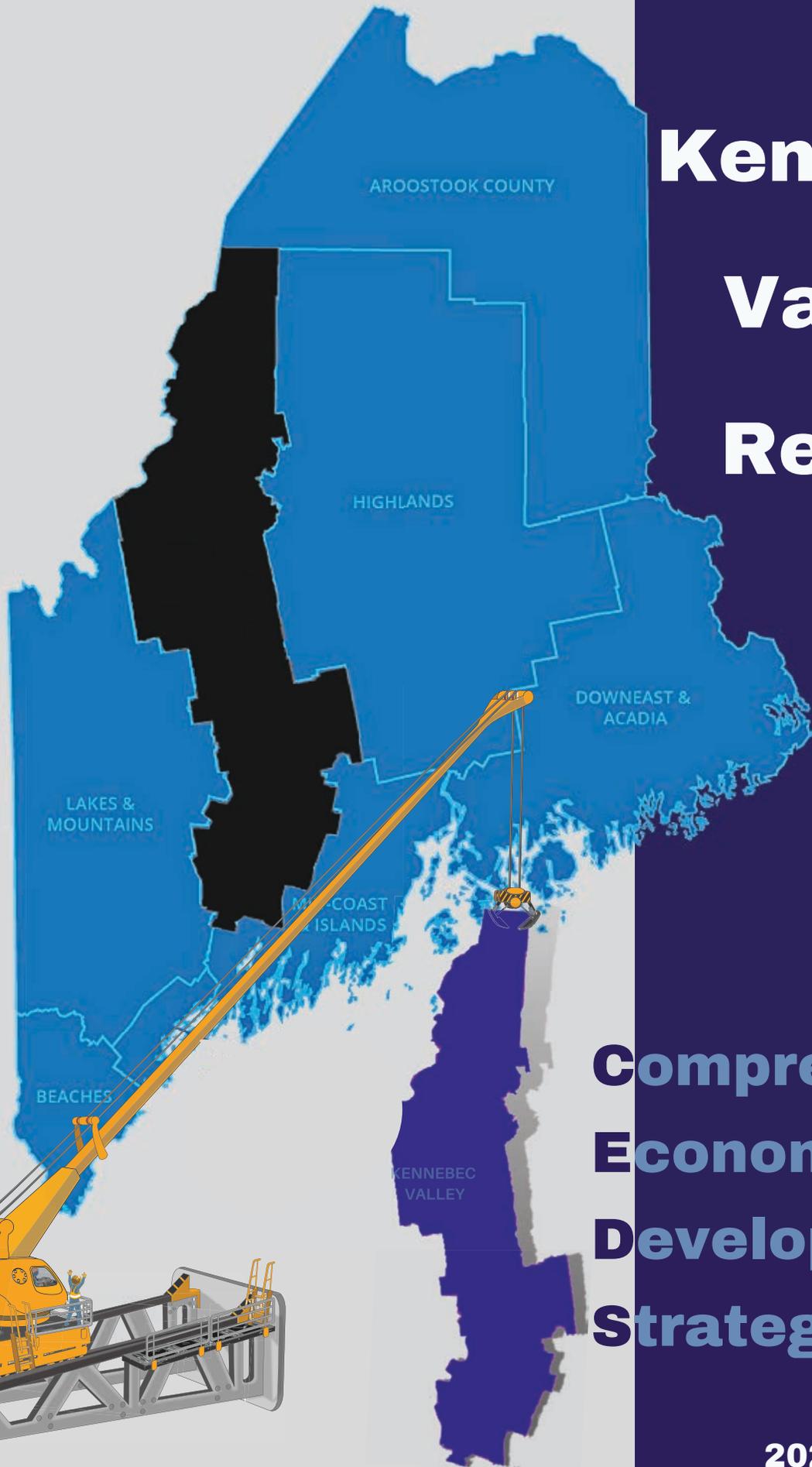


Kennebec Valley Region



Comprehensive Economic Development Strategy

2022 Update



KVCOG and CEDS

The Comprehensive Economic Development Strategy (CEDS) provides strategic guidance for regional cooperation and goal-setting and serves as a mechanism for community leaders, individuals, tribes, organizations, and private entities to engage in meaningful conversation about the direction of the regional economy and lay out a plan for our region's future.

The CEDS primary focus is to provide a regional economic development framework, but it also provides a vehicle through which federal agencies – namely the Economic Development Administration (EDA) – evaluate requests for grant assistance. The CEDS is essential to secure Federal funding for projects that have a focus and impact on advancing economic development that will benefit economically distressed areas.

The CEDS planning process brings together diverse interests, including both public and business interests, to develop a strategic plan for strengthening the regional economy and a plan of action to carry out the strategies. In addition, the CEDS:

- Provides a regional perspective for identifying and capitalizing on economic advantages, including strategies to reduce unemployment and increase incomes in the Region.
- Provides a more widespread understanding of the Region's economic development work program, including an opportunity for public review and input.
- Provides a forum for identifying and prioritizing investment projects.

Organizations like KVCOG serve as the planning engine for the Economic Development District (EDD) and spearheads these critical planning efforts to maximize our economic development potential. Since 1967, Kennebec Valley Council of Governments has provided comprehensive planning services on both the local and regional level to align immediate and long-term priorities serving diverse economic stakeholders. We are a leader and catalyst for local and regional economic development and planning, supporting and expanding the capabilities of local government through regional collaboration and trust. KVCOG acts as a convener and facilitator of local, inter-local, and regional initiatives and programs designed to enhance the quality of life in the region we serve. Every five years we engage the public to update this guidance document to align our goals, assess our progress, and gain insight into our relevance to the current time.

Important Note From the Authors

The year 2020 began with the declaration of a national emergency and a global pandemic that would result in the death of millions of people around the world, strain the social fabric of large and small nations, and disrupt the global economy. To be honest, we still do not know the full impact of the pandemic; years from now economists and historians will have the final word. Therefore, it seems fitting that this CEDS will emphasize the role of public health as well as an underutilized resiliency framework. This focus is critical, as health care is also one of the largest sectors of our region's economy. We have integrated the regional summary with findings from the Maine Shared Community Health Needs Assessment – which identifies major public health issues at multiple levels. While the goals we have identified as part of this process do not directly address public health outcomes, the planning community is encouraged to view economic conditions throughout this discussion. Though we cannot predict our economic future, our planning process relies on a resiliency paradigm to advise decision makers and the public to consider courses of action – both for the crisis of the moment and longer term challenges.

Finally, KVCOG with our Board, Staff, and Members would like to thank the CEDS committee for contributing their time and expertise to advance the development of our region.

The Comprehensive Economic Development Strategy of the Kennebec Valley Region

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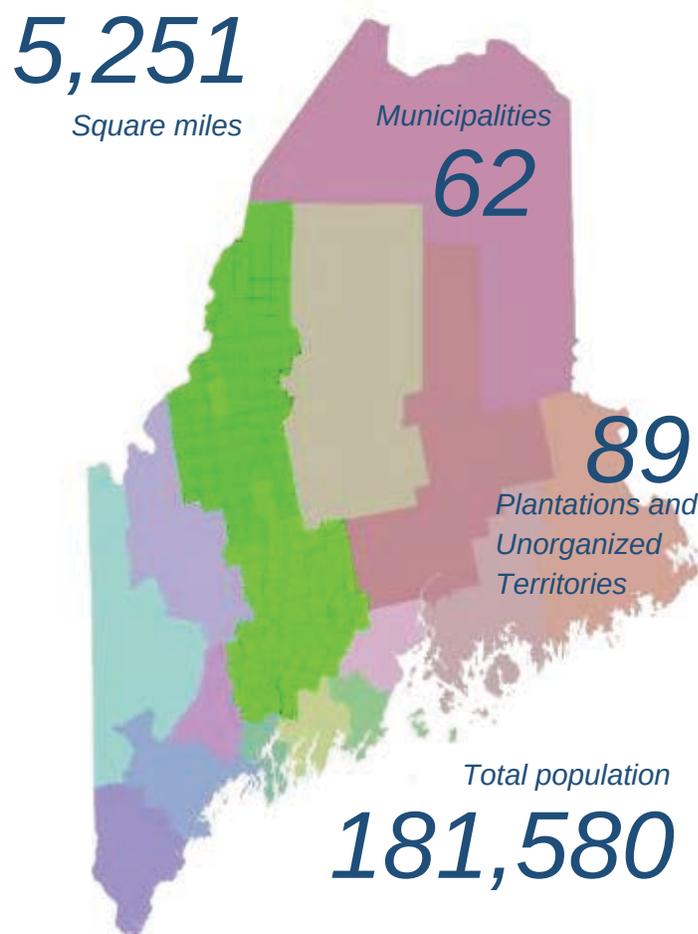
INTRODUCTION

The Kennebec Valley Economic Development District encompasses Kennebec, Somerset and western Waldo counties, and is comprised of 62 municipalities, several unorganized territories across 5,251 square miles with a population of approximately 181,000. It includes the state capital of Augusta as well as the cities of Waterville, Gardiner and Hallowell and many rural towns. The Kennebec Valley is a cross-sectional region of the state characterized by the 170-mile-long Kennebec River, and which curls around the seat of government in Augusta before stretching far northwest toward the rural towns and territories that shelter Maine's crown jewel, Moosehead Lake. The Kennebec River plays a key role in the region's robust and versatile economy by providing natural resources, recreation, tourism, and clean energy, which complements career training at five local colleges and universities, innovative foresting and agriculture practices and world class fishing, hiking, and white-water rafting.

Kennebec Valley is the cradle of Maine's natural beauty and a junction to our state's scenic and cultural treasures. This region offers a unique lifestyle, a place full of potential and which fosters economic and environmental sustainability through diversity, equity and inclusion.

A CEDS is a road map to the future, bringing the Kennebec Valley together behind a strategy to promote sustainability and growth for all its residents. The CEDS integrates the familiar needs-based approach with the process of identifying and leveraging existing regional assets as the basis for future economic prosperity. This is matched to an evolving implementation framework that is results oriented, focused on aligning and leveraging regional assets/resources, and inclusive of public, private and non-profit sector leaders.

The list of strategies and projects outlined are by no means exhaustive. The CEDS is meant to be a dynamic and emergent process.



Goals and Guideposts

Factsheet: Five-Year Review

The Goals, Explained

Population Growth

Employment

Workforce Development

Education

Income

Private Employers and
Enterprise Growth



Five-Year Review

The basis for the strategies in this document is the ability to measure progress. The goals in this section have been established to guide direction in this process. The previous plan articulated seven major goals and related measures that encouraged economic and community development. Three of these goals were met or exceeded. This regional summary will explore our region's progress even further, as well as the metrics and rationale used to describe these trends. This report will set new goals and benchmarks after a thorough study of the factors that push and pull these numbers in all directions. The result is a set of pulse points to act as the lodestar for the next five years.

2016-2021 REVIEW

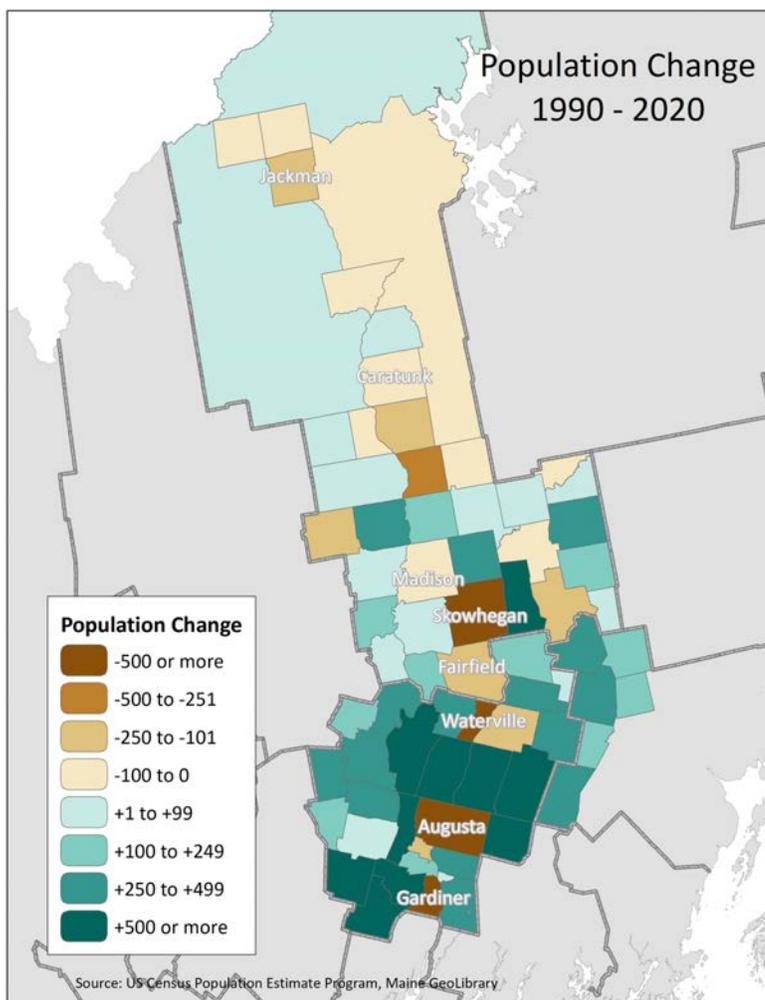
FOCUS	GOAL	STATUS	
Grow and Stabilize our Region's Population	INCREASE +0.4% per year 179,628 ¹ → 182,519	2020: 181,580	NOT MET
Stabilize Population (25-44)	DECREASE Workforce Attrition 48,727 ² → 35,325 23%	2019: 48,002	NOT MET
Support Labor Force Participation Rate (LFP)	MAINTAIN 2016 LFP Rates 61.4% LFP ³ <small>*Displayed regionally for comparison</small>	2019: 60.0% LFPR	NOT MET
Increase the Number of Employed People	INCREASE + 2,000 Employees 102,459 ⁴ → 104,459	2019: 102,346 (2021: 97,828)	NOT MET
Increase the number of college-educated adults	INCREASE +0.4% per year 34,627 → 35,325	2019: 39,982	GOAL MET
Increasing [per capita, median] Income to exceed inflation rates.	2014 \$43,287 (\$46,580)* \$24,342(\$26,194)* <small>*adjusted</small>	2019 \$50,517 \$28,994 <small>exceeded 2019 inflation at 1.9%</small>	GOAL MET
Increasing the number of employers in the region.	ADD 289 New Employers 5,245 → 5,534	2020: 5,673	GOAL MET

In addition to a clear rationale, the data used to measure whether or not this region has achieved a goal must be accurate, reliable, and easily sourced. The availability of data affected the prior plan's consistency; thus several measures were extrapolated from 2014, 2015, or 2016 sources. For the 2022 update this was also true, however this new plan attempts a balance of the intent of the original plan while providing the most up-to-date data and perspectives available. Notably, the Coronavirus pandemic caused some datasets to become significantly delayed including the American Community Survey – a major source of demographic and economic data for the region. As a result, efforts toward consistency affect the comparative expression of these new goals.

