

Town of Mount Desert
Economic Development Committee Meeting
November 8, 2021
Minutes

Attending: Megan Bailey, Martha Dudman, Matt Hart, Nancy Ho, Durlin Lunt, Dan McKay, Kathy Miller, Stephanie Reece, Kerri Sands, Seth Singleton, Rick Wheeler, Averel Wilson

Also in Attendance: Lincoln Millstein

Absent: Jamie Blaine, Don Graves, Tony Smith, Micki Sumpter

All attendees attended via Zoom.

Opening Thoughts

Dan McKay convened the meeting at 4:02 p.m. and began with a few housekeeping notes:

- Heather Jones has resigned from the committee. Dan anticipates a discussion about membership and recruiting new members at our regular January meeting.
- Dan is seeking an updated email address for Don Graves and several people offered suggestions.
- As Jamie Blaine was unable to attend at the last minute, Kerri Sands took notes.
- The Community Development Corporation, which holds funds raised for the Promenade Park, has some periodic upkeep for tax filing and insurance purposes. We had engaged Jean Fusillo but she will be retiring from this position and we will need to find someone to handle these minimal bookkeeping tasks. **Dan will talk with someone from the Town** about this.
- There was a possibility that Jim Willis might attend to provide an update on parking, especially as it relates to resident overnight parking in the village, but perhaps that will happen at our January meeting. Martha noted that the Selectboard will be discussing parking with Jim soon and it was suggested that **a Selectperson could update our committee** afterwards.

Dan introduced the principal agenda item for this meeting: a discussion of priorities related to the Vision Statement we recently adopted to guide our committee's efforts. Dan summarized two pillars of the statement: 1) The town needs year-round resident housing and seasonal worker housing to help sustain a year-round business community, 2) any changes we work towards should be mindful of preserving the character of the community. Dan asked if there were any questions or reactions to the Vision Statement.

Rick expressed that he didn't feel the vision came across in the statement; he was expecting a statement that more clearly expressed where the town wants to be in 10 years and what are the initiatives that will get us there. In particular he suggested the following broad initiatives: becoming attractive to technology ventures, addressing housing, addressing broadband, addressing restraining regulations, addressing infrastructure.

Dan suggested that we focus our discussion on potential projects #2, #3, and #4 (Temporary Summer Housing, Address Infrastructure Needs, Incubator of New Ideas and Projects) from the June 29 Brainstorming Subgroup memo.

Housing

Dan recapped that the June 29 memo focused on temporary summer housing and since then the discussion has broadened to include housing stock that is located in the right place and sufficiently affordable to sustain the year-round business community. Dan raised the question of location and whether the two types of housing were town-specific. Stephanie agreed that summer worker housing does not need to be in Northeast Harbor. Past talk has been about a dorm style accommodation anywhere along the Island Explorer route. Stephanie thinks that this problem will continue beyond the pandemic, given the increased visitor attention to Acadia. The specific need is housing for college kids who can come from May to September. Stephanie noted that housing has always been a problem and that housing is always the first question potential hires ask about. Stephanie noted that businesses can't run at full capacity and that this is a problem especially for Northeast Harbor; the businesses here can't buy up housing stock like in Bar Harbor.

Dan asked Durlin if the island towns have been discussing this issue. Durlin said there has been some discussion around land in Town Hill. That project would take several years. Other than that, no discussion among the towns. Kathy pointed out that the solutions some businesses find end up impacting the solution for year-round residents, and referenced the recent surge in registration for short-term rentals in Bar Harbor ahead of a vote that would somewhat restrict such rentals. Kathy noted that this is a private problem with a public impact and wondered about the roles of municipalities, and businesses, in collaborating for solutions. Stephanie responded that other businesses in town have been asking her about available rooms, and since this is the first year it's been this bad, the businesses haven't gotten together yet but it is starting to be looked at. Averel said that Island Housing Trust has recognized and bemoaned this issue and agreed that year-round housing stock is winnowing down to a tiny number. Averel raised the idea of appealing to summer residents to see who might have a room available for a young person coming and going, noting that this is not a fix but one of several different ideas we need to pull together for a solution.

Dan asked the group if we wanted to affirm this as a central topic. Stephanie responded, yes if you want businesses to be operating at capacity. Bar Harbor businesses are now sending visitors to other parts of the island.

In response to a question, Durlin clarified that the town does not track the number of houses being bought up for worker housing, but he is aware of some sales to owners who do short-term rentals. Martha explained that she is hoping that LUZO (Land Use Zoning Ordinance Advisory Group) will come up with some plans, and that this has been a Selectboard priority but she is not sure about the progress. Martha added that this committee should not limit itself to talking about temporary worker housing – we need much more. Martha urged this committee to come up with possible solutions and present them to the town and if they are good solutions the Selectboard will help you move them forward. It was mentioned that Noel Musson is getting involved; Stephanie also noted that LUZO is working on this issue. Matt suggested that this should be a regional solution so we don't shift problems from one community to another, and that we need to keep open minds about parcel size and increased density.

