

**BUSINESS & ECONOMIC DEVELOPMENT PLAN
TOWN OF NEW GLOUCESTER**

MAY 12, 2006

Prepared for:

Town of New Gloucester, Maine
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I. PLAN SUMMARY

The Town of New Gloucester, Maine, has experienced unprecedented economic growth and residential development over the past decade. The Town's population has doubled since 1970 and it has evolved from a sleepy rural community to a bustling bedroom community serving the Portland and Lewiston-Auburn. In recent years the redevelopment of the Pineland campus has added hundreds of jobs to the Town and will add more in the coming years.

To better understand how it can plan for continued change the Town set out to conduct a Business and Economic Development Study. The study's stated purpose was to "*provide the necessary tools to help implement specific strategies that will aid in the orderly economic growth of the Town.*" Three major objectives were identified:

- Identify opportunities for continued economic and business growth in New Gloucester;
- Understand the demands on the Town's services and infrastructure of continued economic development; and
- Ensure that the Town's ongoing growth occurs in a responsible and sustainable fashion.

RKG Associates, Inc., an economic, planning and real estate consulting firm based in Durham, NH, was hired to complete the Business & Economic Development Study. Beginning in November, 2005, RKG conducted a multi-part planning process that included the following elements:

- an extensive Inventory and Analysis that examined demographic and economic data, real estate market conditions, infrastructure, environmental and regulatory issues;
- a survey of local businesses to identify key issues for attracting and retaining businesses in New Gloucester;
- three public visioning sessions aimed at gauging public opinion on growth and development, fleshing out key issues and responding to those issues;
- an analysis of the impacts of the Pineland campus on the Town's fiscal health, economy, and rural character; and
- development of this Business and Economic Development Plan that sets out a vision, goals and implementation steps to achieve the purposes of the study.

The plan is designed as an action-oriented document. Its implementation will begin immediately upon completion and will continue over a period of several years. During the course of the implementation, the Town will make many decisions regarding public investments, ordinance changes and economic strategies. This plan should remain an active guide to Town decision-makers as they ponder such issues.

II. VISION, GOALS AND IMPLEMENTATION ACTIONS

A. Vision Statement

New Gloucester possesses an ideal combination of urban amenities and rural character. To preserve this balance, our commitment is to give equal emphasis to economic growth, the natural and visual environment and adequate housing for individuals and families of all ages, incomes and needs.

B. Goals of the Plan

There are five goals of the Business and Economic Development Plan.

1. Maintain and enhance the sense of community.

As New Gloucester has grown from a rural, agrarian community to a bedroom community, its culture has changed in several ways:

- many newcomers do not have strong ties to the community;
- continued development threatens the Town's historic and natural resources; and
- socioeconomic diversity is being threatened.

The Town does retain a strong identity and sense of community. These not only need to be preserved as the Town continues to grow and change, they must also be expanded.

2. Expand local retail opportunities.

Residents of New Gloucester already spend most of their retail dollars in other towns. With continued big box retail development in surrounding areas, this trend is likely to persist. There are, however, many opportunities for small, niche businesses to serve New Gloucester's growing base of residents and businesses and the Town needs to help such businesses grow and thrive.

3. Increase potential for commercial and industrial development.

Rural communities such as New Gloucester often find it difficult to compete with larger municipalities for commercial and industrial development, as they are typically more isolated, lack public (water and wastewater) infrastructure and do not have "shovel ready" land or building space that is ready to accommodate new development. Despite these disadvantages, New Gloucester offers the intangible advantage of quality of life which is highly desired by many business owners. This asset needs to be coupled with regulatory and economic incentives to leverage appropriate commercial and industrial development.

4. Limit negative effects of strip development.

Pressure is mounting for new development along New Gloucester's two main north-south transportation corridors: Route 202/100 and Route 26. Development along these corridors is desired, but it must be done in a manner that ensures an attractive environment, allows for the free flow of traffic and reinforces the distinction between village and rural areas.

5. Balance business development with rural character.

Despite its many changes, New Gloucester still looks like a rural community, with meandering roads, hillside vistas and attractive landscapes. Such intact rural character in close proximity to Portland and Lewiston-Auburn represents the Town's chief asset. Therefore, future business growth must respect and protect the Town's appearance and character.

There are several aspects to balancing development and rural character:

- Major transportation corridors are the "windows" through which visitors view the community. Growth along Routes 202/100, 26 and 231 must not take away from the Town's appearance;
- A large segment of New Gloucester's business base is located in its rural areas, including agriculture, forestry, arts businesses and home-based businesses. Such businesses are very important to the Town, but must not negatively impact its overall character;
- Pineland and the Shaker Village both possess strong potential as tourism destinations, leading to the potential for commercial development in surrounding areas; and
- Development in and around historic village areas needs to be compatible both in size and scale with historic structures and landscapes.

C. Implementation Actions

The implementation actions proposed for the Business & Economic Development Plan are designed to generally support the vision and goals presented above. These actions provide exact guidance to the Town of New Gloucester and its partners on how to achieve the vision and goals of the plan.

For each action, the following information is supplied:

- General description and guidance
- Responsible party
- Time frame
- Expected costs
- Related implementation actions

Implementation actions are listed below in general priority order.

1. Reconfigure village zoning districts.

New Gloucester’s present zoning ordinance specifies three Village zones: Upper Village (Route 202/100 @ Route 231), Lower Village (Route 231 @ Gloucester Hill/Cobbs Bridge Roads) and White’s Corner (Route 202/100 @ Gloucester Hill Road). The latter, White’s Corner, is a small conglomeration of historic homes that has no remaining village-scale businesses or civic uses.

In addition to these areas presently designated as villages, the construction of New Route 26 has created an opportunity for a more pedestrian-oriented village in the area surrounding Old Route 26 and Mayall Road, at the southern end of Sabbathday Lake. This area contains several small businesses and has the potential to accommodate additional seasonal/tourist related businesses in the future.

The following recommendations are made to reconfigure the Town’s village areas:

- Discontinue the village zoning for White’s Corner and reclassify it as Rural Residential.
- Expand the boundaries of Upper and Lower Villages to include all properties within a 0.5-mile distance of their central points (see Figure 1).
- Establish a new Village zone in the Old Route 26 area that includes most of the present Residential Commercial (RC) zone along that corridor. The remainder of the current RC zone should be rezoned Rural Residential (see Figure 2).

Responsible Party: Zoning Committee, Town Planner
Time Frame: Immediate
Expected Costs: None
Related Actions: 2, 4, 18, 19

Figure 1

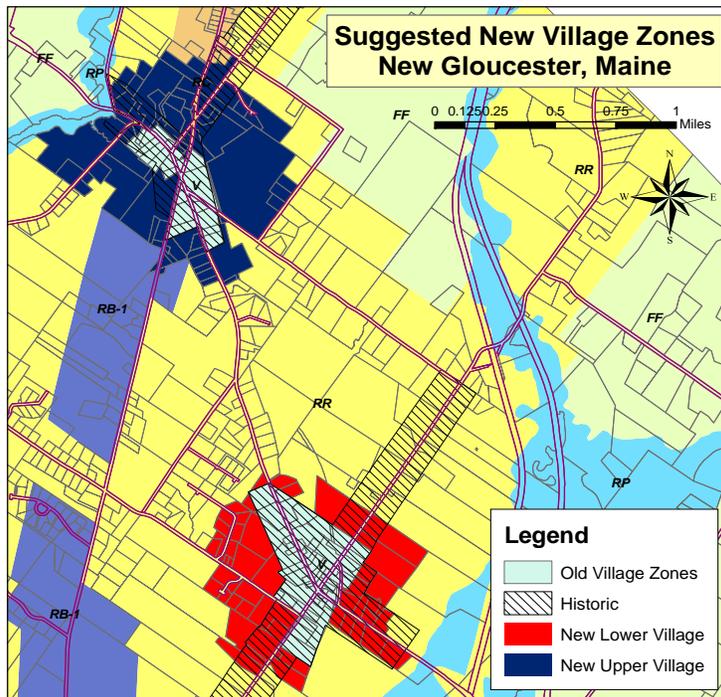
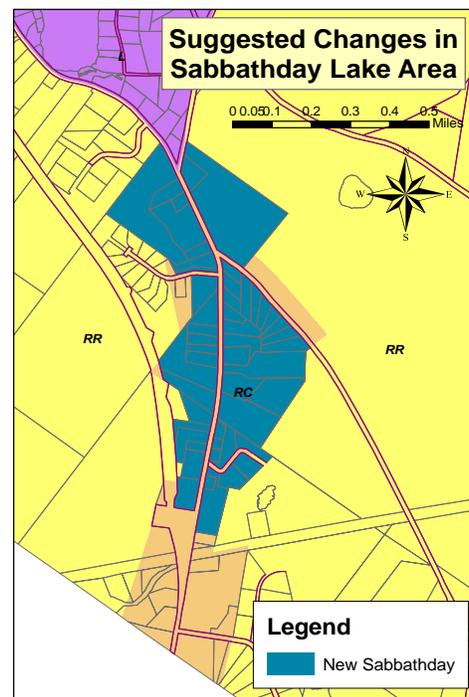


Figure 2



2. Allow denser development in village zones with appropriate infrastructure.

Current Village zoning stipulates that new residential and commercial development must be on lots of at least one acre in size. Cluster and multi-family developments in these areas need to have at least one acre of net residential acreage. Also, frontage (150 feet) and front setback standards (30 feet) in these areas are more in line with rural/suburban densities.

A central part of this plan's vision is to reinforce the historic scale, character and function of the Town's village areas. To accomplish this goal, the following recommendations are made for village area zoning.

- For all development, reduce minimum frontage to 75 feet and minimum front setback to 15 feet.
- For single-lot development of single-family homes or businesses, reduce minimum lot size to 20,000 square feet, which is the minimum lot size allowable by state law for sites with on-site septic sewage disposal.
- For single-lot development of multi-family or mixed-use structures, allow one unit/use per 20,000 square feet of net residential acreage.
- For cluster developments with shared drinking water and wastewater facilities, minimum individual lot size may be reduced to as little as 10,000 square feet, provided that such developments meet other cluster subdivision standards.
- All new subdivisions in Village zones should include pedestrian connections to the historic village areas and provisions for future road connections to adjacent properties.
- To balance impacts of intensive development, consider required phasing of new projects. Phasing should be tied to Town's ability to provide public facilities and services needed to serve new development.

Responsible Party: Zoning Committee, Town Planner

Time Frame: Immediate

Expected Costs: None

Related Actions: 1, 4, 18, 19

3. Expand incentives in TDR Receiving Areas.

New Gloucester's existing Transfer of Development Rights (TDR) program, which was instituted in 2004, offers a relatively modest incentive: with the purchase of TDR credits, landowners in receiving areas may only double their density. Since nearly all of the TDR receiving area is located in the Rural Residential zone, which has an underlying residential density of one lot per two acres, developments in this area still must have lots of at least one acre. In jurisdictions with successful TDR programs, the density bonus is often a factor of four or greater.

To bolster the TDR incentive, the following recommendations are made:

- Increase minimum lot size for development Farm & Forest district to 10 acres but continue to permit sale of TDR credits at one unit per 5 acres. This will provide a

disincentive for rural landowners to develop their land and bolster the incentive to sell their development rights.

- Allow developers in the receiving area to reduce density to one lot per 0.5 acres, providing a stronger incentive to develop.
- To balance the higher densities with the need to maintain the flow of traffic, all developments using TDRs must provide road and trail/sidewalk connections to abutting properties and/or roads (the Planning Board will have discretion over the specifics).
- Exempt receiving area developments that make use of TDRs from affordable housing requirements (see Action 10).

Responsible Party: Zoning Committee, Town Planner

Time Frame: Immediate

Expected Costs: None

Related Actions: 10, 18

4. Continue to improve municipal campus facilities in Lower Village.

Lower Village is New Gloucester's historic municipal center and still contains the Town Hall, Fire Station, Library and Meeting House. As the Town has grown, building and parking space have become a concern. However, public sentiment is very strong that Lower Village should remain the heart of the Town's municipal life.

The Town's current municipal campus only comprises 5.57 acres¹. There are plans under way to add more parking and improve access within the bounds of the existing property, but it is likely that, at some future point, more land will be needed to continue to serve the needs of a growing population and business base. If future expansion needs exist and appropriate properties or buildings become available in Lower Village, the Town should acquire them to meet these needs.

Responsible Party: Board of Selectmen, Town Manager

Time Frame: Immediate, Ongoing

Expected Costs: \$220,000 for Town Hall expansion

\$50,000 for parking expansion

\$55,000 for Fire Station renovations

Unknown costs for future property acquisition and construction

\$325,000 TOTAL

Related Actions: 1, 2, 18, 19

5. Maintain proactive dialogue with Pineland.

A recurring sentiment of the public throughout the planning process was that the Town's relationship with Pineland needs to be strengthened. Though residents of New Gloucester do generally view Pineland as an asset to the community, many would like to see a stronger dialogue between the two parties to ensure better collaboration in the future. To

¹ The Town also owns the Grange Hall site, which contains 0.25 acres.

achieve this goal, the Town should renew its commitment to having a positive exchange of ideas with Pineland and the Libra Foundation representatives to ensure that mutual aims are being met. In addition to ensuring that the Town remains aware of ongoing development plans, the dialogue should also include discussion of tourist activity at Pineland and possibilities for Town-sponsored recreational and cultural programs at Pineland.

Responsible Party: Board of Selectmen, Parks & Recreation Committee
Time Frame: Immediate
Expected Costs: None
Related Actions: 12, 15

6. Continue to participate in Shaker Village area conservation activities.

Sabbathday Lake Shaker Village is the last active Shaker community in the world, and has just four residents as of 2006. The Shakers and many conservation partners have been actively working to conserve the property and its surrounding area, with the Town of New Gloucester being a party to these efforts. The Town should continue to support these efforts by maintaining strong zoning controls, working to broker TDR sales from properties in this area and identifying potential funds for land or conservation easement purchases.

Responsible Party: Board of Selectmen, Zoning Committee
Time Frame: Immediate, Ongoing
Expected Costs: None
Related Actions: None

7. Make appropriate use of municipally-owned land for affordable housing.

The chief barrier to increasing the supply of affordable housing in New Gloucester is the escalating value of land. To reinforce its commitment to providing housing opportunities for individuals and families of all ages, incomes and needs, the Town can make use of public land to address the affordable housing situation. As of 2006, the Town owns 340 acres of land on 35 parcels. Many of these parcels are in use as town facilities, but others present potential development opportunities. The Town garage site in the Upper Village, for example, may be appropriate for a mixed-use development that includes some affordable housing.

Another issue to consider is the use of future tax-acquired property for affordable housing. If such properties already contain suitable dwelling units, they could be transferred at reduced costs to prospective homeowners meeting income qualifications. If tax-acquired lots are unbuilt, the Town could team with private or non-profit homebuilders to build affordable units on them.

If there are suitable town sites for affordable housing development that have infrastructure needs, the Town could consider designating an Affordable Housing Tax Increment Financing (TIF) district. By state law, such a district would allow both for infrastructure investments to support affordable housing as well as an exemption from the

state revenue sharing formula of the additional tax revenue. An Affordable Housing TIF district may contain up to 2% of a Town's total land area, so such a site in New Gloucester could be as large as 500 acres.

Responsible Party: Board of Selectmen, Zoning Committee
Time Frame: Immediate, Ongoing
Expected Costs: Up to \$5,000²
Related Actions: None

8. Expand opportunities for accessory dwelling units.

A common way to increase the supply of affordable housing in rural areas is to ease the standards for accessory dwelling units. Doing this allows for the creation of additional dwelling units without developing new lots and often, without even altering the exterior of existing homes.

The Town has already prepared proposed changes to several sections of the Zoning Ordinance pertaining to accessory apartments. These proposed changes include:

- Removing the restriction that limits accessory apartments to immediate relatives
- Increasing the maximum size from 540 square feet to 800 square feet or 40% the primary residence's floor area
- Requiring that accessory units meet the Town's definition of affordable housing units
- Subjecting the addition of accessory dwellings to site plan review to ensure that they are respectful of the surrounding area

If these changes are adopted, this implementation strategy will be fulfilled.

Responsible Party: Zoning Committee
Time Frame: Immediate
Expected Costs: None
Related Actions: None

9. Establish first response program for economic development activities.

Bolstering New Gloucester's identity as a business location will require some effort by the Town to increase its visibility and its capacity to attract and retain viable businesses. A first response program for economic development would help the Town achieve this aim. This program could include:

- A "start up" information package for prospective new business owners. This package should be updated annually and contain (at a minimum) all land use regulations, a summary of required development permits and approximate costs, current tax rates, and municipal contact information;
- An economic development website (updated regularly) that acts as the community's "front door" and supplies data on demographics, incentives and available property;

² Cost to draft legal documents relative to property transfer with affordability component.

- A local map and guide aimed at visitors, prospective residents and potential investors. The guide and map should be updated regularly and available on-line and at high visitor traffic locations (stores, Pineland, attractions, etc.);
- A co-marketing program with Pineland to attract businesses to the campus and to encourage more Pineland workers to live in New Gloucester;
- Working with regional tourism promotion agencies to market local attractions and festivals and to develop visitor packages that include these destinations;
- Development of attractive and uniform wayfinding signage to direct visitors to local attractions (Lower Village, Pineland, Shaker Village, etc.);
- Coordinating activities with neighboring towns and with regional economic development groups such as the Lewiston-Auburn Growth Council and the Lake Region Development Council;
- Hiring an Economic Development Director. This position could either be a new, full-time position, part of another position or a consultant position.

The first response program should be an outgrowth of the planning committee that oversaw the creation of this Business & Economic Development Plan. The committee should be made permanent as the “Economic Development Committee,” and should closely coordinate with the Town Manager, Town Planner and Board of Selectmen.

Responsible Party:	Economic Development Committee
Time Frame:	Immediate
Expected Costs:	\$5,000-\$10,000 for website \$5,000-\$10,000 for development of package, map and guide \$10,000-\$20,000 for wayfinding signage \$20,000-\$80,000 per year for ED Director <u>(\$100,000-\$400,000 over five year period)</u> \$120,000-\$440,000 TOTAL
Related Actions:	11, 13, 16

10. Mandate affordable housing as part of new residential developments.

Another means of reinforcing the Town’s commitment to affordable housing is to require that new residential subdivisions, particularly those located in non-growth areas, contribute to the provision of affordable housing. The suggested system would require that new market-rate subdivisions or multi-family projects set aside a number of lots or units that meet the Town’s existing definition of “affordable housing.”

The proposed system is as follows:

Total Lots/Units	Required Set Aside for Affordable
0-4	0
5-14	1
15-24	2
25-34	3
35-44	4
45+	5

All lots or units set aside for affordable housing shall be maintained as affordable housing for at least ten (10) years after their initial occupation date. If such a unit is sold within that ten year period, it must be sold at a price that meets the Town's definition of affordable housing.

Two types of developments would be exempted from this mandate:

- Developments in TDR receiving areas that make use of TDR incentives, as those incentives allow for smaller and less expensive lots
- Assisted, supportive or other special needs housing

Responsible Party: Zoning Committee

Time Frame: Immediate

Expected Costs: None

Related Actions: 3

11. Meet with Business Owners and Operators.

New Gloucester is home to many different types of businesses across a variety of industry sectors and of varying sizes. Communities that establish a communication network with local businesses have a greater chance of addressing the needs and requirements of establishments, which are a vital component of any community's tax base. In order to promote and encourage this network, the Town should establish an annual or twice-annual municipal and business forum to highlight a specific business (or business cluster) and exchange ideas and issues with the goal of better supporting existing businesses base. This item also responds to concerns raised in the Business Survey that the Town needs to be more responsive to its existing businesses.

Responsible Party: Town Manager, Economic Development Committee

Time Frame: 1-2 years

Expected Costs: Up to \$250

Related Actions: 9, 16

12. Conduct Pineland-area traffic/transportation study.

Pineland has now been in operation for about five years and the campus is nearing full buildout much sooner than expected. Since its original approval, several revisions have been made to its overall plan. While none of these revisions has been substantial enough

to trigger further traffic study by MaineDOT, the cumulative effect of them is likely quite substantial. Also, as with the Town's village areas, several intersections in the Pineland area have limited visibility and present potential safety hazards.

To address these issues, the Town should conduct a comprehensive study of current and future transportation needs in the Pineland area. This study should not be limited to automotive traffic—it should also encompass pedestrian/trail links, passenger rail service and other modes of transportation.

Responsible Party: Board of Selectmen, Public Works
Time Frame: 1-2 years
Expected Costs: \$50,000-\$100,000
Related Actions: 5

13. Analyze and streamline planning and permitting ordinances and processes.

An issue identified during the planning process, specifically during the business survey, was that many businesses indicated that clear, concise and understandable land use regulations and processes were necessary for the expansion of their existing businesses, as well as an attractant for new businesses looking to relocate to New Gloucester. The Planning Board should conduct an ongoing review of its standards to improve their clarity. In this review process, the Board should consider adding graphic diagrams to dimensional standards, street and stormwater design provisions and other sections of the Ordinance. The Maine State Planning Office has sample diagrams available for use in municipal ordinances and can be a valuable resource in this effort. This effort will be time consuming and extremely technical and would be best performed by a qualified planning consultant.

Responsible Party: Zoning Committee, Town Planner
Time Frame: 1-2 years
Expected Costs: \$10,000-\$25,000
Related Actions: 9, 14, 17

14. Mitigate the impact of new development in highway corridors.

Public opinion obtained during the planning process was strongly in favor of limiting strip development along Routes 202/100, 26 and 122, the Town's major transportation routes. It is generally acknowledged that development is spreading outward from Auburn and Gray, putting pressure on lots fronting on these corridors.

The challenge for the Town is to allow for development in these corridors without doing harm to their visual environments or negatively impacting the flow of traffic. To achieve this middle ground, the following recommendations are made:

- Work with MaineDOT and Greater Portland COG to prepare access management plans that minimize the number of curb cuts from future developments
- Strengthen buffering standards to screen development from the roadway

- Require new developments in commercial zones to make use of existing road accesses from abutting properties or to provide future road access to undeveloped abutting properties.

Responsible Party: Zoning Committee, Board of Selectmen

Time Frame: 1-2 years

Expected Costs: None

Related Actions: 13, 17

15. Expand public recreation/culture programs at Pineland.

As a unique campus, Pineland offers New Gloucester many recreational and cultural resources that few towns of its size are fortunate to have. At the present time, though, the Town does not have any official recreation or cultural programs housed on the campus. Working through the Pineland Advisory Group, the Town should explore establishing outdoor recreation, arts and cultural programs on the Pineland Campus (and at other suitable locations, such as the Fairgrounds) under the umbrella of its Recreation programs.

Responsible Party: Parks & Recreation Committee

Time Frame: 1-2 Years

Expected Costs: None—to be recouped by program fees

Related Actions: 6

16. Develop low-interest loan program for current and prospective businesses.

The Town of New Gloucester has previously expressed a desire to establish a low-interest loan program to support business expansion and attraction. While some start-up funding can be provided from the Pineland TIF, this amount is capped in the TIF agreement at \$1 million over a 28-year period (an average of just \$36,000 per year).

Once the Economic Development Committee has been formed and staffing is in place, the Town should set aside between \$100,000 and \$250,000 in TIF funds to establish the loan program. Due to the small size of the initial loan pool, the initial design of the program should be for “microloans” of less than \$25,000. These loans would be targeted specifically to small businesses and larger businesses making small investments.

In the first year of the program, the Economic Development Director will need to pursue additional capital for the loan program. There are numerous sources for additional loan funding, including:

- Finance Authority of Maine (www.famemaine.com)
- U.S. Department of Agriculture Rural Development (www.rurdev.usda.gov)
- Maine Office of Community Development/Community Development Block Grant (CDBG) Program (www.meocd.org)
- U.S. Economic Development Administration (www.eda.gov)

Loan criteria for each of these programs are specifically defined, so the Town will not need to establish its own criteria. Assistance to the Town with applying for grant funding and administering grants is available from the Greater Portland Council of Governments (GPCOG). GPCOG's expertise with all of these programs is very valuable to communities that do not have a track record with them.

Responsible Party:	Economic Development Committee, Economic Development Director
Time Frame:	1-2 Years
Expected Costs:	\$100,000-250,000 in first year start-up costs \$25,000-50,000 per year in local contributions during subsequent four years (<u>\$200,000 total</u>) <u>\$200,000-\$450,000 TOTAL</u>
Related Actions:	9, 11, 17

17. Explore development of business parks.

A central obstacle to attracting manufacturing and industrial uses to New Gloucester is that lack of readily available land for such developments. Nearby communities like Lewiston and Auburn have in place developed business park sites with roads, water, sewer and telecommunications infrastructure already in place. These sites are "shovel ready" for prospective businesses and real estate developers.

In New Gloucester, potential businesses looking to develop new buildings must acquire sites, conduct their own planning and engineering and present plans to the Planning Board. This process can be time consuming and costly and creates a deterrent to new commercial development. It also leads to an environment in which each business must come up with its own site design, leading to an uneven built environment.

To address all of these concerns, the Town could pursue the development of a municipal business park. The general idea behind such a project is to have the Town create an attractive and well-designed site and to put all needed infrastructure in place so a prospective business or developer can purchase the property and proceed quickly and efficiently.

The two most appropriate locations for a business park are in areas of the Route 100 Corridor presently zoned for intensive commercial use or in the New Route 26 corridor. In either location, the park would need to be well screened from the roadway with one well landscaped access road at the road frontage in order to protect the Town's visual character. The approximate size of a business park would be 50 acres, which would accommodate 10 lots of five acres apiece.

Responsible Party:	Economic Development Committee, Economic Development Director, Board of Selectmen, Town Planner
Time Frame:	2-3 years
Expected Costs:	\$500,000 to \$2 million, depending on size, scale and location

Related Actions: 9, 14, 16

18. Develop pedestrian network in and around village areas.

Enhancing the village areas of New Gloucester will require substantial improvements to their pedestrian accessibility. Developing better pedestrian networks will need to be closely coordinated with any road reconstruction activities (see Action 17). Pedestrian facilities need not be limited to sidewalks; in fact, sidewalks may not even be feasible due to narrow rights-of-way and drainage issues. Also, to be effective, village-area pedestrian facilities will need to connect with such facilities to be built in new subdivisions and with trail systems connecting various locations throughout the Town.

Responsible Party: Public Works, Town Planner
Time Frame: 2-3 years
Expected Costs: \$100,000 to \$250,000, depending on needs
Related Actions: 1, 2, 3, 4, 19

19. Reconfigure key intersections to enhance village environments.

Most of New Gloucester's busy traffic routes date from the pre-automobile era and are simply built on top of historic trails, rangeways and cart paths. In the Town's village areas, many buildings are built close to busy roads and to each other. Though the architecture and built form of these areas makes them look like villages, the need to move traffic through them, often at high speeds, impedes their ability to function as villages.

Furthermore, the alignments of several intersections in village areas present safety hazards. To both enhance village environments and improve transportation safety and access, intensive studies will be needed for the Town's two major village intersections:

- **Upper Village** (Route 202/100 @ Route 231) – This complicated and dangerous location takes in four separate intersections (Route 202/100 & Route 231, Route 202/100 and Upper Village Street/Peacock Hill Road, Route 231 and Rowe Station Road, Bald Hill Rd and Upper Village Street.) All of these intersections occur at severe angles and some of them have topography issues as well. Given the complexity of this area, a full study must be conducted. Also, since two of the roads are state highways, any such study must be done in coordination with MaineDOT.
- **Lower Village** (Route 231 @ Gloucester Hill & Cobbs Bridge Roads) – This intersection also presents severe angles and topography issues, but its volume of traffic is far less than that of Upper Village. The primary concern at this location is pedestrian safety, as Lower Village is envisioned as a walkable area. The goal here is to slow through traffic on Route 231. As with Upper Village, accomplishing this goal will involve close coordination with MaineDOT.