The Goals, Explained

Previous CEDS goals addressed population growth as well as indicators of economic health such as the number of jobs or employers in the region. This data story draws from multiple indices, including the number of college-educated adults or median income which directly contribute to successful economic conditions. Examining population trends offer multiple ways to construe meaning of these variables (e.g. diversity and migration, or industrial disruptions) and their influence on socioeconomic status and positive public health outcomes.

Population: The previous goal of maintaining a “0.4 percent per year – 4 percent per decade” growth rate for the region (from 2016) recognized the balance between natural population growth and domestic and international migration. A secondary goal was to retain population levels in the region’s Service Centers: Gardiner, Augusta, Waterville, Winslow, Fairfield, Skowhegan, Pittsfield, Bingham, and Jackman.



Regional statistics extrapolate disparities in county-level growth across Kennebec, Somerset, and Waldo Counties; similar trends are observed in rural areas adjoining urban centers across the nation. Between 1990 and 2020, Maine's population growth (+9.7%) was consistent but lower than the nation as a whole (+32.8%). Among New England states Maine grew more slowly than other New England States: New Hampshire (+24.2%), Massachusetts (+16.8%), Vermont (+14.3%), and Connecticut (+9.8%), but faster than Rhode Island (+9.4%).

Between 2016 and 2020, the region grew by an average of +0.27% per year. Kennebec County's population increased by 2,104 people (or an average of +0.43% per year), Waldo County increased by 139 people (only +0.09% per year), and Somerset County decreased by 85 people (-0.04% per year). Service center growth was varied during this time; Gardiner's population changed by +1.34%, Augusta by +0.43%, Waterville by -1.21%, Winslow by +1.12%, Fairfield by -0.31%, Skowhegan by +1.08%, Pittsfield by -0.70%, Bingham by -1.11%, and Jackman by -1.32%. The Maine State Economist's office projects Kennebec County's continued growth at a rate of 2.3% between 2018 and 2028. Waldo County is projected to grow much faster at 6.8% and Somerset County by 2.9%

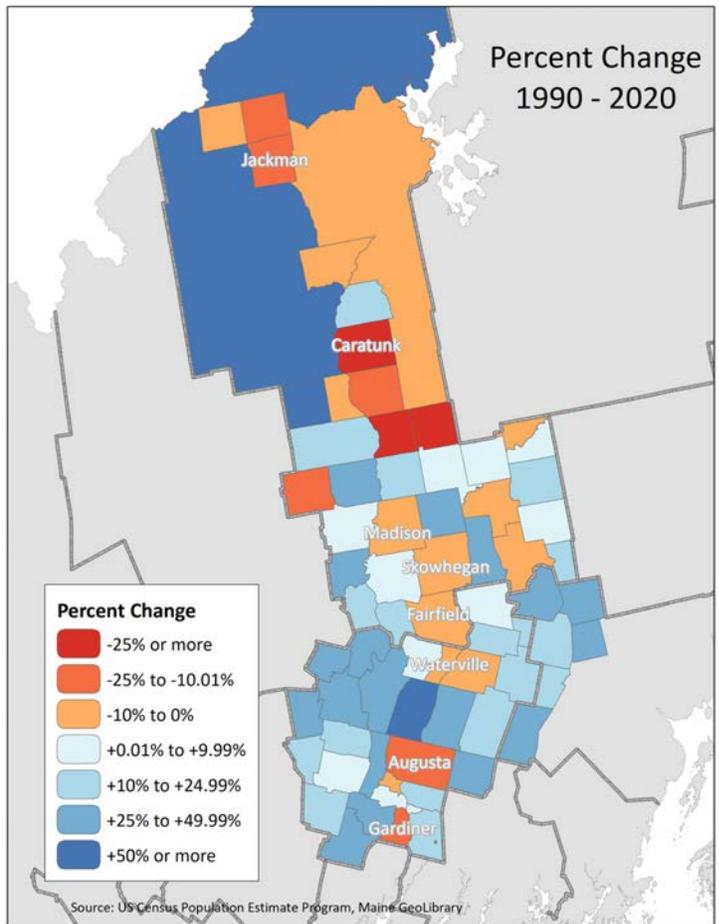
Between 1990 and 2020 Waldo County's population growth was higher than the state at +20.0% growth adding +6,589 people, with Kennebec County (+6.7%, +7,738) and Somerset County (+1.4%, +710) trailing state figures. Growth among municipalities during this period generally saw growth in the urban-rural periphery and in the lake's region, with proportionately high – but ultimately insignificant – growth in some of the least populated regions. For example, Dennistown Plantation grew by 90.6%, but this growth amounted to only 29 people. Also observed were areas of significant population decline, especially in historic population centers.

Over the 30-year span between 1990 and 2020: Maine's growth during the 00's outstripped every other decade at +5.5%. Growth during the 2010's was slowest at +1.7%, and growth between 2015 and 2020 was slower still at +1.6%. Between 2015 and 2020, Kennebec County grew faster than the state by +2.1%, with Waldo County (+1.2%) and Somerset County (-0.5%) trailing. Somewhat unusually, urban and rural population centers that had lost significant population between 1990 and 2020 experienced positive growth between 2015 and 2020. **Notably, Augusta ranked last in growth during the thirty years prior to 2020 but ranked first in growth between 2015 and 2020 adding 382 people.** Similarly, Skowhegan (4th at +319), Gardiner (5th at +311), and Hallowell (8th at +232) attracted more residents which contrasts with overall negative 30-year growth rates. Sidney (2nd, +357), West Gardiner (6th, +290), Vassalboro (9th, +211), and China (10th, +168) still grew strongly. Absent from this turnabout were Waterville (73rd, -637), Pittsfield (72nd, -132), Fairfield (69th, -104), Jackman (63rd, -52), and Bingham (61st, -41).

Growth among municipalities during the last 30 years generally saw growth in the urban-rural periphery and in the lake's region, with proportionately high – but ultimately insignificant – growth in some of the least populated regions.

“Working-Age” Population: The previous plan aimed to “stabilize the decline in percentage of population 25-44.” It recognized a steady increase in the “working-age” population –generally recognized by the US Bureau of Labor Statistics as those aged 16 and older. The plan also recognizes that the proportion of individuals between 25 and 44 years old peaked in the 1990 census at 32.5% at the apex of the Baby Boom generation. By 2019, this group had declined to only 23.6% of the total population. Despite a historic decline, this age cohort is projected to remain relatively stable through 2028 when it will account for 23.2% of the total population.

Labor Force Participation Rate: The plan intended to “maintain labor force participation rates at 63 percent for Kennebec and Waldo Counties and 58 percent for Somerset County.” Labor Force Participation Rate is the proportion of people aged 16 and older in a region who are employed or are seeking employment. In Maine, this rate declined from high of 68.8% in 2000 to a low of 62.5% in March 2020.



These three counties have generally maintained lower rates than the state. **Between 2010 and 2019, Maine's Labor Force Participation Rate decreased from 64.9% to 62.9%, Kennebec County decreased from 64.1% to 61.6%, Somerset County decreased from 58.4% to 56.0%, and Waldo County decreased from 64.9% to 60.7%.** During the COVID pandemic, Maine's Labor Force Participation Rate dropped precipitously to 58.6% (60.2% nationally). As of September 2021, Maine has recovered slightly to 60.4% remaining two full percentage points lower than pre-pandemic levels and in line with national recovery measurements.

Employment: The plan aimed to “increase the number of employed persons by 2,000 over five years.” In 2016, the average annual civilian labor force in the state of Maine was 693,917. Of those individuals, 667,723 were employed and 26,194 were unemployed translating to an unemployment rate of 3.8%. **By 2019, Maine’s civilian labor force had increased to 696,195 with 677,205 employed and 18,990 unemployed (an historically low 2.7% unemployment rate).** Looking closely at the counties in the Kennebec region, there were 106,917 individuals in the combined civilian labor force in 2016, of which 102,459 were employed (unemployment rate of 4.2%). By 2019, the civilian labor force had decreased to 105,486 but the number of employed individuals remained nearly constant at 102,346 while the unemployment rate decreased to 3.0%. For the year 2020, state employment levels decreased by 5.5%, Kennebec County decreased by 3.8%, Somerset County by 4.7%, and Waldo County by 6.0%. Combined, the three-county area lost 4,518 employed persons while 2,125 individuals exited the civilian labor force entirely. This impact led to a drop in the employment rate from 97% in 2019 to 94.7% in 2020.

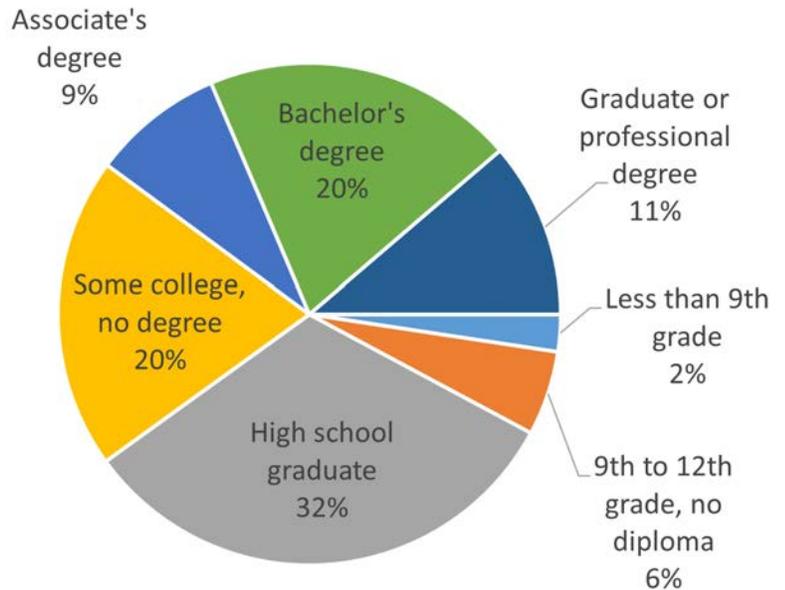
Education: The plan outlined a goal to “increase the number of college-educated adults in the two-county area to 31,500 by 2022.” The baseline (2015) figures of 21,615 college-educated individuals in Kennebec, and 5,769 in Somerset County (a total of 27,384) were extrapolated from American Community Survey data. By 2019, the region reported 24,649 college-educated individuals in Kennebec County, 6,159 in Somerset County and 9,174 in Waldo County. The CEDS goal was met by comparing the two-county 2019 total of 30,808, where there was an increase of 3,424 (approximately +13%). This is also in line with a projected estimate of 31,500 educated adults by 2022.

The 2016 two-county goal to increase the number of college-educated adults was exceeded, with a 2019 total of 30,808 (+3,424 or approximately 13%).



As the only hotel in downtown Waterville, the Lockwood Hotel is expected to make a significant positive economic impact in the area.

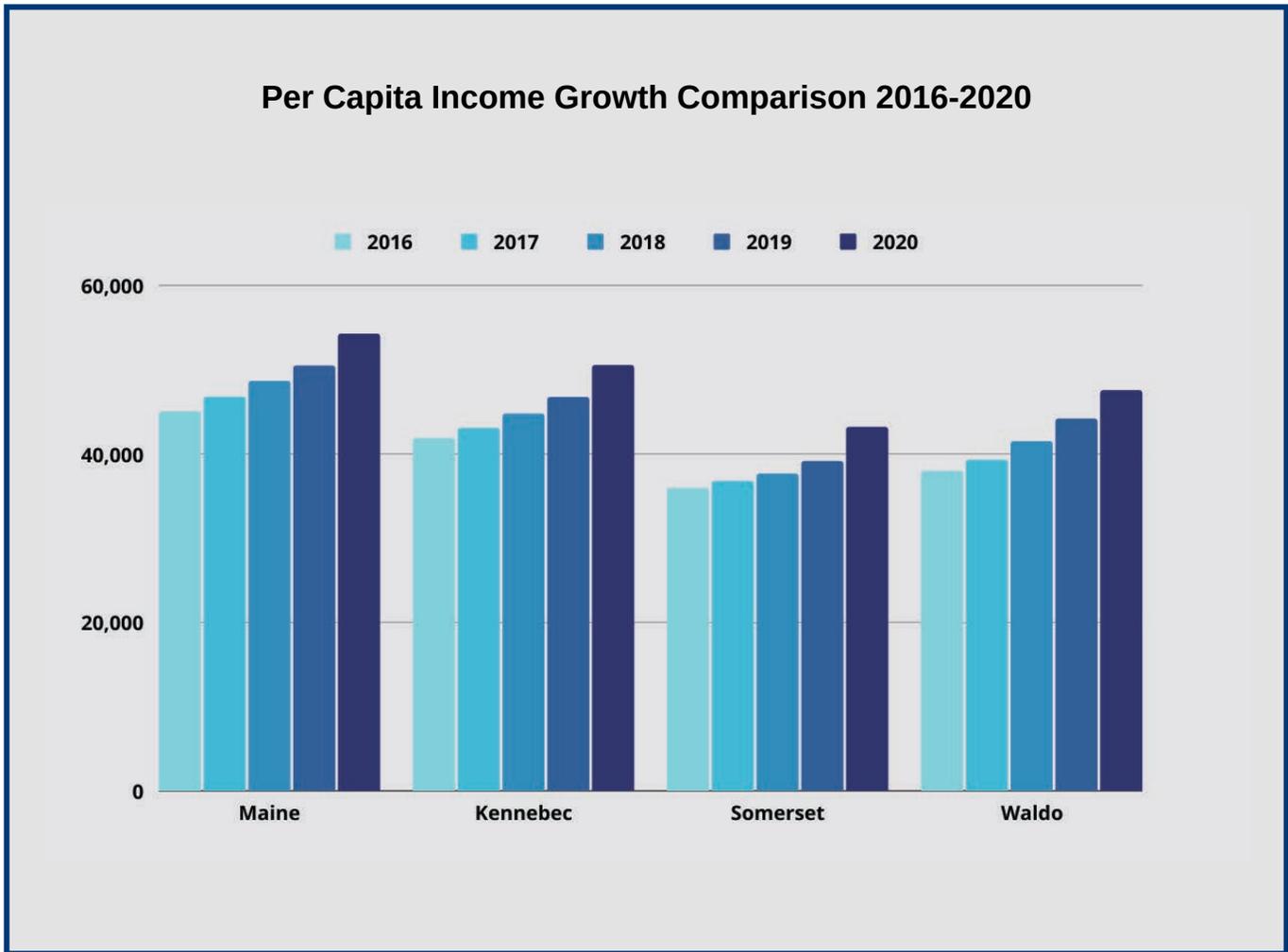
Waldo County



Employers: Our plan also set a goal to “create 400 new private employers by 2022.” In 2016, there were 4,762 private employers in Kennebec and Somerset Counties. In Kennebec and Somerset Counties, there were an average of 4,583 private employers in 2019 and 4,682 in 2020. Including Waldo County, our three-county region had 5,580 employers in 2020 which represents an insignificant change from 2016 figures. 15.4% of these employers represented Retail Trade, 13.0% represented Construction, 12.4% represented Health Care, and 9.8% represented Professional and Technical Services. Together these account for approximately 50% of all private employers.

