

# **Five year preliminary development plan**

## **1. Description of the Representative Governance**

The Aroostook County Pine Tree Zone (PTZ) will utilize a governance structure that was developed for the Aroostook County Empowerment Zone (ACEZ). This governing body, known as the Northern Maine Empowerment Council (NMEC), has provided oversight and direction for developing the Comprehensive Economic Development Strategy and the ACEZ Strategic Plan. Recognizing that the PTZ has sub-zones located throughout the Northern Maine Economic Development District (NMEDD), it is imperative that a comprehensive, cohesive strategic plan that will promote revitalization be implemented.

NMEC is a standing committee of Northern Maine Development Commission, Inc. (NMDC), City of Caribou, County of Aroostook, State of Maine. The members of the Council consist of a total of no less than fifteen (15) nor more than twenty-one (21) members. At least three (3) of the members are low income, minority, elderly, disabled and/or youth residents of the Empowerment Zone. The membership of the Council is representative of the entire socio-economic spectrum of the NMEDD region. Membership representation includes, but is not limited to, business, social service agencies, health and education entities, low income, minority, elderly, disabled, and youth residents, employment and training, community and economic development organizations, and public leadership

To elect new members to the NMEC, the NMDC Board of Directors will advertise publicly that elections to the Council will be taking place at the annual meeting of the NMDC General Assembly in June of each year. Any person interested in becoming a member of the Council shall submit a written and signed application, on a form approved by the NMDC Board of Directors, to the Secretary/Clerk of NMDC. The NMDC Board of Directors will conduct an election by written ballot, from the applications received, an appropriate number of members to fill any and/or all vacancies on the Council. The initial election of members elected one-third (1/3) of the members to serve a one (1) year term, one-third (1/3) of the members to serve a two (2) year term, and one-third (1/3) of the members to serve a three (3) year term. In succeeding elections, the members are elected for a three (3) year term or as appropriate to maintain the balance of staggered terms.

All actions of the NMEC with regards to the PTZ will occur in accordance with its existing bylaws. These bylaws have been included within the supplemental materials section of this application as Attachment #2.

## **2. Goals & Objectives**

The Pine Tree Zone program was designed to encourage business investment in economically distressed areas of the state in order to:

- A. Provide new employment opportunities;
- B. Improve existing employment opportunities;
- C. Improve and broaden the tax base; and
- D. Improve the general economy of the state

The primary goal of the Aroostook County Pine Tree Zone will be to work to achieve each of these objectives while successfully incorporating these efforts into the Comprehensive Economic Development Strategy already in place for Northern Maine. For reference, a copy of the CEDS can be viewed online at [http://www.nmdc.org/ed/CEDs\\_Index.html](http://www.nmdc.org/ed/CEDs_Index.html). One of the primary goals for the region is to facilitate the creation of 1,500 net new jobs and attract at least \$50 million in new capital investments by 2007. To accomplish this goal the following strategies are being implemented, with the intent of utilizing the PTZ as an integral part of this effort.

### **STRATEGY 1**

- Develop and “sell” financially engineered transactions to interested companies.
- Assist communities in formulating incentives for local properties.
- Work with State and Federal governments to incorporate incentives into specific transactions.
- Identify other incentives that businesses, educational institutions, and utilities could provide.

### **STRATEGY 2**

- Target businesses to attract to The County, focusing on:  
Aircraft Maintenance Facilities, Postal/Freight Shipment Industries, Technical Customer Support Facilities, Claims Adjudication, Federal Contractors, and industries that provide services to the Department of Defense, Homeland Security, and NASA.
- Conduct reverse investment/prospecting trips to northern Europe and Quebec.
- Analyze the feasibility of having “virtual” APP offices in Northern Europe and Montreal

- Utilize New Sweden contacts to generate business opportunities in Sweden.
- Host an APP Reception during the Quebec Winter Carnival.
- Identify geographical areas where northern Maine has a distinct business advantage.
- Conduct a tax comparison analysis between Northern Maine and other targeted regions.

