

Secretary Beal proceeded to give the oath of office to Merton Brown, whose appointment was greeted with public applause.

Beal signed the document and Brown pledged to perform his office with due diligence.

The Chair proceeded to the next agenda item.

8. OLD BUSINESS (2nd Reading)

a. Hear an Update on the Strategic Economic Development Action Plan (S.E.D.A.P.)

The Chair announced the item and asked for Town/Staff input. Tibbetts summarized how, in the fall of 2013, the Economic Development Committee (EDC) conducted a community-wide strategic planning process aimed at providing an update to the comprehensive plan concerning economic development. That update came to be known as “SEDAP” – the Strategic Economic Development Action Plan. That report was presented to the Board of Selectmen in September. Staff has taken the work from that report, including the statistical analysis that was conducted for background material, and worked to make it consistent with *Maine’s Comprehensive Plan Review Criteria Rule (Chapter 208)*. It is now ready to go through the process that will result in an amendment to the Comprehensive Plan Update (and amendments) with a new Economic Development Section. Much like the Open Space Plan Addendum, it is intended to exist as a separate document and would replace Section 2 (C), Section 3 (C), and Section 5 (D) of the existing plan. It is now ready to go through Planning Board Review and a public hearing in anticipation of adoption at the June Town Meeting.

Tibbetts turned over discussion to Mat Eddy, Director of Economic Development, who gave a historical summary of the action plan, its new inventory of analyses. He described its goals and objectives as being similar to the comments of the village folks. He stated that more changes will come as the data is updated. The next step at this point is for the Planning Board to go through their review process and present their recommendations; thereafter to present the plan in January, to be submitted to a June referendum vote.

According to Eddy, a lot of jobs were added in the last two years, fueled by the health field and local banks. The strategy sections are shorter; there are more action steps; and the plan is more detailed. He considers it to be a true update and a working plan for the next five years. He proceeded to respond to the Board’s questions, specifically from Selectmen Morin and Searles.

With no public comments, the Chair closed the agenda item discussion.

A motion was made to send to the Planning Board for review/comment for inclusion into the Comprehensive Plan.

MOVED: Cluff

SECONDED: Kotsonis

DISCUSSION: None

MODIFICATIONS: None

VOTE: 6 in favor, 1 absent (Spofford), the motion carried

The Chair proceeded to the next agenda item.

***Strategic Economic Development Action Plan:
Developed for a Kennebunk Comprehensive Plan Update***

Introduction

In the fall of 2013, the Economic Development Committee (EDC) conducted a community wide strategic planning process aimed at providing an update to the comprehensive plan concerning economic development. That update came to be known as “SEDAP”—the Strategic Economic Development Action Plan. The process that was followed is outlined in Attachment 1 of this final report, with all meetings being advertised and open to the public and in some cases, where possible, televised. In addition to the comprehensive plan update, the final set of strategies provided a working blueprint for the EDC to follow over the next five years.

The following mission statement was adopted by the EDC as part of that process:

To guide, assist, and enhance economic development within the community that is synergistic with the goals and actions of the Strategic Economic Development Action Plan (SEDAP) and the Comprehensive Plan.

For purposes of this plan, the Town has defined economic development in Kennebunk as a series of concerted actions to promote a standard of living and quality of life consistent with the desires of Kennebunk citizens. Such actions will include the development of appropriate zoning standards, economic incentives, business attraction and retention efforts, and marketing programs that are sustainable and consistent with town-wide goals. These activities will occur within a broader, community development context.

In its’ role, the EDC will provide oversight to insure that the plan goal and strategies are implemented. EDC will provide advocacy, assistance, and communications about economic development-related matters to three (3) constituencies within the town:

- **to Town Management** – by providing a forum to help in the examination, formulation and implementation of the Town’s economic development policies and programs; participate in public awareness/education efforts to facilitate implementation of policies and programs; and provide help with special projects to assist Town Management
- **to the Board of Selectmen** – by providing objective, independent input and recommendations to the BOS regarding economic development policies and programs being considered by Town management; and provide recommendations regarding the utilization of TIF funds
- **to Town Businesses and the Public** – by providing advocacy to these groups about economic development-related issues and providing liaison to the Town as required; implement educational programs for town businesses; and provide communications support for Town Economic Development related issues and programs

As part of the process, we established an initial set of guiding principles:

- Our primary focus is the creation of quality, skilled jobs focused on the skill sets of our community, in particular, our youth;
- Any economic program shall be consistent with maintaining the quality of life and experience one presently enjoys here in Kennebunk;
- Economic development actions will consider the community's stewardship of its natural resources;
- Any program or action will make use of the community's network of citizen talents and cultural links;
- We will continue to operate a business-friendly delivery system, including the provision of important information about the community and its businesses that will further our mission;
- Every place is special, every place is part of the whole; and
- We have a story to tell—let's be organized and tell it.

Inventory and Analysis

At the start of the planning process, the EDC presented a number of background items to the community: an assessment of wayfinding and messaging, a history of the local economy, and a review of key data related to economic performance. In the following, we will summarize the data assessment.

Labor force and Industry

The largest employers in the community have seen some changes in the last twenty years. While Corning continues to be the largest manufacturer, William Arthur has since closed. Many of the health care industries are new to the area and growing. Plixer represents a new technology company, while Northeast Coatings has grown since this table below was put together.