Responsible Party: Board of Selectmen, Public Works
Time Frame: 2-3 Years
Expected Costs: \$50,000-\$100,000 for engineering studies
 Unknown local share of construction costs
Related Actions: 1, 2, 4, 18

20. Improve and maintain key rural transportation routes.

Most of the roads maintained by the Town of New Gloucester are narrow two-lane rural roadways. Roads like Mayall Road, Gloucester Hill Road, Morse Road, Bald Hill Road, Snow Hill Road and Chandler Mill Road provide the backbone of the Town's transportation system and must be maintained effectively to ensure continued accessibility. There have already been several road improvement projects identified by the Town, most notably the Mayall Road bridge over the Maine Turnpike and the Woodman Road reconstruction. A comprehensive study should be undertaken to fully understand the needs of the Town's rural transportation system.

Responsible Party:	Board of Selectmen, Public Works
Time Frame:	2-3 years
Expected Costs:	\$100,000-\$200,000 for study Additional costs to be determined by study
Related Actions:	None

21. Conduct arts/cultural planning effort.

New Gloucester is home to a variety of artists, craftspeople and arts-oriented business owners. However, most of these individuals operate independently of each other and tend to identify more with like-minded people in Portland, Lewiston-Auburn and other locations. As New Gloucester looks towards promoting itself as a haven for arts and culture, its resources need to be better understood and organized by undertaking a cultural planning effort. Financial and technical support for this effort is available from the Maine Arts Commission (www.mainearts.com) through its Discovery Research program, which offers grants of up to \$10,000 for such efforts.

An arts/cultural planning initiative may be more successful in collaboration with the Town of Gray, as the two towns share both a school district and Pineland.

Responsible Party:	Board of Selectmen, Parks & Recreation Committee, Library
Time Frame:	2-3 years
Expected Costs:	\$5,000-\$10,000 in local funding, plus potential grants
Related Actions:	None

D. Implementation Matrix

The table below displays all proposed implementation actions and related information.

**Implementation Matrix
New Gloucester Business & Economic Development Plan**

No	Action	Responsible Party	Time Frame	Cost Range		Related Actions
				Low	High	
1.	Reconfigure village zoning districts	Zoning Committee, Town Planner	Immed.	\$0	\$0	2,4,18,19
2.	Allow denser development in village zones with appropriate infrastructure	Zoning Committee, Town Planner	Immed.	\$0	\$0	1,4,18,19
3.	Expand incentives in TDR Receiving Areas	Zoning Committee, Town Planner	Immed.	\$0	\$0	10,18
4.	Continue to improve municipal campus facilities in Lower Village	Selectmen, Town Manager	Immed., ongoing	\$325,000	\$325,000	1,2,18,19
5.	Maintain proactive dialogue with Pineland	Selectmen, Parks & Rec.	Immed.	\$0	\$0	12,15
6.	Continue to participate in Shaker Village area conservation activities	Selectmen, Zoning Committee	Immed.	\$0	\$0	None
7.	Make appropriate use of municipally-owned land for affordable housing	Selectmen, Zoning Committee	Immed.	\$0	\$5,000	None
8.	Expand opportunities for accessory dwelling units	Zoning Committee	Immed.	\$0	\$0	None
9.	Establish first response program for economic development activities	ED Committee	Immed.	\$120,000	\$440,000	11,13,16
10.	Mandate affordable housing as part of new residential developments	Zoning Committee	Immed.	\$0	\$0	3
11.	Meet with Business Owners and Operators	Town Manager, ED Committee	Immed.	\$0	\$250	9,16
12.	Conduct Pineland-area traffic/transportation study	Selectmen, Public Works	1-2 Yrs	\$50,000	\$100,000	5
13.	Analyze and streamline planning and permitting ordinances and processes	Zoning Committee, Town Planner	1-2 Yrs	\$10,000	\$25,000	9,14,17
14.	Mitigate the impact of new development in highway corridors	Zoning Committee, Selectmen	1-2 Yrs	\$0	\$0	13,17
15.	Expand public recreation/culture programs at Pineland	Pineland Advisory Group, Parks & Rec.	1-2 Yrs	\$0	\$0	5
16.	Develop low-interest loan program for current and prospective businesses	ED Committee, ED Director	1-2 Yrs	\$200,000	\$450,000	9,11,17
17.	Explore development of business parks	ED Cmte/Director, Selectmen, Town Planner	2-3 Yrs	\$500,000	\$2,000,000	9,14,16
18.	Develop pedestrian network in and around village areas	Public Works, Town Planner	2-3 Yrs	\$100,000	\$250,000	1,2,3,4,19
19.	Reconfigure key intersections to enhance village environments	Selectmen, Public Works	2-3 Yrs	\$50,000	\$100,000	1,2,4,18
20.	Improve and maintain key rural transportation routes	Selectmen, Public Works	2-3 Yrs	\$100,000	\$200,000	None
21.	Conduct arts/cultural planning effort	Selectmen, Parks & Rec., Library	2-3 Yrs	\$5,000	\$10,000	None
Total Potential Costs				\$1,460,000	\$3,905,250	

III. EXISTING CONDITIONS

This sections of offers an assessment of existing conditions in and around the Town of New Gloucester. This information represents the basis for the above Vision, Goals and Implementation Actions.

Five different types of information regarding New Gloucester's current situation are presented here:

1. Demographic Profile
2. Economic Conditions
3. Real Estate Market Conditions
4. Infrastructure and Resource Assessment
5. Public Opinion Summary

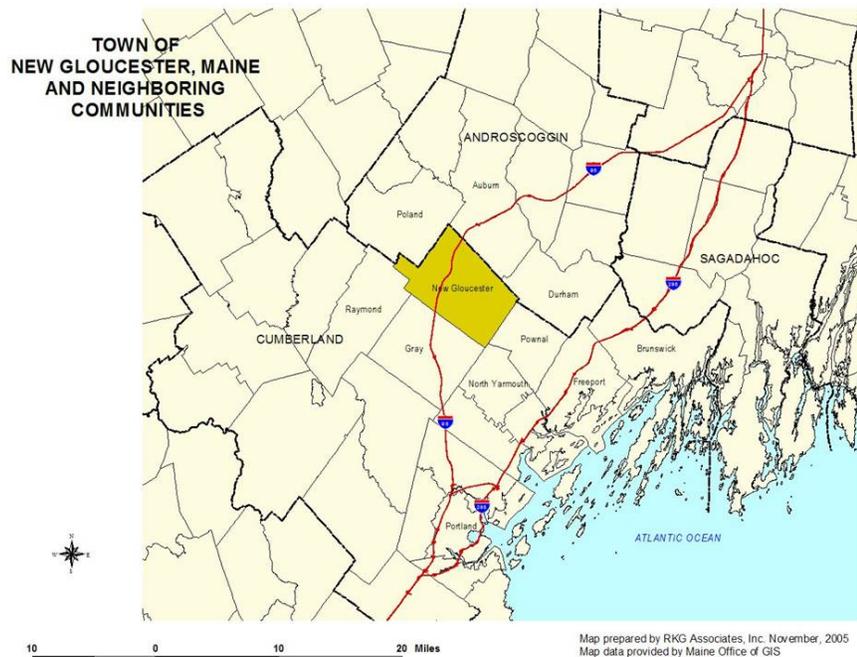
A. Demographic Profile

1. Geographic Profile

New Gloucester is located in Southern Maine, along the Interstate 95/Maine Turnpike corridor between Portland and Lewiston-Auburn, the two largest urban centers in Maine. Though there are no highway interchanges located in New Gloucester, the Town is easily accessible from Exit 63 in Gray and Exit 75 in Auburn. These two exits both serve Route 202/100, the main north/south route through New Gloucester.

New Gloucester's location ties it to the economies of both Portland and Lewiston. Though the Census Bureau considers New Gloucester part of the Portland Metropolitan Statistical Area (MSA), nearly as many New Gloucester residents commute to Lewiston-Auburn as to Portland. Figure 3 shows the Town's location.

Figure 3:
Regional Location Map



2. Population Change

Much of Southern Maine has been experiencing rapid population growth since 1990. Collectively, the four southernmost counties in Maine (Androscoggin, Cumberland, Sagadahoc and York) added more than 70,000 residents between 1990 and 2004, a growth rate of 13 percent.

New Gloucester has been one of the fastest growing communities in the region over this period. From 1990 to 2004, the town's population grew by 1,302, representing a 33.2 percent increase. Most of the towns surrounding New Gloucester have also been growing at rapid rates. With the exception of Auburn, a mature service center, every other town that borders New Gloucester grew by 20 percent or more from 1990 to 2004.

Table 1 shows population change for the region from 1990 to 2004.

Table 1
Population Change, 1990-2004

	Population by Year			Change, 1990-2004	
	1990	2000	2004	Number	Percent
New Gloucester	3,916	4,803	5,218	1,302	33.2%
Nearby Towns					
Auburn	24,309	23,203	23,551	-758	-3.1%
Durham	2,842	3,386	3,861	1,019	35.9%
Gray	5,904	6,820	7,262	1,358	23.0%
North Yarmouth	2,429	3,210	3,427	998	41.1%
Poland	4,342	4,866	5,208	866	19.9%
Pownal	1,262	1,491	1,563	301	23.9%
Raymond	3,311	4,299	4,540	1,229	37.1%
Subtotal	44,399	47,275	49,412	5,013	11.3%
Nearby Counties					
Androscoggin Co	105,259	103,793	107,022	1,763	1.7%
Cumberland Co	243,135	265,612	273,505	30,370	12.5%
Sagadahoc Co	33,535	35,214	36,927	3,392	10.1%
York Co	164,587	186,742	200,359	35,772	21.7%
Subtotal	546,516	591,361	617,813	71,297	13.0%
Maine Total	1,227,928	1,274,923	1,317,253	46,995	3.8%

Source: U.S. Bureau of the Census

The number of households in Southern Maine has grown at an even faster rate than its population, as the average household size has declined. From 1990 to 2000, the four-county region's household growth rate was 14.2 percent. During this time period, New Gloucester saw its household base expand by 44 percent—the fastest growth rate in the immediate region. In all, the Town gained 540 households during the 1990s and saw its average household size decline from 2.96 to 2.71 persons. Despite this sharp decline New

Gloucester's average household size is still far larger than those of Androscoggin or Cumberland Counties (both 2.38) or Maine (2.39).

Table 2 shows household change for the region from 1990 to 2004.

Table 2
Household Change, 1990-2000

	Household Count		Change, 1990-2000		Average HH Size	
	1990	2000	Number	Percent	1990	2000
New Gloucester	1,221	1,761	540	44.2%	2.96	2.71
Nearby Towns						
Auburn	9,547	9,764	217	2.3%	2.47	2.28
Durham	969	1,226	257	26.5%	2.93	2.75
Gray	2,144	2,637	493	23.0%	2.74	2.57
North Yarmouth	815	1,118	303	37.2%	2.98	2.87
Poland	1,515	1,845	330	21.8%	2.80	2.63
Pownal	414	560	146	35.3%	3.05	2.66
Raymond	1,160	1,616	456	39.3%	2.85	2.66
Subtotal	16,564	18,766	2,202	13.3%		
Nearby Counties						
Androscoggin Co	40,017	42,028	2,011	5.0%	2.55	2.38
Cumberland Co	94,512	107,989	13,477	14.3%	2.49	2.38
Sagadahoc Co	12,581	14,117	1,536	12.2%	2.63	2.47
York Co	61,848	74,563	12,715	20.6%	2.63	2.47
Subtotal	208,958	238,697	29,739	14.2%		
Maine Total	465,312	518,200	52,888	11.4%	2.56	2.39

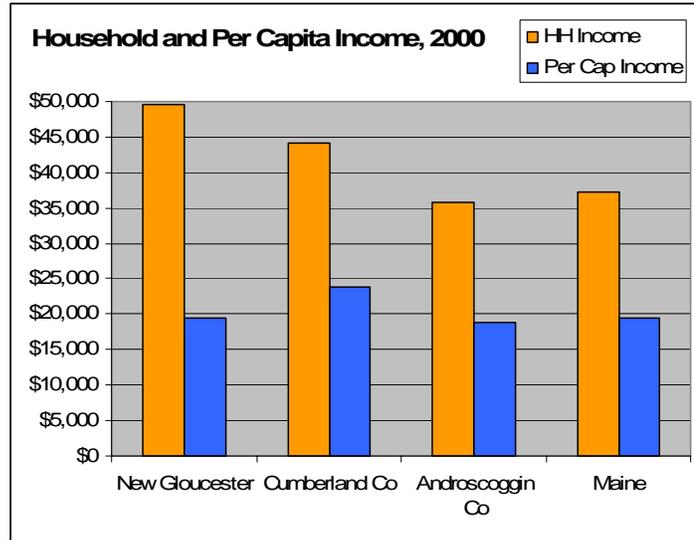
Source: U.S. Bureau of the Census

3. Demographic Characteristics

a) Income

Figure 4 displays the income profile of New Gloucester, Androscoggin and Cumberland Counties and the State of Maine.

Figure 4
Household and Per Capita Income Levels, 2000



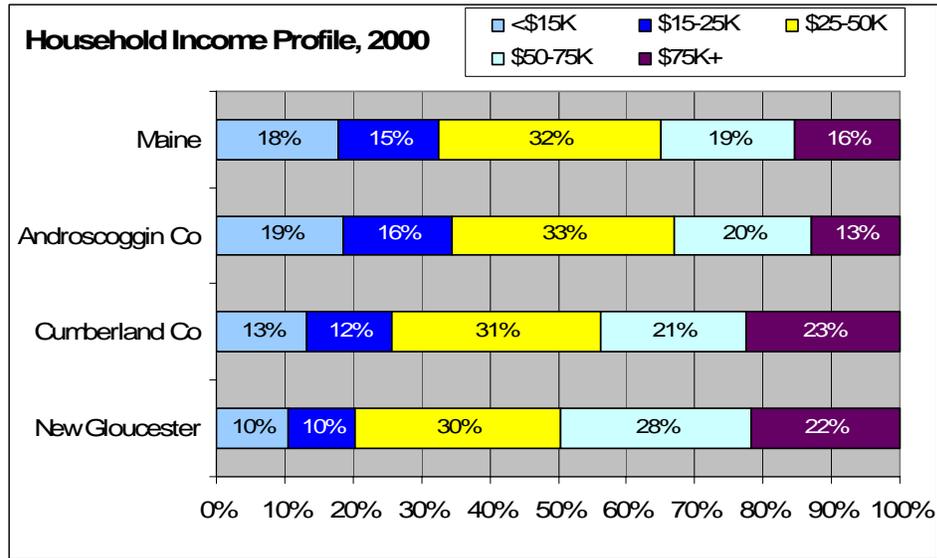
As is typical of bedroom communities on the edge of metropolitan areas, New Gloucester is a more affluent community than the larger cities in the region. The 2000 median household income level in New Gloucester of \$49,599 compares favorably with those of Cumberland County (\$44,048), Androscoggin County (\$35,793) and Maine (\$37,240).

New Gloucester's per capita income level is not as strong, however. In 2000, the average per capita income level in New Gloucester was \$19,527, far less than Cumberland County's figure of \$23,949. Maine's per capita income level of \$19,533 was nearly identical to New Gloucester's despite having a far lower household income level.

This disparity between New Gloucester's household and per capita income levels is most probably because New Gloucester households have more wage earners than all regional households. This issue is explored in the Labor Force section below.

Figure 5 compares the income profile of New Gloucester with those of Androscoggin County, Cumberland County and Maine.

**Figure 5
Household Income Profiles, 2000**



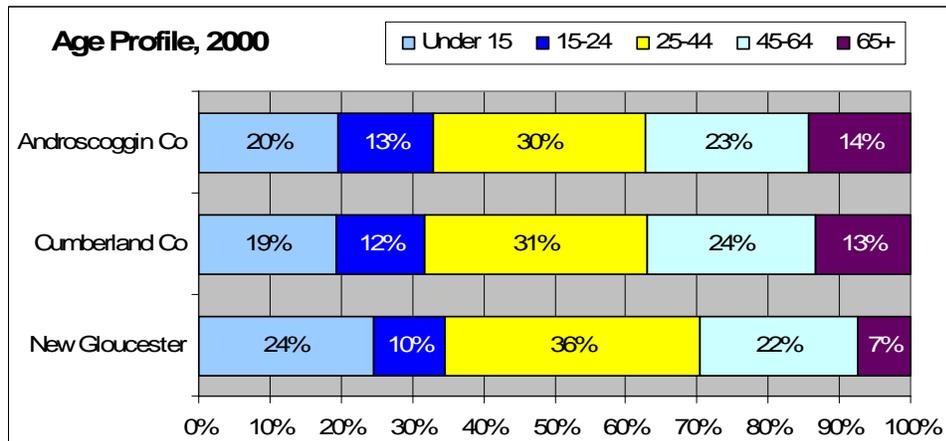
New Gloucester has very large shares of moderate income households relative to the region. Fully 58 percent of the Town’s households fell in the income range of \$25,000 to \$75,000 per year, compared with 52 percent for all of Cumberland County and 51 percent of all Maine households.

New Gloucester also has a very small share of low-income households, as just 20 percent of local households earned less than \$25,000 as of 2000. This compares with 25 percent of Cumberland County households, 35 percent of Androscoggin County households and 33 percent of all Maine households.

b) Age

Figure 6 compares the age profile of New Gloucester with those of Androscoggin and Cumberland Counties.

**Figure 6
Age Profile, 2000**

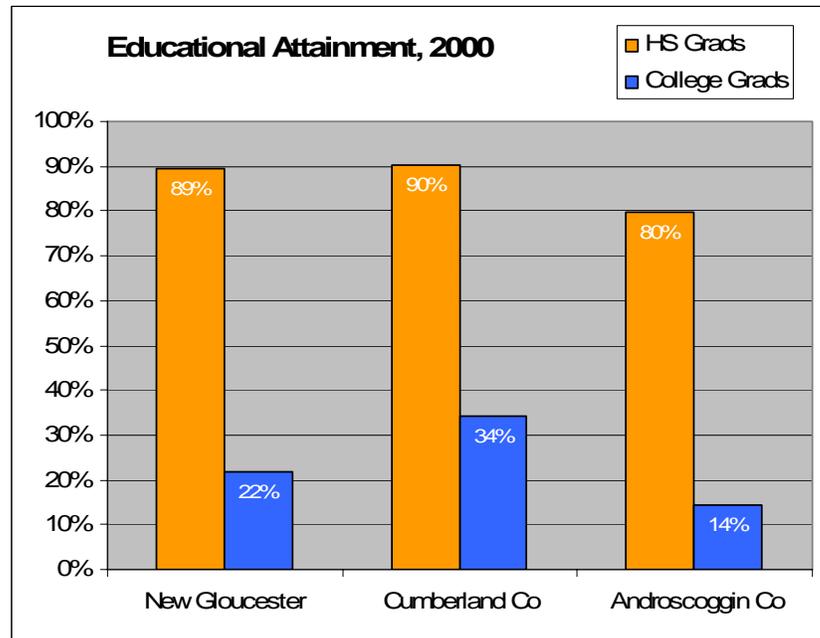


New Gloucester's population is considerably younger than those of the region. The Town's median age in 2000 of 35.5 compared with 37.2 for Androscoggin County, 37.6 for Cumberland County and 38.6 for Maine. Nearly a quarter (24 percent) of New Gloucester's 2000 population was under the age of 15 and just seven percent was 65 or older. The Town also has a large share of adults between the ages of 25 and 44—this age group accounted for 36 percent of all residents of the town in 2000.

c) Educational Attainment

Figure 7 compares the 2000 high school and college graduation rates for residents over the age of 25 for New Gloucester with those of Androscoggin and Cumberland Counties.

Figure 7
Educational Attainment Profile, 2000

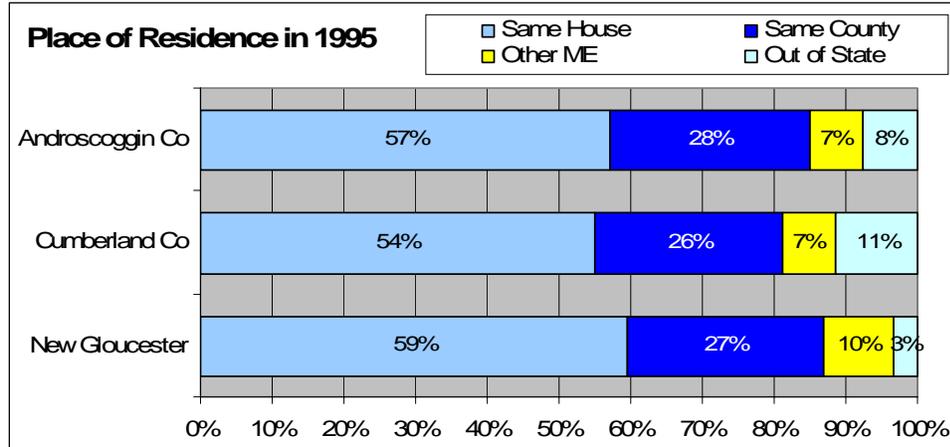


New Gloucester has a high share of high school graduates (89 percent) but a low share of college graduates (22 percent). Cumberland County's high school graduation rate of 90 percent is comparable to New Gloucester's but its college graduation rate of 34 percent is far higher. Both measures of educational attainment are considerably lower in Androscoggin County: 80 percent high school graduates and 14 percent college graduates.

d) Mobility of Population

Figure 8 shows Census data on where 2000 residents lived in 1995.

Figure 8
Place of Residence in 1995 of 2000 Population



The resident base of New Gloucester is more stable than those of the two counties, as 59 percent of the Town’s residents in 2000 lived in the same house in 1995. Among those moving into Town, nearly all come from other locations in Maine—just three percent of 2000 residents lived out of state in 1995. This fact indicates that most migrants to New Gloucester are coming from places like Portland and Lewiston, and not from Massachusetts or New York.

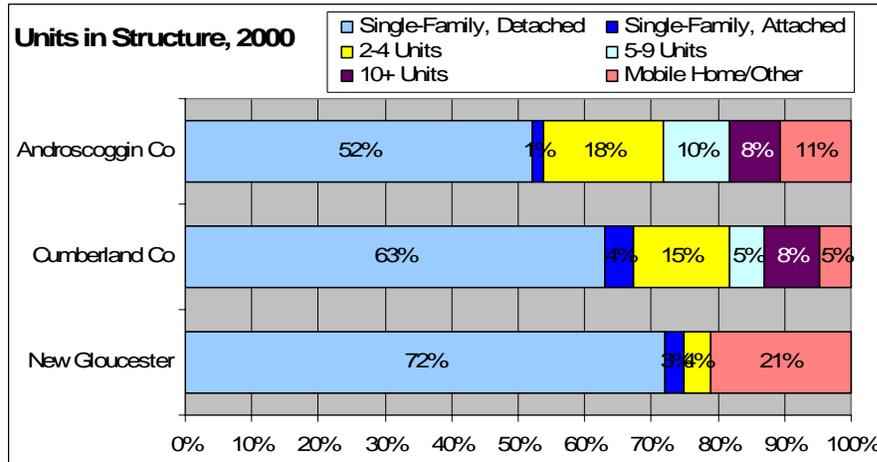
4. Housing Profile

As of the 2000 Census, there were 1,889 housing units in the Town of New Gloucester. Of these, 93.2 percent were occupied, 4.6 percent were primarily for seasonal use and the remaining 2.2 percent were vacant. All of the seasonal units in New Gloucester were located in Census Block Group 1, which consists of the section of town located west of the Maine Turnpike.

Most of New Gloucester’s homes (86 percent) are owner-occupied. This compares with 66 percent of all homes in Androscoggin and Cumberland Counties. The average household size for owner-occupied homes of 2.89 is far larger than that of the Town’s renter occupied homes of 1.62. The small size of renter-occupied homes is an indicator that much of New Gloucester’s rental stock is in smaller units.

Figure 9 compares the number of units in residential structures in New Gloucester with Androscoggin and Cumberland Counties.

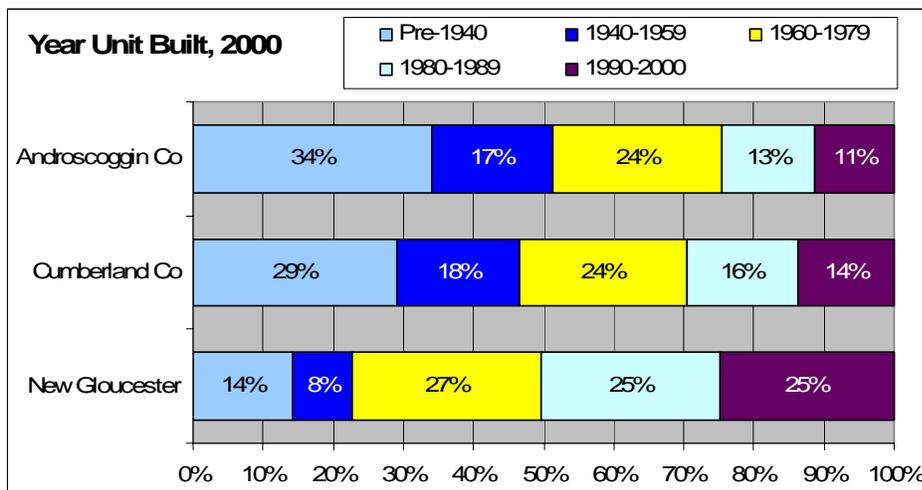
**Figure 9
Units in Structure, 2000**



As Figure 9 illustrates, New Gloucester has a very small supply of multi-family housing—just 73 units (3.9 percent of the housing stock) in the Town are located in buildings with two or more units. This compares with 36 percent of all units in Androscoggin County and 28 percent of all units in Cumberland County. There are no structures in New Gloucester contain five or more housing units. New Gloucester has a very high concentration of mobile homes (21 percent) compared with Androscoggin County (11 percent) and Cumberland County (5 percent).

Figure 10 profiles the age of the housing stock in New Gloucester and Androscoggin and Cumberland Counties.

**Figure 10
Year Unit Built, 2000**



New Gloucester’s housing stock is far younger than the region’s, as 50 percent of the Town’s housing supply in 2000 had been built since 1980. Just 28 percent of the total stock in the two-county area had been built since 1980. Only 22 percent of New

Gloucester's housing stock pre-dated 1960, compared with 48 percent of all housing in the two-county area.

From 2001 through October 2005, there were 141 new housing units built in New Gloucester, including mobile homes. Thus, the estimated inventory of housing units as of November 2005 is 2,030.

5. Demographic Profile Summary

- New Gloucester has added more than 1,300 new residents since 1990, a growth rate of 33 percent.
- Household growth in New Gloucester is occurring at an even faster rate than population growth, as the Town's average household size dropped by 0.25 persons between 1990 and 2000.
- New Gloucester has a relatively high household income level, but a fairly low per capita income level. This is an indication that households in New Gloucester are more likely to have multiple wage earners.
- The population of New Gloucester is much younger than that of the region. The town has a very small share of retirees compared to other areas in Southern Maine.
- Though New Gloucester has a very strong high school graduation rate of 90 percent, just 22 percent of its adult residents hold college degrees.
- New Gloucester residents tend to stay put, and most new residents move to the Town from within Cumberland County.
- The homeownership rate in New Gloucester is very high: 86 percent.
- The supply of multi-family units in New Gloucester is extremely small, and there are no properties in the entire town containing more than four housing units.
- More than 20 percent of existing housing units in New Gloucester are mobile homes.
- More than half of New Gloucester's housing stock has been built since 1980 and just 22 percent of it pre-dates 1960.

