

**SUMMER RESIDENTS ASSOCIATION  
GENERAL MEMBERSHIP MEETING  
4:30 p.m., WEDNESDAY, JULY 19, 2017**

Executive Board members present: Don Graves, President; Averel Wilson, Vice President/Membership; Philip Moriarty, Treasurer; Lili Pew, Secretary; and Sidney Graves, Lynn Janney, Larry Goldfarb, Maggie Hays, and John Boynton

**I. GREETINGS AND BOARD INTRODUCTIONS: Don Graves**

Don welcomed everyone and introduced the SRA Board members in attendance. Don noted that hand-outs were available to all attendees (also attached to these minutes)

Don spoke to the mission of the SRA which is primarily communication between the summer residents and Town leadership. He remarked on the opportunities being presented to the Town and noted there were several people present to expand on the subject.

**II. PERFORMANCE REPORT:5 Averel Wilson**

**A. Dues and membership YTD**

Averel said the SRA generally takes in seventeen to eighteen thousand dollars a year in dues and gifts. The exception was 2015 when the economic development started and about \$23,000 was collected. About 90% has been collected this year; through mid-July, we are around \$2,000 behind 2016 for the same period (84% of 2016 YTD). The monies are used for specific initiatives representing the wishes of SRA members.

**III. FINANCIAL REPORT:5 Phil Moriarty**

Phil reported that the SRA is in sound financial health. Larger initiatives were supported in the past that are now self-sufficient. Most of the work on behalf of the SRA will be more routine.

**IV. ELECTION OF NEW TREASURER: Board of Directors**

Don announced that Phil is resigning from the SRA Board and as Treasurer due to his commitment to become Chairman of the Board of Trustees for College of the Atlantic. Well wishes to Phil were extended by all.

Don noted that with the hiring of Joelle Nolan many of the everyday tasks are being taken care of in a timely manner. Another internal change is that of the Secretary and Treasurer positions. Averel Wilson will now be the Secretary/Treasurer with Joelle continuing as Recording Secretary and functioning as SRA bookkeeper.

Therefore, regarding the Summer Residents Association Town of Mount Desert Inc. Bar Harbor Bank & Trust checking account (ending in 4775) it is resolved that Philip Moriarty be removed from the account as a signer; Averel Wilson, Treasurer, be added to the account as a signer; and Joelle Nolan, bookkeeper, be added to the account as a signer.

**V. MOUNT DESERT CHAMBER OF COMMERCE REPORT: Lisa Parsons & Tom Reeve**

Lisa, Chamber President, introduced Tom Reeve, newly hired Director. Lisa explained Tom was hired as year-round part-time, with financial help from the Town as approved at the May 2017 annual town meeting. The Chamber is reaping benefits from the paid position with the Visitor Center, increased membership, and events.

Tom reported there was a 62% increase in the Visitor Center traffic in May/June this year over last year, with 3,500 visitors. So far in July there is a 22% increase with 5,000 visitors. He and the Visitor Center staff encourage Main Street shopping. He is at the Center most days. Membership is up with 100 members. He noted the movies are still popular, despite the weather; they average 50 – 60 participants. And he mentioned some of the upcoming Chamber sponsored events, such as Pizza & Beer with the Danny Harper Band behind FT Brown, and Wine & Cheese on the lawn across from the Kimball Shop.

**VI. WELCOME FROM THE TOWN OF MOUNT DESERT:15** Durlin Lunt, Town Manager

A. Remarks & Comments on the Economic Development Initiatives

Durlin stated how nice it is to see everyone back here; he remarked that this is “home away from home” for many. Some initiatives approved at the Annual Town Meeting in May include bond issues to provide high speed internet in the Pretty Marsh/Somesville area; partnering with Maine DOT to reconstruct 1.1 miles of State Route 198 (Sound Drive) which will make the road safer and add bike lanes; and numerous other things. He welcomed visitors and noted his door is always open.

**VII. ECONOMIC AND COMMUNITY DEVELOPMENT OPPORTUNITIES**

A. Jackie Hewett, Economic Development Director for the Town of Mount Desert

Jackie announced the Northeast Harbor Village Center Plan is complete and referred to the paper plan posted on the wall. Although a “projected” view was not available, the full plan is at the Town Office and can be viewed on the Town’s website [www.mtdesert.org]. The primary focus is Main Street. At the May Town Meeting voters approved funds for the design plan. The final design and construction costs will go to Town Meeting next spring for voter authorization. The purpose is rehabilitation to improve operation and looks.