Income: The plan intended to work towards “an increase in per capita income and average wages exceeding inflation.” 2015 figures for Median Household Income for Kennebec and Somerset Counties were \$51,335 and \$39,504, respectively. Similarly, figures for Per Capita Income for Kennebec and Somerset Counties were \$25,957 and \$21,729, respectively. (Including Waldo County, Median Household Income in 2015 measured \$44,082 and Per Capita Income measured \$24,473). By 2019, Kennebec County had a Median Household Income of \$55,365, with Somerset County measuring at \$44,256 and Waldo County measuring at \$51,931 – all three counties were below the statewide Median Household Income of \$57,918.

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Again in 2019, Kennebec County recorded Per Capita Income of \$30,685 with Somerset County earning \$24,386 and Waldo County earning \$29,674. When adjusted for inflation, Kennebec County’s Median Household Income fell in line with inflation rates while Per Capita Income exceeded inflation by nearly \$3,000. Both Somerset and Waldo County outstripped inflation rates for Median Household Income and Per Capita income.

Public Health and the Economy

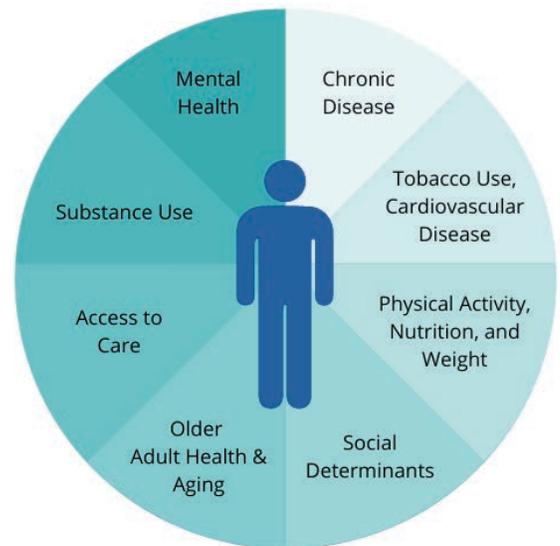
- ⚙️ Public Health Focus Areas
- ⚙️ Maine Populations with Health Disparities
- ⚙️ The COVID-19 Global Pandemic

Regional Public Health Profile

Each year, poor health negatively impacts the economy from premature deaths and lost productivity potential among the working-age population. For places like Maine, aging populations place a heavy strain on health care networks. Emphasis on social and public health outcomes promises a number of economic benefits: a growing workforce, increased productivity, and a reduction in minority-based disparities that impact socioeconomic outcomes. Economic growth associated with higher incomes, improved healthcare facilities, and technology also result in lower mortality rates, reduced disability, and more favorable birth rates. Systems that sustain public health provide or maintain important infrastructure that is critical to a healthy economy. Similarly, healthy economic systems contribute significantly to public health outcomes.

Public health is not well-underlined in community planning efforts despite its well-documented connection to economic growth. The Coronavirus Pandemic of 2020 showed us how closely the economy relies on the health of our communities. Our regional strategy puts health front and center; this report includes important considerations that experts recognize as significant markers of community health. These concurrent assessments and strategic plans are used by healthcare systems, organizations, and all levels of government to inform social policy and goal setting. As organizations look for tools to speed up economic recovery, rethinking public health as a major economic driver could accelerate growth for decades to come.

Public health statistics gathered through a variety of reporting instruments provide a top-level view of health system performance. These can be simplified to reflect the community-identified health priorities of regional significance, compiled through a complex process of public engagement. Access to and delivery of quality care as well as certain social determinants contribute to disparities in health outcomes among the age, race, and economic status of patients. Low numbers of racial minorities and the state's elderly population are reflected in the community's identified health priorities as well.



Public Health Focus Areas

Kennebec County			Community-Identified Health Priorities, CHNA 2020		
Mental Health					
Substance Use					
			Somerset County		Waldo County
Social Determinants			Mental Health		Social Determinants
Physical Activity, Nutrition, and Weight			Older adult Health & Aging		Mental Health
Older adult Health & Aging			Substance Use		Substance Use
Access to Care			Social Determinants		Access to Care

Rethinking public health as a major economic driver could accelerate growth with a number of economic benefits: a growing workforce, reduced disability, and more favorable birth rates.

The main data source for this information is compiled and reported annually by private and public health systems operators across the state. The Maine Shared Community Health Needs Assessment (MS-CHNA) is a collaboration between MaineGeneral Health (MGH), MaineHealth (MH), and Northern Light Health in partnership with the Statewide Coordinating Council for Public Health, the Maine Center for Disease Control and Prevention (Maine CDC) and Central Maine Healthcare (CMHC).

Mental Health

Across the state, there is continuing concern due to a lack of access to mental health care and the resulting burden on schools and employers. Mental health issues included depression, suicidality, isolation, trauma, and breakdown of family units. While many counties identified a need for behavioral health services in general, inpatient and pediatric services were named as specific gaps in the spectrum of care. Although mental health issues affect all individuals, participants across county community forums identified populations who were most at risk for poor mental health or who had unique mental health needs: youth, post-partum women, and individuals with a substance use disorder. At-risk youth identified a need for individual and community-level support programs to improve mental health, such as support groups in schools. Support for grandparents and caregivers, especially those caring for children as a result of substance use in the home or a traumatic events was identified as a missing community resource.

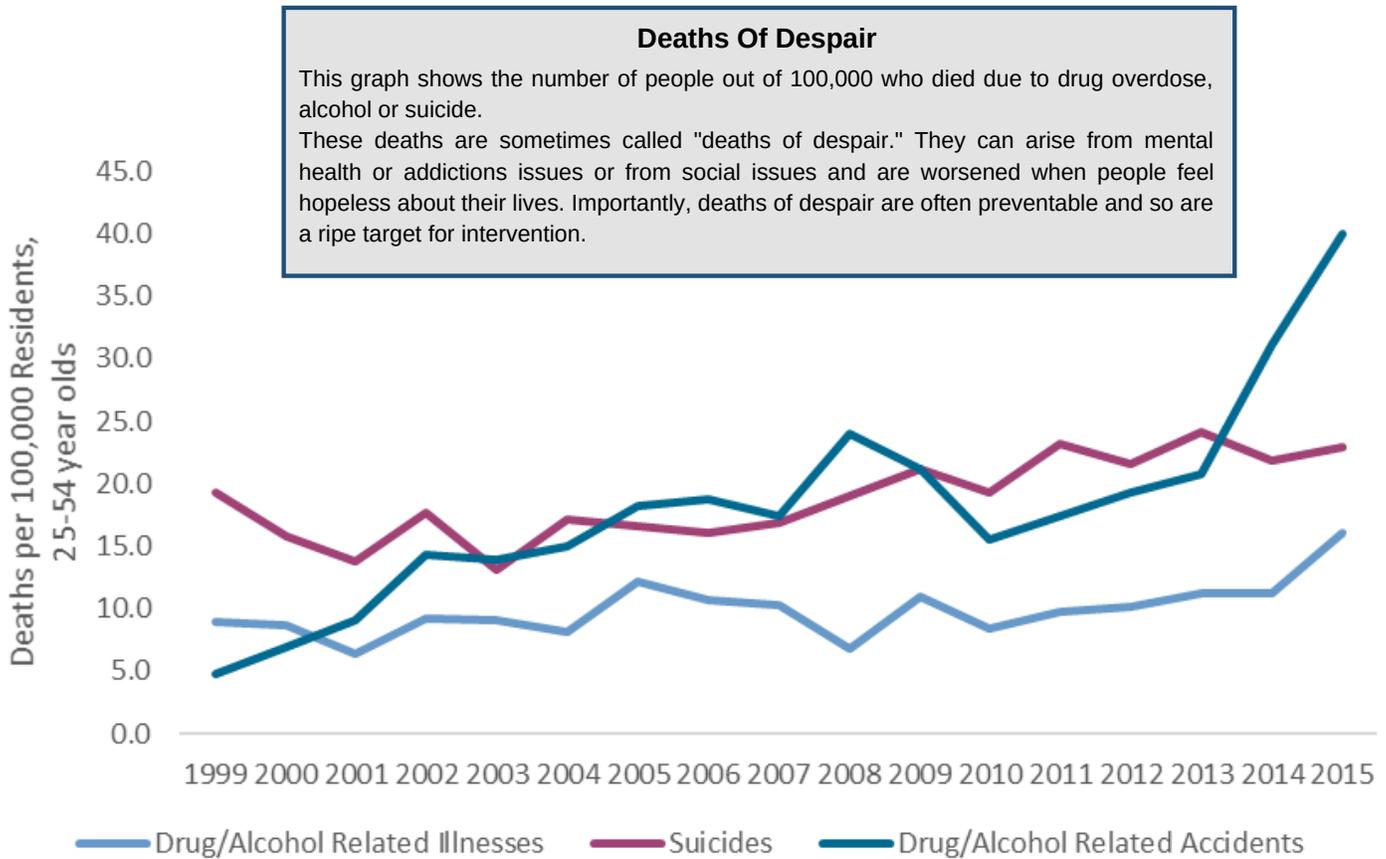


Image created by CDC Wonder based on the following parameters: Underlying Cause of Death, alcohol-related diseases (K70, K73-74, X45, Y15), suicide (X60-84, Y87.0), and drug- and alcohol-related poisonings (X40-44, Y10-14, Y45, 47, 49).

Substance Use

Maine's Substance Use Report Card refers to indices including drug-induced overdose or alcohol related deaths. The 502 fatal overdoses recorded in 2020 surpass the 2017 record of 417 deaths, reframing what was thought of as the height of the "Opioid Crisis". That number dropped to 354 in 2018 before climbing back up a year later. According to DHHS, 32 percent of Mainers 18 to 25 reported binge drinking in the last 30 days. Maine is among 10 states in the nation reporting those rates. Alcohol-related deaths in Maine from 2020 are up 28 percent since 2019.

Access to Care

System assessments also evaluate an individual's ability to access medical care; when a patient can see a doctor to treat mental illness, chronic conditions, or injuries within a reasonable amount of time and cost. Whether an individual has health insurance—and the extent of coverage—is critical to overall health and well-being. Primary care access is particularly important since it greatly affects the individual's ability to receive regular preventive, routine and urgent care and to manage chronic conditions. Though the percentage of uninsured individuals in Kennebec County has remained steady over time (from 8.8% in 2009–2011 to 8.5% in 2012–2016), lack of insurance and underinsurance remains a leading barrier to care in the region.

Medicaid expansion was signed into law on January 3, 2019. As a result, over 80,000 Maine residents enrolled in the new coverage. As of January 2022, new enrollees of the three counties in the region totaled 16,655. According to the Maine Center for Economic Policy, benefit projections for healthcare access expansion include a reduction in the rate of uninsured residents by over 6%; as many as 700 new jobs, a boost in economic productivity and a reduction in hospital costs borne by facilities treating individuals with no health insurance.

In Kennebec County:

- The percentage of the population that is uninsured has remained steady over time, from 8.8% in 2009–2011 to 8.5% in 2012–2016.
- The percentage of adults who reported an inability to access healthcare due to cost was slightly higher than the state overall (10.7% vs. 10.3%) from 2014–2016.
- The ratio of psychiatrists to 100,000 was lower than the state overall (7.0 vs. 8.4) in 2017.

Older Adult Health and Aging

As Maine's aging population increases, there is growing interest in wellness for the older population, in addition to the overall infrastructure of health services. Indices to evaluate older adult health include the percentage of the 65+ population living alone; the percentage of adults 45 and over with cognitive decline; the percentage of adults with arthritis, and fall related deaths or injuries. While “aging in place” or aging in the home is a popular concept, this may be impossible for some older residents, for financial, medical, or safety reasons. With aging in place as a preferred lifestyle, concerns around isolation become more significant. In the last four years, positive gains were seen in community support with decreases in food insecurity, older adult falls, and the use of intensive care services in the last six months of life. The number of home health care workers increased as well as the level of support to impoverished elderly residents.

In Somerset County, the need for caregiver support was identified as a significant need, as the 'number of adults who report caregiving more than 20 hours per week' is nearly 200% of the state average. The number of home health care workers increased as well as the level of support to impoverished elderly residents. **Maine has one of the lowest rates of low-care long-term-care facility residents; one in four Maine adults are caregivers for their loved ones to “age in place”.** Nearly half of adult caregivers provide care for an elderly parent or relative. Over half of all caregivers are women, 24% are 65 years and older. One in five caregivers are providing care to someone with dementia.



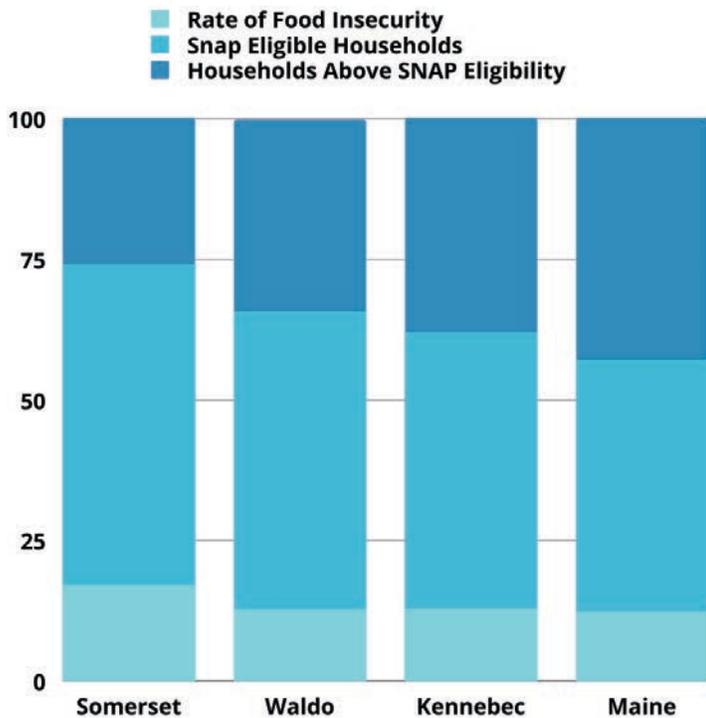
Social Determinants

The social determinants of health are conditions such as socioeconomic status (income, education, and poverty), housing, transportation, social norms and attitudes, as well as crime and violence, literacy, and availability of resources (such as food, health care). These conditions influence an individual's health and define quality of life for many segments of the population, but specifically those that are most vulnerable. **Social factors like education, racism, poverty and Adverse Childhood Experiences (ACEs) account for over a third of total deaths in the United States.** Across Maine, female-headed, single-parent households are almost three times more likely to live in poverty than *all* households with children.

In rural areas like Somerset County, for example, close to 22% of children were growing up in poverty in 2018. Poverty rates for Mainers with a high school diploma or less rose to 22.2% in 2019. Approximately 85,000 Mainers are estimated to experience very low food security in 2021, up 10 percent from pre-pandemic levels. Maine has the sixth-highest rate of very low food security in the country. Meanwhile, Somerset, Aroostook, and Washington counties had the lowest growth rates during the pandemic but they still have the highest rates of hunger of any county across New England. In fact, projections show Somerset County with the highest rate of both overall food insecurity and child food insecurity in the entire northeast.

