



# Southern Maine Planning and Development Commission

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Comprehensive Economic  
Development Strategy  
August 2018

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# Why A Comprehensive Economic Development Strategy (CEDS)?

An easy answer to that question may be that it is required by EDA. However, we view the document as having value in addition to a federal requirement. Part of this is tied to our status as an EDD in our own right - the newest one in Maine. The document now provides us with a mechanism to highlight our recent accomplishments but also engage the public and private sector in our future. Another aspect has been the renewed engagement of many partners now seeing some light after the economic downturn. Finally, as explained below, is our sense of urgency.



Portsmouth Naval Shipyard, Kittery, Maine

The Southern Maine Planning and Development Commission (SMPDC) was established in 1966 to promote economic development, land use planning and transportation planning through regional planning and coordination. SMPDC represents 39 communities in York, Cumberland and Oxford Counties. Although the District occupies only 3% of the State's land area, it accounts for sixteen percent of its people and seventeen percent of its jobs. As the photo on the cover illustrates, the region also serves as the gateway to Maine, connecting Maine to more urban centers not far to the south.

Southern Maine is a special place to work, live and enjoy an unrivaled quality of life. However, the allure and promise of this region is threatened with:

- An underperforming economy, especially in comparison to the rest of New England
  - 20% below the national average over the past 20 years
- An aging population and a shrinking workforce that threatens to diminish opportunities for growth into the future
  - Median age in Southern Maine is 45 years old, significantly older than our neighbors to the south
- Low educational attainment rates, not only in comparison to New England, but to many parts of Maine
  - Number of bachelor's degrees is 3% below New England
  - Southern Maine is behind in educational attainment to other regions of Maine, including Penobscot and Androscoggin Counties
- The region's continued dependence on defense related manufacturing, cyclical changes to the National defense budget, and the specific threat of Portsmouth Naval Shipyard's (PNSY) closure on the York County economy
  - PNSY directly and indirectly supports over 7,000 jobs and represents over \$550M in economic impact

Reflecting the new designation as a designated Economic Development District and the Commission's new role in brownfields redevelopment work as well as economic development, SMPDC voted to change its name to the Southern Maine Planning and Development Commission at the Annual Meeting in June 2013.

The region no longer considers itself in the shadow of Portland or Portsmouth, NH. We are strongly connected to all of New England, and with a strong manufacturing base and a diversified economy and quality of life there is an opportunity to grow our region in a sustainable manner.

## Introduction to the Region

Southern Maine is a diverse region that can actually be broken into a coastal region, an inland region and then a rural region. All regions differ as far as their economy, their income levels and their capacity to handle growth and development. The one area they do not differ is in their desire for sound economic development opportunities. The challenge is to ensure economic growth while making sure we do not ruin the qualities that make the region special.

Our region is diversified, much like the rest of Maine:

### Inland

Whether measured by unemployment, wages or income, prosperity is not shared equally across Southern Maine. The Sanford Labor Market Area generally lags behind the rest of the region, and in most cases, the state, in the relative values as well as annual gains in jobs, income and wages. Inland regions are distant from transportation gateways, including the Maine Turnpike, Portland International Jetport, and Portland Harbor. With a historic dependence on manufacturing, less diversified economies, and fewer job options, both regions have been hurt more than their coastal counterparts by plant shutdowns.

While northern York County and southern Oxford County, anchored by Cornish and Fryeburg, is rich in natural resources, it is struggling to sustain tourism on a year-round basis. And while the Sanford area is rich in historic character, it is struggling to attract anchor tenants to facilitate the redevelopment of its vast millyards.

### Service Centers

The relatively higher wealth of the coastal labor markets masks pockets of economic distress, particularly in the region's service center communities. Regional Service Centers have been identified by the former Maine State Planning Office as the economic hubs of the state, attracting people to work, shop, and do business. At the same time, they face higher levels of economic distress, including rising tax burdens, aging infrastructure, declining populations, and waning downtowns. As the economic hubs of the region, service center communities have shouldered the greatest job losses in the region. Almost every coastal service center – Kittery, Biddeford, Saco – in addition to the entire city of Sanford and town of Old Orchard Beach contain areas where the per capita income is below 80% of the national average, meeting EDA's economic distress criteria.

For over 200 years, the Portsmouth Naval Shipyard has dominated the economy of Southern Maine and Seacoast New Hampshire. Just 13 years ago, one out of every five jobs in the county was located at the Shipyard. According to a recent study by Professor Charles Colgan with the Center for Business and Economic Research at the University of Southern Maine, the Portsmouth Naval Shipyard today accounts for more than 10,000 direct and indirect jobs in York County and Seacoast New Hampshire and \$750 billion in gross regional product.