Town of Mount Desert CDC 501(c)(3) & EDC 501(c)(4)

Jackie appreciatively noted that the SRA helped to fund the legal work behind ~~the~~ and the creation of these two corporations. The bylaws and corporations have been finalized; and they do have IRS non-profit status. The CDC is for the public and general good of the community; contributions are tax deductible. The EDC helps individual businesses to expand or improve, and/or establish new businesses. Although it is a non-profit, contributions are not tax deductible.

She next reported that the Town has taken initial steps toward the creation of a scenic promenade park (Phase 2 of the NEH Village Plan), a major connection between Main Street and the Harbor, by approving to spend up to \$3500 to survey the area ~~then~~ and bring the project to Town Meeting for voter approval.

Other initiatives being addressed include town-wide broadband; a Community Connector Walkway, also a part of NEH Village Plan, which uses Tracy Road more aggressively for parking and businesses; working with existing and new businesses to create business plans and acquire grants; and partner with private developers and/or the Town to develop properties in town.

Questions from the audience included: Who will help the businesses? Jackie replied they are still figuring that out; perhaps they will hire someone; What is and isn’t tax deductible? That is being researched, but definitely contributions to the CDC 501(c)(3) are tax deductible; Can you

set up a mechanism for input from residents of their needs and wants (such as mercantile)? Yes, Jackie is already planning to meet with the Chamber of Commerce next week to discuss a plan; Resort towns tend to have resort type businesses, is Northeast exempt from this problem? Jackie replied buying local is being heavily promoted by local merchants for local residents. She agreed resort towns sell differently, but there can be a compromise.

B. Ted Koffman, President, Board of Directors, Island Housing Trust  
Ted suggested there are new opportunities on the horizon. Since establishing in 2004, IHT has helped 35 families obtain year-round housing. This past spring at its Annual Town Meeting the Town of Mount Desert voters voted to donate land on the Beech Hill Road to IHT for workforce housing; a house, donated by a Pretty March resident, will be placed there. IHT is also collaborating with Maine Coast Heritage Trust to design and site 15 units of housing on 30 acres donated by MCHT. Also, a lot in mid-town Southwest Harbor is being explored. And recently a house on Sylvan Lane in Northeast Harbor was acquired which will be renovated by donations to IHT for a year-round family.

Ted explained that IHT promotes year-round way of life: walking to school and local shopping. A survey last spring showed 70% of the people that work on MDI, but live off island, would prefer to live on MDI and in the village they work. Only 35% of the people who live here work here. By living out-of-town, not only are there additional costs, such as transportation, but there is time lost with family.

Questions from the audience included: Does IHT keep the title to the land and house? Ted said there are covenants to protect IHT's invested subsidy and ensure that over time the properties stay affordable, but the homeowner holds title; Where is the incentive to buy, if appreciation is minimal, versus renting? Ted noted IHT is exploring rentals; however, buying through the Trust is still a good option; What is the Mount Desert Elementary School population, particularly the incoming kindergarten and first grades? Ted did not readily have those statistics, but he did reiterate the need for year-round families and its relevance to volunteers. Someone in the audience said the incoming kindergarten number is at 6 students.

C. Kathy Miller, Executive Director of Mount Desert 365 (MD365)  
Kathy began with a short introduction of herself. She is "from away", married a summer kid, has lived in Somesville for 25 years, raised three daughters who attended Mount Desert schools, and has many years' experience with non-profits and development.

An informative Power Point presentation followed:  
MD365 is fostering a sustainable year-round community that thrives 365 days a year while preserving its natural environment. Community is at the heart of it; we are already a diversified, rich complex weave of people who are inclusive.

The Board of Directors is comprised of Lelah Cole, Rodney Eason, Dan Falt, H. Winston Holt IV, Mitchell Rales, Steven Rales, and Nadia Rosenthal.

We are here because Mount Desert is a very desirable place to live year-round. However, it is a changing community: around 1987 Northeast Harbor started to transition from mostly year-round residents to mostly summer. Currently there are 654 total housing units of which 254 are year-round, and 400 are summer. Northeast Harbor's population in the 1960's was between

900-1000; today it's 350-480. Student enrollment at Mount Desert Elementary in 1976 was 338; today it's 165.

The Town's vision has developed over the years with SRA input. The intent of the Town's Comprehensive Plan is to promote and sustain a diverse year-round community, by managing change of Mount Desert's principal resources. This effort first recognizes the community's essential attributes, and then builds upon them, fostering an environment that allows the town and its individual villages to thrive.

