unknown	NYNEX CDBG Town	2000	NAI

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>Houlton Trailhead Park</u> : Construct ¼ mile of a 5 mile greenway trail system for biking, walking and multi-use. The ¼ mile will include construction of bathrooms, parking lot, interpretive center, and foot bridge.	Town (Houlton)	\$900,000	MDOT Town Private	2000-2003	X
<u>Houlton Industrial Park Drainage System</u> : Design and construct a drainage system for the Houlton Industrial Park.	Town (Houlton) Shiretown Development Corporation	\$200,000	DECD EDA	2001-2002	X
<u>Houlton Industrial Park Lot Improvements</u> : Construct driveways, clear trees, and remove old foundations in the Houlton Industrial Park.	Town (Houlton) Shiretown Development Corporation	\$60,000	Town EDA	2001-2002	X
<u>Houlton International Airport</u> : Construct a Public Works Garage for dedicated airport equipment.	Town (Houlton) FAA MDOT	\$250,000	Town FAA MDOT	2001-2003	X
<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)	\$100,000	CDBG/Town/ Private	2000-2003	NAI
<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	2000	NAI
<u>Limestone Water &amp; Sewer District</u> : Water treatment equipment upgrade, improvements to existing water treatment plant.	Town (Limestone)	\$631,300	Rural Development	2000-2001	BI

Project & Brief Description	Potential Applicants (Primary Impact Area)	Cost Estimate	Proposed Funding Sources	Time Frame	Environmental Impact
<u>Mapleton Sewer Rehab:</u> Development of sewer rehab and Treatment Facility construction.	Town (Mapleton)	\$3,900,000	RD CDBG EPA	2001- 2002	BI
<u>Mars Hill:</u> McCrum Farms to construct a potato wash plant and storage facilities.	Town of Mars Hill	\$1,000,000	TIF PMIF NMDC	2000	X
<u>Mars Hill:</u> Construct an expansion of the Mars Hill Country Club including 9 new holes.	Town of Mars Hill	\$200,000	Private	2000	X
<u>Presque Isle:</u> Water line installation, sidewalk installation, street paving	City (Presque Isle)	\$300,000	CDBG City	2000	BI
<u>Presque Isle:</u> Northern Maine Regional Airport Marketing Plan	City (Presque Isle)	\$20,000	MDOT County of Aroostook City	2000	X
<u>Van Buren Municipal &amp; Ambulance Building:</u> Renovations to both buildings	Town (Van Buren)	\$75,000	CDBG Town	2000	NAI

**Economic Development District Council  
Caribou Inn & Convention Center  
September 8, 1999  
Meeting Minutes**

**Attendance:**

Members:

Patricia Sutherland, Council Chair – NMTC  
David Ricker – City of Caribou  
James Brown – Presque Isle  
Gary O’Neal – Legislative Representative  
John Edgecomb – Town of Chapman  
Connie Sandstrom – ACAP  
Norm Thibodeau – Town of Van Buren  
C.P. Harris – LDF  
Pete Louridas-MPS  
David D. Cyr – County of Aroostook  
Marguerite Lawler – People’s Heritage Bank  
Brian Hamel - LDA  
Carolyn Dorsey – Husson College  
Mel Gould – UVEC  
Jim Patterson – MSSM  
Pete - MPS

Ex-Officio:

Tony Levesque – Fort Fairfield  
Bob Tardiff - Caribou

NMDC Staff:

Jane Caulfield  
Alain Ouellette  
Mark Davenport  
Linda Berube

**Call to Order**

Patricia Sutherland called the meeting to order at 12:10 p.m., welcoming the Council members.

**Minutes**

Patricia asked if there were any corrections or discussions on the meeting minutes of July 29, 1999. None being noted, Patricia asked for a motion to accept the July 29, 1999 meeting minutes as presented.

**Motion/Vote**

Motion made by Arthur Faucher, seconded by David Ricker to accept the July 29, 1999 meeting minutes as presented.

Motion voted on and passed.

**Update on Showcase Maine 1999**

Jane Caulfield gave an update on Showcase Maine 1999 and briefly described the purpose and goals of Showcase Maine. The purpose of Showcase Maine was to bring national site location consultants into Maine and to expose them to Maine’s business story. The theme of Showcase Maine 99 was “Rural Maine Works”. The specific goals were to familiarize the consultants with business climate in Maine and Aroostook County and, if necessary change any false perceptions. It was a key goal to demonstrate how businesses can succeed in less populated areas, include key legislators on the trip to educate them about the competition for business attraction, and gain positive public relations inside Maine about the importance of business attraction.