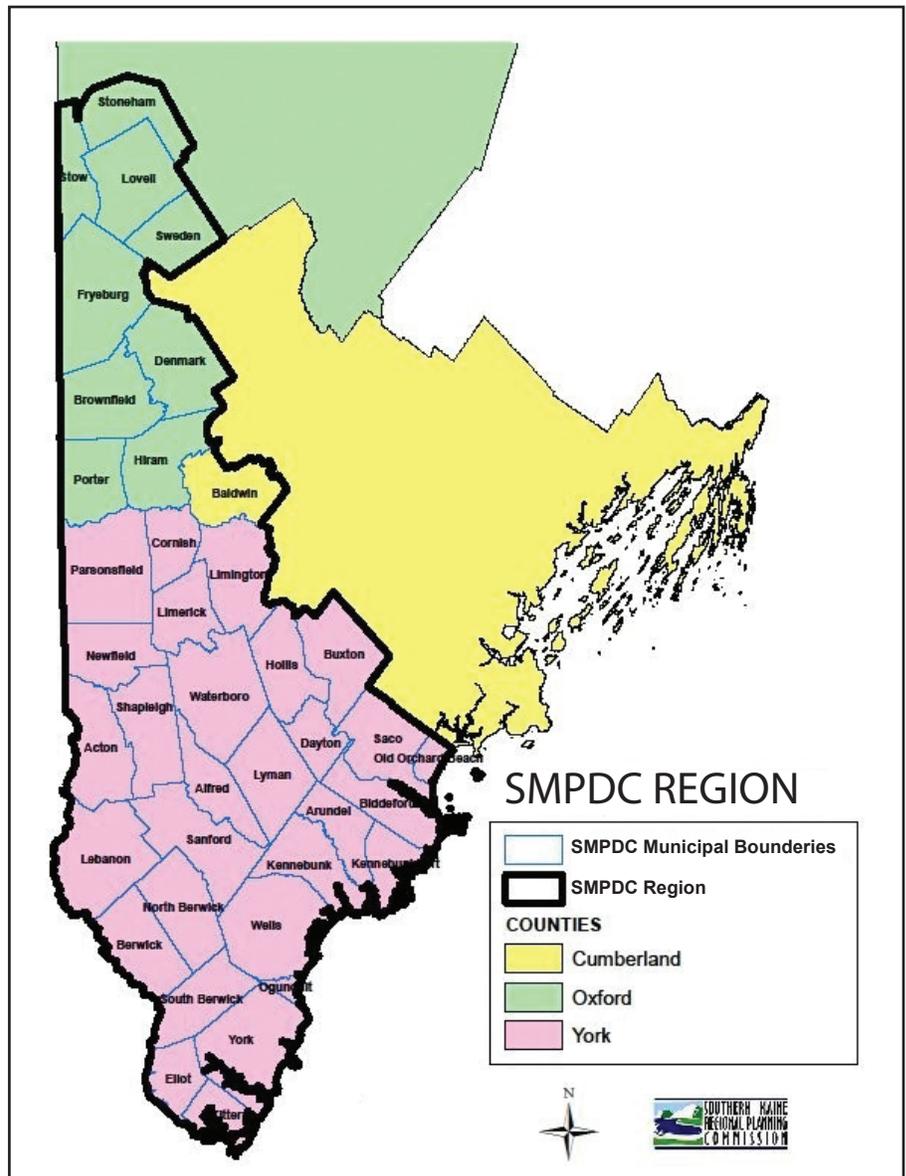
# SMPDC and its Relationship to the Region

SMPDC received its designation as an Economic Development District by EDA in 2011. One of the primary responsibilities as an EDD is the coordination of the Comprehensive Economic Development Strategy (CEDS), the region's vision for economic growth and development. The CEDS allows communities in York County to become eligible for funding from the U.S. Department of Commerce's Economic Development Administration (EDA).

In addition to development of the CEDS, SMPDC fulfills a number of important regional functions:

- Representation of regional interests in Statewide and national economic development forums.
- Assistance to communities with grant applications to support local and regional economic development.
- Strategic assistance to targeted areas, including downtowns, special populations, and industry clusters.
- Coordination with the region's institutional providers of education, workforce development, incubation and microenterprise assistance.
- Data collection and analysis on the Southern Maine economy.
- Regional liaison to Maine & Company and to the Department of Economic and Community Development for business leads, regional marketing programs and other statewide economic development projects.
- Implementation of a countywide Brownfields Assessment Program and Revolving Loan Fund Program (RLF). SMPDC has capitalized \$8.1 million in RLF funds with the assistance of the Southern Maine Finance Authority.
- Encourages regional and sub regional partnerships amongst economic development service providers.

SMPDC staff has training and years of experience in transportation planning, comprehensive land use planning, housing, conservation, energy and related fields. This allows for an integrated approach to economic development that can apply across the region. Now more than ever, as federal and state funds grow more scarce and regions must be much more strategic in their actions, we view an action oriented CEDS as critical to moving forward.



# Our Vision for Southern Maine

Within the next five years, Southern Maine will reinforce its image as the Gateway to Maine and will become even more attractive to educated workers and their families.

We will:

1. Market the region as New England's leading place to live, raise a family, work and visit.
2. Strengthen the area's diverse, dynamic and thriving economy.
3. Develop and attract a highly skilled and inventive workforce that embraces cutting edge technologies in the cultivation of traditional industries and manufacturing companies.
4. Recognize the critical significance of quality of life by preserving our historic downtowns, mills and farms, promoting our culture and the arts, and managing our natural resources including our coastline, inland waters, and forests.
5. Provide and emphasize recreational, art, and cultural opportunities. Southern Maine is home to a diverse network of trails which are a substantial resource to the region and its economy.