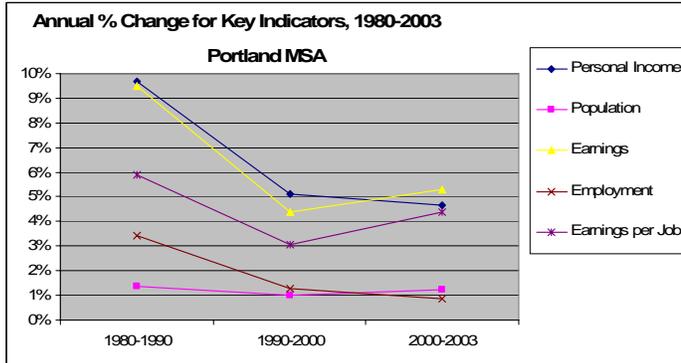
B. Economic Conditions

1. Regional Economy

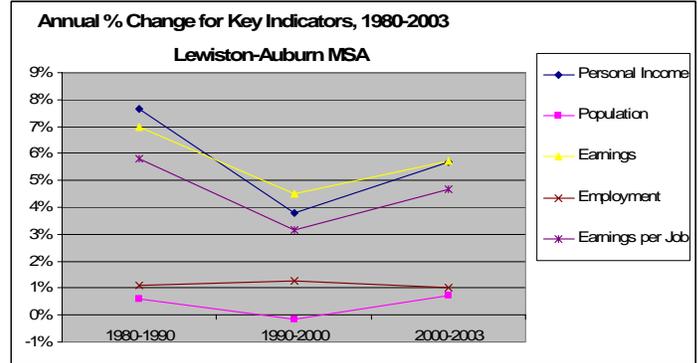
a) Key Indicators

Figures 11A and 11B display key economic indicators for the Portland and Lewiston-Auburn MSAs.

**Figure 11A: Portland MSA
Economic Indicators, 1980-2003**



**Figure 11B: Lewiston-Auburn MSA
Economic Indicators, 1980-2003**



Source: U.S. Bureau of Economic Analysis

Both regions have followed similar trends over the past two and a half decades. The 1980s were a period of very strong economic growth, followed by slow growth in the 1990s and a slight upswing since 2000. Both areas have experienced much slower rates of population growth than economic growth.

Portland’s economy was healthier than Lewiston’s during the 1980s, with annual growth rates in personal income and earnings approaching 10 percent. However, the rate of growth in personal income in the Portland has been on the downswing, and has actually been slower since 2000 than it was during the 1990s. The employment growth rate in metro Portland has slowed as well since 2000, with the rate at just 0.9 percent from 2000-2003.

The Lewiston-Auburn economy has rebounded much more strongly since 2000 than has Portland’s. Personal income, earnings and earnings per job all grew at more than 4.5 percent annually from 2000 to 2003. Despite these gains, the rate of employment growth has remained at a fairly modest 1.0 percent. The Lewiston-Auburn region has been adding population since 2000, though, after losing population during the 1990s.

b) Major Employers

Table 3 lists major private companies that employ more than 1,000 people in Southern Maine. Of the twelve employers on the list, four are hospitals, four are in the finance/insurance arena, three are manufacturers and one is in telecommunications.

Table 3
Major Employers in Southern Maine

Company	Type of Business	Location	Estimated Employment
L.L. Bean Inc.	Clothing retail/catalog sales	Freeport/Lewiston	9,000
Bath Iron Works	Shipbuilding	Bath	6,000
Maine Medical Center	Health care	Portland	5,000
MBNA Marketing Systems Inc.	Credit cards	Multiple Sites	3,000
UnumProvident Corporation	Insurance	Portland	3,000
TD Banknorth Inc.	Banking	Portland/Lewiston	2,500
Central Maine Medical Center	Health care	Lewiston	1,500
SD Warren	Paper manufacturing	Westbrook	1,500
Mercy Hospital	Health care	Portland	1,500
Southern Maine Medical Center	Health care	Biddeford	1,100
Anthem Health Systems	Health insurance	South Portland	1,100
Verizon	Telecommunications	Portland	1,100

Source: Maine & Company

None of these employers is located in New Gloucester or in neighboring communities. The closest of these major employers are Central Maine Medical Center in Lewiston and LL Bean's facilities in Freeport and Lewiston.

c) Employment by Industry

Table 4 shows 2004 employment levels by industry category for the Portland and Lewiston-Auburn MSAs.

Table 4
Employment Profile of Portland and Lewiston-Auburn MSAs, 2004

Category	Numbers		Percentages		Share of State Total		
	Portland	L-A	Ptld	L-A	Ptld	L-A	Both
Nat. Res. & Construction	10,567	2,694	5.5%	5.6%	31.4%	8.0%	39.5%
Manufacturing	15,761	6,209	8.2%	12.9%	25.0%	9.8%	34.8%
Wholesale Trade	8,409	1,410	4.3%	2.9%	39.3%	6.6%	45.9%
Retail Trade	28,036	7,078	14.5%	14.7%	32.0%	8.1%	40.0%
Trans,Warehouse, Utilities	5,536	1,426	2.9%	3.0%	33.3%	8.6%	41.9%
Information	4,655	773	2.4%	1.6%	40.1%	6.7%	46.8%
Financial Activities	15,855	3,023	8.2%	6.3%	45.4%	8.7%	54.1%
Prof. & Business Services	21,052	4,849	10.9%	10.1%	42.4%	9.8%	52.1%
Educ. & Health Services	32,921	9,998	17.0%	20.8%	29.6%	9.0%	38.6%
Leisure And Hospitality	19,504	3,493	10.1%	7.3%	32.9%	5.9%	38.8%
Other Services	6,029	1,304	3.1%	2.7%	30.1%	6.5%	36.7%
Government	25,004	5,773	12.9%	12.0%	23.8%	5.5%	29.3%
Total	193,329	48,030	100.0%	100.0%	31.5%	7.8%	39.3%

Source: Maine Department of Labor, Labor Market Information Services

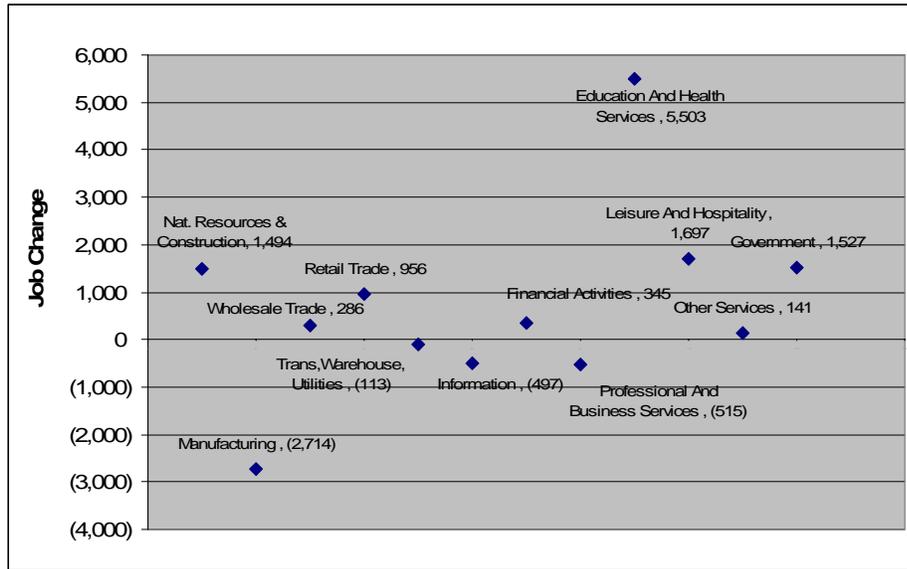
Together, the two metropolitan areas account for 39.3 percent of all jobs in the State of Maine. Portland is by far the larger of the two—it employed 193,329 persons compared to 48,030 in Lewiston-Auburn.

The largest employment sector in both metro areas is Education and Health Services. This sector alone employs about 43,000 people in the two areas. Retail Trade, Professional & Business Services and Government all represent more than 10 percent of employment in both MSAs. Manufacturing is much more prevalent in Lewiston-Auburn, where it represents 12.9 percent of all jobs compared with just 8.2 percent of jobs in Portland. Conversely, Leisure and Hospitality is a greater contributor to Portland's employment base (10.9 percent) than to Lewiston-Auburn's (7.3 percent).

Two smaller industries, Information and Financial Activities, are important parts of the region's economy. Though these sectors comprise small shares of the total regional job base, about half of all such jobs in Maine are located in the Portland and Lewiston-Auburn metro areas.

Since 2001, there have been substantial shifts in the region's employment base. Figure 10 shows total job change from 2001-2004 for both the Portland and Lewiston-Auburn areas.

Figure 12
Net Job Change by Industry for Portland and Lewiston-Auburn MSAs



Source: Maine Department of Labor, Labor Market Information Services

Education and Health Services was the biggest gainer, adding more than 5,500 jobs since 2001. Other strong growth industries are Leisure and Hospitality, Natural Resources & Construction and Retail Trade. The Government sector also added more than 1,500 jobs—an indicator of the region’s growing demand for local government services.

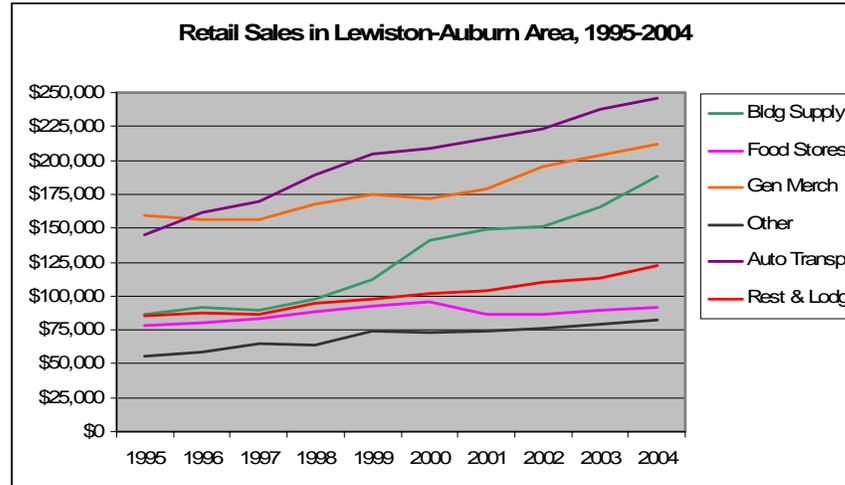
Industries losing jobs since 2001 were led by Manufacturing, which lost more than 2,700 jobs during the period. The Portland region lost about 1,900 of these and Lewiston-Auburn lost 800. Other declining industries included Professional & Business Services, Information and Transportation & Warehousing.

d) Retail Sales

The Maine State Planning Office tracks retail sales for each Economic Summary Area (ESA) in the state. New Gloucester is considered part of the Lewiston-Auburn Suburban Economic Summary Area. This region consists of the mostly rural towns surrounding Lewiston and Auburn including Durham, Mechanic Falls, Minot, Poland, Sabattus and Turner. Most retail sales in the region (91 percent) occur within Lewiston and Auburn proper, so data shown in this report reflect the total sales for both the Lewiston-Auburn and Lewiston-Auburn Suburban ESAs.

Figure 13 shows retail sales by category from 1995 through 2004 for the entire Lewiston-Auburn region.

Figure 13
Retail Sales by Category in Lewiston-Auburn Area, 1995-2004



Source: Maine State Planning Office

Overall, retail sales in the region grew by 4.9 percent annually. In the suburban portion of the region, retail sales increased at a much faster rate—6.4 percent. The largest segment of the region’s retail market, Auto Transportation, grew at an annual rate of from 1995 to 2004 (6.0 percent). Building Supply was the fastest growing category, jumping 9.1 percent annually. Food Stores and General Merchandise showed the slowest growth, only increasing 1.7 and 3.2 percent per year, respectively.

2. Local Economy

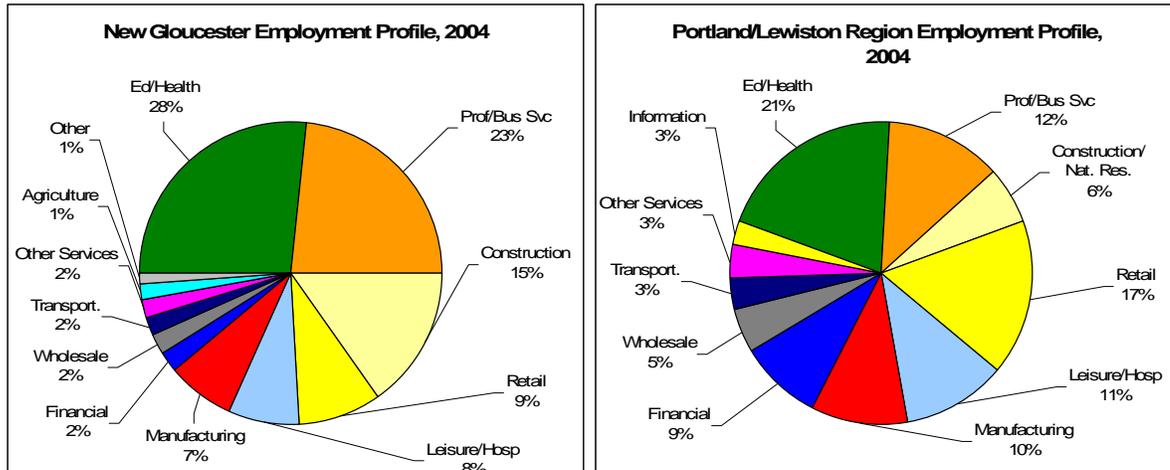
a) Overview of New Gloucester’s Economy

New Gloucester’s local economy is quite small, but it has been growing rapidly in recent years, due in large part to the development of the Pineland campus. As of 2004, the Town has nearly reached its employment level of 1990, when the state facility at Pineland was still in operation. In 1990, there were 1,157 jobs in New Gloucester, the bulk of which were at Pineland. Following the closure of Pineland, the Town’s employment base plummeted, falling to 598 in the year 2000. Since 2000, with the redevelopment of Pineland, the job base has climbed rapidly, reaching 1,031 in 2004. This represents a 72 percent increase in jobs in just four years.

Despite this growth, New Gloucester remains a minor economic force in the region. As of 2004, the Town only accounts for 0.05 percent of all jobs in Androscoggin and Cumberland Counties.

Figure 14 compares the private-sector employment profiles of New Gloucester and the Portland/Lewiston region (the combination of the two MSAs).

Figure 14
Private Employment Profiles of New Gloucester and Portland/Lewiston Region, 2004*



* Agriculture is included under "Construction & Natural Resources" for the region
 Source: Maine Department of Labor, Labor Market Information Services

The employment base in New Gloucester is very much geared to white-collar service industries. The Education/Health Services and Professional/Business Services sectors together account for 52 percent of all jobs in the Town. Just 33 percent of all jobs in region are in these categories. The third largest sector in New Gloucester is Construction, which accounts for 16 percent of the Town's jobs. There are just 15 reported jobs in agriculture and forestry, though there are likely many more unreported jobs in these sectors.

Table 5 profiles employment, establishments and wage rates in New Gloucester.

Table 5
New Gloucester Private Employment Profile, 2004

Category	Estabs.	Jobs	% of Total	Average Weekly Wage
Education/Health Services	15	276	27.5%	\$531
Prof. & Business Services	19	240	23.9%	\$948
Construction	48	158	15.7%	\$565
Retail Trade	15	91	9.1%	\$362
Leisure & Hospitality	8	79	7.9%	\$499
Manufacturing	8	74	7.4%	\$612
Financial Activities	5	23	2.3%	\$1,245
Wholesale Trade	6	22	2.2%	\$677
Transportation/Warehousing	9	21	2.1%	\$603
Other Services	8	20	2.0%	\$358
Agriculture/Forestry/Fishing	7	15	1.5%	\$326
Other/Unclassified	8	12	1.2%	na
Total	156	1,031	100.0%	\$548

Source: Maine Department of Labor, Labor Market Information Services

b) Retail Data

One of the largest sectors in the region, Retail, has a limited presence in New Gloucester. Nine percent of jobs in New Gloucester are in Retail (compared to 17 percent of the region’s jobs). There are no major retailers in Town—in fact, the average establishment size of retail employers in New Gloucester is just six persons. On a positive note, the three sectors that are larger than Retail all pay considerably higher wages.

A problem faced by New Gloucester is the leakage of retail dollars. According to a retail expenditure report by DemographicsNow.com, the average New Gloucester household spends \$20,439 per year on retail purchases. DemographicsNow also estimates that there are 1,965 households in New Gloucester as of 2005. Based on these figures, total annual retail purchases by resident households total \$40.2 million.

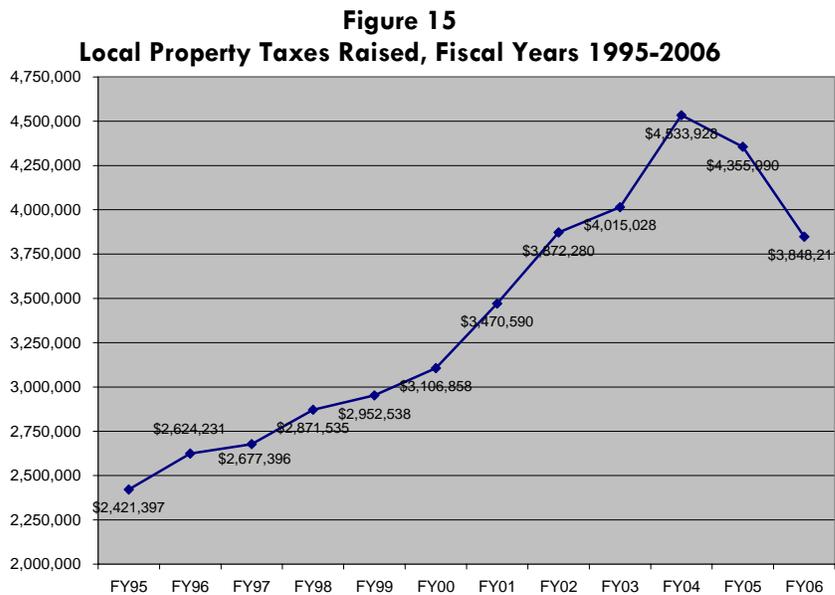
The Maine State Planning Office 2004 retail sales report shows that total retail spending within the Town of New Gloucester was \$7.1 million. Thus, the ratio between retail purchases in town and total spending by residents is just 17.7 percent. In other words, at least 82 percent of retail purchases made by local residents are made outside the Town’s borders.

3. Fiscal Situation

a) Property Taxes, Assessed Value and Expenditures

New Gloucester’s real property tax rate as of 2005 is \$10.00 per \$1,000 in assessed value. This is down substantially from its 2003 rate of \$18.68, though the Town’s overall property assessment has jumped substantially over the past couple of years. The Town’s full value tax rate, as reported by the Maine Department of Revenue is 13.19. This rate is lower than those of larger towns in the area (Auburn is 21.66 and Gray’s is 13.70), but somewhat above those of Pownal (12.01) and Raymond (10.65).

Figure 15 shows the net amount raised by property taxes for Fiscal Years 1995 -2006.



The amount of taxes raised climbed steadily from FY95 through FY04, with a compound annual growth rate of 7.2 percent. From the FY04 peak of \$4.53 million, the amount of local taxes raised has fallen off dramatically in the past two years to \$3.85 million. This reduction more than overcame the results of a townwide revaluation for Fiscal Year 2005. Table 6 shows the Town's property valuations from Fiscal Year 1995-2006.

Table 6
New Gloucester Real Property Assessment, Fiscal Years 1995-2006 (\$millions)

	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06
Assessment	161.4	166.1	171.6	178.4	183.1	191.8	199.5	207.1	215.9	242.7	377.1	384.8
Annl % Change		2.9%	3.3%	3.9%	2.6%	4.8%	4.0%	3.8%	4.2%	12.4%	55.4%	2.0%

Source: Maine Department of Revenue

The Town's assessed value grew by 238 percent from Fiscal Years 1995 to 2006, a compound annual growth rate of 8.2 percent. The growth was steady between FY95 and FY03, but it jumped 12.4 percent in FY03 and the revaluation in FY04 resulted in a jump of 55 percent in that year. This value includes Pineland, which itself has an assessed value of \$23.8 million, or 6.2% of the Town's total valuation. However, other properties in the town have undoubtedly appreciated, as the non-Pineland assessment grew at an annual rate of 7.6% between Fiscal Years 1995 and 2006.

New Gloucester's recent growth has definitely affected the Town's municipal budget as well. Table 7 shows General Fund expenditures from Fiscal Years 2000-2004.

Table 7
Town General Fund Expenditures, Fiscal Years 2000-2004

Category	FY00	FY01	FY02	FY03	FY04	\$ Chg	% Chg
General Government	\$430,141	\$448,503	\$512,918	\$549,191	\$618,211	\$188,070	43.7%
Public Works & Sanitation	\$719,874	\$784,012	\$778,959	\$824,483	\$816,883	\$97,009	13.5%
Public Safety	\$130,740	\$146,422	\$152,827	\$188,160	\$182,213	\$51,473	39.4%
Culture & Recreation	\$49,540	\$50,877	\$51,999	\$59,011	\$58,598	\$9,058	18.3%
Debt Service	\$169,476	\$169,303	\$169,115	\$168,912	\$293,693	\$124,217	73.3%
Public Health & Welfare	\$9,529	\$10,569	\$7,289	\$8,334	\$17,678	\$8,149	85.5%
Education	\$2,041,872	\$2,300,555	\$2,662,420	\$2,744,228	\$2,923,966	\$882,094	43.2%
Fixed Charges (County Tax & Overlay)	\$131,087	\$135,305	\$161,149	\$188,587	\$214,517	\$83,430	63.6%
Capital Outlay	\$331,500	\$153,000	\$196,000	\$175,400	\$116,000	-\$215,500	-65.0%
Total	\$4,013,759	\$4,198,546	\$4,692,676	\$4,906,306	\$5,241,759	\$1,228,000	30.6%

Source: Town Audit Reports, 2000-2004

Town expenditures increased by 30.6 percent from Fiscal Year 2000-2004, with the largest jumps for public health & welfare (86%) debt service (73%), fixed charges (64%), general government (43%) and education (43%). Budgets for 2005 and 2006 did hold spending increases down, though, with a 0.4% increase in 2005 and a drop of nearly nine percent for 2006.

b) Debt Load

New Gloucester has a very modest amount of debt. As of the June 2004 municipal audit, the Town had \$1.34 million in bonded indebtedness, which represents just 0.3 percent of its total assessed property value of \$384.8 million. The State of Maine allows municipalities to carry as much as 7.5 percent of their assessed valuation in debt. The Town would have to borrow an additional \$27.5 million before reaching this limit.

The Town pays about \$168,000 per year in debt service on its bonds. The current slate of bonds will be retired in 2014.

c) Pineland TIF

In 2001, as New Gloucester prepared for the redevelopment of the Pineland campus, the Town established the portion of the site to be developed as a Tax-Increment Financing (TIF) District. The TIF district encompasses 483 acres, including all pre-existing structures on the campus.

The TIF plan established a 30-year forecast of expected property tax revenues from Pineland of \$12.01 million, and earmarked these funds for the necessary planning and development projects that would be needed to support the redevelopment. Proposed projects to be funded by TIF revenues include:

- Environmental improvements (purchase of wellhead rights, erosion mitigation): \$1.65 million
- Traffic flow—improvements to Morse, Penney, Allen, Valley Farm and other roads: \$3.50 million
- Telecommunications and utilities—power, water and telephone line improvements: \$1.95 million
- Economic development planning: \$580K
- Regional economic development: \$350K
- Municipal facilities/equipment (fire protection, solid waste): \$2.29 million
- Business improvement/loans: \$1.00 million
- Planning and engineering: \$370K
- Administration: \$325K

Table 8 compares expected property valuation by year with the actual valuation from Fiscal Years 2003 through 2006.

Table 8
Pineland: Expected and Actual Valuation, FY 2003-2006

Year	Projected	Actual
2003	\$6,912,238	\$13,283,057
2004	\$8,626,438	\$16,760,156
2005	\$10,864,060	\$23,386,300
2006	\$13,398,987	\$23,781,259

Source: Pineland TIF Agreement, Town Assessor

Pineland has clearly exceeded expectations, as it has reached 75 percent buildout by December 2005. The TIF plan did not expect a stabilization in property value until 2011, when the property value was expected to reach \$27.1 million. As of FY2006, though, the assessed value is already at \$23.8 million—more than \$10 million above its expected level.

4. Development Activity

Both residential and commercial development in New Gloucester have been proceeding at healthy rates over the past several years. Between January 1999 and October 2005, there were a total of 403 new residential units built in town, an average of 57.6 per year. Of these, 369 were site-built (51.5 per year) and 34 were manufactured homes (5.3 per year). During the same period there were 42 permits issued for new commercial construction, an average of six per year.

Table 9 shows residential and commercial permits per year from 1999 through 2005.

Table 9
Building Permits Issued in New Gloucester, 1999-2005

Year	Site-Built	Manufactured	Total Residential	Commercial
1999	50	8	58	1
2000	51	7	58	6
2001	50	3	53	7
2002	63	3	66	2
2003	55	3	58	6
2004	40	8	48	12
2005 (Jan-Oct)	60	2	62	8
Total	369	34	403	42
Average	51.50	5.33	57.57	6.00

Source: Maine Department of Labor, Labor Market Information Services

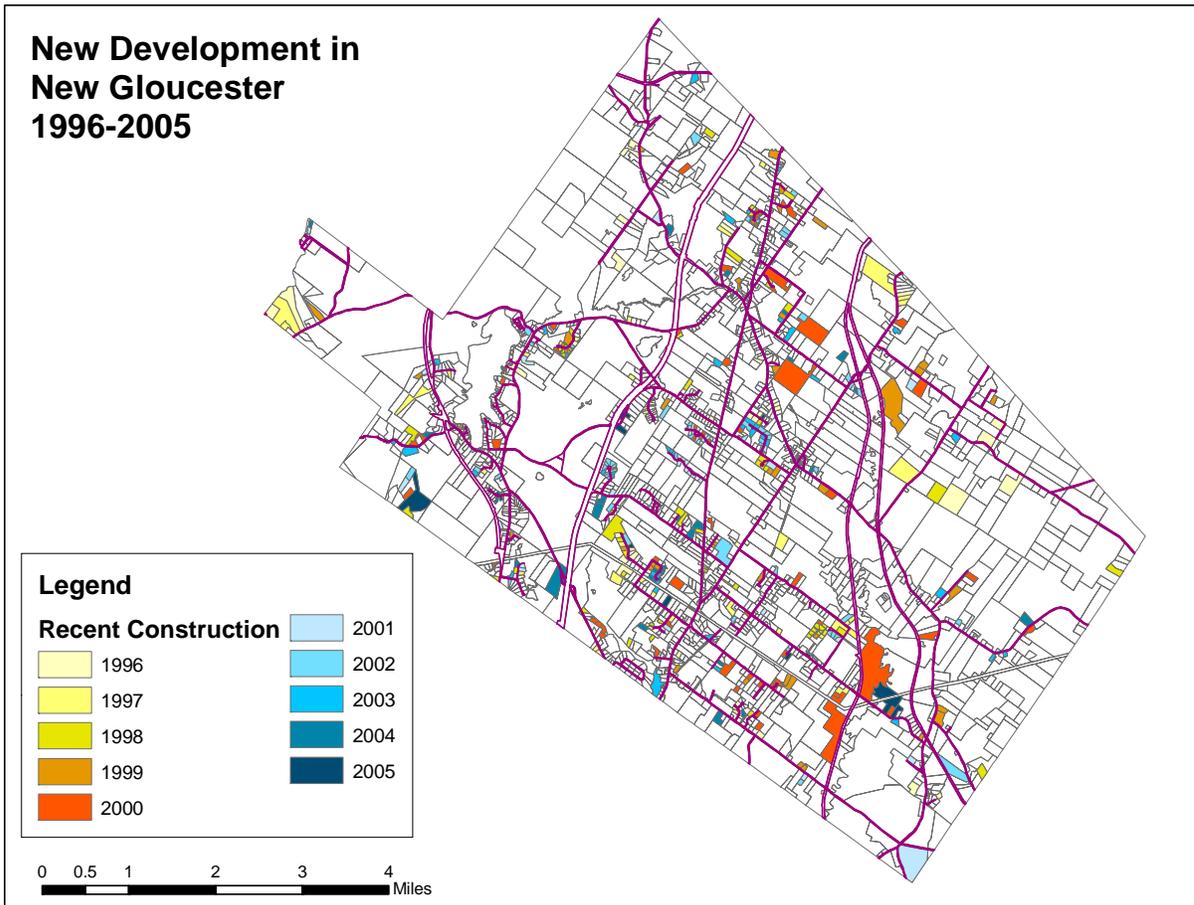
Residential development has been fairly consistent over the past several years, with no fewer than 48 and no more than 66 new units permitted in any one year. The pace of construction remains strong, as there were 62 units permitted through October 2005, meaning that there are likely to be more permits issued in 2005 than in any of the past seven years. Commercial development has also been strong in recent years, with 26 of the 42 commercial permits having been issued in the past three years.