### **STRATEGY 3**

- Organize meetings between APP investors and the U. S. Congressional delegation throughout the year to discuss development issues important to The County.
- Identify Homeland Security and Defense projects that could be developed in Aroostook County, utilizing the resources of the Manufacturing Extension Partnership and the Maine International Trade Center.

### **STRATEGY 4**

- Identify opportunities to purchase businesses and relocate them to Aroostook County.
- Meet with investment bankers and business brokers to inform them of our interest in purchasing businesses.

### **STRATEGY 5**

- Initiate County-Wide Business Retention Program.
- Call on Presidents/CEOs of existing Commercial/Industrial Businesses routinely to assess their needs.
- Develop plan of action to address specific business needs.
- Identify and promote resources available to businesses.
- Create business Appreciation Month and Appreciation Day.
- Recognize successful businesses – Awards and Keynote Speaker.

### **3. Fit to the Region**

In 2001, a multi-resource approach was used to develop strategies for both economic opportunity and sustainable community development. In addition, elements from two other important planning processes were integrated into this basic plan: 1) Local Comprehensive Planning, and 2) Comprehensive Economic Development Strategy for Northern Maine. Northern Maine has worked diligently to mold all economic development efforts so that they work together in achieving these overall goals. The goals for the PTZ are a perfect fit to those already in place within Northern Maine.

The first and most significant goal within Northern Maine's CEDS is to support business success by creating an environment that supports the success of existing businesses as well as new business. This goal is to be achieved through the following four strategies.

Strategy 1 – Upgrade the condition and capacity of the region's public infrastructure to support business success, such as transportation systems, telecommunication systems, and public facilities and services.

Strategy 2 – Minimize barriers and support employers and employees through educational programs, financial assistance, and legislative efforts.

Strategy 3 – Continue to build on and integrate existing regional marketing programs for business and tourism development through efforts such as targeting industries best suited for Aroostook's natural and human resources, developing tourism related infrastructure and capitalizing on the proximity with Canada.

Strategy 4 – Expand natural resource-based businesses through the continued development of forest product industries, and agriculture.

**4. Five year Plan**

**a. Operations and Administration**

Northern Maine Development Commission (NMDC) will be the administrating agency for implementing the Aroostook County Pine Tree Zone (PTZ). NMDC along with support from the NMEC, participating municipal leaders, as well as other public and private entities organized as the Aroostook Partnership for Progress will work to achieve the goals of the PTZ and that of the regional comprehensive economic development Strategy (CEDS). NMDC staff will serve in an administrative role to the NMEC governing body and as an organizational body to those economic development efforts occurring regionally.

**b. Budget**

NMDC has secured funding to facilitate the operation and administration for the Aroostook County PTZ. In June 2003, NMDC received a USDA, Rural Development, Rural Business Enterprise Grant, in which \$50,000 was dedicated to the PTZ efforts within the Aroostook County Region. This money has been very successful in leveraging local match from communities participating in the PTZ.

| Rural Development RBEG | Community Match captured to date | Total Funds Leveraged for PTZ efforts to date |
|------------------------|----------------------------------|---|
| \$50,000.00            | \$12,796.00                      | \$62,796.00                                   |

**c. Cooperative Agreements**

All participating units of government that are included within the Aroostook County Pine Tree Zone and the service area of Northern Maine Development Commission have entered into cooperative agreements as required by Title 30-a, Chapter 119, Regional Cooperation (Heading: PL 1987, c. 737, Pt. A, @2(New)). This legislation created organization of regional planning districts and agencies as well as the cooperative agreements that were required. This legislation can be found as Attachment #3 under supplemental material section of this application.

#### **d. Marketing and Public Relations**

Marketing and Public Relations for the Aroostook County Pine Tree Zone will be implemented with the assistance of a unique organization set up with one of its goals being to market the region as a great place to do business. Aroostook Partnership for Progress (APP) is a grass-roots, public-private initiative of NMDC and Maine Public Service dedicated to aggressive and effective results-oriented actions that leverage the financial commitments and talents of the private sector in partnership with the public sector. APP will implement an economic development marketing program that will address the loss of 32,000 people from 1960 to 2001, an increasingly aging population, the need for more quality job opportunities, and low per capita incomes by: 1) attracting 1,500 new jobs to the County by 2007; 2) attracting \$50 million in new capital investments by 2007; and 3) increasing growth from existing businesses and entrepreneur activity.