Through a diversified staff and connections to municipalities, non-profits agencies, local economic development organizations and the private sector, SMPDC is positioned to develop a bottom up and integrated approach to regional economic development that takes into account numerous issues and factors including; transportation, land use planning, downtown revitalization, quality of place, natural resource issues, housing and small business development.



North Dam Mill, Biddeford, Maine

# Our Future Will be Different From Our Past

York and southern Oxford Counties are located in southern and southwestern Maine and are the entrance to the State of Maine from the south and southwest. The region is blessed to have an abundance of natural resources from the highly visited beaches in the east to the lakes, ponds and mountains in the west. There are 39 communities located in the region with a population of 211,021 in 2018.

Fifty years ago one out of every two jobs in Maine was in the manufacturing sector, that figure has now fallen to around 8% of the total employment. Manufacturing in southern Maine has always been dependent on federal defense spending. In 1990 8,700 persons were employed at the Portsmouth Naval Shipyard. Today, 6,450 persons work at PNSY, a decrease of 26%. Service producing jobs now make up 41% of southern Maine's employment. Many of these are found in the vibrant tourism industry, providing numerous jobs although not at wage levels that might sustain maximum economic growth.



Covered bridge, Parsonsfield, Maine



I-95 Corridor, Maine/New Hampshire

## Barriers To A Bright Future

- Dependence on large manufacturers, who in turn depend on federal defense expenditures
- High housing costs
- Continued loss of manufacturing jobs
- Loss of younger residents and workers
- Aging population
- Proximity to a state with a perceived better tax structure
- High energy costs
- Lack of broadband access in rural communities
- Climate change, sea level rise and impacts from coastal storms

## Uniquely Southern Maine

Southern Maine's geographic location in Maine makes it unique when examined against all other regions. It is the gateway in the north to the rest of Maine and all that it offers. It is the gateway in the south to the metropolitan areas of New Hampshire and Boston. You can take the train or drive, enjoy the Red Sox or any of Boston's world class museums in the day, and be home in your quiet, safe, rural community by bedtime. Recently, a strong urban renaissance has reinvigorated former mill towns. The region's quality of place is now focused on not only the many natural, cultural and historic resources as but people, traditions, food and town and city centers.

## Why We Live Here

- Vibrant downtowns with renovated mill buildings
- Clean beaches
- Four season recreational opportunities
- Close proximity to major urban centers but still rural living
- Quality healthcare
- Arts, Historic and Cultural amenities
- Quality Higher Education opportunities
- Low crime rates
- Varied and diverse employment base

Our challenge is to:

- Develop strategies that encourage the retention and expansion of the age 25-44 cohort.
- Broaden and strengthen our manufacturing base.
- Create higher wage jobs that will encourage an infusion of younger workers
- Retain our Quality of Place and use it to market the region.
- Create a workforce which is prepared for the new realities of the knowledge based economy of which we are a part.
- Create a culture of innovation and entrepreneurship
- Increase access to capital for all businesses
- Create access to broadband throughout the region
- Decrease energy costs
- Help communities prepare for the economic impacts of climate change

## Six Economic Growth and Drivers – Growth and Prosperity

### Asset Based Cluster Development

Asset based development is a dynamic, transformative process that identifies a region's indigenous assets and builds upon these assets to grow a region's economic base. Thus, the process builds upon a region's strengths and opportunities as opposed to merely seeking to "fix" the existing problems within a region. SMPDC has been implementing an asset based approach and through this effort has identified and mapped the region's assets. What we have discovered is that the region has a strong, healthy and vibrant manufacturing base. A major focus of SMPDC's economic development over the next few years will revolve around strengthening the region's manufacturing base in a broad sense and to identify supply chain and inter-business collaboration opportunities, which will lead to growth and expansion opportunities in our manufacturing sector. Another significant asset that has been identified is the region's natural, cultural and historical resource base, which covers all parts of the SMPDC service area. The second major focus of SMPDC's economic development efforts will be to explore the opportunities for economic growth through quality of place based economic development strategies.



North Berwick, Maine

## Entrepreneurship and Innovation

Southern Maine is a diverse region whose geographic location provides market opportunities not only in Maine but New Hampshire and Massachusetts as well. As such, the region has a strong entrepreneurial and innovative spirit. Over 40% of the jobs in York and Oxford Counties come from businesses with less than 20 employees. It's location within an hour of three major airports, combined with a great quality of life, has created a small industry of consultants and professionals whose clients come from all over U.S. and the world. The existence and renovation of large mill buildings across the region have provided inexpensive space for startup and growing entrepreneurs and have become defacto incubators. Many of these mill buildings have either been assessed through SMPDC's Brownfields Assessment Program or cleaned up through its Brownfields Revolving Loan Fund Program. The University of New England, Maine's only accredited Medical School, provides numerous start up opportunities for research and innovation in not only the medical field but in the life sciences.



Mill renovation, Biddeford, Maine

## Education and Workforce Development

A skilled and available workforce is critical to the future economic health and growth of the region. Business not only need skilled workers for new positions, they increasingly need them to replace retiring employees, whose number will only increase due to the aging of the population. The replacement of retiring employees is an acute need in a State that has the oldest population in the country. SMPDC has convened a Workforce Action Team, whose members come from the private sector, educational community, workforce provider agencies and economic development organization. The actions of this group are focused on working with businesses to identify skills gaps and training needs. As these are identified, the Team will either work through existing programs within the agencies to meet these needs or create new programs. SMPDC is also working with the Coastal Counties Workforce Investment Board on sector strategies and to more closely align economic development services with workforce development services.