Adding the 345 new units built since 2000 to the 2000 Census base of 1,889 units, the town’s housing stock has grown by about 18 percent over the past five years. Just 26 of these 345 units were manufactured homes, representing 7.5 percent of all new units. The Town is clearly seeing its share of manufactured housing decline.

Of the 26 commercial permits issued since 2003, 11 were issued to October Corporation and other development partners in Pineland Farms. These projects included a cheese processing facility, a new barn, a greenhouse, office space, a pumping station and renovations to a school building. The 15 other permits were: five commercial buildings, five communications towers, two storage buildings, two greenhouses and a garage.

Figure 16 shows the locations of development in New Gloucester by year between 1996 and December 2005.

Figure 16
Location of Development in New Gloucester, 1996-2005



Development has generally been spread out throughout the Town, though there have been some concentrations of construction. Much of the development has occurred in the central section of the Town along the Route 100 corridor. There has been some

development west of the Maine Turnpike, including a few new residential subdivisions, but very little development has occurred in the extreme eastern section of the town.

Most of the new subdivision activity has occurred along roads that cross Route 100, including Bennett Road, Chandler Mill Road and Jack Hall Road. New subdivisions in New Gloucester have mostly been small, with the typical new development containing about 10 lots.

5. Future Growth Prospects

a) Population and Housing Growth

The Maine State Planning Office (SPO) projects population and household change through 2015 for each municipality in the state. SPO's projections are based on 2000 Census data. As documented in the preceding section, 345 new housing units were added in New Gloucester between 2000 and 2005. In all likelihood, all of these units were built for year-round use, as there have been no new units added on the shores of Sabbathday Lake. Thus, it can be reasonably assumed that there are now 345 more households in New Gloucester than there were in 2000.

SPO's projections for New Gloucester foresaw a net change in households from 2000 to 2005 of 173—almost exactly half the actual household change that has occurred. Thus, it is likely that the state's population and household projections for 2015 are very conservative.

Table 10 compares the state's projections for New Gloucester and the surrounding area through 2015.

Table 10
Projected Population Growth, 2005-2015

Year	2000	2015	Num Chg	% Chg
Androscoggin Co	103,481	106,037	2,556	2.5%
Cumberland Co	277,297	295,218	17,921	6.5%
New Gloucester	5,213	5,690	477	9.2%
New Gloucester Region*	31,329	34,409	3,080	9.8%

Projected Household Growth, 2005-2015

Year	2000	2015	Num Chg	% Chg
Androscoggin Co	44,626	46,881	2,255	5.1%
Cumberland Co	115,174	123,826	8,652	7.5%
New Gloucester	1,954	2,173	219	11.2%
New Gloucester Region*	12,037	13,565	1,528	12.7%

* Region includes Durham, Gray, New Gloucester, North Yarmouth, Poland, Pownal and Raymond
Source: Maine State Planning Office

Even by the conservative forecasts of SPO, New Gloucester is expected to add about 220 households and close to 500 new residents between 2005 and 2015. These represent percent increases of 11 percent for households and 9.2 percent for

population. If the growth rate were doubled, the Town would expect to absorb 440 households and 950 new residents through 2015.

Regardless of the exact growth rate, New Gloucester is poised to continue adding residents and new housing units. Future planning endeavors will need to assume the addition of between 220 and 440 new housing units through 2015.

b) Employment Growth

SPO projects employment through the year 2020 for every county in the state. These projections foresee strong growth in Cumberland County but slower growth in Androscoggin County. The forecasted growth rates from 2004 through 2020 are 26.7 percent for Cumberland and 12 percent for Androscoggin. The total forecasted employment growth rate in the two-county area is 23.5 percent.

At this rate of growth, a total of 55,500 new jobs would be created in the region over the next 15 years. If New Gloucester were to capture 0.05 percent of future job growth (its current regional share), about 280 new jobs would be added in the Town. However, due to several factors (location along the Maine Turnpike, available capacity at Pineland, available land) it is likely that the Town will expand its share of the region's employment base. If New Gloucester were to capture twice its existing share of regional employment over the next fifteen years, the Town's employment base would grow by about 560 jobs. A more aggressive target would be to triple its share, which would result in the addition of 840 jobs in New Gloucester.

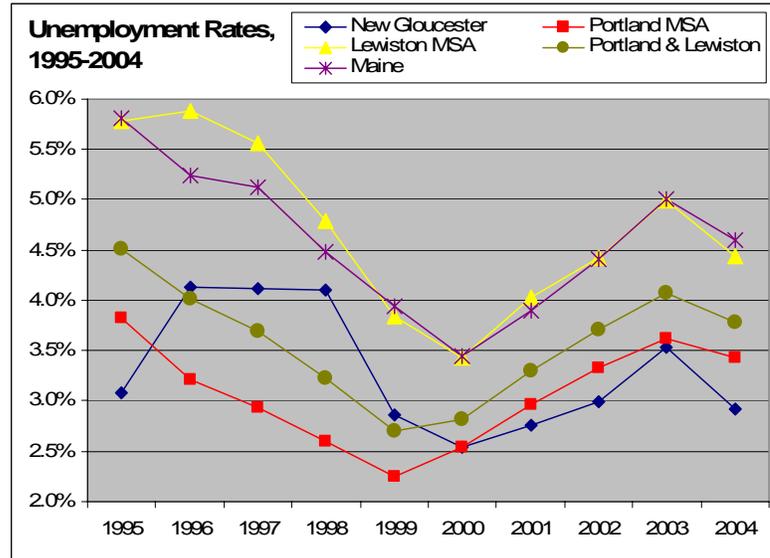
6. Labor Force and Commuting

a) Labor Force and Unemployment

As of year-end 2004 the resident labor force in New Gloucester was 3,220, representing just 1.2 percent of the total labor force in the Portland and Lewiston-Auburn MSAs (260,061 persons). From 1995 to 2004, the entire region's labor force grew by 16.4 percent. During the same period, New Gloucester's labor force increased by 60 percent.

Figure 17 shows unemployment rates for New Gloucester, the Portland and Lewiston-Auburn MSAs and Maine for the years 1995 through 2004.

Figure 17
Unemployment Rates, 1995-2004



Source: Maine Department of Labor, Labor Market Information Services

Generally speaking, unemployment in Lewiston-Auburn has mirrored the pattern of Maine, with high rates approaching six percent in the mid-1990s dropping to as low as 3.5 percent in 2000, rising again to five percent in 2003 and falling again in 2004. Portland's unemployment rate has followed a similar pattern, but has been consistently lower, never reaching more than four percent and bottoming out at 2.3 percent in 1999.

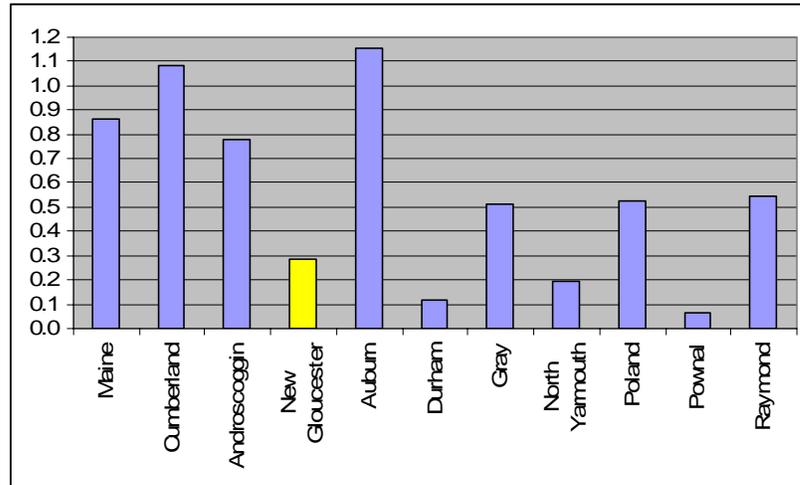
New Gloucester, with a smaller labor force, has seen a more volatile unemployment rate. Through the late 1990s, New Gloucester's unemployment rate was well above Portland's, hovering above four percent. Since then, the Town's unemployment rate has stayed very low, never topping 3.5 percent. At the end of 2004, it stood at just 2.9 percent, meaning that only 94 New Gloucester residents were out of work and still in the labor force.

b) Commuting Patterns

New Gloucester is a classic bedroom community, as its population is far greater than its employment base and relatively few of its residents work in town.

The Maine State Planning Office produces figures comparing jobs to resident workers for the state. Figure 18 displays these figures for Maine, Androscoggin and Cumberland Counties, and the towns surrounding New Gloucester.

Figure 18
Job-to-Worker Ratio Comparison, 2000

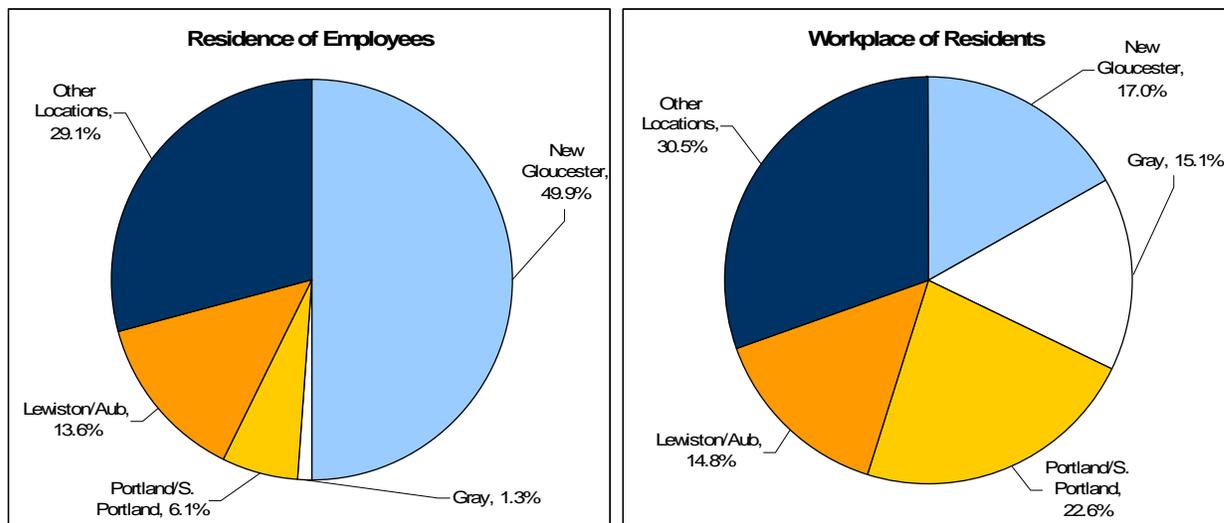


Source: Maine State Planning Office

For the entire state, the ratio of jobs to workers is 0.87. In Cumberland County, home to major employment centers like Portland, South Portland, Freeport and Brunswick, the ratio is 1.08. New Gloucester’s ratio is just 0.29, which puts it far below towns with established employment bases like Auburn (1.16), Gray (0.51), Poland (0.53) and Raymond (0.54). New Gloucester’s ratio is more in line with other undeveloped rural towns like North Yarmouth (0.20), Durham (0.12) and Pownal (0.06).

Figure 19 shows the flow of workers in and out of New Gloucester.

Figure 19
Commuting Profile, 2000



As of 2000, about half of those working in New Gloucester also lived in town. Among the other half of those employed in New Gloucester, about 14 percent came from Lewiston or Auburn, six percent from Portland or South Portland and just one

percent from Gray. The remaining 29 percent commuted from other locations such as Windham, Poland and Gorham.

Among New Gloucester residents, the four leading work destinations were Portland/South Portland (23 percent), New Gloucester itself (17 percent), Gray (15 percent) and Lewiston-Auburn (15 percent). The remaining 31 percent commuted to other locations, led by Windham, Freeport and Falmouth.

These figures were counted just before the beginning of the Pineland campus redevelopment. Commuting figures for the 2010 Census are likely to show substantial changes in these patterns. The business surveying being done as part of this plan will shed some light on how Pineland is already affecting commuting patterns in the area.

7. Economic Conditions Summary

a) Economic Situation

- After booming in the 1980s, economic growth in both the Portland and Lewiston-Auburn regions has been relatively modest since 1990, though activity has picked up since 2000.
- Economic growth has outpaced both job growth and population growth in the region.
- Though the two largest employers in the region, L.L. Bean and Bath Iron Works, are in the manufacturing sector, most of the major employers in the region are either in the health care or finance/insurance sectors.
- Industrial sectors of the regional economy (manufacturing, transportation) have been losing jobs while education & health services, construction, retail and leisure & hospitality have all shown strong growth.
- Retail sales in the Lewiston-Auburn area have grown strongly, led by the Auto Transportation and Building Supply categories.
- New Gloucester's local economy has shown substantial growth in recent years, mostly due to development at Pineland. More than half of the jobs in New Gloucester are in white-collar service industries. The construction industry also has a large presence in town.
- There are few retailers in New Gloucester and more than 80 percent of retail spending by residents occurs outside the Town's borders.
- Residential and commercial development have been strong over the past several years and remain strong in 2005. Most new residential development has been large-lot single family housing in widely scattered locations.
- Though much of the commercial development in New Gloucester has been at Pineland, there has been some activity in other locations as well.
- Residential development has been generally spread throughout the Town, but most of the new construction has occurred along the Route 100 corridor.
- Recent residential development in New Gloucester has been occurring at twice the previously projected rate. Over the next 10 years the Town can expect to add between 220 and 440 additional housing units

- The two-county region is forecasted to add about 55,500 jobs through 2020. New Gloucester can expect to account for up to 800 of these jobs.

b) Fiscal Situation

- New Gloucester's assessed property value has more than doubled in the past ten years, but its recent reassessment resulted in a far lower tax rate, and municipal expenses are being kept relatively in check.
- The Town has very little ongoing bonded debt and therefore has substantial capacity to borrow additional funds for future capital improvements.
- Pineland has far exceeded expectations in regard to its property valuation.

c) Labor Force and Commuting

- New Gloucester's resident labor force represents just 1.2 percent of the total Portland-Lewiston region's labor force, but it has grown by 60 percent since 1995.
- Overall, unemployment rates in the region are very low, but rates tend to be higher in Lewiston-Auburn than in Portland.
- Unemployment rates in New Gloucester have more closely mirrored those of Portland than those of the Lewiston-Auburn area.
- Only 17 percent of New Gloucester residents with jobs work in town. Similar or larger shares commute to Portland/South Portland, Lewiston-Auburn and Gray.
- Nearly half of those working in New Gloucester also live in town, demonstrating that the town is not a regional employment center.

C. Real Estate Market Conditions

Market conditions for both the Portland and Lewiston-Auburn markets are examined in this section. Six different real estate market categories are examined here:

- Office
- Retail
- Industrial
- Hotel
- Residential
- Land

1. Office Market

The Portland and Lewiston-Auburn office markets are very different from one another. Portland is a mature market that is home to dozens of multi-tenant office buildings in a variety of settings—historic downtown buildings, suburban office parks and new buildings both on the Portland peninsula and in surrounding towns. By contrast, Lewiston-Auburn's office market is largely concentrated in its downtown areas and much of the new growth is occurring in historic mill buildings that are being re-used for office development.

RAM Harnden Commercial Real Estate Services publishes annual summaries of the Portland area office market. Table 11 shows this data for the period covering 2002-2004.

Table 11
Portland Area Office Market Trends, 2002-2004

Area/Year	Rentable Sq. Ft.	Available Sq. Ft.	Vacancy Rate	Net Absorption	Rental Range (Mod. Gross)
Downtown					
2002	4,033,660	206,978	5.1%	(90,862)	\$10.20-18.00
2003	4,157,071	317,348	7.6%	13,041	\$12.00-19.25
2004	4,228,729	331,057	7.8%	57,949	\$12.50-20.50
Change	195,069	124,079		(19,872)	
Suburban					
2002	4,586,608	137,087	3.0%	325,991	\$12.00-17.50
2003	4,658,130	197,975	4.3%	10,634	\$11.16-18.00
2004	4,822,960	169,149	3.5%	174,826	\$12.50-17.50
Change	236,352	32,062		511,451	
Regional Total					
2002	8,620,268	344,065	4.0%	235,129	
2003	8,815,201	515,323	5.8%	23,675	
2004	9,051,689	500,206	5.5%	232,775	
Change/Total	431,421	156,141		491,579	

Source: RAM Harnden Commercial Real Estate Services

From 2002 through 2004, the regional office market added 431,421 new square feet of space, an increase of 5.0 percent. The new construction was split relatively evenly between downtown and the suburbs. The two largest new office development in the suburbs were each 140,000 square-foot buildings in the Maine Turnpike corridor—one in downtown Westbrook and one at the West Falmouth interchange.

Net absorption is the measure of the change in occupied space in an office market. From 2002 through 2004, a total of 491,579 square feet were absorbed by the market. However, the net absorption in downtown was actually negative, meaning that less space was occupied in downtown at the end of 2004 than at the end of 2002. In suburban markets, the net absorption from 2002 through 2004 was 511,451 square feet. This represents an increase in occupied space of 11.4 percent.

Vacancy rates in both downtown and the suburbs are on the rise, but still remain fairly low. Downtown vacancies grew from 5.1 to 7.8 percent from 2002 through 2004 and suburban vacancies rose from 3.0 to 3.5 percent. The suburban rate in particular demonstrates that there is little space available, especially for larger users. In 2005, RAM Harnden reports that office leasing activity has slowed down, which suggests that year-end vacancy rates will likely continue to rise.

In Lewiston, there are several mill buildings being actively marketed for office use. The largest of these is the Bates Mill, which already contains office and retail businesses employing 1,000 people. Plans for this mill envision a total of 2,500 employees

occupying as much of 800,000 square feet of space. The former Central Maine Power building on the Auburn waterfront is being converted into office space and will open in December, 2005. Two other mill buildings are planned to contain some office space, though plans are not exactly known at this time.

Rental rates for office space in the mills are in the \$5-7 per square foot range. There are also a handful of newer "Class A" office buildings in Lewiston-Auburn. Rental rates in these buildings have been topping out at \$12-14 per square foot.

The local office market in New Gloucester is almost totally concentrated at Pineland. As of December 2005, there were 261,000 square feet of office space completed and available for lease. Of this amount, about 195,000 square feet are leased to tenants (75 percent occupancy rate). The tenant base is very diverse, with 38 different businesses or non-profits occupying space on the campus. They range in size from one person offices to Energy East, which employs 160 people. In total, there are about 600 people currently working at Pineland.

Spaces for lease at Pineland range from as small as 500 to several thousand square feet. The current asking rental rate is \$12 per square foot, including all expenses except electrical. This lease rate is very competitive in the regional market, in part to combat the campus' distance from population centers.

The listing broker for Pineland cites the natural beauty of the campus and the on-site amenities (trails, fitness center, dining, daycare) as the primary draws for tenants. However, he does acknowledge that Pineland is a niche location due to its somewhat remote location. Most tenants at Pineland are happy with their decisions to locate there, though some have expressed concerns about the lack of retail and service businesses that they were accustomed to in other locations (banks, dry cleaners, etc.)

2. Retail Market

The retail market in Southern Maine is in the process of a major transformation, thanks to a recent spate of big box development in several different locations. There have been several Super Wal-Marts built in the region in the past five years and the state's first big box "power center" opened in 2002 in the Maine Mall area in South Portland. New big box stores are presently under development in Auburn, Biddeford, Sanford, Topsham and Westbrook. Overall retail market trends for metro Portland are tracked by Malone Commercial Brokers. Table 12 shows Malone's data for the period covering 2001-2004.

Table 12
Retail Market Trends, 2001-2004

	2001	2002	2003	2004	Change	% Chg
Total Inventory of Space	4,277,474	4,370,389	4,507,484	4,598,204	320,730	7.0%
Vacancy Rates						
Maine Mall Area	1.9%	9.7%	6.0%	1.9%		
Other Areas	5.3%	10.5%	3.8%	2.0%		
Triple Net Lease Rates						
Maine Mall Area	\$15-17	\$16-20	na	\$25-40	\$10-20	
Other Areas	\$15-17	\$13-16	na	\$15-25	\$0-8	

Source: Malone Commercial Brokers

The overall inventory of retail space in the Portland area grew by 320,000 square feet between 2001 and 2004, an increase of 7.0 percent. As more and more big box development occurs, this inventory will continue to climb in the next two years.

As more space is added, retail vacancy has remained low. At the end of 2004, just 1.9 percent of the region's retail inventory was vacant, down significantly from 2002 when about 10 percent of the inventory was vacant. This decline has been due to several vacant buildings in both the mall area and other locations being leased by large retailers.

Malone also reports that smaller in-line retail spaces remain in high demand. Rising rents for non-mall space reflect this growing pressure. In 2001, the highest rents seen for non-mall retail space were \$17 per square foot. In 2004, the top of the market was commanding \$25 per square foot.

After many years of struggling to attract retail development, as symbolized by the decline of the Auburn mall, Lewiston-Auburn is now seeing strong activity. In the Auburn Mall area, a new Super Wal-Mart has been joined by Lowe's home improvement store and a new Kohl's department store is under construction as well. Downtown Lewiston and Auburn are seeing new retail investment as well, including some retailers in the Bates Mill who are moving in to serve the growing office population. However, many vacant spaces remain in both downtown areas. Retail space is renting in the \$10-12 per square foot range in both downtown and the Auburn Mall area.

3. Industrial Market

The industrial markets in the Portland and Lewiston-Auburn areas are more similar than their office markets. In both cases, there are substantial inventories of industrial space in a variety of settings—historic waterfront buildings, older industrial parks and modern industrial parks. However, the Lewiston-Auburn market is seeing substantially more growth than is Portland.

RAM Harnden Commercial Real Estate Services publishes annual summaries of the Portland area office market. Table 13 shows this data for the period covering 2002-2004.

Table 13
Portland Area Industrial Market Trends, 2002-2004

Area/Year	Rentable Sq. Ft.	Available Sq. Ft.	Vacancy Rate	Net Absorption	Rental Range (Mod. Gross)
Portland					
2002	5,890,548	221,358	3.8%	(41,382)	\$5.00-6.50
2003	5,890,548	298,253	5.1%	(76,895)	\$3.25-7.00
2004	5,963,003	246,365	4.1%	124,343	\$3.50-8.75
Change	72,455	25,007		6,066	
Inner Suburban (South Portland/Westbrook)					
2002	4,640,536	69,221	1.5%	7,579	\$4.00-6.75
2003	4,656,949	86,015	1.8%	(47,635)	\$3.00-10.00
2004	4,734,746	108,926	2.3%	151,498	\$4.75-10.00
Change	94,210	39,705		111,442	
Outer Suburban (Falmouth, Gorham, Scarborough)					
2002	2,944,634	220,656	7.5%	(11,068)	\$3.00-7.00
2003	3,018,254	370,363	12.3%	(144,707)	\$1.95-8.00
2004	3,024,454	215,340	7.1%	160,953	\$3.95-7.00
Change	79,820	-5,316		5,178	
Regional Total					
2002	13,475,718	511,235	3.8%	9,307	
2003	13,565,751	754,631	5.6%	(217,196)	
2004	13,722,203	570,631	4.2%	340,182	
Change/Total	246,485	59,396		132,293	

Source: RAM Harnden Commercial Real Estate Services

During the three-year period covered by these statistics, only 246,485 square feet of industrial space was added in the Portland market, an increase of just 1.8 percent. The increases were spread fairly evenly throughout the region, with between 70,000 and 100,000 square feet added in Portland, the inner suburbs (South Portland and Westbrook) and the outer suburbs (Falmouth, Gorham and Scarborough). RAM Harnden does report that there has been substantial investment in the renovation of older buildings, however.

Vacancy rates are low in Portland and inner areas—4.1 percent and 2.3 percent, respectively, at the end of 2004. Vacancy at the end of 2004 was considerably higher in the outlying areas at 7.1 percent, but came down substantially from the 12.3 percent rate in 2003. The weakest sub-area in the region is Gorham, where about 20 percent of industrial space is empty.

New construction of industrial space in the Portland area is likely to remain slow, as there are simply few unbuilt locations with adequate road access and reasonably priced land. Industrial development is shifting further away from the city, with new business parks in locations like Biddeford, Gardiner and Sanford seeing substantial activity.

Lewiston-Auburn is also benefiting from Portland's shortcomings as an industrial center. Led by the development of the Wal-Mart distribution center, there have been several

large warehousing projects built in the area in recent years. However, industrial sector employment in the Lewiston-Auburn area has not been growing much.

Recent research by RKG Associates completed for the Auburn/Lewiston Municipal Airport concluded that there is ample land and space available for future industrial growth. The study found 270 acres of vacant industrial land, most of which has water & sewer lines, and about 400,000 square feet of rentable space in existing buildings. Lease rates for industrial space in the area are in the \$3.00-4.50 per square foot range for older buildings and the \$5.00-7.50 range for modern buildings.

4. Hotel Market

As of 2005, there is only one lodging property located in New Gloucester, the Chandler House Bed & Breakfast in the village area. Regionally, there has been some new hotel development such as the Hilton Garden Inn Riverwatch in Auburn, though the lodging market has struggled overall.

Lodging in New Gloucester would logically center on the Pineland campus, which generates most demand for overnight visitation in the Town. There are presently no overnight accommodations available on the campus, and visitors to Pineland usually stay in Portland, Freeport or Auburn. Pineland is considering a “guest house” concept, which would use several of the historic farmhouses located on its land as small lodging facilities. A central lodge and upscale restaurant/tavern is also being considered as part of this concept. No plans are definite as of this writing.

5. Residential Market

New Gloucester is primarily a bedroom community for the Portland and Lewiston-Auburn areas. As such, its housing market is directly tied to economic trends in those two metropolitan areas. Housing demand in the region has been very strong over the past five years, with home prices rising sharply and construction occurring at a fairly rapid pace.

Over the past five years, both Portland and Lewiston have experienced some job growth, which has in turn driven some housing demand in the region. However, the rapid pace of housing development and price increases indicate that job growth is not the only factor at play.

The declining household size discussed in the Demographic and Economic Conditions section is one reason, as smaller household sizes mean that more units are needed to house the same number of people. As an example, there were 3,614 people living in New Gloucester’s 1,221 households in 1990, an average household size of 2.96. At the 2000 average household size of 2.71, there would need to be 1,333 households. In other words, the decline in average household size in New Gloucester from 1990 to 2000 alone accounts for more than 100 new households.

A second factor is the increasing appeal of Maine to retirees. Maine is already the oldest state in the nation, and much of the recent growth in the state has been due to migrating retirees. This segment of the housing market is not tied to the movement or creation of

jobs and therefore tends to make housing decisions independent of economic considerations. Retirees are instead motivated by quality-of-life factors such as pace of life, proximity to family, good health care and attractive scenery.

A third factor is that many homebuyers in outlying areas like New Gloucester are more affluent than the native population. New Gloucester's resident labor force grew by 60 percent between 1995 and 2004, indicating that most of the new residents are working. (For the entire Portland/Lewiston region, the labor force grew by 16 percent during the same period.) In this case, the widening gap between home prices and household incomes is due to the higher earnings of newcomers when compared with those already living in town.