Physical Activity, Nutrition, and Weight

Lack of physical fitness and poor nutrition are among the leading risk factors associated with obesity and chronic health issues. Adequate nutrition helps prevent disease and is essential for the healthy growth and development of children and adolescents, while overall fitness and the extent to which people are physically active reduces the risk for many chronic conditions and is linked to good emotional health.



Over the past two decades, obesity rates in the United States have doubled for adults and tripled for children. Overall, these trends have spanned all segments of the population, regardless of age, sex, race, ethnicity, education, income, or geographic region.

Before the pandemic, 12.3% of Mainers were food insecure. At the height of the pandemic, that number jumped to 14.7%.

Food insecurity has both direct and indirect impacts on health for people of all ages, but is especially detrimental to children. Chronic diseases and health conditions associated with food insecurity include asthma, low birthweight, diabetes, mental health issues, hypertension, and obesity. 9 In Somerset County, 17% of households lack enough food to maintain healthy, active lifestyles for all household members (vs. 12.4% for the state overall).

Tobacco use, Chronic Disease, and Cardiovascular Disease

Tobacco Use among pregnant women, and the growing use of e-cigarettes and vape pens cause concern for health experts. Heart disease, strokes, and heart attacks are among the leading causes of death in Maine. A number of health and behavioral risk factors, including obesity and physical inactivity, as well as the use of and environmental exposure to tobacco and alcohol, affects these conditions. Hypertension, or high blood pressure, increases the risk of more serious health issues, including heart failure, stroke, and other forms of major cardiovascular disease.

Maine Populations with Health Disparities

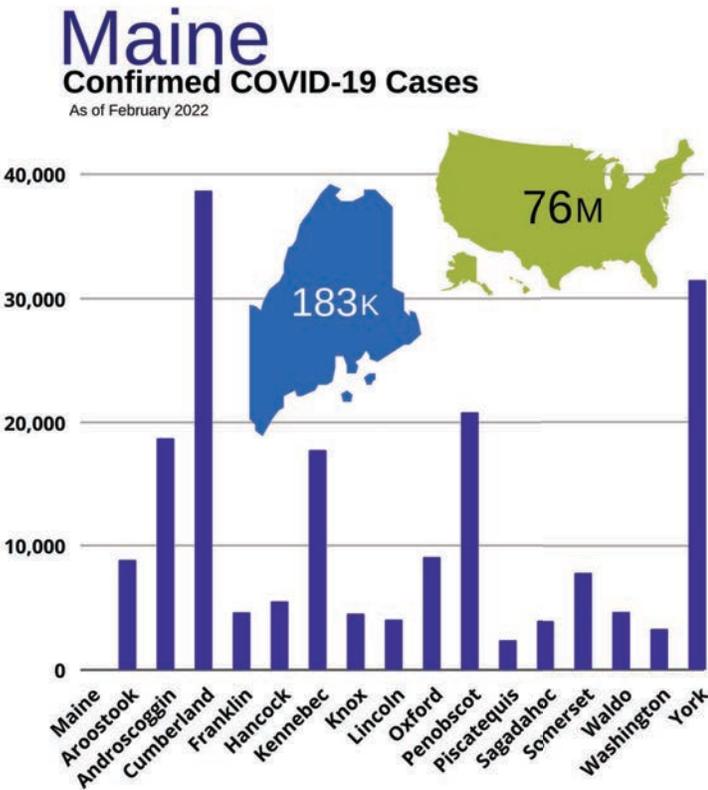
A significant portion of this CEDS focuses on the health of our economy from the lens of population: growth, migration, diversity, and socioeconomic status. As previously mentioned, it is difficult, if not impossible, to isolate these perspectives from the influence of public health metrics. Our diverse population characteristics reveal notable disparities, not surprisingly at the intersection of economic conditions and public health. Therefore, the primary health focus areas of our region should be viewed through these vulnerable populations of our region:

- *Veterans*: According to the latest data, 9.6% of Maine residents identify as veterans and experience challenges with health care access, mental health care, and higher rates of chronic disease, in particular chronic conditions associated with substance use. A major focus of health intervention for veterans is reducing homelessness, decreasing social isolation and rates of suicide.
- *Tribal Communities* are disproportionately affected by substances use, food scarcity, and heart disease. Indigenous communities also require a treatment facility aware of their cultural and communal needs as well.
- *Older Adults who are Isolated or have Multiple Chronic Conditions* face challenges accessing care, even when telehealth was made more available, due to internet capabilities and rural geography.
- *Non English-speakers, Immigrants, and Refugees* are among the largest group of uninsured Mainers and have difficulty accessing culturally competent care and interpretation services.
- *Individuals with Physical Disabilities* face significant barriers when accessing points of service or being accommodated to allow for equal participation. This includes interpretation services and captioning, accessible buildings and restrooms, service animals, and the use of telehealth services to bridge the gap in the provision of routine and chronic care management.
- *Children and Adolescents*: Adverse Childhood Experiences (ACEs) poverty, and food insecurity, as well as single parent households place children and adolescents at risk. Mental health concerns for Adolescents in particular is affected by the limited availability of service providers for counseling and behavioral health and school-based services.

The COVID-19 Global Pandemic

In 2020, a novel Coronavirus SARS-CoV-2, or COVID-19, reached pandemic proportions from its first case discovered in Wuhan, China. Worldwide, surveillance teams and health systems response were quickly overwhelmed and this disease became the #1 priority health concern for the globe. The public health implications of the Coronavirus Pandemic are numerous and data continues to be analyzed to define this impact.

Maine recorded its first case of the novel coronavirus on March 12, 2020. Initially, cases were concentrated in the southern counties. As case rates rose, all counties began reporting cases and deaths—largely nursing home residents and the elderly, or patients with chronic conditions. Case outbreaks occurred in long term care facilities, with an alarming number of resident deaths. Rising case numbers, deaths, and constraints on health systems statewide pushed the Maine government to declare a Civil State of Emergency on March 15, 2020



State of Emergency

To minimize the health risks of living, working, and visiting Maine, the Governor declared a State of Emergency and issued an immediate shutdown of classroom instruction in public and private schools, postsecondary education and technical schools; restricted nonessential out-of-state-travel and instituted quarantine guidelines; and restricted the size of gatherings or visitors to congregate care facilities.



Dr. Nirav Shah, Director of the Maine Centers for Disease Control began holding weekly press briefings to communicate with the broader public about the status of Coronavirus in Maine.

Critical Response

Life amid this global crisis became unrecognizable and unnavigable overnight. The U.S. Centers for Disease Control (CDC) guidelines advised some public facing business activities to be restricted such as indoor dining, gym and health spas, theaters and shopping malls. Occupancy guidelines encouraged shopkeepers to limit the number of patrons for effective social distancing. The Maine *Stay Healthy at Home* initiative encouraged residents to only move beyond their home for essential work or personal travel and expanded insurance telehealth guidelines for patients to receive care without leaving their homes. Schools implemented online or hybrid models of instruction, upgrading building filtration systems, and implementing masking and social distancing guidelines with the assistance of the Department of Education advised by the Maine Centers for Disease Control.

Business Closures

Though many businesses chose to remain open during this time, some industries were prevented from operating such as childcare centers, bars, salons and barbershops. Service delivery moved online, with a majority of business using remote technology for appointments, transactions, and meetings. Retail shops that could open online 'e-tail' pivoted their business toward mail, direct-to-consumer delivery. With so many businesses closed, workers were stressed. In late April 2020, Federal benefits for jobless workers added an additional \$600 to state unemployment compensation, and businesses were encouraged to apply for forgivable paycheck loans to keep their employees at home with pay and preserve the workforce.



Year-long mask mandates for restaurants, retail shops and indoor facilities changed the face of doing business in Maine.

Regional Planning Organizations such as KVCOG, assisted small businesses with funding such as grants and no-interest or forgivable loans to prevent a loss of employees, business revenue or assets and preserve future operations.

Health Care

Healthcare systems stressed by increasing numbers of patients in the third year of the Pandemic are faced with a new challenge: a sharp increase in the number of patients, and a shortage of staff. In October 2021, the Covid Vaccine was added to the list of required vaccines for healthcare staff working in direct patient care areas. Facilities were quickly overwhelmed by sick patients and staff that could not work. National Guard members staffed vaccination clinics and testing centers, and healthcare facilities began increasing hiring incentives to recruit licensed clinicians from out of state.



Universal health screenings at Maine health facilities attempt to control the spread of COVID-19

Vaccinations for the Coronavirus were offered to Maine residents beginning in 2021. Pop-up Clinics like the one held at the Augusta Armory saw over 600 patients per day.

Update

As of this writing, the Pandemic continues to alter the community and economic landscape in the region. Increased Federal investment in response to a depressed economy have provided opportunities for development that advance projects once in standstill. Small business startups, new industry clusters, redevelopment, and community-led initiatives focused on regional cooperation have found traction within the Kennebec Valley.

Work Plan Design

- ⚙ Analytical Framework
- ⚙ Public Engagement
- ⚙ Regional Analysis (SWOT)
- ⚙ Revised Goals

Analytical Framework

The region's demographic trends and the intersection of the economy with public health are just two lenses that prove useful to examine the powerful forces that shape or expand community and economic development. This next discussion unfolds a few additional viewpoints that emerged from our public engagement process. This broad analysis of trends, projections, and contexts filtered a number of public priorities from these conversations as the foundation of the CEDS. Beginning with an intentional focus on leadership and resiliency as important concepts, this plan also applies a familiar framework to this discussion about our region's strengths, challenges and assets using the Economic Drivers described more fully in the next section.

Leadership

Fostering leadership skills and providing opportunities to engage and train emerging leaders is critically important to the maintenance of both existing economic development programs and the development of an asset-based cluster strategy. Brokering relationships between the business community with retired professionals, local officials, social investors, non-profit leaders, and youth is essential to re-energize the region's economic landscape. There is a need for existing economic development and business assistance providers within the region to work collaboratively on relevant projects. Unique opportunities occur when organizations pool their resources and talents together. Promoting regional leadership and collaboration can help lower costs and provide a more efficient way to deliver services. Limited municipal resources require the region to think collaboratively and employ such tools as shared services and cooperative purchasing of goods. Councils of Government, or COGs such as KVCOG, play an important role in facilitating these conversations or brokering key relationships which lead to efficiency and productivity.

Resiliency

This new iteration is built on a foundation of resiliency, to lift and celebrate the persistent steadfastness of our region, of neighborhoods and other small, locally owned businesses that shape these communities. The events of 2020 have demonstrated how fragile yet vital these businesses are. During the height of a Global Pandemic, entities of all types called on our regional resources as they worked to react and respond to critical public health threats. The region's dependence on these adaptations, preserving their style, diversity, and idiosyncrasies create the unique character of our respective Main Streets. Storefronts and products in each community reflect this region's tastes and aesthetics; they provide places to gather, offer, and help. With each opportunity, these communities gathered together, leveraged their collective assets, and pushed on. Supporting these local industries requires collaboration among leaders to explore opportunities to build new businesses and enterprises that grow organically out of the knowledge of the workforce, raw materials, cultural preferences, and appropriate scale of the community.

The Six Drivers of Success

Effective CEDS Plans follow an important framework consisting of six different approaches to economic success and vitality. These drivers and their distinct perspectives are fundamental tools to consider interdependent relationships, the effect of policies to practice, and to understanding how businesses, non-profit organizations, governments, and other entities can make actionable steps towards our collective economic well-being. Though each driver can be used to steer impactful changes on their own, collective strength is achieved with a cohesive, multidimensional approach. Just as economies are nested and interconnected, so too are places. Whether applied to narrow use cases – strategizing business plans or expansions – or broad – establishing a multi-sector collaboration on infrastructure development, these tools work well at both the local and regional scales. Finally, appreciating the shortcomings of data, predictions, and forecasts should encourage the use of other frameworks for economic development to strengthen plans and programming.

Public Engagement

We used several modalities of public engagement to solicit input from community leaders, business owners, and service providers to establish goals for the region. This process was also enlightened by a comprehensive assessment of the overall strengths, weaknesses, and challenges that our communities face. Within four meetings over the course of a year, the CEDS committee reviewed regional information and had substantive discussions facilitated by KVCOG. Due to the ongoing COVID-19 pandemic, some of these meetings were held as a hybrid engagement with six in-person and eleven remote attendees. Each of these four meetings examined a useful aspect of a strategic planning tool with a heavy emphasis on regional planning. Our committee membership was comprised of major industry sectors, planning and development entities, commerce, and municipal leaders. During this process we aimed to address four themes to critically examine, assess, evaluate and critique our new strategy.

Understanding the CEDS – May 18, 2021

We convened a broad range of eighteen different stakeholders to explore a new vision and review previous goals. Our region's report card was examined using data from current sources. A survey was developed and introduced to the committee to be distributed throughout our region.

Regional Committee Assessment and SWOT – June 17, 2021

The committee reviewed responses to the survey disseminated among CEDS committee members and other stakeholders. This survey consisted of twenty-five questions which aimed at getting a better understanding of both where our local and regional economic vitality had changed since the previous CEDS plan, but also where it was heading. It was completed by seventeen people and their responses were then incorporated into our SWOT analysis. We identified specific topics from the survey and discussed them further to assess how each was a Strength, a Weakness, an Opportunity, or a Threat.



Data Dive: Exploring the Kennebec Valley Region – August 18, 2021

We began by inviting Amanda Rector, the State Economist for Maine, to review our state's demographic and economic trajectory both before and during the pandemic. We learned more about population growth and decline, about pressures on housing markets, labor force and employment trends, and production and economic vitality. Following this, we discussed how economic development projects fit into the CEDS framework and how opportunities like EDA's American Rescue Plan can be leveraged in our region. This was in preparation for our upcoming session discussing appropriate CEDS projects. Finally, we walked through demographic and economic trends for our region. This discussion highlighted some of the short- and long-term impacts we may experience due to the pandemic and how our region compares to the State as a whole.