## Access to Capital

Capital is the lifeblood to supporting a businesses start up, growth or expansion plans and without these activities a region's economy will stagnate and decline. Since becoming its own Economic Development District, SMPDC has made increasing the amount of capital in the region a top priority. In some cases this means applying for funds to create new revolving loan funds such as our Brownfields RLF and our EDA RLF. In other cases this means working with organizations with existing revolving loan funds to expand capital within their programs. SMPDC is working with the Southern Maine Finance Authority in Biddeford to align both agencies RLF programs so that they can reduce overhead and duplicative administrative services. In the end, this will decrease programmatic overhead and ultimately mean that there will be more funds to lend to businesses. In addition, SMPDC is exploring opportunities with some of the other EDDs in the State to market their existing RLF programs to businesses within our service area. Lastly, SMPDC is working with the EDC to create a loan pool with funds being provided by area banks. In the end, it is not important where the funds come from, what is important is that the amount of capital in the region is sufficient to meet the needs of entrepreneurs and businesses.

# Public Infrastructure and the Environment

Public infrastructure is critical to the growth and development of the region. Southern Maine is fortunate that it has the infrastructure in place that businesses need to operate. The Maine Turnpike, a three lane highway, runs through the heart of the region. Three major airports (Portland, Boston and Manchester, NH) are within a one hour commute. Passenger and freight rail are available and can be accessed through a number of rail stations or directly on-site for freight services. Municipal water and sewer service is available in many municipalities. Broadband access and particularly broadband speeds have been dramatically increased over the past few years thanks to the Three Ring Binder project.

Despite the existence of a decent public infrastructure system there still remains several issues which impede the growth and development of the region. Many communities in the region, most of them small or very small, do not have public sewer or water systems and the cost to develop them are beyond their financial capability. Even those municipalities with existing public water and sewer systems find that they have capacity and condition issues. Some smaller communities have very limited broadband access.

Sea level rise is also an increasing concern for Southern Maine and its coastal communities. An analysis conducted by the Maine Geological Survey of local road impacts from storm events found that in Southern Maine, several major roadways could be inundated by storm surge associated with a category 2 hurricane - including Route 1 and Interstate 95 in both York and Kittery. As these trends continue, coastal flooding will become more frequent and severe and impacts of storm surge will intensify. These impacts could undermine or disable critical infrastructure, cause more costly recovery and repairs, and threaten public safety. Continued infrastructure investment and informed decision making by local, State and federal levels are needed to maintain the current system so that it can support the economic activity of the region.



Wells Transportation Center

Southern Maine is fortunate to have many environmental assets, from the lakes and mountains in the west to the beaches in the east. SMPDC considers the environment as one of the region's primary economic assets and is committed to their preservation. We are considered to be the leader in the State of Maine on climate change adaptation. SMPDC's Brownfields program is highly successful and has led to the cleanup of environmental contamination at a number of sites, which then have been reused and have become an economic benefit to the community. The number of both bike and hiking trails is asset to the region and recognized nationally in some instances for their diversity.

## Leadership

Strong leadership is needed in an environment of shrinking financial resources and increased programmatic responsibilities. SMPDC is committed to using its status as the region's sole economic development and planning organization to support region wide and sub-regional planning, projects and programs. In addition, SMPDC will continue to encourage organizational collaboration across the region amongst economic development and business assistance service providers on projects of regional significance. Collaboration and the pooling of resources and talent will help to ensure that the maximum amount of resources is going to those activities that help the private sector to do what it does best – create job and wealth in the region. SMPDC will also continue to work with, and strengthen, its relationships with regional, State and federal partners with focus on the statewide Mobilize Maine Initiative, the Maine Workforce and Economic Development Alliance, and the Maine Economic Development District Association.

Sharing a border with New Hampshire also means collaboration with EDDs on the other side of the state line. We hope to strengthen then these relationships into the future.

# Recommendations and Strategies

## Access to Capital

1. Create lending pool of \$10 million dollars+ for the region consisting of:
  - EDA RLF funds
  - Private funds
  - Small Business Administration Micro loan program
  - Other State and federal funding sources such as Finance Authority of Maine's Programs and Rural Development Authority's Programs
2. Expand SMPDC's Brownfields RLF Fund to \$8 million+ through applications to EPA's regular and supplemental RLF grant programs
3. Continue to work with and further define the collaborative lending partnership with the EDC of Biddeford/Saco
4. Increase lending capacity to under-served areas and interests of region including:
  - Northern York County
  - Oxford County
  - Small business sector
  - Low/moderate income population