The result of housing growth outpacing job growth is that home prices are becoming increasingly unattainable for households depending on local income. Table 14 shows the Maine State Housing Authority's housing affordability data for the region from 2000 through 2004.

Table 14
Housing Affordability Trends, 2000-2004

Area/Year	Affordability Index	Median Household Income	Median Home Sale Price	Affordable Price for Median Earning Household	Income Needed to Afford Median Home
New Gloucester					
2000	1.14	\$49,599	\$118,113	\$134,428	\$43,579
2001	1.20	\$55,763	\$125,000	\$149,967	\$46,479
2002	0.98	\$52,570	\$148,000	\$144,578	\$53,814
2003	0.90	\$53,279	\$170,000	\$152,737	\$59,301
2004	0.90	\$55,486	\$180,000	\$162,537	\$61,447
% Change	-20.7%	11.9%	52.4%	20.9%	41.0%
Portland Housing Market					
2000	0.95	\$45,211	\$130,150	\$123,312	\$47,718
2001	0.90	\$48,492	\$146,800	\$131,474	\$54,145
2002	0.88	\$51,552	\$165,000	\$144,620	\$58,817
2003	0.78	\$49,907	\$187,000	\$145,895	\$63,968
2004	0.69	\$49,906	\$212,000	\$146,588	\$72,176
% Change	-27.0%	10.4%	62.9%	18.9%	51.3%
Lewiston-Auburn Housing Market					
2000	1.13	\$35,736	\$85,000	\$96,021	\$31,635
2001	1.16	\$38,688	\$89,000	\$103,464	\$33,280
2002	1.08	\$39,268	\$101,000	\$108,923	\$36,412
2003	0.93	\$38,783	\$118,500	\$109,654	\$41,912
2004	0.86	\$39,154	\$129,000	\$111,116	\$45,456
% Change	-23.8%	9.6%	51.8%	15.7%	43.7%

Source: Maine State Housing Authority

The Affordability Index represents the relationship between how much a median-earning household can afford to spend on purchasing a home with the median sale price of homes during a given year. From 2000 to 2004, the affordability of housing relative to income has dropped sharply in New Gloucester as well as in the Portland and Lewiston-Auburn housing markets.

Figure 20 illustrates how home sale prices have vastly outpaced income in New Gloucester. The median home sale price growth rate of 52.4 percent is more than four times greater than the income growth rate of 11.9 percent.

As of November 2005, there were 75 properties listed for sale in the Maine Multiple Listing Service in New Gloucester. Of these 59 contained buildings and 16 were undeveloped land.

Among the 59 built properties, three were mobile homes, with a price range of \$79,000 to \$184,900. The least expensive permanent dwelling unit offered for sale in New Gloucester is a turnkey building package for a small three-bedroom ranch on a one-acre lot priced at \$189,000.

The least expensive existing dwelling unit currently on the market is a two-bedroom, five-room ranch house on a two-acre lot with an asking price of \$205,000. Even this unit is priced nearly \$50,000 above the median affordable price for current New Gloucester residents, \$60,000 above the affordable price for the Portland region and nearly \$100,000 above the affordable price for the Lewiston-Auburn region. Price increases have leveled off in 2005, however, according to realtors active in the local market.

Most of the homes listed in New Gloucester are modest sized newer homes on large lots in the price range of \$220,000 to \$280,000. Larger homes are selling for \$300,000 to \$375,000. There are a handful of estate properties being offered for \$500,000 and up as well.

Local realtors are struggling to find homes for their clients who are looking for homes priced under \$200,000. Such buyers are looking instead in Auburn, Raymond and other locations further from Portland and the Maine Turnpike. Realtors do generally feel that smaller lot or condominium development would have potential in New Gloucester, simply due to the potential for lower cost units. Realtors also commented that, despite the rising prices, the Gray-New Gloucester school district is not viewed positively by buyers. Rather, buyers are consciously trading better schools in Cumberland/North Yarmouth, Falmouth and Yarmouth for lower prices in New Gloucester.

Figure 20: Median Income and Home Sale Price in New Gloucester, 2000-2004



Source: Maine State Housing Authority

6. Land Market

Most land on the market in New Gloucester is for residential use. As of November 2005, there are 16 residential parcels listed for sale on the Maine Multiple Listing Service. Eight of these are in the new Cobb's Bridge Commons subdivision. Lots in this development are all about two acres and are being offered for \$75,000 to \$120,000 (about \$40,000 to \$60,000 per acre). Undeveloped parcels are being offered for anywhere from \$8,000 to \$15,000 per acre.

There have been just four commercial land sales in New Gloucester in the past two years. Two of these were small parcels in the Route 202/100 corridor, both of which contained existing buildings. The per-acre prices of these parcels were \$115,000 and \$225,000. The other two sales were a 58-acre gravel pit site on Route 26, which sold for \$120,000 (\$2,000 per acre) and a 15-acre property on Route 231 containing a historic home that sold for \$725,000 (\$48,000 per acre). This property has been converted to a Bed & Breakfast.

Looking regionally, there are few suitable parcels for development remaining in the immediate surroundings of Portland. In Lewiston-Auburn, industrial land with water and sewer service is currently priced between \$30,000 and \$100,000 per acre, with the majority of properties being in the \$40,000 to \$50,000 range. Most recent sales have been to smaller users, with an average of only about 10 acres per year being sold to end users.

7. Real Estate Market Conditions Summary

a) Office Market

- Portland's office market has been growing, though most of the growth has been in suburban areas. Lease rates are rising, with space renting in the \$12.50-17.50 per square foot range.
- Office vacancy is very low in the Portland area, but is expected to rise in the coming year
- Much of the energy in Lewiston-Auburn's office market is in the redevelopment of the Bates Mill and other historic downtown buildings. These spaces are much more affordable than modern office space, with lease rates between \$5-7 per square foot. New office space rents for \$12-14.
- Pineland has drawn a large and diverse base of office tenants, and its rental rates of \$12 per square foot are very competitive in the regional market.

b) Retail Market

- Retail vacancy is low throughout the region, but several hundred thousand square feet of new space is presently being built, mostly in big-box "power centers."
- Rental rates for small retail spaces have been rising dramatically in the Portland area, with many spaces renting for \$25 per square foot or more. There are many more vacancies in Lewiston-Auburn, where older retail space rents for as low as \$10 per square foot.

c) Industrial Market

- There has been very little new industrial development in the Portland area in recent years. Most new industrial development is taking place in fringe locations such as Biddeford, Sanford and Gardiner.
- Lewiston-Auburn has seen more activity in its industrial market, but there is still ample land available for new development in its industrial parks. These properties mostly have public water and sewer.

d) Hotel Market

- The regional hotel market is struggling, though some new construction has occurred.
- Pineland has tentative plans for some specialty lodging to serve its office tenants and its conference users.

e) Residential Market

- The median home sale price in the Portland-Lewiston region has gone up by more than 50 percent over the past five years.
- During the same period, household income levels have only gone up by about 10 percent, making housing harder and harder to afford for working families.
- There are few existing housing units available on the market—most sales are of unbuilt lots and/or custom building packages.
- The least expensive housing units on the market in New Gloucester as of November 2005 are priced at \$189,000. Most new units are being sold in the \$220,000 and \$280,000 range.
- Buyers seeking housing under \$200,000 are bypassing New Gloucester for more outlying areas.
- The Gray-New Gloucester school district is not viewed positively by prospective homebuyers.

f) Land Market

- Unbuilt residential lots in New Gloucester are being sold for between \$75,000 and \$125,000.
- Raw residential land is being sold in the range of \$8,000 to \$15,000 per acre.
- There have been very few commercial land sales in New Gloucester in recent years. Retail/commercial sites with existing buildings on Route 202/100 have sold for between \$115,000 and \$225,000 per acre.
- Industrial land in Lewiston-Auburn is selling for about \$40,000-50,000 per acre.

D. Infrastructure and Resource Assessment

Infrastructure and natural resources are important considerations when a community considers future development patterns. More intensive development patterns, such as residential development on smaller lots or larger commercial or industrial uses, may require more supporting infrastructure and may have greater impacts on resources.

This chapter provides an overview of New Gloucester's infrastructure, current land use patterns and natural resources. It also examines current planning, zoning and other land use controls to better understand the present framework for directing and managing growth.

1. Roads and Transportation

New Gloucester is accessible by a roadway network that consists of Interstate highways (the Maine Turnpike/I-95), US and State Roadways (202/4/100, 26, 122, and 231) and a network of local roads that serve primarily residential areas. Maine Turnpike exits are located in neighboring Gray (Exit 63) and Auburn (Exit 75). Each of these exits is within five miles of New Gloucester's borders. Routes 26 and 4/202/100 provide direct access from these exits to New Gloucester.

a) Roads

(1) Traffic Volumes

While traffic volumes have certainly risen in recent years, traffic volumes are still generally modest on most state and town roads. Most are well below half of roadway capacity. A sampling of average annual daily traffic (AADT) volumes from the most recent MaineDOT Traffic Count Book (2004) is provided in Table 15. The counts are from 2002.

Table 15
Average Annual Daily Traffic Counts, 2002

Location	AADT
Route 4/202/100 north of Bald Hill Road	9440
Route 4/202/100 south of Route 231	8500
Route 26 at Poland Town Line	7140
Route 26 south of Snow Hills Road	8850
Route 231 north of Penny Road	1740
Route 231 south of East Gray Road	1930
Morse Road south of Route 231	1660
Morse Road south of Route 231	1660

Source: MaineDOT, 2004

While most roadway segments are below capacity, most congestion occurs at roadway intersections. Delays at intersections can occur on side streets during peak morning and afternoon commute times and during summer months.

(2) High Crash Locations

The Maine Department of Transportation identifies High Crash Locations (HCL), roadway segments or intersections that may have a roadway safety problem. A HCL has eight or more crashes within a three year period and a Critical Rate Factor (CRF) of 1.0 or greater. The CRF describes locations with a higher than average (1.0) rate of crashes than for similar locations (the type of road and amount of traffic). Table 16 shows HCLs in New Gloucester for 2002-2004.

Table 16
High Crash Locations, 2002-2004

Location	No. of Crashes	CRF
I-95/Maine Turnpike southbound (segment)	13	1.6
I-95/Maine Turnpike northbound (segment)	15	1.86
Mayall Road (near Maine Turnpike overpass) (segment)	8	1.56
Route 4/202/100 at Bennett Road (intersection)	10	2.71

Source: MaineDOT, 2005

Other intersection locations identified by the Public Works Director with potential traffic safety include Gloucester Hill Road at Route 4/202/100 and Bald Hill Road at Route 231. These intersections have sight distance issues

(3) Pavement Condition

The Public Works Department is implementing a Pavement Management System (RSMS) that will be operational in the Spring 2006. This will allow the Town to more effectively plan and program the preservation of the Town's roadway system. The RSMS can determine the best optimal timing of pavement preservation activities given an annual level of investment by the Town. Portions of main roads, such as Route 231, are in fair to poor condition. It is crucial for the Town to work with the State to maintain its collector and arterial roadways at a good pavement condition. Paved shoulders should be considered for addition on state routes where they don't currently exist. Paved shoulders help protect pavement quality but also provide improved facilities for bicycling and walking.

(4) Access Management

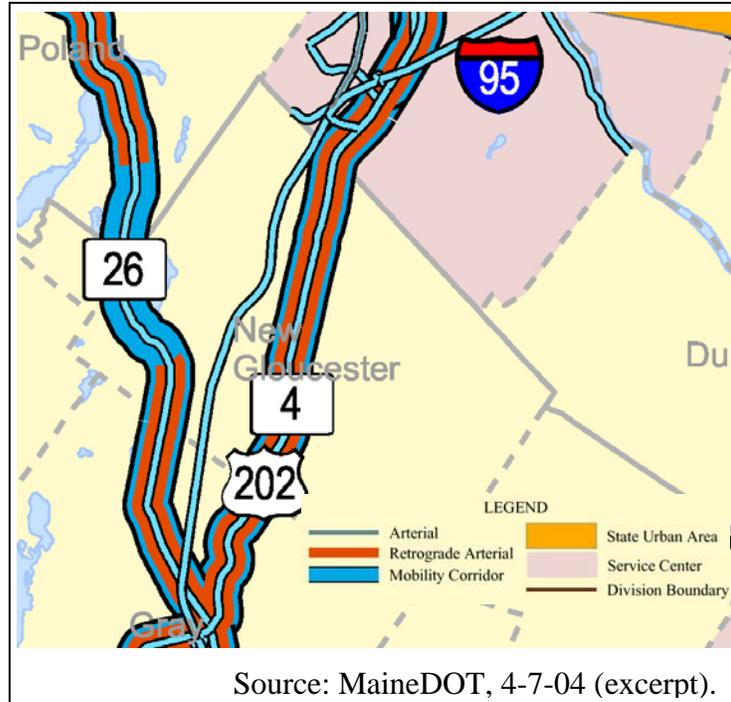
Access Management is a set of policies, programs and techniques to manage access to properties along roadways. In practical terms this mostly translates into the location of driveways along roads to permit vehicle access to properties. Good access management is desirable (and in some cases legally required) to maintain the safety and efficiency of vehicle travel along a roadway. In more developed areas access management also impacts the safety of pedestrian and bicycle travel as well.

In 2002, the MaineDOT implemented rules regarding access management along arterial roadways in the State outside of Urban Compact areas. In New Gloucester, the roads falling within these guidelines are Route 202/4/100 and Route 26. Both arterial roads for their entire span of the Town are designated as a Mobility Corridor.

These corridors are defined as:

“A Non-Compact Arterial that has a posted speed limit of 40 mph or more and is (1) Part of an arterial corridor located between an Urban Compact Areas or Service Centers that carries an average annual daily traffic of at least 5,000 vehicles per day for at least 50% of its length or (2) is part of a Retrograde Arterial Corridor located between Mobility Arterials described in (1)” (MaineDOT, 2004).

A Retrograde Arterial is: “A Mobility Arterial where the Access-related crash-per-mile rate exceeds the 1999 statewide average for Arterials of the same posted



Source: MaineDOT, 4-7-04 (excerpt).

speed limit (MaineDOT, 2004)”. Portions of Route 26 (along the old alignment of Route 26 to Mayall Road) and all of Route 202/4/100 in the Town are designated as a Retrograde Arterial. On Route 26, the designation would currently apply to the southern end of the new alignment of Route 26

Rules related to Mobility Corridors and Retrograde Arterials have potential implications related to the potential for future growth along these two corridors in terms of driveways and entrances. The implications of these designations will be explored in subsequent phases of the project in relation to opportunities and constraints relative to future growth scenarios.

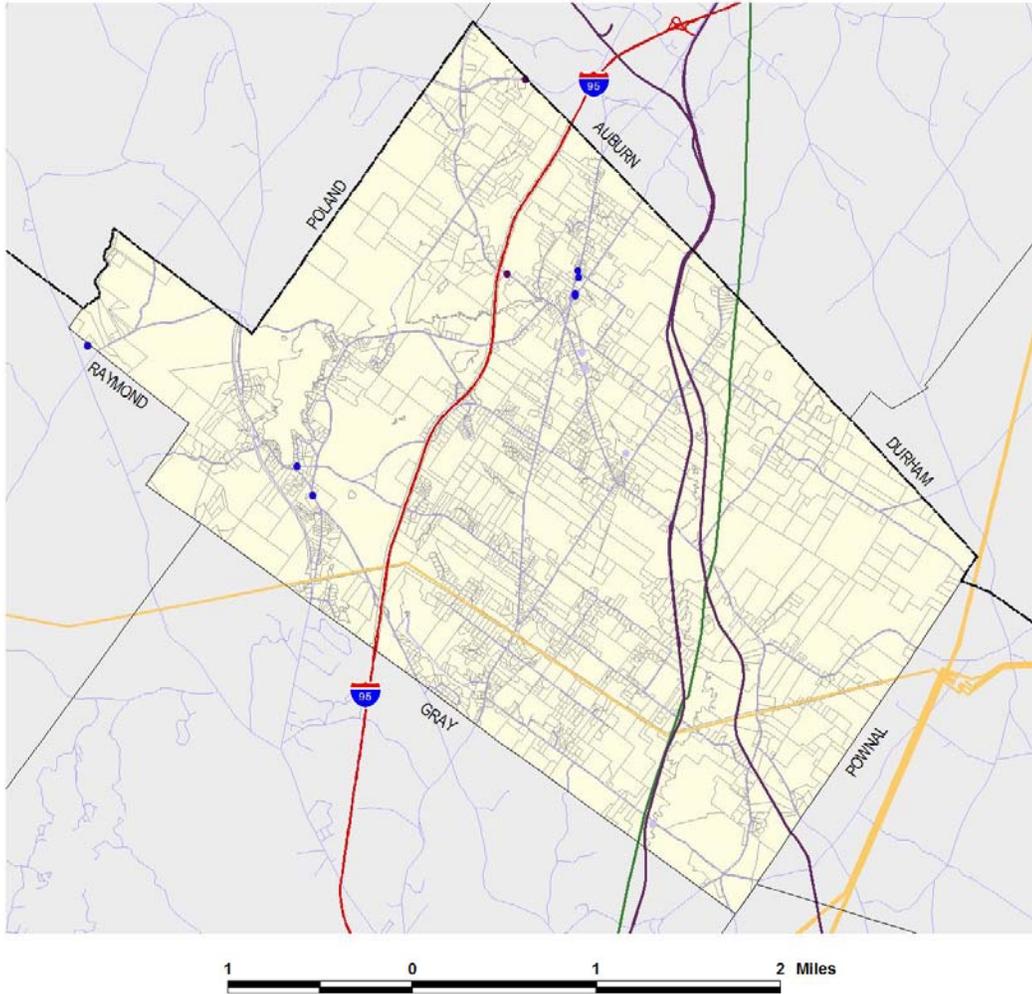
b) Rail Infrastructure

New Gloucester is served by two active rail lines. One is owned and operated by the St. Lawrence and Atlantic Railroad. The second is owned and operated by the Maine

Central Railroad. Both lines run north-south and are in close proximity to each other in the eastern half of the Town.

Figure 21 shows locations of these rail lines, as well as the Town's road and utility networks.

Figure 21
UTILITIES, ROADS AND INFRASTRUCTURE
Town of New Gloucester, Maine



Legend

- Interstate Highway
- Local Road
- County Boundary
- Utility or Rail Line
 - Electric Line
 - Pipeline
 - Rail Line
- Well Water Source
 - Community Public Water
 - Transient Public Water
 - Non-Transient, Non-Community Public Water



Map prepared by RKG Associates, Inc. November, 2005
Map data provided by Maine Office of GIS

c) Rail Freight

The MaineDOT Integrated Freight Plan (2002) describes the two freight rail lines in detail. The following information about the two lines is summarized from this report:

- **St. Lawrence and Atlantic Railroad (SL&A)** – The SL&A connects Maine to Quebec, with 260 miles of contiguous track in total. In Quebec, the SL&A connects with the Canadian National (CN) system and offers access to Montreal. There is a major intermodal facility in Auburn that was recently doubled in size to handle additional freight. Traffic on the SL&A has been on the rise in recent years.
- **Maine Central Railroad (MEC)** – The MEC is a subsidiary of Guilford Rail, which operates the only full-service railroad in Maine. Guilford's rail system includes a total of 1,500 miles of track in all six New England states and Canada. In addition to serving many of Maine's forestry companies, Guilford is also the only rail carrier to offer direct service to the Port of Portland.

d) Passenger Rail

The *Downeaster* passenger rail service in Maine provides five round trips from Boston to Portland per day. The service is operated by Amtrak. The MaineDOT is developing plans for the eventual extension of passenger rail service north of Portland to Brunswick and north to Lewiston-Auburn. The service to Brunswick is farther along in the implementation process and is much more likely to begin first. The service to Lewiston-Auburn is thus likely at least 10-plus years away before it would begin. Sources of funds to upgrade tracks and provide operating assistance would be needed to begin the service.

As part of a rail service concept between Portland and Lewiston-Auburn, there may be an opportunity to have a passenger station in New Gloucester to serve the Pineland campus. The Libra Foundation has expressed interest in being part of any future passenger rail service between Portland and Lewiston-Auburn.

2. Public Utilities

a) Electricity

Central Maine Power is the distributor of electrical power in New Gloucester. A large transmission line runs east-west through the southernmost portion of the Town. Another large transmission corridor runs north-south through the western edge of Pownal close to the New Gloucester town line. There are no known issues related to power capacity and function according to the Town's Public Works Director.

b) Natural Gas

A high pressure natural gas pipeline runs north-south through New Gloucester in the eastern third of the Town. An area surrounding the pipeline is served by natural gas via a medium pressure gas line in the vicinity of Morse Road, Valley Road and Route 231. This pipeline is operated by Northern Utilities.

c) Telecommunications**(1) Telephone – Land Line**

Pine Tree Networks (<http://www.pinetreenetworks.com/default.asp>), based in New Gloucester, is the basic service telecommunications provider in New Gloucester for residential phone service.

(2) Internet

The cable TV operator in New Gloucester, TimeWarner Cable, offers cable internet services. DSL (phone line based) internet services are also offered by Pine Tree Networks. Pine Tree Networks can offer businesses in Town “T-1” and “T-3” level internet services for users that require extremely high bandwidth (ability to send and receive large quantities of data and information at a high speed and high reliability). Pineland has a fiber optic network serving the buildings and businesses on the campus.

(3) Cellular Telephone

Three cellular towers are located in New Gloucester, which provide good cellular phone service area coverage.

d) Water and Sewer

There is no public water supply and distribution system in New Gloucester. GIS maps available from the City of Auburn indicate that water service is available along Route 4/202/100 near the Town line. There are several well water sources that serve multiple users. See Figure 19 for locations of these wells.

There is no public sewer available in New Gloucester. GIS maps available from the City of Auburn indicate that sewer service is available along Route 4/202/100 near the Town line.

3. Land and Water Resources**a) Current Land Use Profile**

Current land use conditions in New Gloucester are illustrated on Figure 22. The map divides land use activities into ten major categories including:

- Single Family Residential
- Multi-Family Residential
- Mobile Home
- Seasonal Property and Other Residential
- Commercial
- Institutional/Tax Exempt
- Light Industrial
- Agricultural
- Utilities and Rail

- Undeveloped

It should be noted that the undeveloped land category includes raw vacant land that may be zoned for various purposes, but is currently undeveloped. Land within this category may also include parcels that are slated for residential or non-residential development or property that is protected from development through any number of conservation mechanisms.

Figure 22

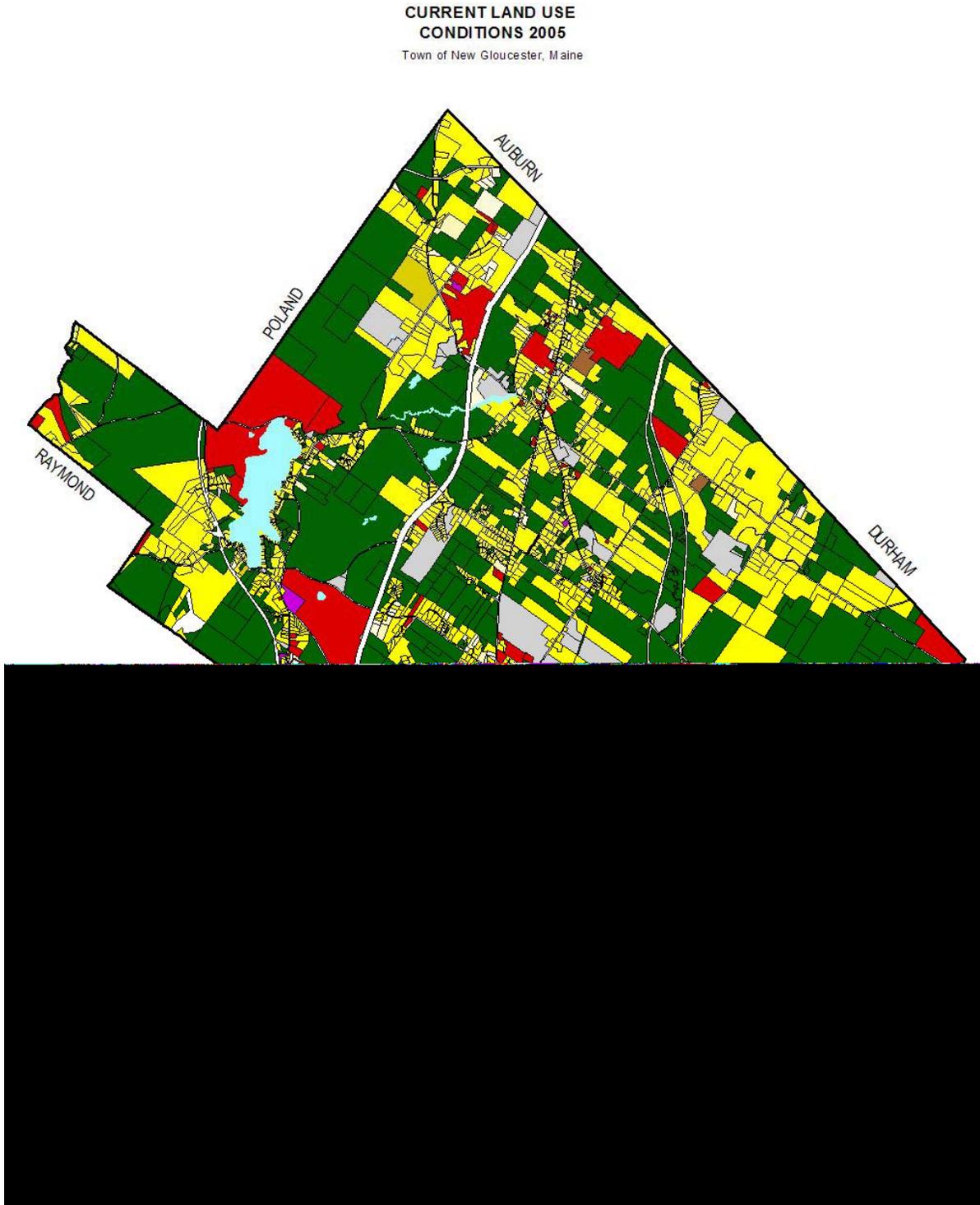


Table 17 quantifies the information presented in Figure 22 by land use category. The categories are as follows:

- Residential (includes large farms/woodlots that contain existing housing units)
- Commercial (includes most business establishments in town—offices, gas stations, restaurants, retail stores and light manufacturing)
- Industrial
- Institutional (includes public and quasi-public land uses associated with government and quasi-government functions. These include municipal, state and federal land, parks, municipal buildings, schools, churches, libraries, service organizations and cemeteries).
- Utilities (includes electrical power infrastructure and property used by railroads).
- Undeveloped

As shown in Table 17, the total land area within the town is estimated at approximately 24,700 acres. This calculation was based on the parcel acreage recorded in the Town's assessment records. It should be noted that the total acreage estimate does not represent the total area within the municipal boundary as it does not include water bodies, roadways, some unquantified open space parcels and rights-of-way.

Table 17
Total Acres and Property Assessment by Land Use Type: 2005

Land Use	Total Acres [1]	Total Assessment [2]	Assessment/Acre
Residential	9,882	\$351,076,706	\$35,526
Commercial	2,426	\$35,171,765	\$14,498
Industrial	43	\$1,067,647	\$24,992
Institutional	1,160	\$19,571,176	\$16,873
Utilities	139	\$734,000	\$5,285
Undeveloped	10,998	\$16,605,529	\$1,510
Total	24,648	\$424,226,824	\$17,212

[1] This estimate does represent the total acreage of the town as it does not include roadways, water bodies and some unquantified open space and rights-of-way.

[2] Adjusted to reflect current full market value.