There were nine national site location consultants who came to Maine and Aroostook County. All of the consultants said they had little knowledge about Maine's business climate. Again, the most common perception was that Maine is primarily a tourism state, that Maine has extreme weather conditions not suitable for business, Maine has an average infrastructure, and it is difficult to find employees. Alain Ouellette noted that after the trip through Maine, every consultant indicated that their perception of Maine changed, that the trip was an effective marketing vehicle, and that they would recommend rural Maine to their clients. Alain also mentioned that the consultants were very impressed with the coordination between the public and private sectors for economic development.

A member of the EDDC asked if Showcase Maine was paying off, was Aroostook County or Maine getting leads from the site location consultants. Bob Clark replied, saying that for the past four years that Showcase Maine has been in existence, not one lead has come from Showcase Maine. But, Showcase Maine has helped Maine and Aroostook County improve in areas we were previously lacking in. However, Bob Clark mentioned that Showcase Maine did provide a possible lead this year for Aroostook County.

Jane Caulfield told the EDDC members that once a final report has been issued on Showcase Maine, NMDC will send each council member a copy of the report. The report will also have comments and suggestions on how to improve Marketing efforts in Maine and Aroostook County, along with a sheet rating the different tours and regions in Maine. No plans have been set, as of yet, for a return visit of Showcase Maine to Aroostook County.

### **GIS Update**

Ken Murchison, Computerized Mapping Coordinator and Geographic Information Systems Specialist gave a brief report on the newly created GIS program. With the purchase of ArcInfo/ArcView software packages, a professional geographic information system (GIS) package will help bring the power of GIS to the desktop level. Ken stated that the implementation of a true GIS system is going to help NMDC efficiently relate data spatially; that is, to bring data and graphic maps together using data and map sources created both in house and imported from other organizations. Ken went on to add that maps could be viewed together with pertinent data or themes in the form of spreadsheets and tables to create maps for presentations or reports. The maps can cover areas from anywhere in the world including foreign countries, states, towns, or even a particular street in a neighborhood.

NMDC will use the software to map census information, trends in growth patterns, comprehensive plans, economic development reports, population densities, and household income patterns in Aroostook County and customized information for business prospects. Ken also added that industrial parks or available building information for specific towns could be added into the system along with the information provided through the workforce analysis program. This will allow NMDC the ability to provide interested businesses who wish to locate in Aroostook County with specific information they are looking for in regards to the workforce in Aroostook County or for a specific community.

Questions were asked by Barry McCrum and Dave Ricker in regards to the possibility of combining all the data that has already been collected into one large database and if NMDC will be providing GIS services for the municipalities. Ken responded, saying that NMDC would be more than happy to assist any community who needs a comprehensive profile to help attract businesses to their area. Ken added that many of the databases NMDC currently have would be added to the GIS system.

Ken also mentioned that NMDC is currently working with MDOT for the North/South Interstate system study. NMDC will be providing maps and linking tabular data to those maps to help with the construction of the highway.

### **Results of the Workforce Analysis Program**

Jane Caulfield gave an update to the council members on the pilot workforce analysis program that was conducted in the Presque Isle-Caribou Labor Market Area (LMA). Jane said that 385 households in Aroostook County were surveyed, either through a mail and phone interview and 20 of northern Maine key employers were interviewed by NMDC staff. Jane went on to add that the results of the surveys and interviews indicated that firms are able to fill lower-skilled positions relatively quickly (between 4 and 5 weeks on average), but higher skilled professional and managerial positions take two to three months on average to fill.

The report also showed that with recent lay-offs and closures in the Presque Isle-Caribou LMA, many of the individuals who were affected have recovered to a greater extent than commonly believed. Almost half (47.5%) who have experienced a job loss from a permanent layoff or business closing have found another job within 3 months, and two thirds (68.9%) indicate that the next job was as good as or better than the previous jobs, with nearly half saying the next job was better than the job lost.

The household survey indicates a strong overall desire to go to school for additional training within the next two years. Younger workers and those earning lower wages and salaries are more likely to want to pursue schooling. The survey also showed that commuting patterns in the Presque Isle-Caribou LMA are relatively short, and are largely invariant with respect to wages and salaries. The average commute time for the area as a whole is 14 minutes, and is only 17 minutes for those earning \$15 an hour and 13 minutes for those earning less than \$6 an hour.

