



**Urban Land
Institute**

Boston

Serving the Six New England States

ULI Boston Technical Assistance Panel (TAP) Program

Northeast Harbor, ME





Mission

To provide leadership in the responsible use of land and in creating and sustaining thriving communities worldwide.

ULI is a research and education institution with nearly 30,000 members worldwide representing the entire spectrum of land use and real estate development disciplines, working in private enterprise and public service.

ULI at the local level

- Boston District Council covers nearly all of New England
- 1,000 Members—developers, architects, planners, public officials, financiers, students, etc.

Emphasis on sharing best practices and providing outreach to community

- Over 2,000 attendees last year
- UrbanPlan High School Program
- Technical Assistance Panels
- Trends in Real Estate Conference



Technical Assistance Panels (TAPs)

Northeast Harbor, ME

ULI Boston is committed to supporting the communities of New England in making sound land use decisions and creating better places. A Technical Assistance Panel (TAP) brings together a group of ULI members with a range of professional expertise to provide focused, collaborative consultation to a local government or qualifying non-profit organization.

This TAP

- Sponsored by the Town of Mt. Desert
- This panel looked at the full range of options from an unbiased perspective.
- Panelists include experts in the fields of architecture, development, housing, law, and planning.
- Panelists have donated their time
- Final Deliverable – Written report (within 6 weeks) will be available at <http://boston.uli.org>



TAP Panelists

TAP Co-Chairs

Barry Abramson, Abramson Associates

Jeremy Wilkening, Somerville Community Corp.

TAP Panelists

Mike Binette – The Architectural Team

Erin Cooperrider – Community Housing of Maine

Victor Karen – Development Consultant

Tex Haeuser – City of South Portland

Kathleen O'Donnell – Real Estate Attorney

Paul Stevens - SMRT

Caitlin Bowler – Report Writer

Michelle Landers – ULI Boston Manager

The Panel's Assignment

Address the following questions:

- Identify appropriate tactical to consider to encourage and enable new business investments in the Main Street commercial district of Northeast Harbor ? ... and what uses are appropriate for developing the vacant lots on Main Street?
- What strategies can be used to enable existing local businesses to attain and maintain profitability given the high seasonality of the local economy (e.g. marketing efforts, signage, volunteer pledges to 'buy local,' changes to land use ordinances, etc.)?
- What opportunities could be considered for better utilization of the public and private space next to the new marina, and how can this area be better connected to the Main St. commercial district? Should the Town consider the creation of an independent Public-Private Planning Committee to act as an "action agent" in this regard?
- What initiatives could be undertaken to attract and enable more affordable housing in and around Northeast Harbor? What role can or should private funding (philanthropy, property tax surcharge, etc.) play in enabling a growing and economically sustainable year round community in and around Northeast Harbor?
- How best can the larger on-island employers (such as Jackson Labs) be engaged in enabling affordable housing solutions for their employees in Northeast Harbor and the Town of Mount Desert?
- Should the Town consider opening up public (or private) land for housing development in and around Northeast Harbor? What are possible public-private partnerships and opportunities for collaborations in this regard? How would such a partnership be funded and how would it work with the Town?



The Process

Site Visit:

- Main Street
- Huntington Road
- Harbor Drive
- Sea Street



Panel interviewed stakeholders today including:

- | | |
|--------------------------|---------------------|
| ■ Chuck Bucklin | ■ Scott McFarland |
| ■ Arthur Blank | ■ Lili Pew |
| ■ David McDonald | ■ Meredith Randolph |
| ■ Katrina Carter | ■ Linda Savage |
| ■ Joann Harris | ■ Rick Savage |
| ■ Nancy Ho | ■ Sam Shaw |
| ■ Stephanie Kelley-Reece | ■ Parker Brown |



Assets

- The Harbor
- The Natural Environment
- The Optimism
- Ongoing Community Partnership between Year Round & Summer residents
- Historically Significant Main Street
- Great school
- Low tax rate
- Good services