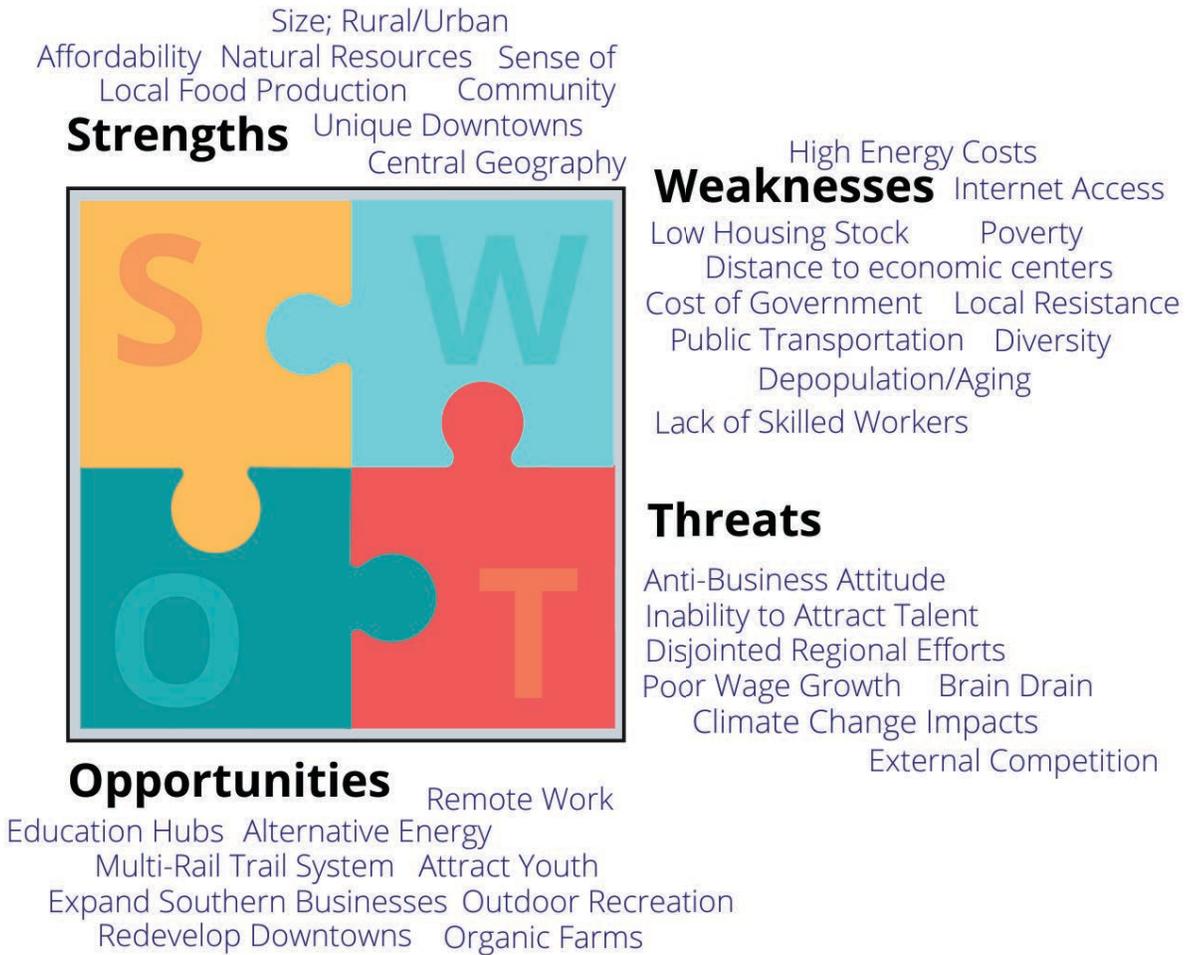
Projects and Priorities – October 14, 2021

This session focused on how we implement the content of the CEDS plan through economic and community development. To prepare, we created a survey that our stakeholders used to submit twenty-six different project proposals. Twenty-four people attended this remote meeting and discussed how each project worked within our CEDS Six Drivers of Success as well as EDA's Seven Investment Priorities. For each project, we asked submitters to describe partners and leadership, necessary funding or other assets, whether there was political and public enthusiasm, and how we measure this project's success and impact.

SWOT Analysis

This plan continues to explore multiple perspectives in detail. This discussion is generally important because regional assessment can be particularly difficult when conducted among several groups with different mission, goals, and priorities. Nonetheless, coming together benefits the region immensely, to find a balance between our region's capabilities and challenges is this plan's main objective.

The committee received a survey and outline for the Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis, which was reviewed at the second meeting. Many themes pulled from this exercise reveal that our region's characteristics can play multiple roles in this discussion. For example, the rural geography is unique, attractive, and environmentally valuable while also problematic in terms of accessibility, infrastructure, and environmental stewardship. This meeting revealed that often, weaknesses reveal opportunity to mitigate threats.



The circular relationship between these factors makes it difficult to identify opportunities using regional strengths. The term “quality of life” was analyzed using the perspective of many members, where it was clear that this is a widely defined and contentious phrase, whether applied locally or to the region. The survey, (with a response rate of 94%) consisted of twenty-five questions used to better understand how economic vitality had changed since the previous CEDS plan and where it was heading. This developed the following assessment of the regions demographics as well as an outlook on business, employment, education and industrial projections.

Regional population trends. Maine is consistently one of the oldest states with a median age of 45.1 years, compared to 38.5 years nationally in 2019. In Maine, 21.3% of our population is 65 years or older, compared to 16.5% nationally. Correspondingly, Maine has one of the lowest fertility rates at 50.6 births per 1,000 women between 15 and 44 years of age. The state hasn't experienced a positive natural growth rate – where births outnumber deaths – since 2010. **Natural growth at the county-level mirrors state and regional trends: between 2015 and 2020, Kennebec County lost 11.2 people per 1,000 residents, Waldo County lost 12.0, and Somerset County lost 20.4.** As a result, Maine has smaller family sizes, averaging 2.84 people per family compared to 3.23 people nationally.

Natural population changes can also be viewed through a generational lens. One of the largest generational cohorts was the Baby Boom which occurred between 1946 and 1964. This era represented a peak in Maine's birth rates and is evident as a 'bubble' in population distributions for the latter half of the 20th century. As members of a generation age, each member hits similar milestones such as entering the workforce, purchasing a home, and – importantly – having children. The children of the Baby Boom generation – Millennials – surpassed the Baby Boom generation as the largest generational cohort in the US as of 2019 when that cohort ranged in age from 23 to 38 years old. In Maine, both the Baby Boom and Millennial generation are visible in the 1990, 2000, and 2010 population pyramids. However, by 2019, there are proportionately fewer Millennials making up Maine's population. This may be due in part to an out-migration of that cohort, or to an increase in in-migration of older individuals to the state.



Migration. A larger contributor to the state's overall population growth is both domestic and international migration to the state. Between 2010 and 2020, Maine attracted 21,272 new residents from the US and a further 15,673 residents from outside of the US. International migration is generally a smaller component of overall migration to our region when compared with the state. Between 2015 and 2020, our region saw a relative increase in population growth from domestic migration alongside a decline in international migration – a phenomenon exacerbated by the COVID pandemic. **Data from the Maine Center for Business and Economic Research suggests that total migration to Maine in 2020 increased by 155% compared to 2019 levels and were projected to remain elevated for several years.** However, the pandemic also contributed to an 8% decrease in expected births nationally and a 16% increase in total deaths.

Maine saw more migration during the COVID-19 pandemic than almost all other states, leading to the greatest population growth here in nearly two decades.

Diversity. In addition to having a large senior population, Maine is also one of the least ethnically and racially diverse states. In 2019, the state was 94% white, compared to 80% white in New England and 72% nationally. It is even less diverse, with each county between 97% and 99% white. Ethnic and racial diversity are important considerations in evaluating population growth as each demographic tends towards different reproductive rates. In the US, White populations measured a fertility rate of 53.2, Black populations a rate of 59.0, Asian populations a rate of 50.1, and Hispanic populations a rate of 72.6. Research indicates that fertility rates differ greatly between immigrants and native-born populations of all races. However, that difference has narrowed somewhat over the last ten years due to changing immigration trends.

Employment and Labor Force. The impacts of the Baby Boom generation on employment and labor were noted in our previous CEDS plan but are no less significant now. Born between 1946 and 1964, this age cohort was for many years the largest cohort in the United States. Between 1976 and 2006 – when the Baby Boom generation had entered the workforce en masse – Maine’s civilian labor force grew from 475,000 to nearly 700,000 – an average of 1.3% per year. Between 2006 and 2019, that rate of change decreased to an average decline of -0.02% per year.



In 2006, the average Baby Boomer was between 42 and 60 years old with the oldest just beginning to retire. By 2019, that age range had shifted to between 55 and 73 years old and many more had begun retiring. This is best measured using the Labor Force Participation Rate, or the proportion of those age 16 and older working or seeking work. In January of 2000, Maine’s Labor Force Participation Rate peaked at 68.8%, a full 1.5 percentage points higher than the national peak. The participation rate dropped to 62.4% in September of 2015, the lowest since October 1977. In 2000, those between ages 25 and 44 years old made up 29% of Maine’s population, while those 65 and older made up 14.4%. By 2019, only 23.6% of the population was aged between 25 and 44 and 21.3% were 65 and older.



Since 1976, Baby Boomers inflated Maine’s civilian labor force by an average of 1.3% per year. Between 2006 and 2019, that rate of change decreased to an average decline of -0.02% per year.

The Federal Reserve notes that older populations see fewer young people entering the workforce, fewer students attending local schools, and fewer people having children. Trends including declining labor force participation rate and birth rates as well as a shrinking population of working-age adults all suggest that this impact will continue to be significant both in Maine and across New England. Indeed, the impacts of the coronavirus pandemic have been profound with respect to workforce availability, job turnover, and worker retention.

Industry Cluster Projections. The Region 's expected growth in key areas of the economy:

- Advancements in technology are expected to boost growth in professional, management, administrative, and information-based jobs. Nationally, these sectors are expected to grow between 2 and 3%, however our region is somewhat split. Management and professional industries are expected to gain 227 jobs by 2025 while information and administrative jobs are expected to lose 459 jobs all together.
- Nationally, expect education services to grow modestly at a rate of 0.9% per year. Our region is expected to add 122 jobs, 3.8%, by 2025 which equals an average growth of only 0.65% per year.
- Employment in healthcare and related jobs will grow significantly both nationally and regionally. We are expected to add 558 healthcare jobs, an increase of 3.6%.
- Retail trade is also projected to lose a large number of employees due to growth in e-commerce and a decreased demand for brick and mortar stores. Regionally, this industry is projected to grow modestly by adding 87 jobs by 2025, an increase of only 0.6%.

In 2019, the University of Maine unveiled the world's largest 3D printer. The combination of printer capability with new composites utilizing Maine-based cellulose nano-fiber is seen as a new era for Maine's bio economy, putting the forest industry front and center as a partner in creating bioderived recyclable material systems. The initiative is designed to expand the potential of the 3D printing market and create a new market for Maine's forest products industry.



- Global competition and expansion of technologies like robotics and AI will add to a decline in manufacturing both nationally and here in our region. Between 2019 and 2025, our region is expected to lose 288 manufacturing jobs, or 4.6% of manufacturing employment.
- Agriculture, forestry, fishing, and hunting are expected to remain relatively flat nationally at a growth rate of 0.2% per year. Our region is projected to add approximately 57 jobs, or 0.35% per year.
- Leisure, hospitality and recreation industries are expected to grow significantly across the country. However, projections for our region point to a decrease in related employment of over 300 jobs, roughly 4%.

Higher Education. The region hosts six post-secondary education institutions; Colby College, Kennebec Valley Community College, Kaplan University, Thomas College, University of Maine at Augusta, and Unity College. These institutions serve a broad spectrum of students of all ages with a variety of course work that underwrites the development of education, workforce training and skill-building essential for our region's success. Individually, these institutions serve as centers for employment and local investment as well as driving human innovation and creativity.



Unity College, Maine's premier wildlife and environmental college, has recently adopted a new online instructional model in response to COVID-19, structural changes which have a big effect on the community. Without a busy campus, local residents look for other employment opportunities or ways to stay in business, and the town will struggle to develop a new economic identity. These symbiotic relationships present similarly in mill towns, college towns, and coastal towns, where the identity and flavor are comingled with their largest economic base.

While strengthening our existing workforce is an important long-term strategy, it may not address some of our more urgent needs. Maine's high median age of 45 years suggests that our shrinking population of working-age adults will continue to be significant both in Maine and across New England. Conversely, the majority of our region's population growth over the last two decades has been the result of individuals and families relocating from other regions, other states, and other countries. Indeed, the impacts of the coronavirus pandemic have been profound with respect to workforce availability, job turnover, and worker retention.

Maine and New England do not exist apart from the rest of the country. The phenomenon of declining fertility rates and of negative natural growth can be seen across the United States and virtually every other high-income country.

Researchers have noted these trends for decades and many predict that they will continue towards women having fewer children and later in life. The counterbalance to these trends in natural growth has often been migration. However, national trends suggest that Americans are less and less mobile in terms of both geography and class. It is increasingly the case that individuals and households who struggle to improve their incomes are 'stuck' and unlikely to move to higher growth regions. Similarly, those in high-growth regions who struggle with high costs of living are less likely to relocate to more affordable regions. Policies and practices that seek to remedy these trends here in Maine, will clearly need to be tempered against regional, national, and global realities.



Infrastructure. According to the Report Card for America’s Infrastructure, Maine received a ‘C-’ grade in the year 2020. The deficiencies noted in their report as being “Poor and At Risk” included Dams, Hazardous Waste Management, Roads, Transit, and Wastewater. Compared to 2016, each one of these either stayed the same or declined.

Maine’s infrastructure grades

Most categories reviewed by the American Society of Civil Engineers were given a mediocre or near-failing grade in its 2020 report card.

				
Aviation	Bridges	Drinking water	Energy	Hazardous waste
B	C-	C	C+	D+
				
Parks	Ports	Rail	Roads	Wastewater
C	B-	C+	D	D+

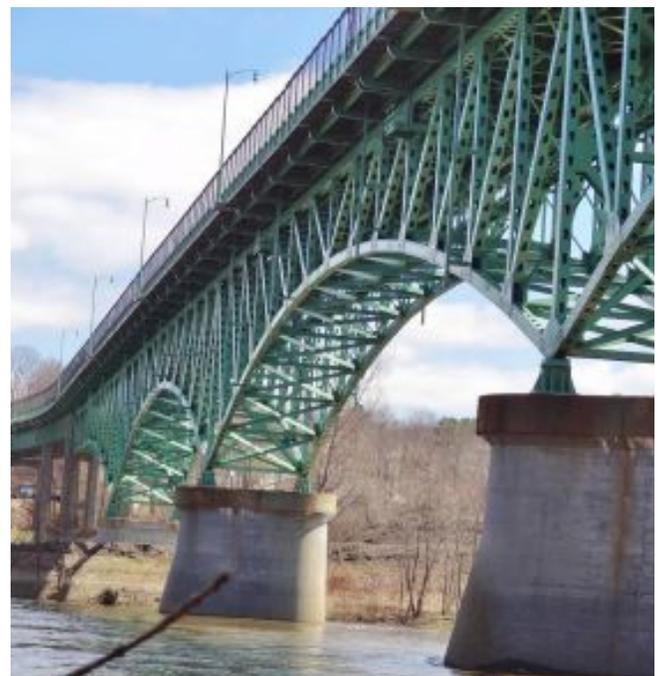
Global trends have impacts in Maine. Decreased demand for recycled goods – especially plastics – has strained municipal waste management systems across the state. In 2021, the Maine DEP reported that the average Mainer produces 1,256 pounds of waste, a trend that is increasing. Recycling rates have decreased which, while remaining ahead of national averages, still costs municipalities 67% more than waste disposal.

Some infrastructure costs are more noticeable than others. According to the Maine State Housing Authority, in 2020 55% of Mainers were unable to afford a median-price home or 2-bedroom apartment. Since 2015, median home prices increased from \$176,000 to \$255,000 (up 45%) and rents increased from \$850 to \$1,088 (up 28%). These trends point to both broader trends, but also regional ones. The Maine Center for Business and Economic Research estimates that the Kennebec Valley experienced a whopping 155% increase in in-migration in 2020 compared to 2019.