Source: New Gloucester Assessor's Agent

As noted in the table, the largest amount of New Gloucester's land is undeveloped which accounts for about 11,000 acres – representing 45% of the total land area. It should be noted that although the land is categorized as undeveloped, it may be currently used for silvicultural or agricultural purposes and/or have deeded development restrictions which limit development on specific parcels.

Residential properties represent the second largest amount of land area at approximately 9,900 acres or about 40% of the total acreage. It is important to note

that a large portion of the properties within this category are single family units on large parcels. These parcels therefore contain a significant land base what has potential for further subdivision and development in the future.

Based on the parcels analyzed, New Gloucester had a total property tax base of about \$424.2 million in 2004/2005. Residential properties comprise the largest proportion of the town's tax base at about \$351 million representing about 83% of the total. Commercial and industrial properties combined account for approximately \$36 million in property assessment representing less than 10% of the total tax base.

Residential properties (at about \$35,500 per acre) and industrial (about \$25,000 per acre) have the highest assessed values per acre in New Gloucester as compared to the community's other land use categories.

Table 18 displays the state of residence of non-resident property owners in New Gloucester.

Table 18
Distribution of Non-Resident Property Owners by Location

	# Parcels	# Acres	# Acres Undeveloped	Total Assessment [1]	% of Total Town assessment	% of Total Undeveloped Acres
ME [1]	394	5,954	3,787	\$68,354,588	16.1%	54.1%
MA	28	141	100	\$3,051,529	0.7%	1.3%
NH/VT/RI/CT	13	60	54	\$1,707,294	0.4%	0.5%
Other States and Canada	43	594	491	\$4,511,529	1.1%	5.4%
Total	478	6,748	4,431	\$77,624,941	\$424,226,824	10,998

[1] 2004-2005 property assessment adjusted to full market value

[2] Includes properties owned by the State of Maine

Source: New Gloucester Assessor's Agent

Non-residents own about 6,800 acres in New Gloucester with approximately 6,000 acres (or 88%) owned by Maine residents. Non-residents property holdings account for about \$77.6 million in property assessment representing about 18% of the town's total tax base. Of the approximately 11,000 acres of undeveloped property in New Gloucester, 61% (about 4,400 acres) is owned by non-residents with the overwhelming majority being Maine residents. This large amount of undeveloped land owned by non-residents may present future development pressure with the construction of residential (seasonal and year round homes) and non-residential developments.

³ 2004/2005 property tax base adjusted to full market value.

b) Soils and Wetlands Constraints

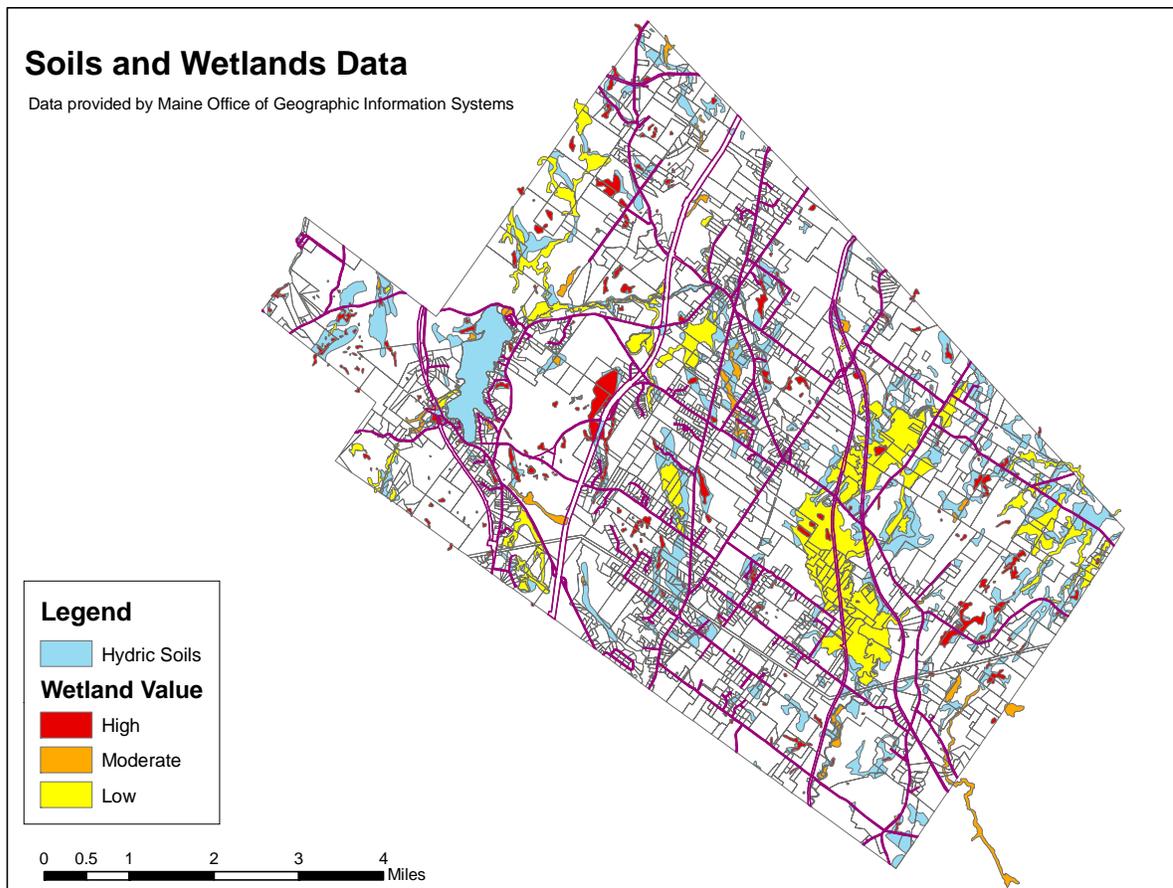
New Gloucester is mostly located in the Presumpscot River portion of the Casco Bay Watershed, though a small portion of the northern section of the Town is in the Lower Androscoggin Watershed.

There are several areas of wetlands in various parts of the town, with the largest being the area surrounding the Royal River between Pineland and New Gloucester Village. Though this area is quite large, most of its wetland area is rated as low-value wetlands by the Maine Department of Natural Resources (DNR). There are smaller, but still significant wetland areas in several stream corridors in other sections of New Gloucester. The only sizable wetland rated as high value by DNR is just to the west of the Maine Turnpike.

In addition to these wetland areas, there are some areas with hydric soils that are not considered wetlands. Development potential on these properties is limited by soil conditions as well. Overall, most of the Town’s land has soils that are suitable for development.

Figure 23 shows soils and wetlands data for New Gloucester.

**Figure 23
Soils and Wetlands Data**



c) Conservation Land

There are numerous conservation parcels within the Town of New Gloucester. More than 2,000 acres of the land held by the Libra Foundation around the Pineland campus is permanently preserved for agricultural, recreational and conservation uses. A recent deal between the United Society of Shakers and several conservation groups resulted in the preservation of the 1,700 acres surrounding the Shaker Village.

Aside from the Shaker landholdings, there are 164 parcels containing 7,828 acres of land that are registered in Maine's Current Use Taxation program as of December 2005 (the Shaker land is also in Tree Growth). These parcels are scattered throughout the Town, though most of the large Tree Growth parcels are located west of the Maine Turnpike. It should be noted that Tree Growth parcels are not permanently conserved, though landowners must pay penalties when removing their properties from the program.

Adding together the conservation and Tree Growth land in New Gloucester, about 11,500 acres of the Town's total 26,646 acres are under some sort of conservation. This represents about 43 percent of all land in New Gloucester, and is roughly equal to the total amount of undeveloped land in the Town (10,998 acres). However, not all conservation parcels are classified as undeveloped, as some contain buildings and are classified as residential or commercial land.

4. Regulatory Issues

a) Land Use and Zoning

There are eleven primary zoning districts in New Gloucester's current zoning ordinance. In addition, there are three overlay zones. The eleven underlying districts are:

- **Farm & Forest** – Encompasses the extreme eastern and western portions of the Town. Allows most agricultural, forestry and excavation uses. Minimum lot size is 5 acres.
- **Lake** – The shoreline surrounding Sabbathday Lake. Allows residential and very limited commercial uses. Minimum lot size is 2 acres.
- **Pineland Development Districts A, B and C** – These zones were created to accommodate the different types and scales of development on the Pineland campus. The approved site plan for Pineland adheres to the unique requirements of each district.
- **Residential Business 1** – Includes two strips along Route 100 in the center of the Town. Allows most types of commercial and light industrial development, but has large lot zoning (2 acres for most business types, 5 acres for industrial and intensive commercial uses).
- **Residential Business 2** – A strip of land along Route 122 in the far northern section of town, along the Auburn and Poland town lines. Allows many commercial uses, but not industrial. Minimum lot size is 5 acres.

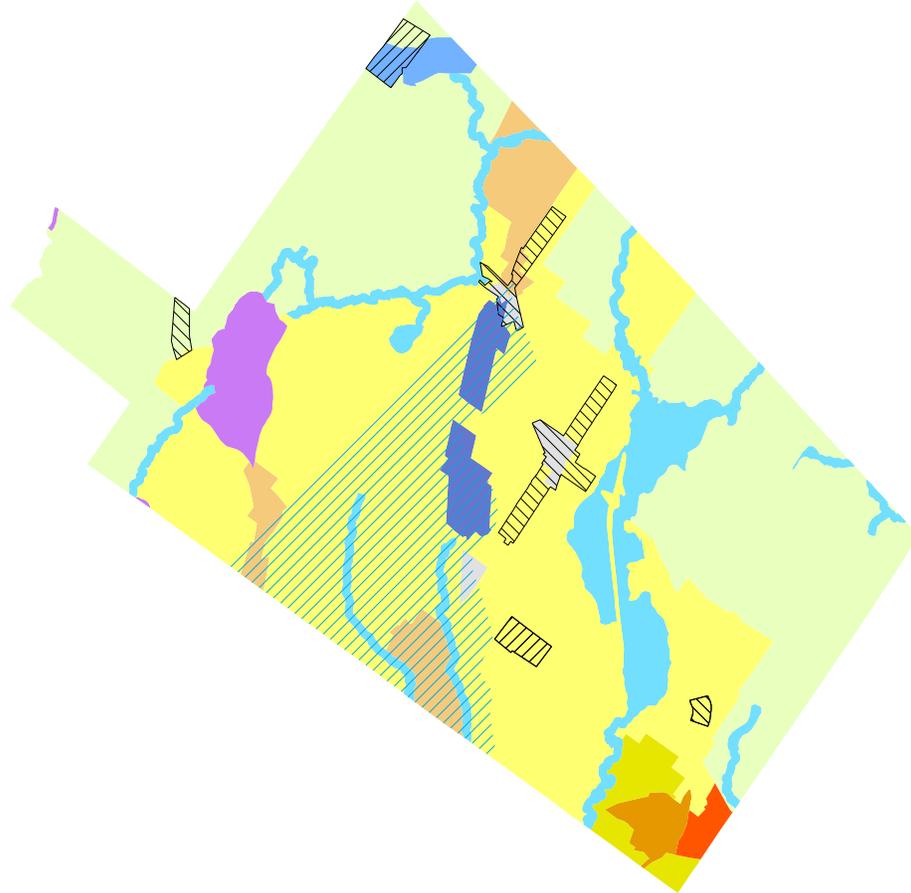
- **Residential Commercial** – Two blocks of land along Route 100—one on the Auburn town line and the other on the Gray town line. Also includes the strip along Old Route 26 south of Sabbathday Lake. Most types of retail, commercial and light industrial development are allowed. Minimum lot size is 1 acre for commercial development and 2 acres for residential uses.
- **Resource Protection** – Land surrounding the Royal River and other streams throughout the Town. Does not allow most commercial uses. Minimum lot size is 5 acres.
- **Rural Residential** – Much of the central part of the Town, stretching from Route 26 to Route 231. Allows some small business uses, but no intensive commercial development. Minimum lot size is 5 acres.
- **Village** – Three small areas: New Gloucester Village, Upper Village (Routes 100/231) and Lower Village (Route 100 and Gloucester Hill Road). Allows small-scale business development, but no intensive commercial or industrial uses. Minimum lot size is 1 acre.

The three overlay zones are:

- **Historic Preservation** – Includes three separate locations: the area surrounding New Gloucester Village along Intervale, Gloucester Hill and Cobbs Bridge Roads; a stretch of Peacock Hill Road just north of Upper Village; and the Shaker Village on Route 26. This overlay presents strong controls on design, materials and access to protect surrounding historic structures and resources.
- **Mobile Home Parks** – Two small areas (one on Penny Road and the other on Route 122) that explicitly permit mobile home park development, in accordance with the state law.
- **Groundwater Protection** – This overlay encompasses almost all of the area of the Town west of Route 100 and is designed to protect the large aquifer located beneath it. This overlay takes in both RB-1 district and two of the three RC districts. The overlay zone prohibits most heavy industrial and excavation uses, as well as golf courses, junkyards dry cleaners and other uses that degrade water quality. This district also has strong controls on stormwater, wastewater and hazardous materials.

Figure 24 shows the current zoning map.

Figure 24
Current Zoning Map



- New Gloucester's zoning ordinance has provisions for two types of open space subdivision development: cluster subdivisions and conservation density subdivisions:
- **Cluster Subdivisions** allow for the reduction in individual commercial and residential lot sizes, frontage and setback requirements in exchange for dedicated and planned open space. Cluster lots may be as small as 0.5 acres, but the overall net residential density must comply with the underlying zoning.
 - **Conservation Density Subdivisions** allow developers to offer lower density development with permanently conserved land. In exchange, land in Resource Protection districts is counted towards net density and an expedited review process is made available.

b) Comprehensive Plan

New Gloucester's current Comprehensive Plan was adopted in 1991, and was aimed at shaping land use in the Town through 2000. However, no revisions have been made to the plan since that time, so it still stands as the official blueprint for growth. The plan foresaw even more rapid growth than actually occurred—it predicted a 2000 population of 5,138, whereas the actual population in 2000 was 4,803. The town did

exceed the projected 2000 population by 2004, when the estimated population reached 5,218.

The recommended goals, policies and strategies of the 1991 Comprehensive Plan may need to be revisited as a result of this Business & Economic Development Study. Recommendations from four relevant sections of the plan are recapped below.

(1) Land Use

The land use section envisioned the Town taking a proactive approach to preserving its rural character and open space while limiting sprawl. Policies included increasing densities in village areas, assessing impact fees to fund public improvements and instituting “development timing ordinances” in some areas where growth was not wanted. This idea, which is also referred to as differential growth caps, is now being implemented in several communities in Southern Maine.

The Future Land Use Plan called for four separate growth areas:

1. **Business Growth** – an area roughly comparable to the present Residential Commercial zone on Route 100 at the Auburn line. This area was envisioned to promote business and industrial park type development, and recommendations were made to pursue the extension of sewer service from Auburn and to explore tax-sharing arrangements with Auburn and Lewiston.
2. **Village Growth** – the areas surrounding the three villages, plus much of the present Residential Commercial zones along Route 100 at the Gray line and along Route 26. In these areas, clustered residential development was recommended. The proposals for these areas were partially reflected in subsequent zoning changes, though the historic village areas are treated differently from the two Residential Commercial areas.
3. **Institutional Growth** – This special area was set up for the Pineland campus, which was still in operation as a state-run mental health facility at the time. Essentially, this district foresaw the mix of commercial, institutional and recreational uses that has evolved on the campus.
4. **Low Density Residential Growth** – This area recommended two-acre residential zoning in portions of the Town with adequate road access and readily developable land. The area recommended as low-density residential growth encompassed the south-central portion of the Town that is currently zoned Rural Residential. The plan foresaw directing more development into these areas than into other Rural Residential areas. The Transfer of Development Rights (TDR) ordinance’s receiving area is similar in extent to this area, and reinforces the plan’s recommendations (see discussion of TDR below).

(2) Economic Development

The economic development section has been mostly implemented. Its implemented recommendations included establishing areas for light industrial uses, establishing stronger performance criteria for commercial development,

restricting development in aquifer areas, limiting business development in rural residential areas and building the non-residential tax base.

Recommendations that have not been implemented include pursuing the extension of utilities from Auburn, pursuing a joint development with Lewiston and Auburn and establishing a frontline response for development inquiries. The latter function is being partially filled by Pineland's commercial broker, which directly handles all inquiries about the campus.

(3) Housing

The plan's housing element called for an aggressive effort to diversify the Town's housing stock and to encourage, both directly and indirectly, the production of affordable units. Recommendations included adding 48 affordable units between 1991 and 2000, acquiring land for affordable housing development and establishing a Community Land Trust whose purpose would be to develop affordable units.

These planning targets have not been met. As housing becomes less and less affordable, housing will need to be considered anew.

(4) Transportation

The primary recommendation regarding transportation was for the Town to ensure that new development did not increase its fiscal burden for road maintenance and improvement. Two recommended strategies were to not accept roads that were only developed for private use and to install an impact fee ordinance to fund needed road improvements. Neither of these strategies has been implemented.

c) Transfer of Development Rights

In 2004, the Town of New Gloucester adopted a Transfer of Development Rights (TDR) ordinance, making it just the third town in Maine to do so. The program aims to offer an incentive to concentrate residential development in the Town's central corridor and to limit development in its eastern and western sections.

The sending area includes all land west of the Maine Turnpike and nearly all of the land east of the Royal River (excluding Pineland and a few surrounding properties). The receiving area includes most of the Route 100 corridor and land off of town roads that cross it.

The scale of the TDR incentive depends on the underlying zoning. Owners of land in the Farm and Forest, Lake and Residential Business 2 zones, which all have five-acre zoning, may sell one development right per two acres of net developable land. In the Rural Residential Zone, where underlying zoning is for two acres, owners may sell one development right per one net developable acre.

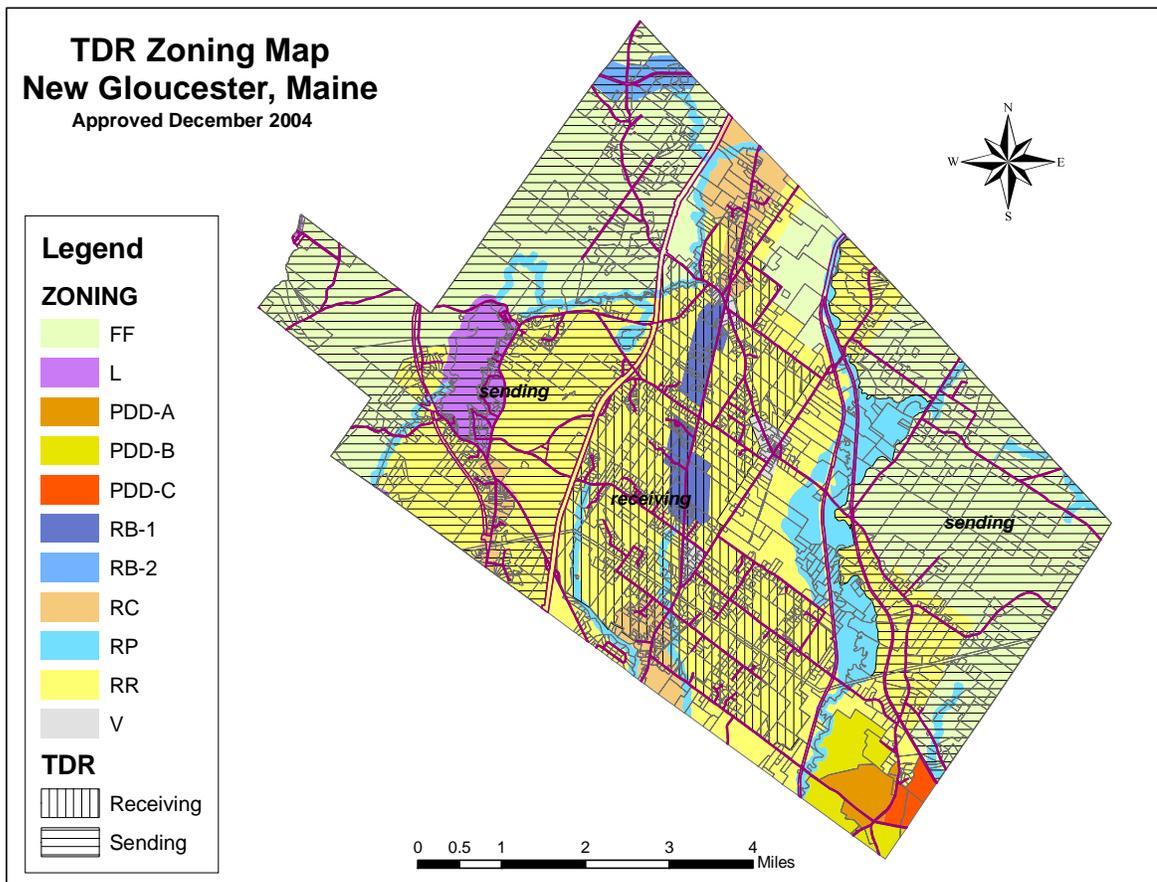
In the receiving zone, purchasers of development rights may purchase up to double the underlying net residential density. Most of the receiving area is zoned for two-

acre lots, though two of the three village areas (which have one-acre zoning) fall within the receiving area.

As of December 2005, there have yet to be any transfers of development rights in New Gloucester. This follows the pattern set in the other Maine communities that have enacted TDR ordinances (Brunswick and Cape Elizabeth). Nationally, TDR has worked best when the incentive is provided at a large scale that allows for a dramatic effect on the bottom lines of developers. The density bonuses and scales of development in Maine have simply proven to not be sufficient to entice developers to enter into development transfer agreements.

Figure 25 shows the TDR districts overlaid on the zoning districts.

Figure 25
TDR Zoning Map



d) Summary of Regulatory Issues

Since the completion and adoption of the 1991 Comprehensive Plan, New Gloucester has made great strides in meeting its goals and objectives. The Town's zoning has become much more finely grained, with areas specified for different use types and scales of development. The town has strong protections for groundwater and historic resources. The TDR program is a positive sign that the Town is willing to think creatively to preserve its rural character—which many residents feel is the Town's most valuable asset.

The rezoning and subsequent redevelopment of Pineland has been a rousing success. Even before the state facility shut down, the Town had begun to plan for its potential redevelopment. Fourteen years later, the Libra Foundation and the Town have collaborated to fulfill the bold vision laid out in the 1991 plan.

Still, there are many planning and growth management issues that remain unresolved. The Town will need to consider these in completing this study:

- The densest residential zoning available in New Gloucester is one acre, and this zoning only applies to development in the Town's small and mostly built-out village areas. Land in the other growth areas (RR, RC and RB1) is zoned for two-acre residential development.
- With clustering, lots may be as small as 0.5 acres, but the overall density still needs to meet the two acres of land per one dwelling unit standard. With the price of land continuing to climb, consideration could be made for using shared septic systems to further reduce lot sizes or to relax dimensional standards in selected areas when clustering is done.
- The Comprehensive Plan called for treating two of the Residential Commercial areas as village growth areas, but current zoning does not reflect this. Zoning for these two areas is the same as the RC zone on the Auburn line, and is quite different from the zoning of the three historic village centers.
- The Comprehensive Plan called for collaborating with Auburn (and even Lewiston) on economic development issues, particularly the extension of public utilities and cost and tax-sharing arrangements for business park development. These connections have not yet been made, but still may be possible if the Town so desires.
- New Gloucester has not set up a frontline response to development inquiries. While this function is partially being filled by Pineland, the Town is not fully equipped to handle inquiries about development opportunities in other locations.
- Little has been done to address the Town's mounting shortage of affordable housing and alternative housing (apartments, senior housing, assisted living, etc.). This is a regional issue, though, and should be considered in conjunction with other communities.
- Impact fees for road construction were recommended in the 1991 plan and still may make sense. This tool needs to be re-examined.

- The Transfer of Development Rights program is a positive step for the Town, but needs to be closely monitored to ensure that it is actually used. If the program does not succeed, adjustments will be needed to its incentives.

IV. BUSINESS SURVEY

During mid-December, 2005 through mid-January, 2006, a survey was distributed to 209 business establishments in New Gloucester to solicit information on town's existing business base; determine the issues, concerns and needs of businesses; and, gather input on future community growth and development. Close to 21% of businesses responded with representation across various industry sectors within New Gloucester's establishment base.

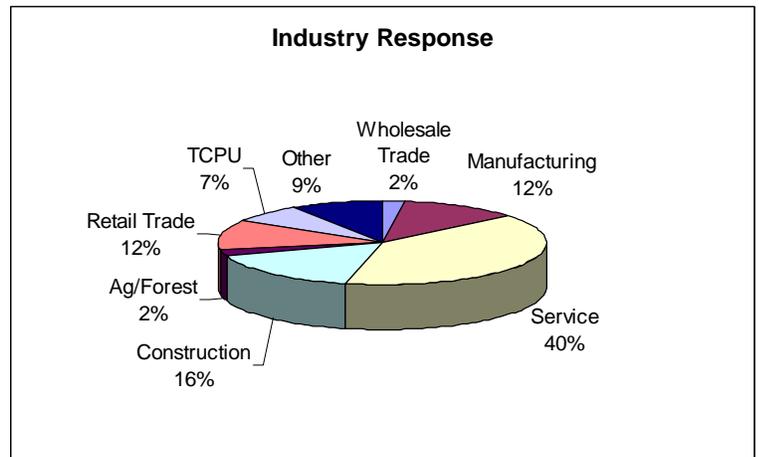
Results indicate that business operators have a clear desire for more non-residential development within targeted clusters, primarily to diversify the Town's property tax base. Additionally, operators indicated that clear and understandable land use regulations, a "business friendly" and flexible municipal government atmosphere, and low taxes are desired. Factors such as close proximity to home, transportation access, affordable land/building space, and quality of life were top site selection criteria for businesses.

The following summarizes the results of the survey presented as a percentage of businesses responding to each respective survey question.

- *Average number of years at current location:* **17.4**
- *Average number of employees at location:* **8**
- *Average total number of full-time employees:* **5.7**
- *Average total number of part-time employees:* **2.5**

- *The majority of responding business establishments were within the service, construction and retail industry sectors.*

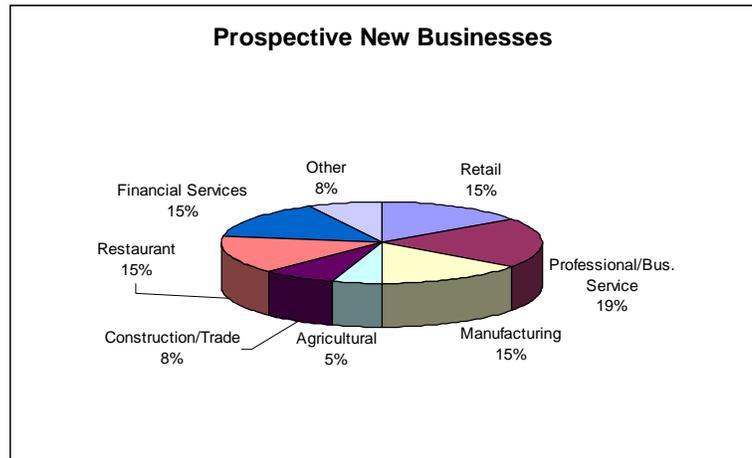
- *Over two-thirds (70%) of respondents do not operate their business out of their home.*
- *More than half (56%) of respondents indicated that there were no businesses or services (that are currently not in New Gloucester) that could realistically be established in the community and support their business.*



- *For those that indicated that new businesses could help support their business and realistically be located in town, respondents were fairly evenly split on the nature of these potential types of businesses including businesses services, restaurants, financial services, retail and manufacturing. Respondents indicated that these*

types of businesses would benefit their operation through additional technical or business support and reduced trips to other communities where this support is located.