Kathy pointed out that all of the solutions will require some funding – could we explore an MDI-wide tax so that every town is collecting funding to go towards solving the housing problem? Durlin explained that under Maine law, local communities are not allowed extra taxation options. Rather, we'd have to do a general tax assessment in the Warrant.

Nancy pointed out that if the town could have purchased the boatyard on Tracy it could have been made into temporary housing. If something like that occurred again would we be ready? Martha noted that it would be a hard sell at Town Meeting. Averel wondered if COA had dormitory space available in the summer, or whether we could partner with COA on adding housing and sharing it - used by COA in the winter and by summer workers in the summer.

Infrastructure

Dan noted that we have talked a lot about broadband and much progress is being made. The other issue we've mentioned is parking as it relates to housing in the village. Are there other issues we would include under infrastructure?

The following list was generated:

- Main Street – people are so unhappy. It is hard to think about a Promenade Park until we prove we can do something nice on Main Street.
 - Matt expressed disappointment that former supporters of the Main Street project turned against it after voting for it at Town Meeting; the project may have been completed by now.

- Electricity capacity - COA has been informed they can't get enough power from Main Street to move forward with a green-energy building. It seems scary that there is not enough electricity for certain projects on Main Street. How is this possible?
 - **Martha and Durlin will look into this**
 - This might be the canary in the coal mine if we are talking about electric conversions and EV chargers
 - This makes the Main Street project look even worse
 - Can we tap into federal money, with the infrastructure bills passing in Congress?
 - Yes, there will be money for broadband
 - We are getting \$250,000 but it depends on what regulations pass
- Tracy Road traffic – it will need to be enlarged or we should consider making it one-way or other strategies to slow traffic. There have been some discussions about this road in the past.

Dan invited the group to pass along other infrastructure issues and we will come back to this topic in future meetings.

Incubator for Ideas and Projects

Dan suggested that this was central to our mission even though we don't have authority or money; perhaps we can organize action to address ideas. Dan wondered if it was time to have another community forum to allow for public input. The last forum we hosted in 2019 was dominated by housing. Averel supported the idea. Rick voiced concern that it's not the right time, we should wait until we can say that we have moved forward with certain projects. Kerri and Nancy agreed. Kerri suggested that a formal large gathering might come with too high a risk and cost (clarified later she meant social capital) and suggested we should be open to other informal, distributed ways of gathering input. Dan suggested that we could design appropriate modalities for soliciting input, including input from the summer community. Stephanie added that there is currently a lot of turmoil with the pandemic, schools, the Bar Harbor short-term rentals vote, the huge influx of visitors; it's a climate of many disparate opinions. Kathy offered to share the summary of the February 2020 event hosted by Mount Desert 365 in which participants shared thought on the future of the town. This was met with an enthusiastic response and Kathy sent the document immediately. The summary is attached separately.

Closing Thoughts and Next Steps

Rick suggested that we need to look at the assets we have - demand for housing, very good schools, land, opportunities, broadband, people committed to maintaining small town natural beauty, community members of means who are willing to give. We should step back and think big, do what Rockefeller and Dorr did for the park, perhaps even think about creating new neighborhoods.

Lincoln asked Stephanie if, in her impression, the summer residents are feeling the stress that we feel as year-round people. Stephanie responded yes – they notice the short-staffed-ness, not being able to get into restaurants or shops. There wasn't hostility, but awareness. Lincoln added that he thinks we won't be able to make significant change until the summer community feels like they have a stake in curing the stress that is all over MDI at the moment.

Seth observed that we seem to have two different problems. One is the set of general island-wide issues such as housing for working families, conversion of housing to rentals, broadband access, availability of summer workers, development that is compatible with our character and environment (Aquafarm in Frenchman Bay; new industrial quarry in Hall Quarry). The other is specific - how to develop Northeast Harbor as a viable year-round community which can support local businesses. These overlap but are not the same, so it might be useful to separate the discussion.

Several members of the group expressed gratitude for living here and even that some of these problems are good problems to have.

Dan suggested that we continue this discussion and get to some specific action items – either that we facilitate or recommend to others to organize. The group agreed to continue this discussion at our regular January meeting. **Dan also invited the group to suggest action steps or other thoughts directly to Dan. Several members voiced an interest in doing so.**

Dan will organize our next meeting for January 2022, including a discussion about membership.

The meeting adjourned at 5:13pm.

Respectfully submitted,
Kerri Sands (standing in for Jamie)