MD365 plans to restore the year-round population gradually over 10 -15 years; sustain Mount Desert Elementary School; support the employee base for existing MDI businesses; support housing needs for larger MDI institutions; acquire available land starting with the village center; work within the Town's Land Use Zoning Ordinance guidelines; design and build structures any of us would want to own or live next to; and build in mechanisms to maintain "attainability" for year-round population in perpetuity.

Questions from the audience included: (to Durlin) How is the Town prepared to work with MD365? Durlin fervently replied that in his lifetime he hopes to see a vibrant community by increasing population sensibly. We will need more structures because so many went to summer housing. He said he is absolutely convinced that these projects will be done in a manner that will please the majority. Restoring the year-round population must be done for the town to survive. He is excited to work with all; Other towns have done tax abatements, is the Town of Mount Desert open to such means of incentives? Durlin suggested the current officials are open minded, and interested in exploring options; What about funding? Kathy acknowledged this vision will take a lot of money. They will be seeking donations, grants, and development within the Town. Mount Desert does not receive a lot of financial support from state and federal monies; What is planned for the very old Main Street water pipe? Kathy thought that would be a Town issue, and said MD365 is not into infrastructure yet; How will all this affect property taxes? Kathy assured all that these properties will remain on the tax rolls.

Don thanked everyone for attending and the meeting adjourned at 6:01 p.m.

Hand-Outs at the Meeting:

- 1 – Meeting Agenda
- 2 - Business Support and Community Revitalization in Northeast Harbor Summary
- 3 – Proposed Projects for the Town of Mount Desert EDC and CDC

Respectfully submitted,

Averel Wilson  
Secretary/Treasurer

**AGENDA**  
**JULY 19, 2017 SRA GENERAL MEMBERSHIP MEETING**

<b>GREETINGS AND BOARD INTRODUCTIONS</b>	Don Graves
Mission of the SRA	
Opportunities for the Community	
<b>PERFORMANCE REPORT</b>	Averel Wilson
Dues and membership YTD	
<b>FINANCIAL REPORT</b>	Phil Moriarty
<b>ELECTION OF NEW TREASURER</b>	Board of Directors
<b>WELCOME FROM THE TOWN OF MOUNT DESERT</b>	Durlin Lunt
Remarks & comments on the Economic Development Initiatives	
<b>CHAMBER OF COMMERCE REPORT</b>	Lisa Parsons Tom Reece
<b>ECONOMIC AND COMMUNITY DEVELOPMENT OPPORTUNITIES</b>	Don Graves
Town of Mount Desert CDC 501(c)(3) & EDC 501(c)(4) Mission and current initiatives	Jackie Hewett
Island Housing Trust Housing Status Report Mission and current initiatives	Ted Koffman
Mount Desert 365 (MD365) Mission and current initiatives Development Status	Kathy Miller
<b>QUESTION AND ANSWER FORUM</b>	Lili Pew & Don Graves
<b>ADJOURN</b>	Don Graves

**Town of Mount Desert Community Development Corporation**  
Proposed Projects  
7/18/17

The Town of Mount Desert Community Development Corporation is organized exclusively for the promotion of the common good and general welfare of the public in and around the Town of Mount Desert, Maine. Its vision is to improve the vitality and livability of the Town of Mount Desert through enhancement of public spaces, infrastructure improvements, the preservation of historic structures and other efforts that will improve the shape and character of the community. It will accomplish these purposes by engaging in a variety of efforts, including:

- 1.) **Community Connector Walkway.** The Corporation is exploring the possibility of acquiring land to develop a “community connector walkway” in the village of Northeast Harbor. This connector would provide a much-needed link between two sections of the village. In the town’s recently adopted Northeast Harbor Village Center Plan, this connector was identified as an important opportunity to create a walking route between the Main Street and Tracy Road business districts. This walkway would provide both a safe means of access between these two sections of the village as well as an inviting green space for quiet reflection and casual social gatherings. In addition, this connection would encourage business expansion into the Tracy Road corridor by increasing its visibility and accessibility. New commercial space adjacent to this walkway may be an element of this project.
- 2.) **Broadband.** The Corporation will explore opportunities to help create a fiber optic broadband network in the Town of Mount Desert. Current Internet speeds for both homes and businesses in the Town of Mount Desert, especially during the summer months, are inadequate. Operating a business, communicating via e-mail or enjoying Internet based media entertainment is difficult to impossible in every village. The availability of broadband Internet would make the Town of Mount Desert a more desirable location for business development and expansion. This would benefit the community at large through improved job prospects for local residents and extended occupancy by seasonal residents, both of which would support a more vibrant year round community
- 3.) **Scenic Promenade Park.** The Corporation will explore opportunities to work with the Town of Mount Desert to establish a linear park along the bluff overlooking Northeast Harbor’s scenic waterfront. Due to a significant grade change between Main Street and the waterfront, clear visual access between these two areas does not exist. Creating a visual and physical link between these areas will greatly enhance the attractiveness and livability of the village. The recently completed Northeast Harbor Village Center Plan identified this project as a key ingredient in improving Northeast Harbor’s village core.