The report also showed the Presque Isle-Caribou region is an attractive location from a workforce perspective. It is generally low cost and high quality, and has a high proportion of “latent” labor supply. Limited population and labor force growth means that employers are increasingly competing for the same labor supply, particularly for managerial and professional positions. In regards to education and training, the report showed that education and training resources in the region are good, but continued concerns about basic skill preparedness for a noticeable proportion of employers and employees need to be addressed. The proportion of the workforce with education beyond high school may be source of concern in the future.

After Jane presented the finding from the Workforce Analysis report, council members wanted to know how Aroostook County could do a better job in keeping its young people in the region and to attract people to come to work in Aroostook County. Bob Tardiff from the Caribou

Development Corporation mentioned that his company along with the University of Maine at Presque Isle, are in the process of creating a web site [www.arostookjobs.com](http://www.arostookjobs.com), that will list available jobs in Aroostook County. Many council members agreed that Aroostook County should start communicating and sending letters to its alumni, whether it's alumni from the University, Technical College or High Schools, we need to find out if past students would come back to Aroostook County, if there were jobs.

#### Final Discussion on the Comprehensive Economic Development Strategy

Mark Davenport started the discussion on the Comprehensive Economic Development Strategy (CEDS) to see if there were any discussions or changes that should be made to the CEDS before the final draft is complete. Charles Rudelitch, Community Development Director for the Town of Fort Kent made a few suggestions in regards to projects that should be included in the Development Strategies section of the CEDS for the Town of Fort Kent. Other suggestions made were in regards to the Development Strategies section of the CEDS. Council members representing various communities wanted to see additional projects for their town in the CEDS.

Charles Upton, Community Development Director for the Town of Houlton, asked what benefits Aroostook County would receive for being designated a Rural Champion Community through the USDA. Bob Clark and Jane Caulfield responded, saying that any community looking to get a project funded through EDA would receive priority points or additional points on their application.

Before the meeting ended, Mark mentioned to the council members that if there are additional projects or any other changes that should be made to the CEDS, they should be given to him by Friday, September 10<sup>th</sup>.

There being to further discussion on the CEDS, Patricia Sutherland asked for a vote to recommend to the NMDC Executive Board to accept the 1999 Comprehensive Economic Development Strategy (CEDS) Annual Report with amendments.

#### **Motion/Vote**

Motion made by Daniel Lapointe, seconded by Arthur Faucher to recommend to the NMDC Executive Board to accept the 1999 Comprehensive Economic Development Strategy (CEDS) Annual Report with amendments.

Motion voted on and passed.

#### **Adjournment**

Pat asked if there were any other questions or discussions. Jane Caulfield asked when the next meeting should be held, Pat suggested November 10<sup>th</sup>, 1999, members agreed that would be a good date. There being no further questions or discussions, Pat adjourned the meeting at 1:55 p.m.

Respectfully submitted,

Linda M. Berube

Community Development Specialist

**Economic Development District Council  
Caribou Inn & Convention Center  
November 17, 1999  
Meeting Minutes**

**Attendance:**

Members:

Patricia Sutherland, Council Chair – NMTC  
David Ricker – City of Caribou  
James Brown – Presque Isle  
Gary O’Neal – Legislative Representative  
John Edgecomb – Town of Chapman  
Connie Sandstrom – ACAP  
Norm Thibodeau – Town of Van Buren  
C.P. Harris – LDF  
David D. Cyr – County of Aroostook  
Marguerite Lawler – People’s Heritage Bank  
Brian Hamel - LDA  
Carolyn Dorsey – Husson College  
Mel Gould – UVEC  
Jim Patterson – MSSM  
Pete Louridas - MPS

Ex-Officio:

Tony Levesque – Fort Fairfield  
Bob Tardiff - Caribou

NMDC Staff:

Jane Caulfield  
Alain Ouellette  
Linda Berube

**Call to Order**

Patricia Sutherland called the meeting to order at 11:00 a.m. and welcomed the Council members.

**Minutes**

Patricia asked if there were any corrections or discussions on the meeting minutes of September 8, 1999. None being noted, Patricia asked for a motion to accept the September 8, 1999 meeting minutes as presented.

**Motion/Vote**

Motion made by Norm Thibodeau, seconded by Gary O’Neal to accept the September 8, 1999 meeting minutes as presented.  
Motion voted on and passed.