- *60% of respondents indicated that clearly defined and understandable land use regulations are very important or important in the site location, operation or potential expansion of their business.*



- *Over 70% of respondents indicated that the Town should encourage more non-residential development activity (primarily to support/diversify the Town's property tax base).*
- *The majority of respondents indicated that any new non-residential development should be concentrated at the Upper Village/Route 202 corridor and/or along the Route 26 corridor.*
- *Business operators indicated that the things the Town could do to assist new and existing businesses include:*
 - *“Business Friendly”/flexible municipal government atmosphere;*
 - *Keep taxes low;*
 - *Minimize regulation; and,*
 - *Maintain community character.*
- *58% of respondents occupied business space of 2,500 square feet or less. Almost half of respondents occupied one acre or less of land.*
- *Over two-thirds of respondents indicated that the amount of building space and land they use for their business is sufficient for their current and future needs. Should they need more space, most respondents would consider expanding their existing facility.*

- *If new business space were not available, 60% of respondents indicated that they would relocate their business out of New Gloucester.*

- *The following are the top criteria listed as either “very important” or “important” for businesses selecting the current location for their business establishment:*
 - 1) *Close to home (77%)*
Access to transportation routes (77%);
 - 2) *Affordability of land/space (74%);*
 - 3) *Quality of life (70%);*
 - 4) *Available land/space (61%);*
 - 5) *Access to customers (58%);*
 - 6) *Open space/rural characteristics (56%);*
 - 7) *Skilled labor (40%); and,*
 - 8) *Labor cost (33%).*

Comments Included

- *Important to be in community*
- *Great view, peaceful setting, great landlord, gym next door, many other campus amenities*
- *Business was already established when I purchased it*
- *Virtually all E-trade - quality of life most important*
- *Most of us commute here - seems like a nice town with a real rural feel. Could you keep development restricted to a limited area such as a business park?*
- *70% of my business is now with Pineland Farms*
- *I believe that by looking at the past forms of mixed use farms, we may find a model for rural development which includes "quality of life" shared resources and adaptable business poised for innovation*

V. PUBLIC VISIONING SESSIONS

During the course of the planning process, there were three visioning sessions held. This section briefly summarizes the outcomes of each of the sessions.

A. Visioning Session #1 – Pineland Conference Center – December 8, 2005

The first visioning session was a general discussion held at the Pineland Conference Center on December 8, 2005. The goal of the session was to have participants (individually and within groups) think forward and provide their vision of New Gloucester in the future.

About 35 members of the public attended the session. At the session, attendees were divided into four smaller groups that each sketched out ideas regarding the Town's future opportunities for business development and economic growth, as well as considerations for protecting the Town's existing natural, visual and historic resources as it grows.

1. General Conclusions

- Expanding water and sewer infrastructure is not encouraged;
- Lots of 2 (or more) acres increases service costs;
- Reconfigure village areas and Pineland with “downtown” feel;
- Protect charm of village;
- Use clusters of non-residential development;
- Pressure on Shaker Village area;
- Want to capture businesses and taxes;
- Need to study time of travel/commuting patterns;
- Arts-related businesses are a substantial contributor;
- Home based businesses are an important part of local economy;
- New Gloucester is a unique location and new businesses are a reflection of that (New Gloucester is not an extension of Gray).

2. Vision Themes Identified

a) Rural Characteristics

- Protecting quality of life and rural character is critical;
- Historic homes;
- Undeveloped land and pretty to travel;
- Stonewalls;
- Reduced vehicle speeds needed;
- Protect water resources;
- Nothing going on (and the need to preserve this aspect);
- Owners of large parcels of land beneficial to community;

- Community is unique in that it is not homogeneous;
- Threat to rural character - subdivision of large lots for single family units.

b) Non-Residential Development

- Need to cluster commercial, retail and light industrial development;
- Do not want non-residential development spread along corridors;
- Village areas present existing historic commercial clusters;
- Encourage and retain home based businesses;
- Arts and crafts businesses important
- Try and capture spending from visitors traveling through town

c) Pineland

- Valuable asset to community;
- Good working relationship with municipal government;
- Critical that Pineland and community work together;

B. Visioning Session #2 – Pineland Conference Center – February 2, 2006

The second visioning session was a discussion of specific locations within the Town where businesses may located. About 25 residents attended. Participants were asked to come up with concepts to help shape development in four separate areas of the Town:

- Upper Village
- Lower Village
- Route 26 Corridor
- Route 202/100 Corridor

1. Upper Village

- Need to control and slow traffic
- Need to diversify mix of businesses and offer more locally-serving establishments
- No strip or fast food development
- Improve pedestrian access and village feel
- Move Town facilities to other locations—this is a business center
- Better design of area and shared parking

2. Lower Village

- Need sidewalks and better pedestrian environment
- Limit size and scale of businesses—limited parking
- Encourage home-based businesses
- Protect historic character
- Keep Town Hall and other facilities at this location

3. Route 26 Corridor

- No development in Shaker Village area
- Concentrate development along Old Route 26
- Limit access and curb cuts on New Route 26
- Encourage development on New Route 26 to build away from roadway
- Work to develop some tourist-oriented services on Old Route 26 to support Shaker Village

4. Route 202/100 Corridor

- Focus on safety and movement of traffic
- Limit new curb cuts
- Consider a business park development in appropriate location
- Need better incentives to support TDR program
- No residential development on highway frontage—push it back
- Improve bad intersections

C. Visioning Session #3 – Pineland Conference Center – February 16, 2006

The third and final visioning session followed a similar format to Session #2, but focused on topics rather than geographic locations. About 30 residents attended. Participants were asked to discuss the following issues:

- Building on Pineland
- Tourism/Agritourism/Arts
- Housing
- Rural Character

1. Building on Pineland

- Need better communication between residents and Pineland
- Use Pineland's amenities for local recreational, arts and cultural efforts
- Gain better understanding of Pineland's impact on local roads
- Should have advisory board to represent Town's interests with Pineland

2. Tourism/Agritourism/Arts

- There are many events in Town but they could be marketed better
- No motels—focus on inns/B&Bs
- Help local artists/artisans sell their products locally
- Get involved in regional tourism promotion efforts
- Celebrate local history—Pineland, Shakers, farming, logging

3. Housing

- Need more flexibility for diverse housing types in rural areas

- Increase supply of assisted/congregate housing for seniors
- New housing needs to be respectful of historic character
- Direct affordable housing to village areas
- Use town land for affordable housing developments
- Improve TDR incentives to get people to use them
- Increase densities in village areas

4. Rural Character

- Work to protect large, undeveloped land tracts
- Improve rural roads, but don't ruin character
- Keep tax burden manageable for rural landowners
- Rebuild sense of community—essential to rural town
- More businesses in village areas reinforce community identity

VI. PINELAND IMPACT ANALYSIS

RKG Associates, Inc., has completed an analysis of the impacts of the Pineland development on the Town of New Gloucester. This analysis is meant to give Town officials a better understanding of the effect that this unique campus has on New Gloucester.

Ten years ago, the Pineland campus sat empty, having been shut down as a State of Maine mental health facility. The Pineland Conversion Committee was established to develop an ambitious plan to reuse the buildings and natural areas on the campus. The Libra Foundation soon came to the Town with an ambitious vision for Pineland—a modern office park in a picturesque and historic setting featuring ample recreational and cultural amenities. More importantly, Libra also brought to bear the necessary resources needed to achieve that vision.

To accommodate Libra's vision and plan for the future, the Town of New Gloucester developed new zoning designations for Pineland and established a Tax-Increment Financing (TIF) District. This district has, for the past four years, directed tax revenue produced by Pineland into a special fund to pay for a variety of planning, engineering and infrastructure projects. The campus welcomed its first new tenants in 2001 and has, in just five years, emerged as a major regional employment center. Libra has renovated more than 20 buildings, built the Commons and Visitor Center buildings and has over 40 tenants at Pineland, filling about 75% of its total space. Several agricultural and recreational uses have also been developed.

In the wake of Pineland's rebirth, the Town of New Gloucester has had to adapt. Aside from Pineland, the Town is primarily a residential community, with only limited business activity in its other sections. The quick success of Pineland has built up the local job base and economy, but has also led to more use of Town roads, additional Town expenses and continued pressure for growth in the surrounding area.

This Impact Study examines these issues and seeks to provide guidance to the Town as it considers how best to leverage Pineland's resources.

The Impact Study considers four different types of impacts:

1. Economic Impact
2. Fiscal Impact
3. Traffic Impact
4. Impact on Land Use Patterns

A. Economic Impact

An economic impact assessment measures the effect that a given development has on the economy of a given geographic area. In this case, the development is the ongoing operation of the Pineland campus and the geographic area is the Town of New Gloucester, the campus' host community. This assessment measures the impact that Pineland has on New Gloucester

each year. It does not attempt to quantify the initial or occasional impacts of construction or development of the campus—just the ongoing impact.

The economic impacts of Pineland are measured in two ways: employment and earnings. Many economic impact analyses look at total output or sales of an economic activity—an impact study for a manufacturing plant would quantify total output and a study for a construction project would quantify both labor and materials costs. With more than 40 distinct businesses operating on the Pineland campus, it would be very difficult (and probably inaccurate) to attempt to quantify total output.

Economic impact can be divided into two categories: direct impacts and indirect/induced impacts:

- Direct impacts are simply the number of jobs on the campus and earnings brought home by people filling those jobs.
- Indirect/induced impacts represent additional jobs and earnings created in the area resulting from goods and services purchased by campus businesses and employees

1. Direct Impacts

a) Direct Employment Impacts

To help determine direct employment impacts, RKG Associates surveyed campus tenants, asking how many full-time and part-time employees worked for each business. We were able to get exact counts from 15 businesses, or about 35% of all tenants. This sample included all of the larger employers at Pineland (Energy East, Pine Tree Networks, Pineland Farms, Maine Special Education, Spurwink Institute) and many smaller ones as well. For businesses that did not respond to the survey, RKG estimated the number of persons working at each business and verified assumptions with the on-site management office at Pineland.

Employment impacts are shown in terms of full-time equivalent (FTE) employees. One FTE represents 40 hours per week of labor. So if an employer has four part-time staffers working 10 hours per week, the four staffers together comprise one FTE. For the purposes of this analysis, part-time employees were assumed to work an average of 20 hours per week, so two part-time employees are equal to one FTE.

The total direct employment impacts at Pineland is estimated to be **493.5 FTE jobs**. The calculation of this figure is shown in Table 1 under the “Direct Earnings Impacts” heading below. Pineland’s management estimates that the campus is currently operating at 75% capacity. So at full buildout, there would be about 650 FTE jobs on the campus.

b) Direct Earnings Impacts

For reasons of privacy, tenants were not asked to reveal their employee’s salaries or company payroll figures. Instead, each employer has been matched with its corresponding North American Industrial Classification System (NAICS)

employment category and the average salary for the Portland MSA is used for each category.

Table 19 displays each tenant's name with the estimated number of employees, NAICS category, average annual salary for that category and, finally, total annual earnings.

Table 19
FTE Employees and Earnings of Pineland Tenants

Business/Organization Name	FTE Employees	Industry Category (NAICS)	Average Salary**	Est. Annual Earnings
Alliance of Maine Federal Credit Union*	5	Credit Unions	\$31,800	\$159,000
Apple Computer	8	Computer and Electronic Product Manufacturing	\$72,100	\$576,800
CAD Management Resources/Black Bog Software*	2	Computer Training	\$39,900	\$79,800
Cameo Marketing*	2	Advertising and Related Services	\$42,600	\$85,200
David McLain Photography*	1	Commercial Photography	\$41,800	\$41,800
Downeast Pension Services	12	Financial Investment & Related Activity	\$102,300	\$1,227,600
ELKCO Corporation*	2	Computer Systems Design & Related Services	\$62,000	\$124,000
Energy East/Utility Shared Service	150	Power Generation and Supply	\$57,700	\$8,655,000
Fiddlehead Center for the Arts*	5	Arts, Entertainment & Recreation	\$17,700	\$88,500
Foley's Bakery*	10	Specialty Food Stores	\$22,500	\$225,000
GEF Corporation*	3	Sound Recording Industries	\$65,900	\$197,700
Glacial Lakes Financial*	2	Investment Advice	\$78,400	\$156,800
Hatter Creek Institute	0.5	Agriculture and Forestry Support Activity	\$38,600	\$19,300
Healthy Solutions, Inc.*	5	Fitness & Recreational Sports Centers	\$12,300	\$61,500
hear ME now!*	5	Educational Services	\$32,800	\$164,000
Highlands Vending, Inc.	1	Legal Services	\$56,800	\$56,800
Hillcrest Associates*	1	Offices of Real Estate Appraisers	\$40,700	\$40,700
HRH Risk Management Services*	3	Third Party Administration of Insurance Funds	\$49,800	\$149,400
Islandport Press	2.5	Book Publishers	\$52,100	\$130,250
Jonathan A Dudek, Ph.D.	1	Offices of Mental Health Physicians	\$44,500	\$44,500
Kids World*	5	Child Day Care Providers	\$15,700	\$78,500
Maine Custom Woodlands, LLC*	2	Forestry and Logging	\$30,160	\$60,320
Maine Special Education/Mental Health Collaborative	37	Outpatient Mental Health Centers	\$28,300	\$1,047,100
Market Share LLC	3	Third Party Administration of Insurance Funds	\$49,800	\$149,400
Medtech Publishing	8.5	Periodical Publishers	\$43,000	\$365,500
Michael Schoelch, DMD*	3	Offices of Dentists	\$50,300	\$150,900
Mothers Against Drunk Driving*	2	Social Advocacy Organizations	\$22,900	\$45,800
Mountain, LTD*	3	Temporary Help Services	\$18,800	\$56,400
New England Secrets*	3	Sugar/Confectionary Product Manufacturing	\$16,200	\$48,600
Northern New England Center for Financial Training*	3	Management Training	\$39,100	\$117,300
Opportunity Farm for Boys & Girls*	10	Child & Youth Services	\$29,300	\$293,000
Paul Balzer MD	3	Offices of Physicians	\$70,300	\$210,900
Peak Performance Sports*	5	Sporting Goods Stores	\$24,200	\$121,000
People, Places & Plants*	2	Periodical Publishers	\$43,000	\$86,000
Pine Tree Networks	70	ISPs, Search Portals and Data Processing	\$55,200	\$3,864,000
Pineland Farms	48	Agriculture, Forestry, Fishing & Hunting	\$26,400	\$1,267,200
Pleasant River Recruiting, Inc.*	2	Human Resource Consulting Services	\$57,600	\$115,200
Riding to the Top	2	Other Amusement & Recreation Industries	\$18,600	\$37,200
Seacoast Leadership Group*	1.5	Management & Technical Consulting Services	\$55,300	\$82,950
St. Mary's Counseling Center	10	Offices of Specialty Therapists	\$40,100	\$401,000
The Spurwink Institute	27.5	Social Advocacy Organizations	\$22,900	\$629,750
Warmheart Designs*	2	Merchant Wholesalers, Nondurable Goods	\$46,100	\$92,200
YMCA at Pineland Farms*	20	Fitness & Recreational Sports Centers	\$12,300	\$246,000
Total	493.5			\$21,849,870

* Number of Employees is estimated for these tenants. Other tenants provided this information directly to RKG Associates via a survey.

** Average Salary based on 2004 earnings by industry data for Portland MSA from Maine Department of Labor.

Source: Pineland Farms; Maine Department of Labor; RKG Associates, Inc.

Using this methodology, Pineland employees presently earn an estimated **\$21.85 million** per year. Since the campus is only 75% leased at this time the total on-site earnings would be about \$29.13 million at full capacity.

2. Indirect/Induced Impacts

Indirect and induced impacts represent the effects of money spent by Pineland businesses and their employees. These impacts include:

- Purchases of office supplies
- Purchases of product inventory
- Professional services (legal, accounting, consulting, etc.)
- Retail purchases
- Home purchases and rental expenses
- Investments in financial institutions

Not all of these secondary rounds of impacts will occur locally. In fact, in a location such as New Gloucester which has few suppliers of such goods and services, most of these secondary impacts will occur outside of the Town's borders.

Indirect and induced impacts are estimated through the use of economic multipliers. Multipliers measure how much total impact a given economic activity has on a local or regional economy by estimating where the types of spending listed above will occur. In larger cities with integrated economies, multipliers tend to be higher. In rural areas with few suppliers and supporting industries, multipliers are usually lower.

Clearly, New Gloucester is not an integrated economy. It has few suppliers of the goods and services needed by Pineland tenants, so most of the purchases listed above go to Portland, Lewiston or out-of-state. The survey of Pineland tenants found that only 13% of current employees on campus live in New Gloucester, so housing market effects stretch way beyond the Town's borders.

Though the multiplier effects of Pineland on New Gloucester itself will be somewhat modest, it is useful to understand the types of effects that Pineland has on the entire state. Such an analysis also illustrates how much opportunity may exist for the Town to attract businesses that support Pineland's tenants.

Table 20 depicts the total estimated indirect/induced impacts of Pineland on the economy of Maine, using U.S. Bureau of Economic Analysis (BEA) multipliers for the entire state. To reiterate, most of these impacts will occur outside of New Gloucester, but it is illustrative of how much more economic activity can be captured by the Town.

Table 20 only presents a summary of more detailed calculations done for each business at Pineland. BEA calculates employment and earnings multipliers for 38 different industry categories. As with direct earnings, the multiplier for the closest matching category is used for each Pineland business. To simplify the calculations, businesses in the same multiplier category are grouped together on Table 20.

Table 20
Estimated Indirect/Induced Impacts of Pineland on Maine's Economy

Potential Spinoff Effects of Pineland

Multiplier Category	Actual Impacts		Total Potential Multiplier Effects*				Potential Spinoff Effects	
	FTE	Est. Annual	Employment		Earnings		Jobs	Earnings
	Employees	Earnings	Multiplier	Effect	Multiplier	Effect		
Agricultural Products	48	\$1,267,200	1.4923	72	1.8795	\$2,381,700	24	\$1,114,500
Business Services	99.5	\$5,163,400	1.6097	160	1.5634	\$8,072,500	61	\$2,909,100
Electric & Electronic Equipment Mfg.	8	\$576,800	2.1538	17	1.9294	\$1,112,900	9	\$536,100
Electric, Gas, Water & Sanitary Svc.	150	\$8,655,000	2.8376	426	2.3091	\$19,985,300	276	\$11,330,300
Finance	19	\$1,543,400	1.9372	37	1.7434	\$2,690,800	18	\$1,147,400
Food & Kindred Products Mfg.	3	\$48,600	2.7800	8	2.5257	\$122,700	5	\$74,100
Forestry & Fishery Products	2.5	\$79,620	6.6100	17	4.9699	\$395,700	15	\$316,080
Health Services	54	\$1,854,400	1.6199	87	1.4746	\$2,734,500	33	\$880,100
Insurance	6	\$298,800	2.6499	16	2.1624	\$646,100	10	\$347,300
Miscellaneous Services	80.5	\$1,805,250	1.8281	147	2.1140	\$3,816,300	67	\$2,011,050
Personal Services	5	\$78,500	1.4088	7	1.5634	\$122,700	2	\$44,200
Real Estate	1	\$40,700	5.4165	5	5.6997	\$232,000	4	\$191,300
Retail Trade	15	\$346,000	1.4671	22	1.5794	\$546,500	7	\$200,500
Wholesale Trade	2	\$92,200	1.8144	4	1.5442	\$142,400	2	\$50,200
Total	493.5	\$21,849,870		1,025		\$43,002,100	531.5	\$21,152,230

* Multipliers are for State of Maine and are meant to illustrate potential spinoff effects of operations at Pineland, not actual effects on local economy.

Source: Pineland; U.S. Bureau of Economic Analysis; RKG Associates, Inc.

The total multiplier effects of Pineland on the State of Maine are an additional 531.5 FTE jobs and \$21.15 million in annual earnings.

The total economic impacts of Pineland on the State of Maine (direct, indirect and induced) are:

- 1,025 FTE jobs (1,366 at 100% buildout)
- \$43.00 million in annual earnings (\$57.34 million at 100% buildout)

B. Fiscal Impact

1. Pineland TIF Summary

New Gloucester's total property valuation as of FY06 is \$384,821,100. As shown on Table 3, Pineland's present valuation is \$23,438,259, representing about 6.1% of the Town's overall valuation. Since Pineland's Business Campus is a Tax-Increment Financing (TIF) district, taxes raised by Pineland's assessment do not go to the Town's General Fund. Instead they are placed directly into a special fund to finance engineering, planning and capital investments. The TIF arrangement will continue through the year 2030. In all, the TIF is expected to raise \$12 million for such projects over its 30-year life.

Original projections for the TIF district foresaw Pineland's property value ramping up over a ten-year period before stabilizing at \$27.1 million in Fiscal Year 2011. The success of Pineland at attracting users has accelerated Pineland's total value.

The result of Pineland’s success initially boosted annual tax revenues to the Town well above projected levels. In FY2004, the Town collected \$317,848 from the TIF, more than twice the \$150,100 projected for that year in the initial plan. However, the recent drop of New Gloucester’s mill rate from 18.68 to 10.00 has brought actual tax revenues more in line with projections. In FY06, the Town will collect \$220,335 in revenues from the TIF, compared with the \$233,142 projected in the original plan.

Table 21 compares projected and actual valuations and revenues from the Pineland TIF.

**Table 21
Pineland TIF Data**

Fiscal Year	Original Projections		Actual Figures		
	New Valuation	New Tax Revenues	New Valuation	New Tax Revenues**	Actual Expenditures
2001	\$3,135,039	\$54,550	\$0	\$0	\$0
2002	\$5,445,457	\$94,751	\$0	\$0	\$0
2003	\$6,912,238	\$120,273	\$13,283,057	\$251,742	\$8,368
2004	\$8,626,438	\$150,100	\$16,760,156	\$317,848	\$201,625
2005	\$10,864,060	\$189,035	\$23,386,300	\$253,242	\$188,943
2006	\$13,398,987	\$233,142	\$23,438,259	\$220,335	\$26,974
2007	\$15,613,186	\$271,669			
2008	\$17,332,550	\$301,586			
2009	\$19,684,204	\$342,505			
2010	\$22,352,003	\$388,925			
2011-2015*	\$27,100,000	\$471,540			
2016-2020*	\$27,913,000	\$485,686			
2021-2025*	\$28,750,390	\$500,257			
2026-2030*	\$29,612,902	\$515,264			
30-Year Total		\$12,010,274		\$1,043,166	

* Revenues for these years are expressed in annual terms.

** New Tax Revenues from Pineland only include Real Estate Taxes.

Source: Town of New Gloucester

To date, the Pineland TIF has raised \$1.04 million in revenues and \$424,000 of this has been spent to date. The remaining balance in the fund earns interest revenue—for FY06 the interest income is expected to be more than \$8,000. Table 22 shows how the money has been spent to date.

**Table 22
Spending to Date from Pineland TIF**

Category	FY03	FY04	FY05	FY06 (through Jan)	Cumulative
Administration	\$1,468.75	\$660.00	\$3,220.99	\$0.00	\$5,349.74
Planning & Engineering	\$6,898.88	\$965.00	\$2,105.40	\$20,909.10	\$30,878.38
Capital Projects	\$0.00	\$200,000.00	\$182,000.00	\$5,969.48	\$387,969.48
Total	\$8,367.63	\$201,625.00	\$187,326.39	\$26,878.58	\$424,197.60

The majority of money spent so far has been for capital reserves for the planned new Upper Village Fire Station. More than 90% of TIF funds have gone towards this project. Other TIF funds have been used to fund a variety of planning and engineering studies (including this Business & Economic Development Study). Administration expenses have been minimal to date, with only about \$5,000 spent over the course of four years.

2. Other Costs and Benefits

Aside from the TIF district's revenue and expenditures, Pineland has other types of impacts on the Town's budget, both positive and negative:

- October Corporation (the Libra Foundation's real estate holding company) owns 994.95 acres of land surrounding the TIF District. The current assessed value of this land is \$3,999,200. At the Town's present mill rate of 10.00, this property generates about \$40,000 per year in property tax revenue.
- Pineland is a quality-of-life amenity that likely increases residential property values in the surrounding area.
- About 13% of Pineland employees live in New Gloucester (about 80 individuals). These residents pay property taxes, excise taxes and user fees directly into Town government. Also, their presence creates more demand for retail, dining, personal services and other types of businesses, which builds tax base. On the flip side they also create more demand for local spending for education, social services, public safety and public works.
- Pineland generates a substantial amount of traffic, which puts increased wear and tear on both Town and State roads. The volume of traffic is discussed in the Traffic Impacts section below.
- The campus itself must be provided with fire protection by the Town, adding labor and costs to those areas of government. Based on anecdotal information provided by Town officials, these costs are minimal.

Weighing all of these positives and negatives, it seems clear that Pineland's fiscal impacts are primarily positive. In addition to its TIF revenues, the campus produces other streams of revenue to New Gloucester. The estimated 80 Pineland workers who also live in New Gloucester do drive spending for town services, but also produce a variety of fiscal benefits. Finally, Pineland does generate vehicle traffic, but a central purpose of the TIF district is to raise funds for needed road improvements—these funds are likely to offset its negative impacts.

C. Traffic Impacts

The original plan for Pineland was submitted for Site Location of Development Act review in 2000 to the Maine Department of Environmental Protection (DEP). The 2000 plan called for the renovation of 22 of the previously existing buildings on the campus, construction of the Commons building, an office building and three new barns. The submission including traffic projections suggesting peak AM travel of 333 vehicles and peak PM travel of 356 vehicles. The total amount of parking approved for the campus at that time was 2,120 spaces.

The original traffic study examined the need for several different potential road and intersection improvements resulting from Pineland's redevelopment. Improvements studies included:

- A flared approach lane on Morse Road approaching Route 202/100
- A left turn lane or traffic light at Morse Road and Route 202/100
- A left turn lane at Upper Village from Route 202/100 onto Route 231
- A left turn lane from Route 115 onto Depot Road (in Gray)
- Sight distance improvements at Route 231 and North/Mill Roads (in North Yarmouth)

Only one of these improvements was deemed necessary based on the traffic projections—the flared approach lane at Morse Road and Route 202/100—and this has not yet been built. Since that initial approval, the Libra Foundation has submitted 10 amendments to DEP for the Pineland site plan. Most of these amendments have been for outdoor recreational amenities or infrastructure improvements. However, a few amendments have been for traffic generating uses:

- The Equestrian Center, which was projected to have a peak hour trip count of 26. The peak hour for this facility occurs at about 10AM, which does not overlap with the peak hour for the office or agricultural uses.
- The Visitor Center building, which resulted in the addition of parking and has created some additional traffic on site.
- An application in 2003 for several different buildings: a greenhouse, a new barn and an addition to the gymnasium. Together, these improvements added a modest amount of further traffic.
- A 22,000 square-foot cheese processing facility. This facility likely adds truck trips to and from the campus, but no traffic projections were required by DEP.

The survey of Pineland tenants conducted by RKG Associates asked about a variety of traffic related issues. Findings included:

- About 17 % of commuters to Pineland carpool and about 2% walk or bicycle.
- About 250 visitors per day come to the campus on a typical workday, not including events at the Conference Center or other special programs.
- About 25 vehicle trucks come each day to serve campus businesses, including agricultural vehicles

Since the campus is only 75% occupied, total traffic impacts were estimated based on future buildout. Using these assumptions, RKG estimates that there are about 1,700 daily car trips to and from Pineland (see Table 23).

Table 23
Estimated Potential Traffic Impacts

COMMUTERS	
Current Daily Commuters	493.5
Current Buildout Level	75%
Potential Daily Commuters	658
Percent Carpooling	17%
Percent Walking/Bicycling	2%
Cars per Day	536
Daily Trips per Car	2.20
Trips per Day	1,179
VISITORS	
Current Estimated Daily Visitors	250
Current Buildout Level	75%
Potential Daily Visitors	333
Passengers per Vehicle	1.50
Trips per Visit	2.00
Trips by Visitors	444
TRUCKS	
Current Trucks per Day	25
Current Buildout Level	75%
Potential Trucks per Day	33
Trips per Truck	2.00
Estimated Daily Truck Trips	66
TOTAL TRIPS	
Total Est. Daily Trips	1,689

This traffic estimate is just that—an estimate. Furthermore, it does not attempt to split trips by time of day, origin or destination. To fully understand how Pineland is impacting traffic in New Gloucester, a more comprehensive traffic and transportation study would be needed.