## Infrastructure

1. Enhance the region's role as the Gateway to Maine/Gateway to New England
  - Implement high speed tolling on southern Maine section of Maine Turnpike
  - Look to increase frequency of Downeaster service and seek upgrades of equipment and continued maintenance
  - Eastern Slope Airport utilization expansion
2. Water/sewer
  - Seek water/sewer funds for major economic development efforts in:
    - Wells over turnpike near train station
    - Kennebunk to industrial park
    - Kittery to Dennett Road industrial area
    - (Other high impact infrastructure projects are noted below)
3. Broadband
  - Create access to the three ring binder or comparable broadband speeds in communities that do not currently have access
  - Expand broadband service to the rural parts of the region
4. Energy
  - Expansion of natural gas network
  - Create funds to support energy efficiency efforts of businesses and manufacturers
  - Support the development of solar initiatives throughout the region



Historic preservation in senior housing, North Berwick

## Workforce Development

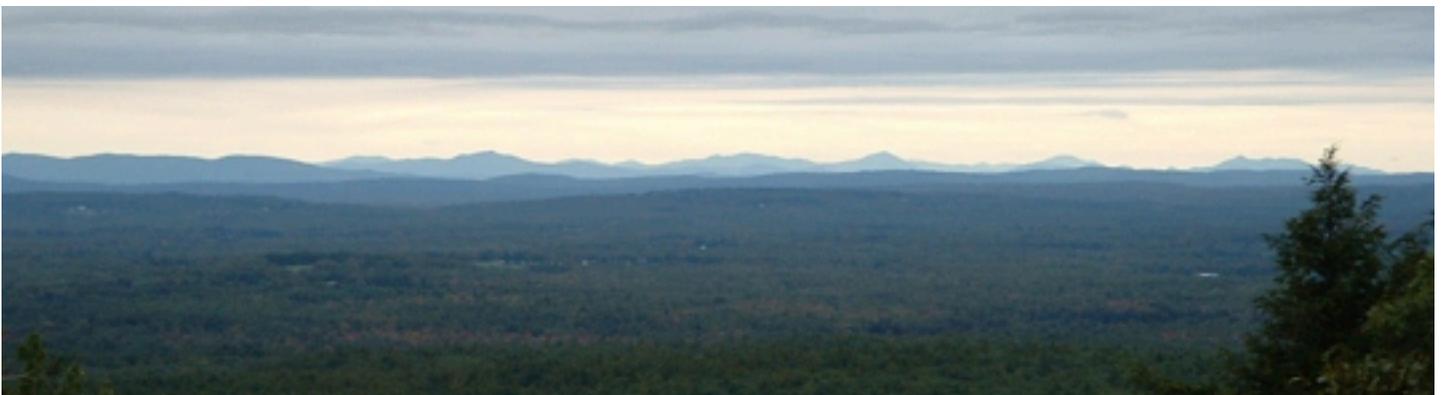
1. Create a pool of qualified employees for the manufacturing sector
  - Expand YCCC's Advanced Center for Industry Training Program
  - Expand YCCC's Precision Machining Training Program
  - Develop and support efforts to encourage middle and high school students to consider manufacturing career paths
2. Expand YCCC's Advance Center for Training Program model into other high value industries such as hospitality, health care and finance.
3. Prepare students for 21st Century jobs.
4. Support the growth of the University of New England and the York County Community College

## Support Manufacturing Cluster

1. Establish a Manufacturers round table for SMPDC region
2. Conduct supply chain analysis of manufacturers in SMPDC region
3. See workforce strategies
4. See Access to Capital strategies

## Quality of Place

1. Continue mill redevelopment/downtown efforts through Brownfields program including but not limited to:
  - Biddeford Mill district
  - Robinson Mill (Parsonsfield)
  - Sanford Mill district
  - Prime Tanning site in Berwick
2. Continue with Quality of Place action group including:
  - Mapping of assets
  - Establishing priorities for funding opportunities
3. Continue efforts to build Mtn. Division Bike Trail through Oxford County
4. Establish a brand for region utilizing "Gateway to Maine" concept
5. Establish relationships with tourism industry particularly with regards to Eco-tourism and extending tourism shoulder seasons
6. Assist with Sustain Southern Maine implementation of Centers of Opportunity



View from the Mt. Agamenticus summit in southern coastal Maine - looking to the White Mountain National Forest.

# Entrepreneurship

1. Create 100% access for broadband. Utilize existing infrastructure (3-ring) to expand speed and access to areas where broadband currently exists.
2. Continue to support the Maine Small Business Development Center
3. Help support further development of mill buildings as hubs of entrepreneurship

## High-Impact Projects

### Biddeford

- Industrial Park expansion
- Downtown Parking Garage
- Road improvements around the downtown mill complex
- Business retention and expansion program
- Incubator to support commercialization of ongoing research and development activities at the University of New England
- Development of a commercialization and prototype center for textiles and energy

### Saco

- Infrastructure upgrades on Saco Island
- Commercialization center for textiles

### Kennebunk

- Sewer improvements/expansion to industrial park area

### Wells

- Water/Sewer extensions beyond Turnpike

### Kittery

- Infrastructure around Kittery Water District site
- Water/sewer extensions to Dennett Road industrial/commercial land
- Rte 95 Bridge improvements

### Parsonsfield

- Sewer improvements to Robinson Mill and downtown area

### Hiram

- Improvements to former lumber yard site

### Sanford

- Natural gas extension to downtown mill area
- Broadband/three ring binder extension
- Precision Machining Training Program
- Tourism development in South Sanford