**Discover America**

Jane reported that this program involves a feature on Northern Maine’s winter recreational and cultural opportunities. A five to six minute scene in one episode will air on Discovery Channel’s Travel Channel with a minimum of one re-run. TLN’s public relations department will distribute articles and editorials in both regional and national magazines and newspapers. The show will also be promoted in color print advertising in national publications such as *US News and World Report*, *Redbook*, and *Travel & Leisure*. Participants receive an edited broadcast quality master

tape of the episode, customized for the region's specific marketing purposes. Comparable national caliber productions including talent, music licensing and graphics run in the range of \$35,000 to \$50,000. The package also includes inclusion in the TLN Internet Web Site for one year. This package provides a rare opportunity for Northern Maine to showcase its winter recreational and cultural opportunities to a national audience. Governor King also plans to make an appearance on camera at the Can-Am Sled Dog Race. Northern Maine must raise a total of \$17,500 to defray pre-production costs and travel expenses for the production crew of the Teaching Learning Network (TLN). Sponsors so far include: NMDC, Loring Development Authority, County of Aroostook, Aroostook County Tourism, KeyBank, Department of Economic and Community Development, Maine Public Service, First Citizens, and Katahdin Trust.

### **Workforce Analysis Program**

Jane Caulfield gave an update on the Workforce Analysis Program. There have been a couple of good articles on the study from USM's Business Indicators. NMDC also has direct access to the information that is posted on the Maine Business Works Web site. NMDC is working to open access to the site to businesses and organizations that want to use the information to assist in business expansion/location decisions, or to develop educational programs.

She also stated that the workforce analysis survey process has three components. These include household phone interviews, employer mailings, and in-depth interviews with key businesses. Originally the business surveys were to go out in the Southern Aroostook area (Houlton, Patten, Island Falls, and Millinocket) in September, followed by Northern Aroostook (Van Buren, Madawaska, and Fort Kent). The business and household surveys will go out in the northern and southern areas over the next two months (January and February). NMDC staff will also be doing the business interviews during the same time period. Charles Colgan at the University of Southern Maine stated that he is working out the situations where businesses have multiple locations and trying to devise a method of consistency in how and where their surveys are completed (branch office, local manager, headquarters, etc.).

### **Wherry Addendum**

An addendum was made to the 1999 CEDS to include the removal of the remaining Wherry Housing at the Loring Commerce Centre. The Wherry Housing is comprised of 720 housing units, 320 units on South Wherry and 400 units on North Wherry, and is dilapidated and asbestos laden. The cost of the project was higher than anticipated due to the asbestos issue and additional funding is needed to complete the removal of the remaining Wherry Housing. Removal of this housing would create possibilities for highly marketable developable space. Pat Sutherland moved to add the Wherry Addendum to the 1999 CEDS. It was seconded and a vote taken. The addendum was voted to be added to the 1999 CEDS. This project will be listed with top priority projects, but for EDA's defense adjustment funds only.

### **Aroostook Champion Community**

Linda Berube reported that USDA-Rural Development has met several times to work with defining and benchmarking projects for the Aroostook Champion Community Strategic Plan. Rural Development encouraged additional projects in health, social services, education, and job training. A call for projects was sent to all major agencies, especially seeking those in excess of \$200,000. Responses were good. In all, approximately 42 projects have been benchmarked to be placed on the EZ web site. A Memorandum of Agreement will be signed in late December and a date is being worked out presently with USDA-Rural Development.

### **OneAroostook Marketing Program**

Alain Ouellette reported that DECD has made marketing money available to subregional organizations. Four in Aroostook County received funding and they include; the Saint John Valley Marketing Group, the Central Aroostook Business Marketing Program, The Southern Aroostook Development Corporation, and the Upper Valley Economic Council. Combined with NMDC monies, these funds totaling \$240,000 will be used to promote Northern Maine as a viable location for business development. The Aroostook Marketing Committee, which is comprised of delegates from all four subregional groups, and NMDC, have already met three times to work out strategies to avoid duplication of efforts and coordinate marketing efforts.

### **Adjournment**

Pat asked if there were any other questions or discussions. Jane Caulfield asked when the next meeting should be held. Pat suggested January 12, 2000 members agreed that would be a good date. There being no further questions or discussions, Pat adjourned the meeting at 1:00 p.m.