Challenges

- Increasingly Expensive Real Estate
- Decreasing Year Round Residents
- Difficult development economics
- Complex permitting process





Interventions

A combination of soft and hard, short and long term interventions together provide significant incremental improvement to activity and vitality



Interventions

- A. Make Northeast Harbor a “Beehive” of activity
- B. Capitalize on Marina Improvements
- C. Main Street streetscape improvements
- D. Enhance Historic Assets
- D. Infill and support the commercial core
- E. Workforce Housing
- F. Market rate year round housing
- G. Catalytic Projects

A. Beehive of Activities

- School/College of Atlantic Partnership – Greenhouse
- Farmers' Market
- Maritime Museum Activities
- Street Fairs
- Movie Nights
- Arts/Crafts Center
- Expand Community Gathering Opportunities
- Market Northeast Harbor



Capitalize on the Marina

B. Capitalize on Marina Improvements

- Facilitate Visual & Physical Connections to Main Street
- Preservation-based Interpretive Signage/Wayfinding
- Courtesy Carts/Pedi-cabs from Visitor Center
- Improve Marina-Marketing, Web-based outreach
- Marina-based Maritime Events/Programs
- Re-located farmers' market
- Dredge harbor, expand use for charter & tour boat



Animate Main Street

C. Animate Main Street

- Tent for artisans/crafts vendors
 - Off island artists to complement existing business
- Outdoor café seating
 - On-sidewalk
 - Vacant lot deck
- Small / large streetscape improvements
 - Widen sidewalks
 - Add street lighting
 - Underground utilities
- Central park / gathering spot



Focus on Main Street

D. Enhance Historic Assets

- Façade Improvements
 - Revolving Loan fund for historic improvements
- Interpretive Historic Boards/Signs





Focus on Main Street

E. Strengthen the Commercial Core

- Target appropriate retail uses
- Business-consulting for existing & potential
- Retail/residential developments in gap sites
- Expand village housing stock
- Buy Local Initiative



Spectrum of Year Round Housing Options

F. Provide a spectrum of year round housing options

- Affordable & Market Rate
- Rental and Ownership





What is Affordable?

Affordable = 30% gross income on housing

\$25,000

\$625 rent / \$130,000 house

\$50,000

\$1250 rent / \$261,827 house

\$66,760

\$1669 rent / \$385,000 house

\$100,000

\$2500 rent / \$523,653 house



Housing Implementation Strategies for Workforce

- Purchase Existing Housing
- Grandfathered Lot Program
- Accessory Apartments
- Upper Floor Main Street Apartments
- Main Street gap infill
- Public Subsidy
- Expand Funding to the Island Trust
 - Tax Increment Financing (TIF)
 - Permit Fees for Tear downs
- Streamline Zoning & Permitting

Uses

Construction %800 gross sf x \$200/sf	160,000
Soft costs @ 25% hard	40,000
Land cost assumption	<u>30,000</u>
Total Uses/Unit	\$230,000

Sources

Equity

½ of Development fee deferred	7,500
Tax credit equity	122,000

<i>Debt</i>	48,000
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Public Investment

Tax Increment Bond	10,000
Town Infrastructure Bond	10,000
Soft Second Loan	
State	22,000
Local	10,500

\$230,000



Re-use of Town-owned sites for development

- Off-Island Parking Lot
 - Attractive site for market rate housing
- Summit & Main Corner Lot
 - Artisan live/work & community studio





Implementation Strategies

1. Focused, compelling vision for philanthropy
2. Business Incubator Program
 - How to make use of existing assets
 - Enhancing existing and encouraging new business in Northeast Harbor
3. Collaborative partnership of Public/Private, Year Round/Seasonal



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Questions?

Questions?

Thank you

Town of Mt. Desert
Town of Mt. Desert Revitalization
Committee
Summer Residents Association