Maine’s rural nature and large size mean that there are proportionately more roads, power lines, and railways than in a more urban state. As such, the cost of maintaining these assets is significant. Maine DOT’s 2021 Three Year Work Plan outlines a budget shortfall of nearly 36%, or \$232 million per year.

Older infrastructure is very hard to modernize. **Over 3/5 of Maine’s households heat with fuel oil – a larger proportion than any other state.** The average Mainer spent \$4,359 on energy costs in 2019 ranking 13th in the nation. Many homes in Maine are older and less energy efficient: nationally, 12% of occupied homes were built before 1939 compared to 23% in Maine.

Demographic trends complicate budgets for maintenance and new construction. Between 2016 and 2020, enrollment in Maine schools decreased by 7%. At the same time, school districts face an estimated \$2.8 billion gap in funding for major renovations and new construction. These trends have led to many districts consolidating their facilities.



Environment. Our service region spans the Kennebec River Valley from just north of Merrymeeting Bay to the Piscataquis Highlands, and from the Canadian border and the Appalachian Mountains southeast to Waldo County farmlands. This vast territory supports substantial agriculture and forest product industries as well as tourism and recreation – both heavily dependent on our natural environment. In 2020, agriculture and forestry (including food manufacturing and wood product manufacturing) contributed an estimated 4.7% of our region’s jobs, and \$229 million in total wages for our three-county area. Arts, tourism, accommodation, recreation, and food services contributed 11.2% of the region’s jobs and \$124 million in total wages. Together, these industries employ over 10,000 people, not including indirect and support industries.

In 2020, agriculture and forestry (including food manufacturing and wood product manufacturing) contributed an estimated 4.7% of our region’s jobs, and \$229 million in total wages for our three-county area.



Invasive and Nuisance Pests: Economic, environmental, and health impacts from pests have increased due both to increasing temperatures and human introduction. These can include threats to forest industries, wildlife, tourism and recreation, and agriculture and aquaculture.

Climate Change: One of the biggest uncertainties we are facing is our climate future. Maine Won’t Wait, the state’s 2020 climate action plan, predicts an average 2°F to 4°F temperature increase by 2050. In fact, the Gulf of Maine is warming faster than most other ocean surfaces. This places nearly two-thirds of our land and sea species at high to moderate risk of shifting ranges, local extirpation, or extinction. Maine is expected to become wetter and experience more frequent extreme weather events, rising sea levels, disrupted agricultural practices, and other yet to be determined impacts.

Sprawl: Practices and policies that spread out housing, businesses, and commercial development have negative impacts on walkability, tethering us to cars and increasing traffic; it raises infrastructure construction and maintenance costs; it stretches services such as schools, fire, and police; and it fragments forests, farmland, and working landscapes.

Flooding and Drought: The Kennebec River and its watershed has inundated communities regularly, levying economic, social, and human costs. With increasing severe weather events, we need to rethink levees, dams, culverts, and coastal infrastructure while actively diverting development in flood-prone regions. Somewhat counterintuitively, Maine is also experiencing more numerous droughts which impacts agriculture, threatens well water systems and river navigation, and raises wildfire risks.

Pollution: Maine has long been lauded for its efforts in environmental protection, but there are still serious and long-lasting obstacles. **An unprecedented wave of PFAS contaminations in our region have led to losses in organic farming, dairy and poultry businesses, have exposed vulnerabilities in water supplies, and raised concerns for deer hunters.** Other contaminants like asbestos, lead, and mercury make building redevelopment impractical or fiscally untenable.



Transformative Projects

- ⚙️ Project Evaluation
- ⚙️ EDA Investment and Funding
- ⚙️ The Six Drivers of Success, with
- ⚙️ List of Projects

Onward and Upward

This plan has explored present and future factors that must be considered when planning for tomorrow. Given trends and circumstances that have put the region behind its 2022 goals, this plan recommends that the best, resilient course for the next five years is to balance and maintain these population levels, employers, and labor force for successful economic recovery. The 2020 Pandemic is still ongoing, with unpredictable future effects. Overall, our region has preserved the major industries that our communities rely on, and are poised to develop and encourage some exciting new industry clusters. The CEDS Committee therefore compiled projects which follow these recommendations and have open growth potential.



The goals expressed in this chart reflect our aim for economic recovery, stability, and conservative growth as resilience measures while still in the pathway of the 2020 Global Pandemic.

These goals are reviewed annually. Any revisions to Plan prompt a new public comment period and approval by the Economic Development Administration.

Project Evaluation

This CEDS has analyzed our region's vulnerabilities and strengths, and identified opportunities for continued growth, expansion, and utility as well as resiliency. As part of the implementation process, a thoughtful list of projects in this next section will get the Kennebec Valley closer to our vision. This plan lists vital regional projects as potential solutions to pressing local problems. During this process, KVCOG convened a group of leaders to share planned, proposed, or shovel-ready projects that meet appropriate economic development criteria. KVCOG urged community leaders to consider the vision that was crafted at the beginning of this process. **This vision should be expressed through the CEDS.** It is through this leadership that CEDS takes on a wider meaning. Thus, the CEDS is more than an EDA planning document, *it is our region's call to action.*

Ideally, projects connect to Economic Development Drivers of Success (see also Section 3) as well as the Investment Priorities of the EDA. These ideas should have strong organizational leadership and demonstrate a high level of local commitment. Successful projects will be market-based and results driven, leveraging existing assets and resources or be self sustaining. The ideal projects are regionally focused supporting a long term, coordinated and collaborative economic development approach. Specifically, we looked for projects that advance productivity, innovation, entrepreneurship or competitiveness. And finally, projects that exercise resiliency look beyond the immediate economic horizon, anticipate economic changes and diversity the local and regional economy.

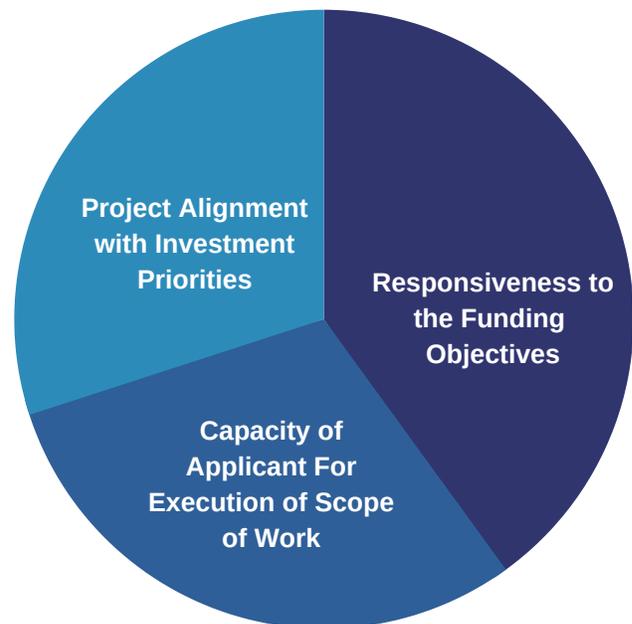
Through its competitive grant process, the Economic Development Administration (EDA) evaluates all project applications to determine the extent to which they align with EDA's investment priorities, effectively address the creation and/or retention of high-quality jobs, and document that the applicant can or will leverage other resources, both public and private, and demonstrate the applicant's capacity to commence the proposed project promptly, to use funds quickly and effectively, and provide a clear scope of work that includes a description of specific, measurable project outputs.

The ideal projects are regionally focused supporting a long term, coordinated and collaborative economic development approach

EDA's investment priorities provide an overarching framework to ensure its grant investment portfolio – ranging from planning to infrastructure construction - contributes to local efforts to build, improve, or better leverage economic assets which allow

businesses to succeed and regional economies to prosper and become more resilient. Competitive grant applications will be responsive to the evaluation criteria listed under each individual funding announcement, including at least one of these investment priorities.

Project Evaluation Criteria



INVESTMENT PRIORITIES OF THE ECONOMIC DEVELOPMENT ADMINISTRATION

The activities of this agency follow an investment framework described as follows:

- **Equity:** Economic development planning or implementation projects that advance equity across America through investments that directly benefit 1) one or more traditionally underserved populations, including but not limited to women, Black, Latino, and Indigenous and Native American persons, Asian Americans, and Pacific Islanders or 2) underserved communities within geographies that have been systemically and/or systematically denied a full opportunity to participate in aspects of economic prosperity such as Tribal Lands, Persistent Poverty Counties, and rural areas with demonstrated, historical underservice.
- **Recovery & Resilience:** Economic development planning or implementation projects that build economic resilience to and long-term recovery from economic shocks, like those experienced by coal and power plant communities, or other communities impacted by the decline of an important industry or a natural disaster, that may benefit from economic diversification-focused resilience.
- **Workforce Development:** Economic development planning or implementation projects that support workforce education and skills training activities directly connected to the hiring and skills needs of the business community and that result in well-paying, quality jobs.
- **Manufacturing:** Economic development planning or implementation projects that encourage job creation, business expansion, technology and capital upgrades, and productivity growth in manufacturing, including efforts that contribute to the competitiveness and growth of domestic suppliers or to the domestic production of innovative, high-value products and production technologies.
- **Technology-Based Economic Development:** Economic development planning or implementation projects that foster regional knowledge ecosystems that support entrepreneurs and startups, including the commercialization of new technologies, that are creating technology-driven businesses and high-skilled, well-paying jobs of the future.
- **Environmentally-Sustainable Development:** Economic development planning or implementation projects that help address the climate crisis including through the development and implementation of green products, green processes (including green infrastructure), green places, and green buildings.
- **Exports & FDI:** Economic development planning or implementation projects that enhance or build community assets to support growth in US exports or increased foreign direct investment.

See more at <https://eda.gov/about/investment-priorities/>

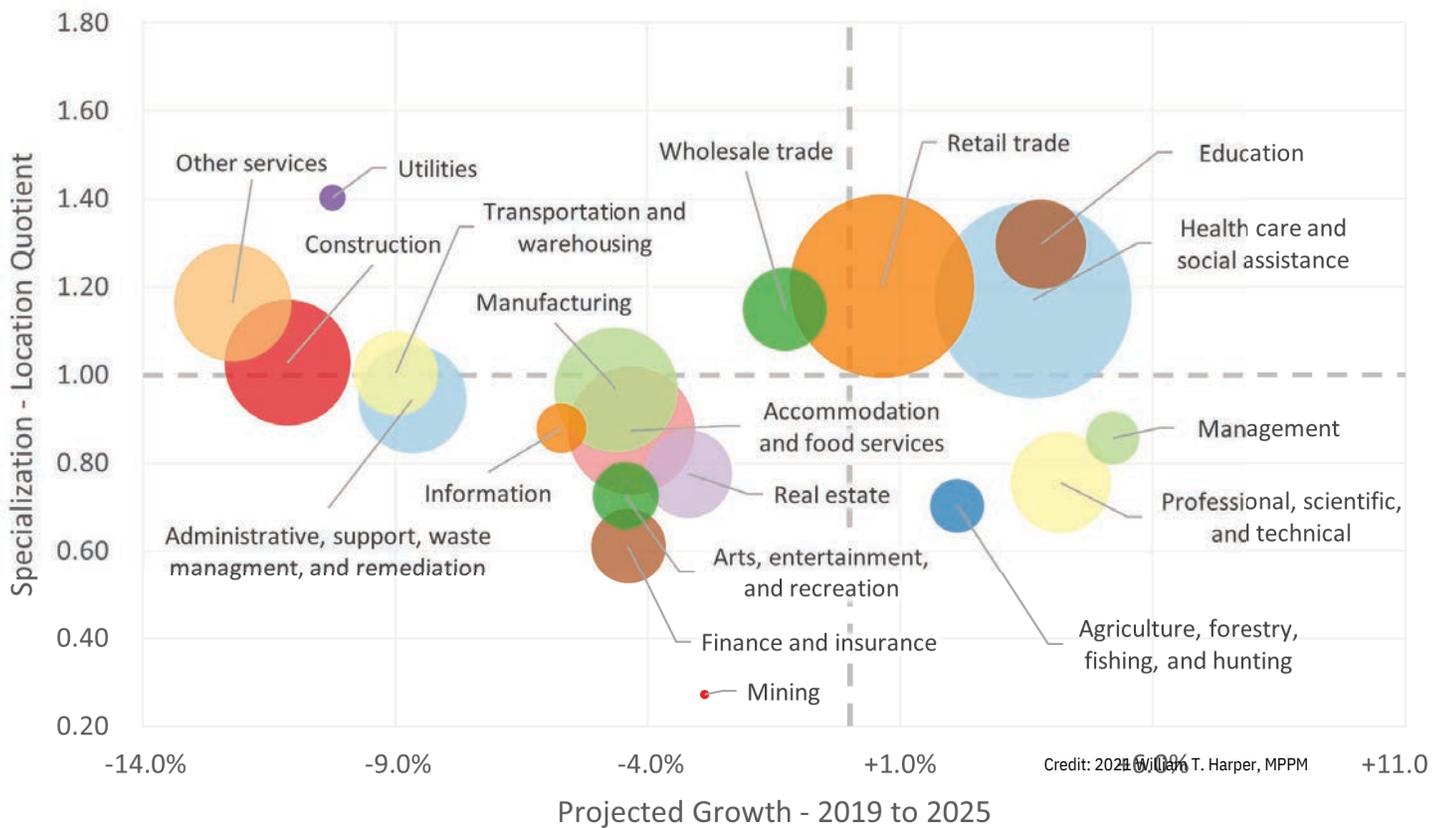
Deploying the Six Drivers of Success

Economic development is complex, however, there are major regional factors at work that can make a region thrive or stagnate. These drivers of economic success are the foundation for the economy as whole. These drivers have utility at both local level or firm level, such as helping an entrepreneur ground a business plan or at a larger scale such as helping municipality leaders make case for regional investment in a multi-town broad band network. Finally, these drives are related to the strategies articulated in the Maine Economic Development Strategy for 2020-2029. Included within this discussion are the projects that relate most appropriately to these elements.

Asset Based Cluster Development

To drive expansion of the regional economy, asset-based cluster development involves mapping regional assets that can be leveraged to achieve economic goals. Clearly defined goals and benchmarks are framed with a thoughtful inventory of the region's economic assets, including prominent industries, exports, services, and business. Intentionally, this driver is strongly connected to workforce development; together they are often the axles that support the critical components of the remaining drivers.

Employment Growth and Specialization



This bubble chart shows projected growth in each industry and plots the location quotient—how concentrated an industry is in our region compared to the state as a whole. The size of each bubble is proportional to the number of jobs each industry supports. Projections favor growth in the retail, education, health care, management, professional, and natural industries. Our region's specializations when compared to the state include utilities, retail, education, health care, wholesale trade, and construction.