Respectfully submitted,

Linda Berube  
Community Development Specialist

**Economic Development District Council  
Caribou Inn & Convention Center  
January 14, 2000  
Meeting Minutes**

**Attendance:**

Members:

Patricia Sutherland, Council Chair – NMTC  
John Edgecomb – Town of Chapman  
Connie Sandstrom – ACAP  
Mel Gould – UVEC  
Roy Gardner – Town of Allagash  
Marguerite Lawler – People’s Heritage  
Jon McLaughlin – SADC  
Walt Elish – Maine Public Service

NMDC Staff:

Robert Clark  
Jane Caulfield  
Alain Ouellette  
Linda Berube  
Brian Longstaff

**Call to Order**

Patricia Sutherland called the meeting to order at 11:00 a.m. and welcomed the Council members.

**Minutes**

Patricia asked if there were any corrections or discussions on the meeting minutes of November 17, 1999. None being noted, Patricia asked for a motion to accept the November 17, 1999 meeting minutes as presented.

**Motion/Vote**

Motion made by Marguerite Lawler, seconded by John Edgecomb to accept the January 14, 2000 meeting minutes as presented.  
Motion voted on and passed.

**Memorandum of Agreement**

Robert Clark reported on the Memorandum of Agreement that was signed on December 29<sup>th</sup>, 1999 designating Aroostook County as a rural Champion Community. The designation will provide some preference in scoring in some program funds. The next step will be to post the benchmarked projects on the EZ/EC website.

**RBEG**

Jane Caulfield reported that a \$30,000 Rural Business Enterprise Grant was submitted to implement the Aroostook Champion Community Strategic Plan and Targeted Opportunities Program.

**Innovations in American Government Award**

Linda Berube reported that an Innovations In American Government Award was submitted for the work completed on the Aroostook Champion Community Strategic Plan. If awarded, \$25,000 would be awarded to further the work of the Strategic Plan.

### **Update on CDBG Projects**

Linda Berube updated the Council on CDBG applications pending. Two Community Planning Grants are being developed for the Town of Frenchville and the City of Caribou. The City of Caribou would like to develop a plan for the revitalization of its downtown and Frenchville is looking to restoring an historic mill for economic and community development. Housing Assessment Planning Grants will also be submitted for Benedicta/Silver Ridge, Haynesville, Orient, St. Francis, St. John, and Woodland.

### **One Aroostook Marketing Program**

Alain Ouellette reported that he will be back on the road with trade shows in the spring, and marketing trips and corporate visits are planned. In the past local groups have operated on their own with minimal capital, but now with the new collaboration there will be more solid marketing capabilities, web development, etc. There is a wood products show in Chicago that he will attend and Irving is sharing the cost of the trip.

### **Brian Longstaff – Business Development Specialist**

Brian Longstaff – NMDC Business Development Specialist was introduced and gave a brief presentation on the services he will be offering to communities out of the NMDC Southern Aroostook satellite office in Houlton at 39 Bangor Street. He can be reached at 532-0644.

### **CEDS discussion and what's new for the upcoming year?**

Jane Caulfield discussed the major demographic and economic changes for the region that will be part of the CEDS document. Jane said that a shrinking labor market is an issue for some employers, but that employment seems to be increasing. An open discussion followed where members shared interests and concerns in business, the work force, road projects, the wood industry, education, and subdivisions, in the upcoming year.

### **Adjournment**

Pat asked if there were any other questions or discussions. Jane Caulfield asked when the next meeting should be held. Pat suggested in the early spring and members agreed that a date could be set near that time. There being no further questions or discussions, Pat adjourned the meeting at 1:00 p.m.

Respectfully submitted,

Linda Berube  
Community Development Specialist

**Economic Development District Council  
Caribou Inn & Convention Center  
May 10, 2000  
Meeting Minutes**

**Attendance:**

Members:

Patricia Sutherland, Council Chair – NMTC  
John Edgecomb – Town Castle Hill  
Connie Sandstrom – ACAP  
Mel Gould – UVEC  
David Cyr – County of Aroostook  
Marguerite Lawler – People’s Heritage  
Charles Upton – Town of Houlton  
Jim Brown – City of Presque Isle  
Mary Walton – LDA  
Arthur Faucher – Town of Madawaska  
Dan LaPointe – Town of Van Buren  
Barry McCrum – Time Warner

NMDC Staff:

Robert Clark  
Jane Caulfield  
Linda Berube

**Call to Order**

Patricia Sutherland called the meeting to order at 11:00 a.m. and welcomed the Council members.