APP intends to increase the awareness of Aroostook County among decision-makers involved with business expansion, relocation, and investment in the United States, Canada, and Europe. This goal will be accomplished through the following three strategies.

##### **STRATEGY 1**

- Develop marketing theme and campaign with required collateral materials.
- Develop video promoting Aroostook County.
- Develop APP web page.
- Create County Profile data sheets.
- Develop film promotion video.
- Create newsletter focusing on development opportunities in the region.

##### **STRATEGY 2**

- Reinforce the Aroostook County “brand” by using a strategic marketing campaign to relocation prospects in targeted markets and industries using the following tactic: Feature articles in targeted journals, newspapers, & magazines.
- Promote Aroostook County on Public Radio & Public TV.
- Conduct “familiarization” tours to showcase Aroostook County to media, editors, site location consultants, and business prospects.

##### **STRATEGY 3**

- Utilize strategic alliances and other personal contacts to network and effectively communicate the Aroostook County “brand” to the following:
  - Site location consultants.
  - Prospects and other direct contacts.
  - Federal and State commerce departments.
  - Congressional and Aroostook County delegations.
  - International Trade Offices.

**e. Specific Rolls of participating units of local government**

Each participating unit of local government is responsible for the oversight of the sub-zones located within their community or region. Each must maintain at least one pre-permitted development site within the parcels or sub-zones included within the PTZ. Additionally each community will be active in working with PTZ qualified businesses to raise awareness of the benefits and the process for gaining access to those benefits. NMDC will work with each community to ensure that they receive the support needed to best utilize the benefits available.

The NMEC, as the proposed governing body of the PTZ will provide representation for the communities as described on page 105 of this application. For more information on the NMEC and the rolls that communities will play please see the NMEC Bylaws which are found in the supplemental materials section as Attachment #2

**5. Timeline**

|  |               |
|--|---------------|
| Begin Information Campaign for PTZ Businesses.....                   | Feb. 01, 2004 |
| Complete Community Public Hearings.....                              | Jun. 20, 2004 |
| Submit Final Pine Tree Zone Application.....                         | Jun. 30, 2004 |
| Have Existing Businesses PTZ Qualified.....                          | Jan. 01, 2005 |
| Remaining Benefits Begin to be Realized by Qualified Businesses..... | Jul. 01, 2005 |
| PTZ Benefits become Selling Point for APP Business Attraction.....   | Jan. 01, 2006 |
| Facilitate the Creation of 1,500 Net New Jobs.....                   | Jan. 01, 2007 |
| Attract at least \$50 Million in New Capital Investments.....        | Jan. 01, 2007 |
| All PTZ Benefits End.....  | Dec. 31, 2018 |

## **6. Financial Commitments**

In addition to the funding dedicated to the administration of the PTZ by the communities and NMDC, organizations like APP have dedicated their efforts to the success of the local economy and the PTZ idea. APP is dedicated to raising from both public and private sources a total of \$3,000,000.00 by 2007. Funding will be used specifically to market the region and the PTZ to the companies in the U.S., Canada, and Europe. This effort represents a substantial commitment by the region to make the PTZ program a success within the Aroostook County region.

## **7. Potential Capital and Infrastructure Improvements**

Every community within the Northern Maine Region was asked to submit letters identifying the infrastructure improvements that are needed within the sub-zones in their communities. These letters have been included within this application as supplemental materials as Attachment #4.

In summary, only two sub-zones indicated that they currently require any infrastructure improvements at this time and one is underway with the assistance of an EDA grant.

## **8. Documentation of inter-local agreements**

No inter-local agreements for management or financial operations are in place at this time. To document NMDC's commitment to the administration of the PTZ, a copy of the minutes from the board of directors meeting, when the PTZ was discussed has been included in the supplemental materials as Attachment #5.