### York

- Water/sewer expansions on Route 1

### Berwick

- Infrastructure upgrades to Prime Tanning site

### Fryeburg

- Infrastructure and facilities expansion at the Eastern Slope Airport

### Waterboro

- Improvements to the municipal water system

# Asset Mapping in SMPDC Region

## Manufacturing Excellence

- Wasco Skylights (Wells)
- Hussey Seating (North Berwick)
- Volk Packaging (Biddeford)
- Portsmouth Naval Shipyard and the skill sets found there (Kittery)
- Pratt and Whitney (North Berwick)
- General Dynamics (Saco)
- Maine Manufacturing (Sanford)
- Hunting Dearborn (Fryeburg)

## Educational Excellence

- UNE Undergraduate and Medical School
- York County Community College
- Fryeburg Academy and Thornton Academy
- Sanford Technology Center and Biddeford Center for Technology

## Locational Advantages

- Gateway to Maine Brand
- I-95 Corridor
- Proximity to Boston
- Within 1 hour of three major airports (Portland, Manchester and Boston)
- Sanford Seacoast Regional Airport

## Cultural/Quality of place

- Historic mill complexes with campus settings
- Beaches
- Conservation lands/trails for bikes and hiking
- Historic downtowns
- Fryeburg Fair
- Stone Mountain Arts

## Agriculture and Specialty Foods Cluster

- Potatoes used for Cold River Vodka
- Community supported agriculture, buy local movement
- Organic farms
- Stonewall Kitchen, When Pigs Fly, Gourmet Alley in Kittery
- Highland Farms in Cornish
- Breweries

## Tourism

- White Mountain National Forest
- Kittery Outlets
- Saco River
- Beaches
- Lakes

# Summary of Growth, Development & Economic Development Trends

(detailed data found in Appendix)

- An analysis of the top 25 private employers in York and Oxford County shows several strong trends. Manufacturing in York County is a significant employer with six of the top 25 employers being manufacturing businesses. These figures do not include the Portsmouth Naval Shipyard, a public employer, which would add over 6,400 manufacturing jobs to these numbers. Manufacturing is a significant employer in Oxford County as well with seven of the top 25 employers being manufacturing businesses. The primary difference between the two counties is that overall the businesses are larger in York County. Healthcare and education employment is significant in both York and Oxford Counties with 14 of the top 50 businesses coming from these two sectors. Finally, non-profit social service organizations comprise four of the top 50 employers in York and Oxford Counties.



- The industries where people are employed is fairly consistent in York and Oxford Counties. The largest industries in both counties are Manufacturing, Retail Trade, Health Care and Accommodation and Food Services. York County differs from Oxford County in that employment is significant in the Construction and Professional and Technical Services industries. One notable difference in Oxford County is its' higher employment numbers in the Arts, Entertainment and Recreation industry. No doubt this is due to the

location of Sunday River Ski Resort and the Oxford Casino in Oxford County.

- York and Oxford County's business landscape is dominated by small businesses. In both counties, 92.7% of employers have less than 20 employees. Within the broad industrial sectors there are several that have higher concentrations of businesses with less than 20 employees. Both counties mirror each other as they have concentrations in the same industrial sectors. The Three sectors are: Construction (Oxford County 97.4%, York County 98.5%); Professional and Business Services (Oxford County 96.4%, York County 96.1%); and Financial Activities (Oxford County 96.4%, York County 96.7%).

- Broadly speaking the unemployment rates in York and Oxford counties exhibit the same pattern as those seen statewide. Unemployment rates were fairly level from 2000 to 2007, rising significantly in 2008 to 2009 due to the recession, falling slowly from 2010 to 2012, but not to pre-recessionary levels. The main difference in unemployment rates is that from 2000 to 2012 York County has had an unemployment rate below State averages while Oxford County has had a rate higher than the State average. At the height of the recession Oxford County's unemployment rate was three percentage points higher than the State average. In 2012 Oxford County's unemployment rate was 9.1%, approximately two percent above the Maine rate and two and a half percent above the York County rate. In 2016 Oxford County had an unemployment rate of 7.4%. For York County that 2016 number was 5.1%. The Maine unemployment rate in 2016 was 6%.

- The region experienced tremendous population growth from 1990-2000 making it one of the fastest growing regions in New England during that time period (13% for York County) From 2000-2010 the growth rate slowed in York County to 6% although the Oxford County communities saw a growth rate of 14%. These numbers still are higher than the Maine as a whole, although current estimates as shown in the appendix still forecast low growth over the next five years or so. The 2017 population estimate for York County was approximately 204,000.



Saco Island

- Aside from slow population growth, a larger concern may be the age composition of the population. In 1990 the median age in the region was 36- now it is 45. From 2000 – 2010 the region lost population in every age group under the age of 45 (with the exception of 20-24 year olds who showed a slight gain). The past few years have seen this trend continue - approximately a 3.3% loss In the under 45 demographic from 2010 to 2018. For the most part this trend is expected to continue, raising numerous issues of workforce capacity, health care and municipal services. Interestingly, household income is expected to rise within the region with York County accounting for much of that gain. Large sub regional differences are apparent throughout all the data and trends – particularly as you move from the coast inland. The coastal towns are generally wealthier and older and income notably dips the further one goes inland.