**Minutes**

Patricia asked if there were any corrections or discussions on the meeting minutes of January 14, 2000. None being noted, Patricia asked for a motion to accept the January 14, 2000 meeting minutes as presented.

**Motion/Vote**

Motion was made by Arthur Faucher, seconded by Barry McCrum to accept the January 14, 2000 meeting minutes as presented.  
Motion voted on and passed.

**Marketing and Business Attraction**

In March, NMDC applied for \$50,000 USDA Rural Business Opportunity Grant to establish the Northern Maine Entrepreneur Support Program (ESP), which will build on existing business development programs, but will improve their effectiveness by providing in-depth and long-term assistance to small businesses that have growth potential and/or an interest in continuous improvement.

A USDA Rural Business Enterprise Grant was submitted and is still pending notification. This funding would support higher priority projects in the Aroostook Champion Community strategic plan and focus on programs that support business development since this is the focus of the RBEG program. Some of this funding would also be used to develop the Targeted Opportunities Program which would form an organization to provide venture capital to businesses, and to apply

to the U.S. Department of Treasury for Community Development Financial Institution funding to help capitalize the program.

Barry McCrum commented on the International Development Resource Council's World Congress in New York and stated that it should be done again. The next one will be in Orlando, Florida.

LEAD is in the process of developing a business attraction committee and a list of people who will attend trade shows.

### **Margaret Chase Smith Maine State Quality Award**

**Jane reported on the Margaret Chase Smith Maine State Quality Award program that** assists organizations in their quest for continuous quality improvement and competitive excellence. There are three distinct levels in the program – commitment, progress, and excellence – each indicating a higher level of performance and recognition. NMDC retained the services of Jack Quirk to facilitate the process. As a board member and examiner for the Association, Jack has been able to help us mesh the objectives of this award program with our organizational planning process. After a short training in the quality systems approach to organizational planning, we took a look at how MCSQA values fit NMDC values. Retreats were conducted and all the information was placed into a strategic planning document. A review and comment were completed before the final draft. At the same time NMDC applied for Level I (“Commitment”) of the Margaret Chase Smith Quality Award. A site visit will also be conducted.

### **CDBG Projects**

Linda Berube updated the Council on CDBG applications. Two Community Planning Grants were awarded to Frenchville and Caribou. The City of Caribou will develop a plan for the revitalization of its downtown and Frenchville will develop plans to restore an historic mill for economic and community development.

### **CEDS**

The CEDS annual update will be completed by fall and ready for review. Project updates are still being collected at this time.

### **Champion Community**

Linda Berube reported that the benchmarks are now ready to load onto the EZ website. They will be loaded onto the site during the next couple of months. A new round of competition for EZ/EC status will probably be held sometime in 2001.

### **HUD-Rural Housing and Economic Development Grant**

In April, NMDC applied for a HUD Rural Housing and Economic Development – Capacity Building Grant for the “GIS for Northern Maine Project”. NMDC is seeking \$149,463 to expand NMDC's capacity for managing, storing, analyzing, displaying, maintaining, and most importantly, sharing a vast array of vital information for economic and community growth. By centralizing information about the northern Maine region in a GIS, the process of analyzing data

and recognizing trends will be much faster and have an extensive spatial component. NMDC and its collaborators provided a match of almost \$1 million.

### **EDDC Restructuring Committee**

Pat Sutherland presented the need that the EDDC be restructured in the near future. She asked for volunteers and several people including; Arthur Faucher, Linda Berube, and Barry McCrum, stated their interest in working with Pat to restructure the Council.

### **Adjournment**

Pat asked if there were any other questions or discussions. There being no further questions or discussions, Pat adjourned the meeting at 1:00 p.m.

Respectfully submitted,

Linda Berube  
Community Development Specialist

# Appendix

## **LETTERS OF SUPPORT**

County of Aroostook

County of Penobscot

Town of Allagash

Town of Ashland

Town of Bridgewater

City of Caribou

Town of Caswell

Town of Eagle Lake

Town of Easton

Town of Fort Fairfield

Town of Frenchville

Garfield Plantation

Town of Grand Isle

Town of Hersey

Town of Houlton

Town of Island Falls

Town of Littleton

Town of Madawaska

Town of Mars Hill

Town of Patten

City of Presque Isle

Town of St. Agatha

St. John Plantation

Town of Sherman

Town of Wallagrass

Town of Weston

Town of Woodland

MDOT Projects Division 1 can be found on the Internet at:

<http://www.state.me.us/mdot/planning/btip/div1.htm>