Industry Clusters

Large and small businesses within interacting industries are Clusters, which benefit from synergies and associations in labor, innovation, technology, markets, resources, and infrastructure. Cluster development focuses on strengthening cluster cores, and exploring ways to take advantage of national and global trends

Maine's current Economic Development Strategy delineates three clusters important for both the state and our region. The EDA's Cluster Mapping tool, which analyzes economic diversification, recognizes three additional clusters. Further, many plans recognize Tourism, Outdoor Recreation, Hospitality, and Food Services as another significant industry cluster and one especially important for our region:

<p>1. <u>Manufacturing, Construction, Forest Products, Transportation and Warehousing</u> industries which together can support Advanced Building Materials and Technologies, Bioplastics, and Biofuels. Opportunities for expansion include Furniture Manufacturing, Distribution and E-Commerce, and Modular Construction Technologies.</p>
<p>2. <u>Technical Service Providers and Manufacturing</u> which together can support and innovate Wind and Tidal Power solutions, Battery Storage, and Solar Development.</p>
<p>3. <u>Technical Service Providers, Manufacturing, Food Systems, and Marine Resources</u> which together can support Sustainable Aquaculture, Shellfish Vaccines, Finfish Veterinary and Laboratory Testing Services.</p>
<p>4. <u>Biopharma, Education, and Food Engineering</u> with opportunities in Medical Device Manufacturing, Chemicals Manufacturing, and Plastics.</p>
<p>5. <u>Financial Services, Insurance, Communications, Environmental Services, and Education</u> with opportunities in Business Services, E-Commerce, Marketing, and Media Production.</p>
<p>6. <u>Leather Products, Footwear, Recreational Goods, Textiles, Printing, Paper and Packaging</u> with opportunities in Apparel and Business Services.</p>



Best Practices

- Conduct a comprehensive industry cluster and supply chain analysis of our region. Due to available data, much of the analysis conducted here reviews state-level data as that is the most reliable and available resource. An analysis would help to identify trends and phenomena within our region and better inform investments.
- Evaluate gaps in each industry cluster and prioritize those that contribute to local growth and innovation.
- Work to connect businesses and firms within each cluster to promote cost-sharing efficiencies, innovation, collaboration, and education.

Projects Planning Business and Industrial Park Expansion

Trafton Road Manufacturing, Coordinator Hub Project (Waterville)

With strong central geography, the new Trafton Road interstate interchange is currently helping to attract businesses and employment to the region with specific opportunities for economic activity in the form of distribution centers, precision manufacturing, and general industrial workspaces. The project – jointly funded by Maine Department of Transportation (MDOT), American Capital Corporation (ACC), and the City of Waterville – received a \$1 Million Economic Development Administration (EDA) grant and has leveraged \$34 million in private capital. *Development Status:* Planning process has identified goals and impacts with extensive partnership engagement and leverages prior infrastructure investments or assets. Impacts on job creation, infrastructure improvements, trade and freight logistics are similar to business parks or other commercial projects.

FirstPark Drive Extension (Oakland)

One-half mile street extension that will result in FirstPark lots 19-22 being accessible for future development. The project will include a new street and related infrastructure. The original park design shows the street extended, but fiscal constraints in past years have prohibited its completion. These lots have frontage on I-95. *Development Status:* Partners identified, conceptual estimate for \$1.25 million in construction. This project would benefit from a needs assessment of regional businesses/industries, but demonstrates a regional benefit overall.



Southgate Industrial Park Water Infrastructure (Skowhegan)

This proposal seeks to develop a water source for their industrial park, and is led by the Skowhegan Economic Development Corporation and the Town of Skowhegan. This expansion would support manufacturing and industrial activity in the park. *Development Status:* This proposal would cost approximately \$900,000 and has \$200,000 in match already set aside. While there is no real opposition, the removal of the nearby dam could impact the overall integrity of this project. A parallel proposal is being developed to expand roads and power infrastructure to the park, but costs haven't yet been determined.

Quimby Business Park Extension (Augusta)

This proposal aims to extend 400 feet of road and utilities (water, sewer, stormwater) in Augusta's Quimby Business Park. Due to its location in Augusta and proximity to I-95 and I-295, this project would support manufacturing and technology-based economic development in the region. This proposal would be overseen by the Augusta Board of Trade and the City of Augusta. *Development Status:* The cost of this project is approximately \$400,000 of which 2/3 are fully funded by the City of Augusta. This park is already fully built and extension of this infrastructure out to Anthony Avenue would create new build-ready sites with flexible zoning.

Libby Hill Business Park (Gardiner)

Businesses in Gardiner have access to 75% of the state's year-round population. The plan is to complete the build out of Libby Hill Business Park, shovel-ready sites with public infrastructure already in place. *Development Status:* The city has identified development incentives which include Tax Increment Financing (TIIF's-CEA), Community Development block grants, and other funding programs to assist with aspects of this project.



Entrepreneurship and Innovation

Fostering entrepreneurship and creating a robust regional entrepreneurial network drive innovation by creating new business ideas, marketing new products or services, and by introducing new technologies or practices. Small businesses are themselves drivers of innovation, productivity, and job growth. In Maine, businesses with fewer than 100 employees account for over half of the state's employment. Growth-positive conditions spur existing businesses to identify novel opportunities, explore new technologies, and adapt existing capacities for new purposes. Public and private sector partners in business development and commerce, workforce training and education, funders and investors include Colby College, Maine Small Business Association, and Coastal Enterprises.

Best Practices

- Enhance and strengthen regional business through Economic Gardening – create jobs by supporting existing business owners and managers in growing markets, expanding production, succession planning, and attracting talent. Develop regular networking, collaboration, and communication opportunities between regional chambers of commerce, downtown associations, education institutions, and economic development entities.
- Work with local government to streamline rules and regulations that impact businesses. Examine regulations on regional scale to ensure that policies and practices are comparable between municipalities. Ensure that regulations and other governmental structures support small businesses by making them equitable, accessible, and easy to understand. These include things like zoning regulations, tax policies, pay equity, and local permitting.
- Investing in new and innovative ideas by promoting grants and risk-tolerant capital structures, developing incubator spaces, and cultivating relationships with regional economic partners. Create local innovation hubs and business incubator spaces: such spaces offer training and mentorship to new businesses, subsidized and flexible spaces for business activities, and promotion and marketing for those services. Expanded digital commerce and work-from-home policies means that there are increased opportunities for flexible workspaces and incentives for broadband infrastructure.
- Support diversity in industry, workforce, and business owners themselves, through education and training, mentorship, consumer support campaigns, and by ensuring access to services like childcare and transportation. Promote and adopt efforts and incentives that address diversity, equity, and inclusivity. One notable effort is the Kennebec Valley Diversity Initiative which seeks to involve business and local government in conversations around diversity, equity, and inclusivity. This is also highlighted in the State's Economic Development Strategy as a primary objective.

Projects Fostering Innovation and Entrepreneurs

24 Court (Skowhegan)

24 Court will be a thoughtfully designed and newly constructed downtown mixed-use building to anchor the region's entrepreneurial ecosystem and house a new Local Service Network business (bookkeeping, human resources, training, marketing, financial consulting, technical assistance and other contract services).

The new building will be adjacent to partnering business, Maine Grains, Inc., which has proved to be an engine of transformation and a successful model for thriving local economies for nearly a decade --- creating jobs, revitalizing downtown Skowhegan, and spawning numerous other enterprises and value-added products in Skowhegan. *Development Status:* Extensive stakeholder engagement/potential partners, clear goals, indicators, and impacts identified. \$200,000 in cash funding, pending \$1million USDA Rural Food Systems Partnership grant, estimated construction costs ~\$15 million. This project is relevant to other downtown Skowhegan development.

Dirigo Labs (Waterville)

As a public-private economic development partnership fostering a robust mid-Maine economy, Central Maine Growth Council (CMGC) is organizing the tech industry's ability to transition the post-manufacturing economy through the Dirigo Labs (DL) initiative. Through this initiative, DL will galvanize mid-Maine's unique diversity of academic institutions and tech firms to develop a startup accelerator that harnesses the entrepreneurship and digital skills of our students, graduates, academic faculty, and business owners to build a sustainable tech and innovation hub that powers a thriving rural economy. *Development Status:* Identified partners and stakeholders, funding needs, timeline, and deliverables. Funding or in-kind support ~\$1.2 million. Project is currently underway. Impacts on business growth, stimulated development, innovation.



Entrepreneurial Ecosystem Development (Skowhegan)

Skowhegan and Waterville are both dedicated to this through a number of investments and initiatives, including the addition of physical spaces. This is a great umbrella category for economic & community development and improvements. focused on new business/job/resident attraction. *Development Status:* Fair amount of engagement with partners and a well-developed concept primarily identifies downtown Skowhegan and CMGC. Identifies grant funding in both service areas.



Workforce Development and Higher Education

A critical sector in both advancing local workforce and attracting new residents are higher education institutions. Higher Education, including job training and trade education, is part of an ecosystem that people encounter at all walks of life. Developing job training programs depend upon early, primary, and secondary primary education systems as much as they rely on employers and industries to come up with dream jobs. Growth strategies should be appropriate and complementary to regional initiatives with respect to high school vocational training centers and other partnerships with public education systems. Together, higher education institutions form an important industry cluster that attracts complementary services, enhances regional branding, and generates a talented workforce. The higher education sector responds to changes in national and global economies by promoting new services and adapting to opportunities.

Best Practices

- Prioritize funding for local preschool, K-12 schools, and community colleges,
- Encourage businesses to partner with high schools and community colleges,
- Raise standards for teachers and other education professionals,
- Involve colleges and other institutions in economic development processes at all levels,
- Promote broadband and other advanced technologies, and
- Address inequality in all education outcomes.

Our assessment revealed weaknesses in our region's ability to attract and retain younger workers who consider a region's social assets when deciding to live and work in Kennebec Valley.

Strategies to mitigate this ongoing loss of workforce population and reduce student attrition after college include:

- Expand childcare services and subsidies,
- Offer parental leave benefits and other supports,
- Expand work-from-home and other flexible work arrangements,
- Improving public school systems and programming,
- Reduce costs of living and debt burden among young people.
- Direct financial incentives for relocation,
- Ensure affordable and flexible housing opportunities,
- Providing desirable amenities and services,
- Marketing and advertising the region outside of Maine,
- Supporting businesses in attracting new employees,
- Offer educational opportunities at all levels.

Workforce Development and Recruitment Projects

Kennebec Valley Diversity Initiative (Region-wide)

The Kennebec Diversity Initiative is a coalition which seeks to make central Maine a welcoming and attractive place to live and work by exploring diversity and inclusivity on a regional scale. A challenge shared by both the business community and government leaders is recruiting and retaining new businesses and employees from outside Maine, convincing them that this region has something to offer and that they will be welcomed. This effort was spearheaded by several municipal and business leaders to address regional growth with an eye on attracting new business and encouraging entrepreneurship. *Development Status:* The Initiative produced a Diversity Resolution, a statement which has been adopted by the Central Maine Growth Council, Mid-Maine Chamber of Commerce, as well as the communities of Waterville, and Oakland, Winslow and Fairfield.

Central Maine HOME Fund Consortium

To address workforce housing shortages and the number of cost-burdened households choosing to move into- or out of the Kennebec Valley, towns and cities may form a consortium to receive Federal HOME funds of \$500,000 and more. An example in Maine are the cities of Lewiston and Auburn. *Development Status:* Identified potential participants, needs to engage enough contiguous towns/cities in order to qualify for full funding (MA has a consortium of 40+ towns). Federal funding targets housing which is much needed and much discussed.



Governor Janet Mills highlighted the importance of Maine CTEs in training skilled workers and spurring economic recovery and long-term growth from the COVID-19 pandemic.

Technology Skill School for the Kennebec Valley (Region-Wide)

The Kennebec Valley and Maine writ large needs more skilled craftspersons and trade workers. From carpenters to plumbers there are too few in the area, driving up costs and slowing down construction projects. Companies such as Cianbro have created their own paid training programs to recruit employees but this is a limited and specific worker pipeline. Increasing available training opportunities will foster entrepreneurship and also attract new residents from other areas to live and work in the Kennebec Valley. The creation of a broader skilled pipeline to local businesses and firms can benefit redevelopment efforts that are affected by a lack of ready workers *Development Status:* identified example and goal. Needs further study to identify and engage partners, physical/technological infrastructure, specific needs for programming, and funding mechanisms.

Access to Capital

Economic development aims to create new jobs while also enhancing and improving a region's quality of life. It is often a challenge because these efforts need to meet past, present, and future needs in a sustainable way. At the center of these efforts is the availability and utilization of capital investment. These investments are relevant to private businesses as much as they are to non-profits and governments and can include promoting local and foreign markets for goods and services; capital and credit for business start-ups and expansions; providing critical infrastructure such as energy, transportation, and broadband; or developing technology and innovation.

Capital and credit services utilized in economic development can be acquired through private banks and lending institutions, through non-profit economic development organizations, state and federal agencies, philanthropic donors, or through collaborations between these entities. In addition to loans and grants, alternative funding sources include Revolving Loan Funds, Venture Capital, Community Based Financial Institutions (CDFIs) and Micro-Enterprise funds.

Best Practices

- Improve access to funding by regularly updating web resources for notices of funding opportunities (NOFO's). Additionally, improve readiness by providing businesses and municipalities with materials and trainings on developing proposals, writing for grants, and forming collaborations.
- Ensure equal opportunity by partnering with efforts that promote diversity, equity, and inclusivity.
- Leverage existing assets and investments through improved communication and collaboration efforts, especially around regional service centers.
- Reduce lending risk by attracting new lenders, intermediaries that pool capital resources, and secondary markets that purchase loans and invite outside investment capital.
- Explore tax incentives for local community investments. These can include things like tax increment financing (TIFs), exemptions, and deductions.

Capital Resources and Funding Opportunities

State grant programs through DEP/Brownfields programs, the Governor's Office of Policy, Innovation and the Future (GOPIF) as well as funding through KVCOG with Revolving Loan Funds are available for businesses with solid performance or well developed business plans for new ventures. Federal Appropriations for infrastructure, housing, and business relief related to COVID-19 are available or expected in the next few years.

Maine/Statewide Funding

- Maine Small Business Development Centers (SBDC)
- Maine Development Foundation (MDF)
- Finance Authority of Maine (FAME)
- New Ventures Maine
- Somerset County Economic Development Commission
- CORE Maine

Federal Funding

- USDA Rural Development
- The Economic Development Administration (EDA)
- Community Development Block Grants (CDBG)
- Housing and Urban Development (HUD)
- EPA Brownfields
- US Small Business Administration (SBA)
- Northern Border Regional Commission (NBRC)



Retiring in 2021, Founder and Executive Director Gilda Nardone was honored with an award for 43 years of service.

New Ventures Maine (Formerly Women, Work, and Community) is a statewide education and economic development program administered through UMA/University of Maine System. The mission of NVME is to help Maine people succeed in the changing economy and achieve economic security for themselves and their families. NVME achieves its mission by providing training and individual coaching in planning careers, starting businesses, managing money and building assets, and developing leaders.

Infrastructure

Infrastructure is a vital component that contributes to economic growth. It's a broad category of both physical networks like a road system, institutional networks like an education system and utilities systems such as board band or natural gas pipelines. Some infrastructure items are within the public domain – such as the road system, others like a community's overall quality of housing stock or availability of high-quality health care are largely in the private domain.