D. Impact on Land Use Patterns

Pineland has already had and will continue to have great effects on the land use patterns of New Gloucester and its surrounding communities. The development itself primarily re-used existing structures and now offers nearly 400,000 square feet of commercial space that otherwise would have had to be built in other locations. It has also conserved several thousands of acres of farm and woodland that otherwise would have been subject to pressure for residential development.

On the other side of the coin, those working at Pineland now must commute to the campus. Many of these individuals formerly worked in Portland, Lewiston and other urban employment centers in the region. Relocating those jobs to Pineland is likely to put more pressure on the residential market in New Gloucester and other nearby towns in the future. Aside from those working at Pineland, its recreational and cultural amenities are a draw as well, potentially adding even more pressure for development in the area.

Quantifying Pineland's exact impacts on New Gloucester's land use patterns is extremely difficult, as land use change depends on many different factors. A few illustrative calculations are presented below, though, to help understand Pineland's effects.

1. Commercial Land Uses

Pineland has two opposing effects on commercial development. One on hand, its nearly 400,000 square feet of office, commercial, conference and educational space represents construction that would have had to occur elsewhere. On the other hand, it drives demand for additional commercial and retail uses in nearby locations.

In terms of how much development has potentially been prevented by redeveloping the Pineland Campus, a floor area ratio (FAR) of 0.25 is used. FAR is a comparison between the amount of built space and the amount of land used (a building of 20,000 square feet on a 20,000 square foot lot has an FAR of 1.00). A 0.25 FAR is typical for suburban-scale commercial development.

Building the roughly 400,000 square feet of space at Pineland at a 0.25 FAR would require about 37 acres of land. So Pineland has prevented about 37 acres from being developed as commercial land, though not all of it would necessarily have occurred in New Gloucester.

Looking at the other side of the issue, Pineland has three types of effects on the local commercial market:

- **Employees making retail purchases during the workday**—National research shows that office workers spend between \$2,000-\$3,000 per year on food and retail purchases while at work. If Pineland has, as estimated, about 650 FTE employees at buildout, workers could potentially spend between \$1.3 and \$1.9 million per year while at work if there were more places to purchase retail goods and services nearby. Assuming sales productivity of \$250 per square foot, this would translate to between 5,000 and 8,000 square feet of retail space.
- **Businesses on the campus purchasing goods and services from local providers**—This category is difficult to quantify, as the types and scales are not known. However, in suburban areas near business parks, it is common to find stores selling office supplies, prepared food for meetings and other items needed by businesses.
- **Employees choosing to live nearby making purchases outside of work hours**—Knowing that about 80 Pineland employees live in New Gloucester, these individuals make their regular purchases of retail items and personal services close to home. However, as noted in the Existing Conditions Report, local residents spend more than 80% of their retail dollars outside of New Gloucester. Still, as Pineland attracts more residents to the area, there will be more pressure for commercial development to serve them.

2. Residential Land Uses

Pineland's widest reaching impact on land use patterns in New Gloucester is that the October Corporation owns several thousand acres of land in the Town's southeastern corner and in the neighboring towns of Gray and Pownal. This section of New Gloucester is its most accessible to and from the Casco Bay coastline—it is less than a half-hour's drive from Brunswick, Falmouth, Freeport and Yarmouth. For this reason, this part of New Gloucester holds a great deal of potential for residential development for those

commuting to coastal areas, particularly those who cannot afford higher home prices closer to the coastline.

As documented in the Existing Conditions report, despite the large inventory of undeveloped land in the section of New Gloucester surrounding Pineland, there has been very little recent residential construction in that area. If not for the ownership of these lands by an entity committed to conservation, some of it would likely be developed for residential use.

VII. APPENDIX 1—BUSINESS SURVEY FORM



, a real estate market research and consulting firm, is working with the **Town of New Gloucester** to conduct business establishment research within New Gloucester.

The goal of the research is to document the town's existing business base; determine the issues, concerns and needs of businesses; and, gather input on future community growth and development. As a business establishment, we would like to have your input on these topics.



Please be assured that your responses will be kept in strictest confidence, to be aggregated with all other responses.

New Gloucester Business and Economic Development Survey

Business Location (Street Name): _____ # FT Employees: _____
 # Years at This Location: _____ # PT Employees: _____
 # Employees at This Location: _____ Other Locations? Yes No

1) What type of business do you operate? (Please Check One)

- Wholesale Trade Construction Finance/Insurance/Real Estate
 Manufacturing Agriculture/Forestry Transportation/Communications/Utility
 Service Retail Trade Other _____

2) Do you operate your business out of your home? Yes No

3) Are there any businesses or services that are currently not in New Gloucester that could support or help your business?

- Yes No (Move to Question 6)

4) Please indicate which type(s) of businesses or services could realistically be located in New Gloucester and support your business operation (Check all that Apply)

- Retail Manufacturing Agricultural Restaurant Financial Services
 Professional/Business Services Construction/Trade Other _____

5) Please indicate how this business or service would support your business.

6) How important are clearly defined and understandable land use regulations (zoning ordinance, subdivision regulations, etc.) in the site location, operation or potential expansion of your business?

- Very Important Important Somewhat Important Unimportant Unsure

7) Do you believe the Town should encourage more commercial/non-residential development activity?

Yes No Unsure (Why? _____)

8) Please indicate which geographic area(s) where you think the Town should encourage new commercial development:

Upper Village/ Route 202/100/4 North Corridor Route 122 Corridor Route 231 Corridor
 Route 26 Corridor Scattered Sites Town Hall Village Area
 Nowhere Other _____

9) If you were to start a new business in New Gloucester, please indicate the three most important things that Town Government could do to help:

- 1. _____
- 2. _____
- 3. _____

10) Please indicate the three most important things the Town of New Gloucester could do to help retain or expand existing businesses:

- 1. _____
- 2. _____
- 3. _____

11) How much building space (square feet) does your business currently occupy? **(Check One)**

Under 1,000 SF 1,001 to 2,500 SF 2,501 to 5,000 SF
 5,001 to 7,500 SF 7,501 to 10,000 SF 10,000 SF or More

12) How much land (acres) does your business currently occupy **(Please Check One)**

Under 1 Acre 1 to 5 Acres 5 to 10 Acres 10+Acres

13) Is this amount of land and building space sufficient for your current and future business operations?

Yes **(Please Move to Question 17)** No

14) Would you consider expanding your existing facility? Yes No

15) Would you consider constructing a new building for your business? Yes No Unsure

16) Would you consider moving out of New Gloucester if adequate space was not available?

Yes No Unsure

17) Please rank the following criteria in terms of which were most important in selecting the current location for your business:

<u>Criteria</u>	<u>Very Important</u>	<u>Important</u>	<u>Somewhat Important</u>	<u>Unimportant</u>
Close to Home	1	2	3	4
Skilled Labor	1	2	3	4
Access to Customers	1	2	3	4
Availability of Land/Space	1	2	3	4
Affordability of Land/Space	1	2	3	4
Labor Cost	1	2	3	4
Access to Transportation Routes	1	2	3	4
Quality of Life	1	2	3	4
Open Space/Rural Character	1	2	3	4
Other _____	1	2	3	4

Additional Comments: _____

THANK YOU FOR YOUR ASSISTANCE IN COMPLETING THIS SURVEY. YOUR RESPONSES WILL HELP PROVIDE INSIGHTS INTO THE NEEDS OF NEW GLOUCESTER'S BUSINESSES. IF YOU HAVE ANY QUESTIONS REGARDING THE SURVEY, PLEASE CALL DARREN MOCHRIE AT RKG ASSOCIATES, INC. AT (800) 555-7541. PLEASE MAIL OR FAX THE COMPLETED SURVEY FORMS BY JANUARY 13TH TO:

Darren Mochrie - RKG Associates, Inc.
 277 Mast Road
 Durham, New Hampshire 03824
 Fax: (603) 868-6463 or Return to the Town Hall for Mail/Fax

PLEASE NOTE: IF YOU OPERATE MORE THAN ONE BUSINESS OUT OF A SINGLE LOCATION, PLEASE COMPLETE ONE SURVEY FOR EACH BUSINESS OPERATION.

HAVE A SAFE AND HAPPY HOLIDAY SEASON!

VIII. APPENDIX 2 – INFRASTRUCTURE ASSESSMENT

This Appendix discusses economic development-related transportation and infrastructure issues and recommendations related to three identified growth areas within New Gloucester. It also contains a more general discussion of several growth related Town-wide transportation and infrastructure issues. Order of magnitude cost ranges are provided for a number of recommendations related to capital/construction projects and several topics for future study.

Infrastructure Issues Associated with Future Economic Development & Growth

As discussed in the Existing Conditions chapter, New Gloucester has a mixed infrastructure environment for attraction of additional commercial and industrial development to the community and accommodating residential growth of increased density. In summary:

- Roadway access, telecommunications (telephone, internet, cellular phone, and cable television), and electrical power infrastructure elements to the three identified growth areas (Upper Village, Lower Village, and new Route 26/Sabbathday Lake area) the three identified growth are good. Portions of the state roads which would provide access to growth areas are in excellent (Route 26) to poor (portions of Route 231) physical condition. The Sabbathday Lake area (along old Route 26) does not currently have 3-phase power which may be required by some potential industrial users (CMP, 2006) and is expensive to provide. A newly aligned Route 26 has re-routed through-traffic away from portions of Shaker Road.
- There is a limited service area for natural gas service within the southeastern portion of New Gloucester in the vicinity of the Pineland complex (Northern Utilities, 2006).
- Public water and wastewater treatment/sewer services do not currently exist within the community to serve many types of more intensive commercial and industrial development and increased residential development density. .

Growth Area Infrastructure Discussion & Recommendations

The three identified growth areas for more detailed (but still conceptual) review of transportation and infrastructure issues and recommendations are: the Upper Village, Lower Village, and Route 26.

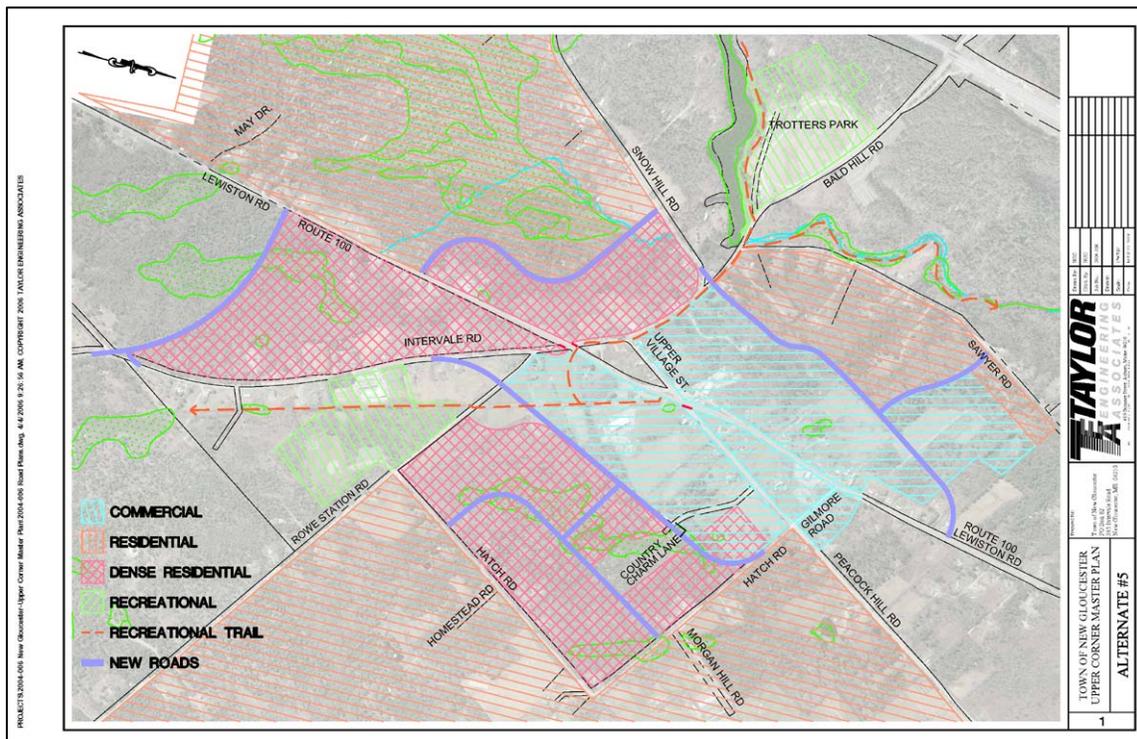
1. Upper Village

Previous Work

In June 2004, an ‘Upper Corner Master Plan’ charrette was held that solicited issues, ideas and visions for future development in the village. The charrette was conducted by Taylor Engineering Associates with assistance from Terrence J. DeWan and Associates.

Major discussion topics at the meeting were Traffic and Circulation, Pedestrian/Bike, Land Uses, Village Appearance, and Utilities. Three concept diagrams were presented at the meeting that showed alternatives for routing traffic to and through the Upper Village.

Subsequent outcomes from the meeting were a set of generally agreed upon desirable characteristics for the Village and an initial concept map (Upper Corner Master Plan, Alternative #5) that shows future potential land use categories and potential new street configurations. See Figure A-1.



Additional follow-up work was also done regarding the provision of public water service to the Upper Village to support increased Commercial uses and higher density Residential uses.

Two general concepts with order of magnitude cost estimates were prepared (Taylor Engineering Associates, March 2006). One concept explores providing a connection to the Auburn Water District along Route 100; the second involves developing a supply well and storage tank within New Gloucester for service to the Upper Village. Cost estimates by Taylor Associates range from approximately \$1 million to \$1.3 million dollars in capital/construction costs. This cost does not include extension of water service to individual homes or businesses or beyond the Route 100 Upper Village area.

Village Characteristics

- Traditional, attractive “village” feel and streetscape to include curbing, sidewalks, streetscape improvements (possibly including street trees, lighting, benches where appropriate), trails, and parks/open space.

Village Land Use

- “Commercial” core centered around the Upper Village Street/Peacock Hill Road and Route 100/Lewiston Road intersection surrounded by areas of “Dense Residential” and “Residential” development, with interspersed “Recreational” areas.

The Commercial district is shown to extend from Bald Hill Road/Intervale Road to Gilmore Road/Hatch Road and be bounded to the east and west by new village streets. Dense Residential uses (on three sides) and Residential uses (on one side) abut the Commercial district.

Village Circulation & New Streets

- Potential new local streets to provide an organizing context to shape future development and improve traffic circulation and safety in the Village.

Of particular note is that a “bypass” of the Upper Village is absent but instead a series of interconnected local streets that provide good alternatives for local circulation without using Route 100. These local route options can potentially reduce safety issues related to intersections with Route 100.

Issues

The Upper Village is home to a varied mix of residential, commercial and civic/town uses (including the Public Works facility). Along Route 100 this area lacks the character and feel of a traditional village center. Off of Route 100, along Bald Hill Road and Snow Hill Road, in particular, a mix of residences are in a more traditional village residential configuration but lack typical supporting streetscape infrastructure including sidewalks. Many businesses fronting Route 100 have uncontrolled access.

This area is served by 3-phase electrical power and does not have any constraints for all but very intensive industrial/commercial users.



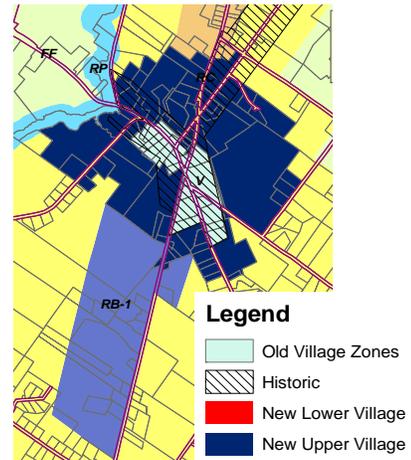
Recommendations

The “Business and Economic Development Plan” main report recommends extension of the existing village. See Figure A-2 (area in dark blue).

The work of Taylor Engineering is a solid starting point for further planning for the traffic and circulation, refined land use concepts, and water service portion of infrastructure planning for this area.

A critical element to the transformation of the Upper Village is to establish a village-scaled context.

Because of the amount and type of traffic on Route 100, this would require setting this village context well in advance (north and south) of the entrances to the village through road design (with likely speed limit reductions), landscaping, and gateway treatments. Commercial development should be configured around effectively-managed driveways and curb cuts. Design guidelines should be developed to guide and make predictable commercial and residential development activity within the new village.



A desirable configuration of new village scaled development would be that the majority of moderately intensive mixed-use commercial/retail development occur off of Route 100. Route 100 may be more appropriate for commercial uses oriented to pass-by traffic but with strict design guidelines (see below).

One potential configuration would be to organize development along a newly constructed collector street(s) parallel to Route 100. For example, potential connections and access points would be located at Intervale Street and Hatch Road (similar to the street pattern shown in Figure A-1). Order of magnitude costs for construction of collector streets with village/urban streetscape treatments range from \$250 to \$400 per linear foot (Wilbur Smith

Associates). Using these unit costs, for a 3500' long new collector street (the approximate distance between Intervale and Hatch), construction costs may range from \$875,000 to \$1.4 million (this does not include property costs, engineering, or design). These costs could be borne by development itself (the private sector) or shared in partnership with the Town or other public entity.

The addition of granite curb, esplanade, and sidewalks (each on both sides) with storm water system to existing streets has order of magnitude unit costs of approximately \$165 per linear foot (this assumes no major roadway reconstruction work is required). For existing streets such as Route 100 in a new Village zone, streetscape construction costs may be in the neighborhood of \$700,000.

The addition of granite curb and abutting sidewalk along one side of existing streets is approximately \$45 to \$60 per linear foot (assumes no major roadway reconstruction work nor drainage reconfiguration is required). For a length of street (4800') similar to the recommended New Upper Village zone along Intervale Street and Bald Hill Road, these costs range from \$216,000 to \$288,000. This would provide a sidewalk connection to the school. 'Safe Routes to School' grants from the MaineDOT are available for designing and constructing this type of project.

The previous section discussed two options for the provision of public water to the Upper Village area with potential order of magnitude costs in the range of \$1 million to \$1.3 million (Taylor Engineering Associates, 2006). For a discussion of viable Wastewater Treatment management options, see section below.

Implementation Actions

2A. Prepare an Upper Village Master Plan

An Upper Village Master Plan would address in detail:

- Traffic Safety and Circulation
- Urban Design Guidelines
- Refined land use and zoning
- Streetscape and Infrastructure Planning – conceptual water service planning, street layouts, traffic safety and circulation, drainage/stormwater management, conceptual wastewater treatment, streetscape (curb, sidewalks, street trees, pedestrian scaled lighting) and pathways/trails.

A key element of these master planning processes is ensuring that they provide for meaningful public participation.

Responsible Party: Zoning Committee, Town Planner

Time Frame: Immediate

Expected Costs: \$30,000 to \$50,000

Related Actions: 1, 2, 3, 18

2. Lower Village

The “Business and Economic Development Plan” main report recommends extension of the village. See Figure A-3 (area in red).



The Lower Village has a strong civic core that contains churches, the town hall, the public safety building and library. These are immediately surrounded by residences with nearby farmhouses and fields. While it has a small-scale village feel and layout, it lacks supporting unifying infrastructure such as sidewalks to knit the village together. The ‘main street’ roadway, Route 231/Intervale Road, is narrow, has fair pavement condition and has an open drainage system on both sides of the road for much of the village’s extent.



The village’s existing and future residents would greatly benefit from a network of sidewalks and/or paths that connect from residential areas to the civic core of the village. A short section of asphalt curbing and closed drainage system has been recently constructed south of Gloucester Hill Road/Cobbs Bridge Road on Intervale Road that might serve as a model for drainage and curbing but with the addition of a sidewalk (on one or both sides) along Intervale Road. A sidewalk could be

located adjacent to the roadway with curb and drainage or separated from the roadway. Granite curb should be considered within the village area for its durability and its aesthetic benefits over asphalt curb. Alternatively, pathways could be located off of but parallel to Intervale Road that connect to the municipal campus facilities. Unit costs for sidewalks, curbing and drainage were discussed under the Upper Village above.

The current 30 mph zone within the village is approximately 2600’ long. Construction costs for a sidewalk with curbing and closed drainage on one side (assuming \$120 per linear foot) would be on the order of \$312,000. Construction costs for a sidewalk separated from the roadway on one side of the street for this distance (without curbing nor drainage, assuming \$20 per linear foot) would be on the order of \$52,000. There may be right of way/easement issues with locating a sidewalk within or away from the roadway.

A pathway from the Lower Village to the elementary school and to Route 100 parallel to Intervale Road/Route 231, a distance of nearly 2 miles, would greatly benefit the community.

This would link the Lower Village to the Upper Village, with its potential for a future mixed use commercial district and abutting neighborhood.



This area is served by 3-phase electrical power and does not have any constraints for all but very intensive industrial/commercial users.

For a discussion of viable Wastewater Treatment management options, see section below.

Implementation Actions

2B. Prepare a Lower Village Master Plan

A Lower Village Master Plan would address in detail:

- Traffic Safety and Circulation – address speeding and sight distance problems, street layout guidelines appropriate to desired densities
- Urban Design Guidelines
- Refined land use and zoning boundaries
- Streetscape and Infrastructure Planning – street layouts, traffic safety and circulation, drainage/stormwater management, conceptual wastewater treatment, streetscape (curb, sidewalks, pedestrian scaled lighting) and pathways/trails.

A key element of these master planning processes is ensuring that they provide for meaningful public participation. The costs below assume that less intensive residential and/or commercial/retail development would occur/is desirable in the Lower Village than in the Upper Village.

Responsible Party: Zoning Committee, Town Planner

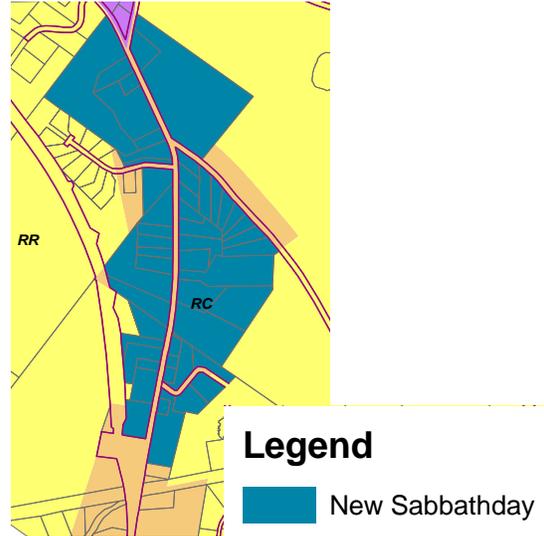
Time Frame: Immediate

Expected Costs: \$17,500 to \$30,000

Related Actions: 1, 2, 3, 18

3. Sabbathday Lake Area

The Sabbathday Lake growth area surrounds Shaker Road along portions of old Route 26. The new alignment makes this area well positioned for village style development fronting Shaker Road. Much of Shaker Road has recently been repaved and is in excellent shape. There is currently a mix of low density/low intensity residential and commercial properties. The area is not currently served by 3-phase electrical power (CMP, 2006) so many lower intensity industrial/industrial types of uses may not be served adequately with existing electrical infrastructure. Costs associated with creation of a business park in this area would need to factor in this cost in addition to other infrastructure, but the area is otherwise well suited for this type of development. It has excellent roadway access to Route 26.



Wastewater Treatment Options

One of the key stumbling blocks for smaller municipalities to adopt and execute a village-centered growth strategy is wastewater treatment. In areas without centralized treatment systems, this means typically relying on a minimum of 1/2 acre lots to meet treatment standards via individual on-site septic systems.

The State Planning Office has developed a detailed and informative package of information for communities and developers to consider alternatives to individual septic systems. The materials highlight three important elements to success of decentralized wastewater treatment opportunities that can support higher densities (smaller lot sizes). These three elements are: program planning and administration; treatment system installation and operation oversight; and compliance assistance and assurance (see box).

<i>Category</i>	<i>Management program elements</i>
Program planning and administration	Public education and participation Planning Establishment of performance requirements Record keeping, inventories, and reporting Financial assistance and funding
System installation and operation oversight	Site evaluation System design Construction or installation Operation and maintenance Residuals management
Compliance assistance and assurance	Training and certification/licensing of service providers Inspections and monitoring Corrective actions and enforcement
Functional categories of management and program elements.	

the

Source: Maine State Planning Office, 2003.

Clustered wastewater treatment systems use well-proven technologies that work well in Maine. Most issues to their more widespread adoption are institutional (acceptance by communities) and associated with resistance to change (differing from the traditional development ‘path of least resistance’ by developers).

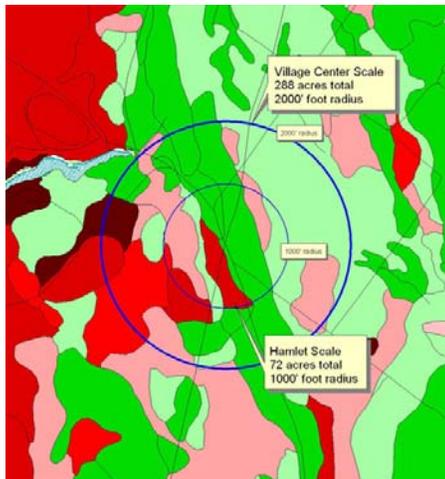
For New Gloucester, two primary implementation and management options show the most promise. First, as development occurs, developers would design and install a clustered wastewater treatment systems and an entity that they create owns and manages/maintains the treatment systems. The Town would need to provide ongoing monitoring and enforcement functions. Secondly, or alternatively, developers design and install the treatment systems as part of their developments, but are managed and maintained by a public or quasi-public entity such as a Sanitary District(s). This entity could be made part of the Public Works Department or a quasi-public separate entity with a board of directors. In either option, those connected to the systems would pay fees, typically on a monthly or quarterly basis. Given the location of aquifers and wells/water supplies within the Town it may be most desirable for the Town to adopt the second option – operation and management by a public or quasi-public entity.

It will be important to spur acceptance of this concept by the community and the development community. Explicit consideration of the suitability of these areas (given the desired intensities of development) to implement this approach to decentralized wastewater treatment should be a central part of the master planning processes recommended (above) for the Upper and Lower Village areas.

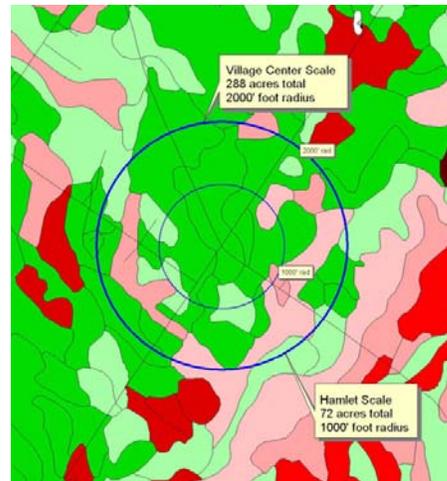
- Potential Soil Suitability

Better drained soils have a higher potential to support clustered septic systems. A preliminary review of county soils maps provides a snapshot of the potential suitability of the three identified growth areas to accommodate clustered wastewater treatment systems. The suggested new village zones in the Upper and Lower Villages have significant portions of their extent with good or better draining soils (dark and lighter green). Small portions of the ‘New Sabbathday’ growth zone also have the potential to support these systems (large expanses have poorly drained soils but a sizable area does have moderately drained soils). Soils maps for these three areas are shown below.

Potential Soil Suitability for Clustered Septic Systems



Upper Village



Lower Village



Route 26 area

