

**SUMMER RESIDENTS ASSOCIATION
GENERAL MEMBERSHIP ANNUAL MEETING
4:30 p.m., WEDNESDAY, AUGUST 9, 2017**

Executive Board members present: Don Graves, President; Maggie Hays, Kent Schmidt,

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)

II. PERFORMANCE & FINANCIAL REPORT: Don Graves for Averel Wilson
A. Dues and membership 08/01/2017
Don noted membership is off by 20%, as are donations to the Economic Development fund. Still, the Association is in good health financially and can afford to contribute to some of the economic development projects, but hopes members will too.

III. ELECTION OF NEW BOARD MEMBERS: Maggie Hays for John Boynton
Maggie made the following nomination for new members on behalf of the Nominating Officer and Board: Gary Madeira and Ned Nalle for a three-year term of 2017-2020, each.

MOTION: Lanie Lincoln moved, seconded by George Hamilton, to elect Gary Madeira and Ned Nalle to the Summer Residents Association Board of Directors for a three-year term of 2017-2020, each. The vote was unanimous in favor.

[Board of Directors Officers and Members for 2017 – 2018:

President: Lili Pew

Vice President/Membership: Maggie Hays

Secretary/Treasurer: Averel Wilson

Nominating Chair: John Boynton

Renewing Members: Matthew Baird 2017-2020, 2nd term; John Boynton 2017-2020, 2nd term; and Bill Roberts, 2017-2020, 2nd term

Continuing Members: Larry Goldfarb 2016-2019, 2nd term; Sidney Graves 2015-2018, 1st term; Will Hudson 2016-2019, 1st term; Howard Lapsley 2016-2019, 2nd term; Chris Reece 2015-2018, 1st term; and Kent Schmidt 2016-2019, 2nd term]

IV. WELCOME FROM THE TOWN OF MOUNT DESERT: Matt Hart, Board of Selectmen
Matt sincerely thanked the SRA for its years of support to the Town. He noted Jackie Hewett is here because the SRA stepped up and contributed financially to allow her to do her job. Matt gave special thanks to Kathe McCoy and Ham Clark for their leadership regarding economic development. He referred to the speakers scheduled to follow and said he is especially looking forward to hearing from MD365.

V. MOUNT DESERT CHAMBER OF COMMERCE REPORT: Tom Reeve, Director
Tom announced he is at the Visitor Center a lot and encouraged people to come see him, call him at 276-5040, or email him at director@mountdesertchamber.org. This has been a banner year for the Chamber: May-June foot traffic was up by 62%, July by 36 %, and August is

currently up by 10 -15%. He noted they are seeing more visitors to Cranberry Isles; and suggested the construction to Bar Harbor is turning people this way.

As calls come in, they are trying to direct people in a manner that avoids parking problems upon their arrival. He is researching a cell phone app that would assist people in locating shops, restaurants, etc. He acknowledged that the Marina to Main Street is still an issue; they are exploring ideas to facilitate travel between the two areas, such as a shuttle and better maps.

The Thursday night movie attendance is down partly due to weather, and the late start time of 9:00 p.m. in July. Again, they are looking at options.

VI. ECONOMIC AND COMMUNITY DEVELOPMENT OPPORTUNITIES

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

Jackie Hewett, Economic Development Director, Town of Mount Desert

Jackie commenced her report with information from the Town's Economic Development Committee regarding the Northeast Harbor Village Center Plan and the creation of Mount Desert Economic Development Corporation and Mount Desert Community Development Corporation.

The Committee first asked in 2015 what the concerns were regarding Northeast Harbor. That information and a survey completed by residents developed into the present plan of how to improve the town visually and aesthetically. Community outreach meetings followed and more information was collected. Jackie presented copies of the plan and noted it is also available on the Town's website (www.mtdesert.org). She emphasized this is a conceptual plan that charts a course.

Phase 1-A begins at Summit Road and travels to the Neighborhood House. At the May 2017 Annual Town Meeting, voters approved funds for the final design plan, which includes underground utilities, sidewalks, and lighting. August 30 at 5:30 p.m., here at the Neighborhood House, there is a Conceptual Design Review meeting to present the plan to the public. The goal is to have the plan completed in time to request funds for construction at the 2018 Annual Town Meeting, and by next fall start construction.

The Committee's second project is the creation of the Mount Desert Economic Development Corporation (EDC) and the Mount Desert Community Development Corporation (CDC). These are non-profit corporations to assist with various town projects.