- Economic cluster analysis was conducted through the Mobilize Maine asset mapping process. Manufacturing (as a broad cluster) was found to be of particular importance to the region – accounting for

about 20% of the jobs and paying on average about \$60,000 per job. The manufacturing cluster represents the strongest piece of the regional economy with national/international firms such as Hussey Seating, Wasco Skylights, Pratt and Whitney, general Dynamics and the Portsmouth Naval Shipyard highlighting the sector. Other important sectors included tourism and arts and culture (broadly defined by us as Quality of Place). The potential to grow these clusters - and potentially a newly realized textile cluster - will be explored in the coming year.

- The average net worth in the region was \$464,000 with median net worth at \$104,000. The highest net worth was found in the age groups 55-75 – by a fairly substantial amount although average net worth grew by 221% in the age group of 35-44 and 45 – 54.

- The Spending Potential index shows that most spending potential in the region is generated from earnings (dividends, royalties, estates, trusts, interest from savings, etc). Much of this may be accounted for by the high number of retirees in southern coastal Maine. In 2010 the region had over 57% of its income

generated from public and external forces. Generally anything over 50% is not conducive to strong economic growth.

The services industry is by far the most dominant industry type within the region accounting for 49% of all businesses. Many of these are found within small tourism related ventures and other services. Construction is also strong accounting for 13.7% of the businesses. Retail trade as a category accounts for 15% of the businesses. Obviously, while these are all important to our regional economy, the region is also dependent on jobs that are not necessarily higher wage and are also seasonal in nature.



Ogunquit, Maine

All these data points highlight the need for diversification of the regional economy.

## Regional Goals Outlined Through Mobilize Maine Planning Process

### Regional Benchmarks

Southern Maine Region (York)	Baseline 2010	2016 Update	2010-2016 % Change	2020 Goal	% Progress to 2020 Goal
Population	197,131	211,021*	7%*	204,131	<b>198%</b>
Employable Population (16 and older)	160,552	165,389	3%	166,163	86.2%
Labor Participation Rate	62%	67%	7.3%	65%	<b>167%</b>
Total Employed	99,542	107,396	7.9%	108,006	92.8%
Average Wage per Job	\$24,352	\$27,840	14.3%	\$30,379	57.8%
Total Region Wages	\$2.42B	\$2.99B	23.5%	\$3.2B	73%
Per Capita Income	\$27,137	\$31,574	16.4%	\$35,820	51.1%
Regional GDP	\$7.89B	??	??		
Bachelors Degrees 25 & Over	25,424	29,182	14.7%	34,152	43%
Demographic 20 to 45 age bracket	59,336	57,152	-3.7	69,619	<b>-21.2%</b>

\*Figure represents or includes 2018 data

**Green** text indicates goal met or exceeded

**Red** text indicates negative progress to 2020 goal

# Southern Maine Action Teams

## Workforce Action Team

This team has generated a significant amount of interest and participation including private sector business executives, York County Community College, University College at Saco and the University of New England, local chambers of commerce, workforce development providers, adult education and the educational community, legislative officials and economic development professionals. The goal of the group is to support existing training and educational organizations and program and to develop new programs in response to identified industry needs. The Workforce Action Team's initial success story has been to support the development of the Advanced Center for Industry training program. This program is a 320 hour program designed to train individuals for manufacturing positions. A significant portion of those who graduated from the program were offered positions at area manufacturing businesses and a second program is scheduled for Fall 2013. Priority projects for this group include: the continuation of the Advanced Center for Industry training program; support for the development and expansion of YCCC's Precision Machining Operations Program in Sanford; encouraging more high school students to consider manufacturing as a career option; and support certificate programs and stackable training options for those students not interested in a two or four year degree program.

## Access to Capital Action Team

While the region has an active economic development lender in the Economic Development Corporation (EDC) in Biddeford/Saco and access to all State and federal lending programs, the region has a great need for additional capital to support business growth and development. The need is particularly acute for smaller and start up businesses, which make up the majority of the businesses in the region. The identification of the need for capital lead to the creation of this Action Team, whose members represents municipal interests, the private sector and economic development organizations. The Access to Capital has set a goal of attracting \$5 million in additional lending capital to the region. To date, the efforts of this group has led to an effort to better coordinate the lending programs of Southern Maine Planning and Development Commission and the Economic Development Corporation. Priority projects for this group include: securing funds for SMPDC to expand its lending capacity in recognition of it becoming a separate Economic Development District; formalize a partnership between SMPDC and EDC to coordinate and leverage their lending programs and activities; seek additional lending funds from a consortium of area banks.

## Quality of Place Action Team

A Quality of Place Action team has been formed to examine the region's natural, cultural, historic and built assets. The group will examine ways to leverage these resources, celebrate the ones that already exist, make them better known and then try to utilize them in a brand for the region. Various groups such as the Maine Downtown Center, environmental organizations, cultural groups, municipal officials and tourism representatives have begun to attend.