**Town of Mount Desert Economic Development Corporation**  
Proposed Projects  
7/18/17

The Town of Mount Desert Economic Development is organized exclusively to promote the economic vitality of the Town of Mount Desert, Maine through business retention and attraction, supporting entrepreneurship and small business development and helping to support other activities that foster a healthy and sustainable year round community. It will accomplish these purposes by engaging in a variety of efforts, including:

- 1.) **Business Support Fund.** The Corporation will create a Business Support Fund to provide both monetary and professional assistance to existing businesses in the Town of Mount Desert. The goal of this fund will be to encourage existing businesses to grow and expand within town boundaries. Projects that increase a businesses competitiveness, decrease its seasonality and improve customer satisfaction will be the focus of this fund. Examples of this type of assistance might include assisting a restaurant update its cooking or ventilation equipment, helping a retail vendor expand its floor space or the installation of heat pumps to decrease a businesses overall operating costs.
- 2.) **Entrepreneurial Support.** The Corporation will establish a program to support new business development in the Town of Mount Desert. This support program will provide both direct grant and loan support as well as networking assistance and educational programs. The goal of this program will be to make business start-ups in the Town of Mount Desert as easy and efficient as possible. Examples of this type of assistance may include help developing a viable business plan, assistance in identifying and establishing a business location, and seed funds to purchase inventory or equipment.
- 3.) **Business Development.** The Corporation will serve as a partner in the purchase and development or renovation of land and structures destined for new commercial and residential purposes. This may include the purchase of properties envisioned for future commercial expansion, working with the town to undertake projects outlined in the Northeast Harbor Village Center Plan or as an investor in a private development designed to address commercial or residential space needs. As a partner, the Corporation would work with private property developers and other community partners to aid projects that are consistent with longterm local economic development goals and which strengthen and support the Town of Mount Desert's business climate.

As each corporation's activities ramp up and they begin to accomplish the objectives outlined in the projects above, they will seek similar projects designed to improve the community and expand their reach.

## **BUSINESS SUPPORT AND COMMUNITY REVITALIZATION IN NORTHEAST HARBOR**

Concern about the vitality and sustainability of Northeast Harbor, the town of Mount Desert's commercial and governmental center, began in 2010 with the creation of the Town of Mount Desert Revitalization Committee. This committee was a partnership between members of the town's year round population and the Summer Resident's Association. Both constituencies were worried about the health and long-term sustainability of the community and its businesses. In the spring of 2012 this committee recommended engaging an outside expert in revitalization "best practices" to study the problem and in June hired the Urban Land Institute (ULI) to undertake a Technical Assistance Panel (TAP) study focused on identifying opportunities and strategies for revitalizing Northeast Harbor's commercial center, leveraging recent investments in the Marina, and creating opportunities for the development of affordable housing.

The TAP study found:

- The transfer of ownership of housing units in and around NEH's village core from year round to seasonal residents dramatically increased the price of these units and has led to an exodus of year round residents from the village.
- The displacement of year round residents dropped the village's year round population from approximately 900 in 1960 to approximately 300 today.
- This decreased year round population base depleted the market for year round businesses. Fewer and fewer businesses provide services or goods targeted to year round residents and less than half of the village businesses are open year round. Main Street is active in the summer season but very quiet in the winter.
- Redevelopment of vacant lots is hindered by high land and construction costs, a complex permitting process and a limited business season for commercial tenants.
- Housing costs in the village area exceed the ability of median income households to pay.

The TAP report recommended a "basket" of actions to address Northeast Harbor's identified issues. These recommendations included:

- Make Northeast Harbor a "beehive" of activity
- Capitalize on Marina Improvements
- Add Amenities and Animation to Main Street
- Enhance and Leverage Historic Assets
- Strengthen the Commercial Core
- Provide a Spectrum of Year-Round Housing and Increase the Supply of Affordable and Market Rate options
- Identify and Effectuate Catalytic Projects
- Pursue Institutional Opportunities and Partnerships

In addition, the report recommended that the town hire an economic development facilitator or director to assist the town in these efforts.