EDC's initial effort is to create a business support fund through loans and grant programs for existing businesses to expand, upgrade, etc. Secondly, it will assist entrepreneurs and new business ventures to find and develop property, and provide seed money for equipment, etc. The third aspect is business development, such as a new commercial structure on one of the empty Main Street lots. She acknowledged there is lots of work to do; however, they are excited and looking forward to it.

The CDC is more about aesthetics and projects that benefit the community. For instance, the village walking plan from Tracy Road to Little Gray Cow parking lot with green space, benches, and paths. The CDC is also looking at broadband; funds approved at the 2017 Annual Town Meeting in May include bond issues to provide high speed internet in the Pretty Marsh/Somesville area. Third is a scenic promenade park, which is Phase 2, around Little Gray Cow parking lot to create a connection to the Northeast Harbor Marina from Main Street.

Questions: What happens to the parking that is now there (Little Gray Cow)? If some parking spaces are reduced, others will be added, such as at Tracy Road. If the goal is to bring more people, won't we need more parking? There are plans to maintain the same number of parking along Main St. They are aware there is a need for parking. Is there an architect? Yes, a landscape architect and an engineer. Peter Godfrey stated many years ago the SRA was formed because Northeast Harbor was dying from the lack of year-round warm bodies. He has seen many plans throughout the years; however, he has yet to see a marketing plan to bring in year-round people and to provide housing. Jackie explained there is a plan, MD365, and more details will be provided later in the meeting. What role if any would the SRA play in support of EDC and CDC? Jackie replied that although that has yet to be determined, private funding and donations will be important. What is being done to ensure there is a balance of business to people – we don't want to become a mini-Bar Harbor. Don said becoming a mini-Bar Harbor is certainly not the objective of the Town nor private initiatives. Restoring the population to the early 1960's (900) from what it is today (350) is important. Will the current plan attract people to live here in the winter – stay tuned for next speakers!

B. Island Housing Trust Alison Beane, Executive Director

Alison noted that IHT has been in existence since 1989 and active since 2004. It assists people who work here but can't afford to live here. Since 2008 IHT has created 35 homeownership properties.

Ripples Hill Phase 2 was completed in February 2017 totaling 9 houses (which added 9 children to the Mount Desert Elementary School). And fifteen Bridge Grants/Homeownership Assistance Program have provided year-round living for people working here.

In a 2017 Housing Needs Survey of island employees, 70% that lived off-island want to live here, but cannot find affordable housing.

Upcoming projects included: Jones Marsh project, in collaboration with Maine Coast Heritage Trust, which is 30 acres off Route 3 in Bar Harbor for work force housing; 13 Sylvan Rd, Northeast Harbor, which is under contract by IHT to buy, renovate, and sell to an IHT applicant; and a gifted home which will be moved to a Beech Hill lot gifted to IHT as approved by voters at the Mount Desert 2017 Annual Town Meeting.

Questions: Rentals? IHT is considering and will be addressing this fall.

C. Mount Desert 365 (MD365) Kathy Miller, Executive Director

Kathy noted MD365 was created as an extension of the cruise ship concerns. It was recognized that businesses need year-round support.

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.

Kathy noted that MD365 has a pending application with the IRS for tax deductible status; and four lots have been purchased in Northeast Harbor.

Questions: What level of income will be required? No decisions have been made yet. Do you know the average income of the people who want to be here? The range is great. We hope to attract all economic levels. There are other models for housing, have you looked into homeshare programs? Kathy said she is not familiar with that concept, but is happy to look into it. What is the anticipated completion date? Within 10 – 15 years In 10 years we want to gradually restore the year-round population to 900+.

VII. ADJOURN 5:56 pm

Meeting adjourned at 5:56 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
AUGUST 9, 2017 SRA GENERAL MEMBERSHIP ANNUAL MEETING

GREETINGS AND BOARD INTRODUCTIONS	Don Graves
PERFORMANCE & FINANCIAL REPORT Dues and membership YTD, Financial Status	Don Graves for Averel Wilson
ELECTION OF NEW BOARD MEMBERS	John Boynton
WELCOME FROM THE TOWN OF MOUNT DESERT Remarks & comments on the Economic Development Initiatives	Matt Hart, Board of Selectmen
CHAMBER OF COMMERCE REPORT	Tom Reeve, Director
ECONOMIC AND COMMUNITY DEVELOPMENT OPPORTUNITIES	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	Alison Bean, Executive Director
Mount Desert 365 (MD365) Mission and current initiatives Development Status	Kathy Miller, Executive Director
QUESTION AND ANSWER FORUM	Open Mike
ADJOURN	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.