Funding infrastructure projects is often expensive and complicated, frequently involving federal and state contributions. An important step towards more adequate reinvestment was the 2021 Infrastructure Investment and Jobs Act which allocated \$1.2 trillion towards improving drinking water and broadband delivery, repairing and rebuilding roads and bridges, expanding public transit, upgrading airports and seaports, building an electric vehicle network, and other critical investments. Maine is expected to receive over \$2.4 billion over the next five years.

Best Practices

- Strategize investments in physical infrastructure to emphasize resilience. Increases costs for freight and warehousing may encourage investment in rail systems which could be leveraged to provide passenger rail services to our region. Similarly, investments in broadband expansion may also be complemented by improvements to public libraries which often serve as community technology hubs.
- Many inadequacies require more than one approach. For example, our reliance on home heating oil can be mitigated by conversion to solar heat pumps but also by insulation installation.
- Identify opportunities for businesses to collaborate with municipal governments. One example is the use of TIFs and other tax incentives to support development and investment.
- Investment is only wise when it is coupled with accurate data and thoughtful planning. Municipalities and businesses should begin collecting as much relevant information as possible before making commitments to investment. For example, committing to denser, less spread-out development can reduce future maintenance and replacement costs.

Transformative Infrastructure Projects

PFAS Treatment (Madison)

Work with Government agencies to develop a treatment for PFAS (forever chemicals) at the Anson/Madison Sanitary District treatment plant. Development Status: committee is reaching out for more information, still relatively undeveloped. Studies needed to examine feasibility.

Wastewater PFAS Treatment Center (Hartland)

Work on planning to determine if the Hartland wastewater treatment plant can be retrofitted with a PFAS reactor to remove pollutants. Partnering with Anson-Madison Sanitary District to research PFAS solutions. Estimate is between \$3 and \$5 million, leverages existing treatment facilities. Development Status: clear need and impact stated, but hinges on success of the Anson-Madison project. Could potentially be a stand-alone project but would need clearer plans and implementation strategy.

Water Line Replacement (Madison)

This proposal project is to replace existing piping for the water supply operated by the Anson-Madison Water District. The total project is estimated at \$9.5 million and is forecast to take 18 months of construction. The project is necessary as the existing pipe is over 100 years old. The funding is a mixture of loans funds from the USDA Rural Development office and grants. The economic impact of this project is that it great 15.3 FTE for each \$1 million spent, meaning that an estimated 145 jobs in engineering and construction will be supported by this project. *Development Status:* The timeline for the project would see the design being completed by end of 2022, with construction starting in May 2023 and ending December 2024. The funding will be a mixture of grants and loans from USDA Rural Development.



Madison Bio-Digester (Madison)

Create anaerobic digestion on site of the former paper mill to turn waste to energy.

Development Status: Stakeholders identified, other bio-digester examples in operation in the state, feasibility study conducted in 2018 with cost estimates, cost included in congressional request for funding.

Upper Kennebec Valley Broadband

Acquiring broadband to boost productivity/quality of life. Affects communities from Solon to Jackman along US 201. Funding yet to be identified. *Development Status:* Needs to identify stakeholders and generate buy-in; needs to create a timeline, geography served, and conduct a feasibility study. This project would be popular but expensive.

Extension of Industrial Road to Fairfield

Push out Industrial Street in Waterville to connect with Industrial Road in Fairfield. This has not yet been constructed and will go to the town line in the future. Potential for development along corridor. *Development Status:* Both municipalities have identified potential plans/begun implementation. Needs to identify partners/stakeholders, scope of impact and potential development, connection to commerce and trad, especially as it relates to Armory Rd, College Ave, and Drummond Ave in Waterville and Western Ave and Main St in Fairfield and including impacts on ME 139 and 104 as well as US 201.

Environment

Our natural environment is also a form of infrastructure – green infrastructure. Our mountains, rivers and pastures form an interconnected network that supports wildlife as well as our economy. The KVCOG service area supports substantial agriculture and forest product industries as well as tourism and recreation. In 2020, agriculture and forestry (including food manufacturing and wood product manufacturing) contributed an estimated 4.7% of our region's jobs, and \$229 million in total wages for our three-county area. Arts, tourism, accommodation, recreation, and food services contributed 11.2% of the region's jobs and \$124 million in total wages. Together, these industries employ over 10,000 people, not including indirect and support industries. These three sectors of the economy derive their value from clean air, clean water and wise land use practices.

Protecting our environment for our economic, ecological, and societal well-being has been a priority for many Mainers. However, we are faced with new challenges and evolving circumstances that may force us to reconsider what we are capable of and willing to do in order to secure our future.

Best Practices

- Invest in conservation land trusts and other arrangements to protect forests, agricultural lands, and other working landscapes.
- Incentivize domestic energy production such as wind and solar. This should be coupled with infrastructure to support electric vehicles as well as mass transit.
- Promote more compact and human-scaled development practices like Smart Growth.
- Partner with agencies like Maine Emergency Management Agency (MEMA), the Maine Floodplain Management Program, and County emergency management offices to improve local flood prevention practices. FEMA's National Flood Insurance Protection Program (NFIP) and Community Rating System (CRS) both help to incentivize proactive flood prevention.
- Continue to develop approaches to address PFAS contamination.

Regionally-Significant Recreational "Green Infrastructure" Projects

Expanding Infrastructure at Quarry Road Recreation Area (Waterville)

Quarry Road Recreation Area is the City of Waterville's largest public park, with four-season outdoor recreation opportunities for all. Quarry Road's location along the Messalonskee Stream makes it a perfect paddling destination and adds to the diversity of outdoor opportunities available to visitors. Guided by a master plan and stakeholder preferences, proposed work would construct a lodge, parking lot and Alpine skiing infrastructure. A walking trail adjacent to Quarry Road may be included. Development Status: Already underway with broad stakeholder engagement and fund-raising. DEP stormwater permit expected in 2022.



Run of River Whitewater Recreation Area (Skowhegan)

The Run of River Whitewater Recreation Area will include a whitewater river park for paddling, surfing, tubing and more in Skowhegan's downtown river gorge; an estimated 50 miles of trails accessible via the commercial core; and a riverfront promenade that connects the river to the downtown and provides viewing opportunities for activities and events happening in the river. *Development Status:* Still in fund-raising for an additional \$6.2 million for final design, permitting, and construction of Phase 1. Town has already reserved \$1.4 million for construction and Main Street Skowhegan raised \$600,000. Extensive stakeholder engagement and identified economic development impacts for the region (including complementary efforts to improve downtown Skowhegan).



Riverfront Park Expansion (Gardiner)

Expanding the Riverfront Park to include additional boat slips, upgrade to the boardwalk (post replacement due to ice build up), new stage, electrical, new camera system for safety purposes and trail extension. Impacts recreation and tourism along with related industries. *Development Status:* Identified scope and impact. Needs feasibility studies, funding estimates/sources, timeline, improved potential for regional impacts as well (e.g. the Kennebec River as a tourism corridor in its own right.)



Lake George Regional Park Facility Restoration Project - (Skowhegan and Canaan)

This proposal is to repair, upgrade, and add new facilities to the property to better support outdoor recreation, tourism, overnight cabin rentals, and event space. This proposal also seeks to address road and trail infrastructure with respect to erosion mitigation. This is the only regional park in Maine and spans both Skowhegan and Canaan. *Development Status:* First phase is ~\$1 million, have already submitted a LWCF grant for \$500,000, but has already raised \$450,000 with contributions from Somerset County and the Town of Skowhegan.

Snow Pond Performing Arts Center (Sidney)

Snow Pond seeks to enhance its operational resiliency and expand regional tourism via a three-pronged investment in campus infrastructure: 1) complete the expansion of Snow Pond’s outdoor amphitheater to triple annual event attendance; 2) build a Visual Arts Center that represents a new tourism and educational attraction while reducing Snow Pond’s reliance on performing arts as our core competency; and 3) leverage the expansion into greater national visibility via a targeted, national marketing and branding campaign to increase tourism and build organizational resilience that will protect us from future shocks to the arts and culture sector. The increased capacity of the outdoor amphitheater will enable Snow Pond to host 7,200+ guests per performance (estimating 56,000 guests per year). *Development Status:* Overall the \$1,750,000 project has the following capital stack, \$200,00 in loans, \$170,000 in contributions from individuals and foundations, CDBG funds \$85,000 and a grant proposal to EDA for \$1,295,000. The targeted time frame would be May 1, 2022 through June 30, 2023 – 14 months. It is possible that the Visual Arts Construction piece may take until August 30, 2023.



Leadership

Where leadership is required to take on a proactive role, that role should promote a vision and mission for the region. Leaders mobilize efforts that cut across existing silos and geographic interests, recognizing opportunities to develop or strengthen partnerships that benefit economic activity. Leaders actively build teams and integrate programs that leverage local assets, identify common concerns and shared resources, Effective leaders are also:

- *Supportive*—Leaders can provide the research and do the groundwork necessary for the project to be completed
- *Persuasive*—Leaders persuade other stakeholders to pull their resources into the plan.
- *Long-term thinkers*—Leadership is not about pushing one project; its working toward a larger goal.
- *Stewards*—Leaders show dedication to sustaining and nurturing the region.
- *Community Builders*—Leaders lead by convening and stressing common bonds.

Our region is currently experiencing a transition as retiring officials are replaced with emerging leaders. Organizations are expanding, taking on new roles or assuming more responsibilities to adapt to our changing environment. Leaders identify urgent priorities, adopt novel practices, or propose innovative strategies that encourage us to be as reflexive and resilient as possible. In our versatile region, leaders across Federal, State, County, Region, and Municipal levels continue to struggle with collaboration where capacity and communication challenges exist. Regional Planning Organizations have a unique position within this ecosystem to work intimately with municipalities that lack this specific capacity or technical expertise. Leadership strategies which include partnerships with regional planning structures could accelerate the achievement of this plan's stated goals.

Best Practices

- *Communication* – Build a communication network, connecting existing partnerships, coalitions, and collaboratives. Publicize these opportunities for collaboration. Actively recruit representatives among vulnerable populations to direct the flow of information.
- *Leadership Development* – Connect with education partners developing or facilitating leadership programs. Encourage and develop internship opportunities targeting nascent leaders.
- *Community Resilience* – Provide or coordinate training opportunities to instruct local leaders in methods of building community resilience. Invest in or facilitate local projects that foster community-based initiatives.
- *Diversity* – Engage development models that break down barriers to leadership. Require multicultural and minority representation on boards, working groups, and committees. Seek participation from diverse sources for projects where input and public engagement is necessary.

Projects with Collaborative Resources, Research, and Networking Value

Impact2032: Community-Wide 10-Year Goals

70+ community leaders from all sectors are spearheading a broad effort to establish 10-year common goals in health, education and financial stability under Kennebec County's shared vision. This project will publish a comprehensive set of goals, strategies and objectives in the fall of 2022. *Development Status:* This project used community surveying and listening sessions to develop expert panels for strategic development. Collaboration required for implementation and measurement in the future. Potential to be used in broader economic/community development projects as stakeholder engagement and public goal-setting.

Resiliency

The resiliency paradigm is an important, and no less impactful lens to economic development than the original six drivers and is a key mechanism to building strength and capacity for our region as we rebuild a functioning economy after the Pandemic. A successful recovery process promotes those practices which both minimize the community's risk to all hazards, and strengthens its ability to withstand and recover from future disasters. With a focus on pre-disaster planning and the resilience of the community as a whole, the community's adaptive capacity to recover from all kinds of change is enhanced, whether that risk has been identified or not. Consequently, organizations that integrate resilience thinking or methodologies into their economic development planning processes are better positioned to evaluate the degree of community preparedness to both reduce vulnerability and increase capacity.

Best Practices

- *Promote ongoing learning and analysis of current vulnerabilities, capacities, and the state of the economy.* Economic developers must continually understand their own resilience gap in order to effectively mitigate threats and strengthen response and recovery processes. Equally important is the need to have rich datasets of the organizations and economic variables that compose an economy. This is necessary in order to accurately measure disaster losses, rapidly craft a recovery strategy, and successfully envision a new "normal."
- *Systematically address weaknesses and threats in the local economy.* Communities should use their learning to mitigate vulnerabilities in the economy. This usually involves increasing the diversification of industries, enriching the education, diversity, and flexibility of the workforce, facilitating (or removing barriers to) finance and other enterprise supports, maintaining and upgrading infrastructure, and encouraging entrepreneurship in industries that are necessary in times of disaster. Business planning is similarly critical; businessowners should be encouraged to prepare so that they can adapt to and recover from various hazards. The most successful of these efforts have weathered us through increasingly challenging conditions.
- *Increase capacities of networks or capacities and networks of relevant organizations and agencies.* State and local governments, chambers of commerce, banks and non-profit organizations should all be active participants in promoting economic resilience and managing economic recovery after a disaster. This may include governance and operational planning, economic recovery program planning, technical assistance training and capacity building for staff and personnel resources. Continuity planning is critical, as is networking and the development of reciprocal agreements with other agencies in the region or state to provide economic recovery support when local organizations are unable to do so.
- *Maintain an iterative process that responds to changes.* Resilience is an ongoing awareness of strengths and weaknesses that requires up-to-date knowledge, procedures, and assets. Communities that make static plans, which are shelved away, are generally less resilient than those that proactively update their process and keep abreast of evolving vulnerabilities.

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ENDNOTES

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GOALS AND GUIDEPOSTS

- [1] Which sample from 2010, 2011, 2012, 2013, and 2014 and from 2015, 2016, 2017, 2018, and 2019, respectively.
- [2] US Census, Population Estimates Program 2020 – all municipalities in KVCOG's territory.
- [3] US Census – American Community Survey 5-year Estimates: 2014, 2019 for Kennebec, Somerset, and Waldo Counties.
- [4] US Census – American Community Survey 5-year Estimates: 2014, 2019 for Kennebec, Somerset, and Waldo Counties.
- [5] Maine Department of Labor, Center for Workforce Research and Information for Kennebec, Somerset, and Waldo Counties.
- [6] US Census – American Community Survey 5-year Estimates: 2014, 2019 for Kennebec, Somerset, and Waldo Counties.
- [7] US Census – American Community Survey 5-year Estimates: 2014, 2019 for Kennebec, Somerset, and Waldo Counties.
- [8] US Bureau of Labor Statistics, Quarterly Census of Employment and Wages for Kennebec, Somerset, and Waldo Counties.

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POPULATION GROWTH

- [9] Maine Department of Agriculture, Conservation, and Forestry – Municipal Planning Assistance Program.
- [10] US Census – 2020 Population Estimate Program and 2020 Decennial Census.

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WORKING AGE POPULATION

- [11] US Census – American Community Survey 1-year Estimates: 2019.
- [12] Maine State Economist, Population Projections 2018 – 2038.

LABOR FORCE

- [13] Maine Department of Labor, Center for Workforce Research and Information
- [14] US Census – American Community Survey 5-year Estimates: 2010, 2019.

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EMPLOYERS

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EMPLOYMENT

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