In the spring of 2013 the Mount Desert Revitalization Committee became the Town of Mount Desert Economic Development Committee and in July they hired a part time economic development consultant to assist the committee in implementing the recommendations outlined in the ULI TAP study.

Initial efforts by the Committee focused on supporting struggling businesses on Main Street with improved marketing of the village and its businesses, better business directory and visitor signage and working with tourism outlets in Bar Harbor to increase Northeast Harbor's visitor base. An outdoor movie program was



established on Northeast Harbor's Village Green to attract more people to the village center and a town Event Committee was established to begin the process of making the village the "beehive" of activity envisioned in the TAP report.

Since 2013 this Committee has continued to expand its efforts to support business expansion, improve community services, and spur private investment. These efforts have included:

- Improved marketing of the town through the creation and distribution of a Town of Mount Desert brochure and a town event rack card. In addition, a TV ad was created and aired in statewide markets.
- Amended town ordinances to expand business opportunities by creating options for mobile food vendors to operate in town and to allow for better visitor signage.
- Worked with the Town of Mount Desert Chamber of Commerce to expand its membership and services and to improve its website. In 2016 the Chamber was able to hire a part time executive director and take over all marketing and event efforts for the town.
- Sponsored major town events such as the Town of Mount Desert antique auto shows in 2014 and 2015, the very successful visit of the schooner Lynx, village concerts, community suppers, fairs and dances. These efforts were designed to increase tourism and engage local residents.
- Established the Town of Mount Desert Facebook Page to increase the town's social media presence and to communicate more effectively with residents and visitors to our villages.
- Worked with Tilson Technologies to create a broadband plan and network design for the Town of Mount Desert that would provide state of the art Internet capabilities for the entire town. This project led to the establishment of a local Broadband Committee, which recently received a \$100,000 grant from the State of Maine. This funding, combined with recently approved local funds, will provide improved broadband services to over 300 households in Somesville and Pretty Marsh.
- Created the Northeast Harbor Village Center Plan. This conceptual plan outlines improvements to the village's appearance and functionality and will add amenities and animation to Main Street and improve circulation within the entire village core. Research shows that public investment in a downtown improves visitors' perception of an area and increases the level of private investment in a community. Final design of phase 1 of this project was approved at town meeting in May of 2017 with construction funding expected next summer.

The success of these efforts can be seen throughout the village. Over the past three years, the number of shops and restaurants in the village core has increased. Swallowfield, Maine Gifts from the Sea, Sweet Soles and Living Threads have all opened during this period and three new restaurants, The Fork and Spoon, 123 Main Street and the Tan Turtle Tavern are now available. In addition, two food trucks now operate in the marina area and McGrath's recently received a major renovation to expand its business offerings. Between 2013 and 2016 total taxable retail sales in the Town of Mount Desert increased 30% for food sales, 17.6% for retail sales, 41.6% for restaurants and 33.8% for lodging.

Efforts to address the village housing shortage are also being made. Both the Island Housing Trust and Mount Desert 365, a new, local 501(c)(3), are focused on providing affordable workforce housing. Several properties have been acquired in Northeast Harbor and plans are being made to build additional units within walking distance of the village.

The next step is to provide greater support for the business community and groundwork has been laid to tackle this need. In the spring, the town's Economic Development Committee registered a 501(c)(4) organization called the Town of Mount Desert Economic Development Corporation (MDEDC), which will focus on business retention and attraction. This private, non-profit corporation will support business expansion and improvement and entrepreneurship through grants, loans and technical assistance. It may also

partner with others to expand the availability of commercial space in the village. Funding for these efforts will come from grants, private donors and municipal investment.

The Economic Development Committee also registered a 501(c)(3) organization called the Mount Desert Community Development Corporation (MDCDC). Its mission is to improve the vitality and livability of the Town of Mount Desert through enhancement of public spaces, infrastructure improvements, the preservation of historic structures and other efforts that will improve the shape and character of the community. This private, non-profit corporation is currently working to implement several community improvement projects that were identified in the recently adopted Northeast Harbor Village Center Plan. Funding for this organization will also be from grants, private donations and municipal investment. All donations to this corporation will be tax deductible.

The Economic Development Committee is committed to revitalizing the town of Mount Desert. They will partner with the MDEDC and the MDCDC as needed to create and support projects. Private support of these efforts is essential. Both year round and summer residents are urged to learn more about these initiatives and support them either financially or in other ways that ensure their success.

Working together we can attain our goal of a healthy and revitalized village.