## 2018 SMPDC Executive Committee Officers

Chair: Perry Ellsworth (South Berwick), Town Manager

Vice Chair: Jan Williams (Hiram)

Treasurer: Richard Dutremble (Alfred), County Commissioner

## 2018 SMPDC Executive Committee Members

Beth Della Valle (Sanford), Town Planner

Chris Osterrieder (Kennebunk), Town Engineer, Director of Community Development

Jim Nimon (Sanford), Sanford Regional Growth Committee

Kendra Amaral (Kittery), Town Manager

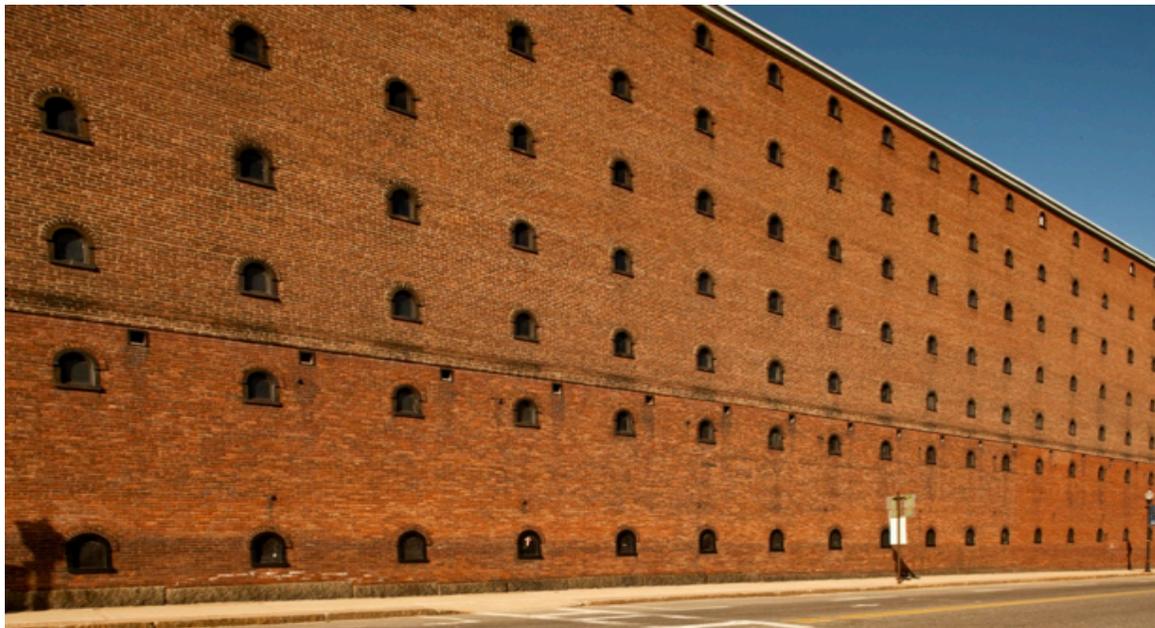
Cristina Forsyth (Porter), Planning Board Member

Greg Tansley (Biddeford), City Planner

Gary Lamb, Waterboro Town Administrator

Pat Finnigan (Ogunquit), Town Manager

Werner Gillam (Kennebunkport), Town Planner



Iconic and historic Pepperill Mill, Biddeford, Maine

## Mobilize Maine Workforce Action Team

Andy Pease - Maine Manufacturing  
Bonita Pothier - Senator Angus King  
Bud Harmon - OOB Chamber of Commerce  
Cathy Goodwin - Senator Susan Collins  
Cheryl D. Mills - Wells-Ogunquit Adult ED  
Chris Magnuson - Wasco  
Chuck Morgan\* - SMDPC  
Craig Pendelton - Biddeford-Saco Chamber of Commerce  
Dawn Self-Cooper - York County Career Center  
Donald Pilon - Realtor  
Elaine Palmitessa - Goodwill Workforce Solutions  
Elizabeth Klein - Corning  
Jim McGowan - Maine Quality Centers  
Justin Davis - PSNY  
Marion Sprague - Maine Association of Manufacturers  
Mark Ouellette - Mobilize Maine  
Paulette Millette - YCCC  
Peg Levasseur - Biddeford Technical Center  
Richard Fifield\* - Goodwill Workforce Solutions  
Ruth Graves - Women, Work and Community  
Samantha Jasper - Stonewall Kitchen  
Stacy Chilicki - YCCC  
Steve Howe - Pratt & Whitney  
Erica Watson - University College at Saco  
Will Armitage - BSAEDC or EDC  
Antoinette Mancusi - CCWI  
Bob Carr - Innovative Technologies, LLC

## Access to Capital

Will Armitage - EDC  
Bonnie Pothier - Senator Kings office  
John Bubier - Biddeford City Manager  
Mark Ouelette - Mobilize Maine  
Don Ballute - P and C Insurance  
Lorraine Boston - Bank of Maine  
Paul Schumacher - SMRPC  
Peter Sylvestre - Biddeford Savings

## Quality of Place Working Group

Tammy Ackerman - Biddeford

Lee Burnett - Sanford

Judy Bernstein - Kennebunk

Kathryn Davis - United Way of York County

Chris Magnuson - Wasco

Paul Schumacher - SMRPC

Mark Nahorney - UNE

Chris Feurt - UNE /Wells Reserve

Josephine Power - Timber Point

Nick Charov - Laudholm Trust

Nancy Perkins - Town of Cornish