Employer	Type of Business	Kennebunk Employees
Corning	Medical Lab Equipment Manufacturer	350
RSU 21	School Administrative Unit	350
Kennebunk Savings Bank	Bank & Insurance	150
Town of Kennebunk	Town Government	125
HMS Host	Turnpike Service	100
Home Instead Care Servi	Home Care Services	100
Sunrise Senior Living	Assisted Living Facility	100
RiverRidge Center	Brain Injury Rehab Center	75
Kennebunk Center for He	Assisted Living Facility & Rehabilitation	60
Atria	Assisted Living Facility	50
Goodall Hospital / The M	Health Care	50
Hannaford	Food & Pharmacy	50
Southern Maine Medical	Health Care	50
Downeast Energy	Petroleum Distributor	40
KKW Water District	Water Utility	40
Plixer	Software	30

Kennebunk Savings Bank remains a major employer, and speaks to the importance of the financial industry to the community. Kennebunk is a regional hub for the banking industry, housing all of the major national banks as well as the following Maine based banks, which are shown based on the rank in terms of assets (MaineBiz):

Rank	Maine Based Banks
2	Camden National Bank
5	Norway Savings Bank
7	Gorham Savings Bank
8	Kennebunk Savings Bank
10	Bank of Maine
19	Biddeford Savings Bank
	Maine Credit Unions
2	Infinity FCU
14	Ocean Communities

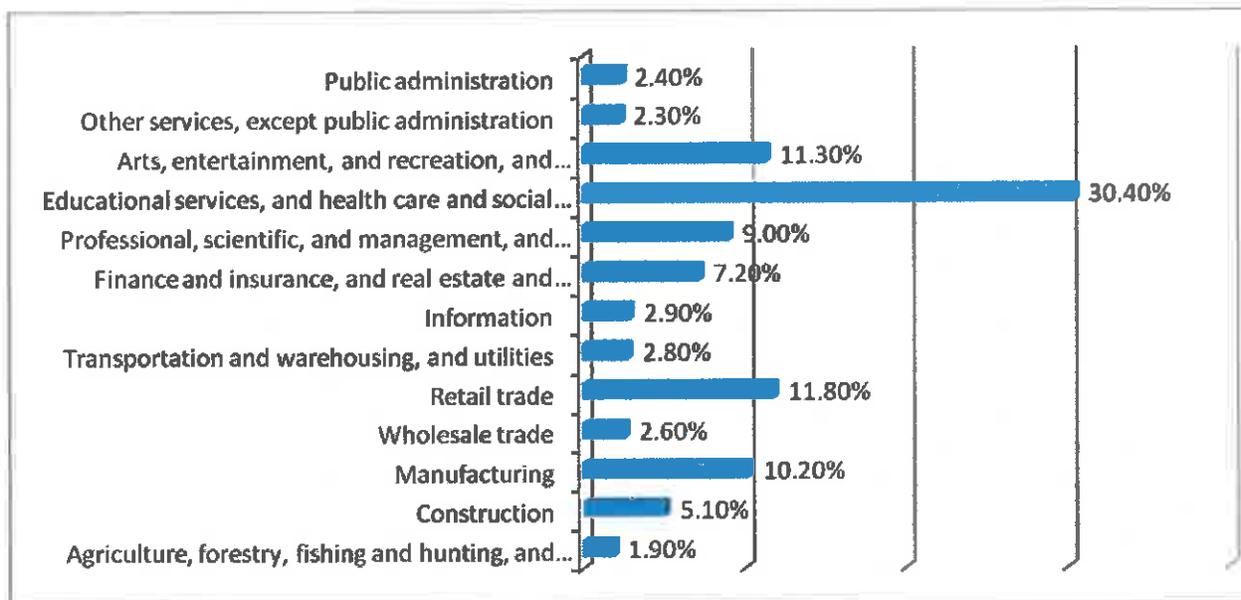
Along with local banks, there is also a cluster of associated financial, real estate, and legal services available to the community. Similarly, because of the population and structural base, there also exists a strong construction and property services industry, one that is growing and expanding with each year. They reflect an important cluster and can be measured in a number of ways. In the following, we tracked the growth in building permits, which despite the recession have held steady or grown over the last ten years:

Fiscal Year	Commercial		Residential		Total	
	Permits	Value	Permits	Value	Permits	Value
2013	193	\$ 3,296,267	311	22791353	504	\$ 26,087,620
2012	237	\$ 46,144,062	402	24674584	639	\$ 70,818,646
2011	152	\$ 3,861,200	412	17592841	564	\$ 21,454,041
2010	182	\$ 4,144,062	419	18330806	601	\$ 22,474,868
2009	180	\$ 8,732,861	435	23625470	615	\$ 32,358,331
2008	119	\$ 6,871,227	483	24229907	602	\$ 31,101,134
2007	135	\$ 10,469,441	511	22899732	646	\$ 33,369,173
2006	66	\$ 1,388,300	461	23410042	527	\$ 24,798,342
2005	34	\$ 1,297,000	615	28981000	649	\$ 30,278,000
2004	31	\$ 3,480,800	557	28319305	588	\$ 31,800,105
2003	32	\$ 1,243,128	537	18306062	569	\$ 19,549,190

With a 2012 aberration, the number of permits applied for have remained stable. While residential permitting declined from the boom construction years of the early part of the decade, the increase in commercial activity offset that decline. The 2012 aberration was related to two important factors. The first was likely pent up demand in the post recession period. The second, and maybe more important factor, was that the increase in commercial investment was related to property improvements along the Route 1 corridor, West Kennebunk, and the Lower Village. Those improvements were spurred by investment made by the community in streets, sidewalks, sewer, drainage and supporting infrastructure. Those improvements were made through the community’s use of TIF funding, Community Development Block Grants, and other agency funds in a concerted and well developed improvement plan. The result was that there

were a number of significant investments, made with both public and private dollars, in properties along this corridor, as well as in the Lower Village and West Kennebunk. Those commercial investments continued in 2013 and while this report was being completed.

In the 2010 Census, there were 5,395 jobs based in Kennebunk. Those jobs were further broken down into the following industry clusters:

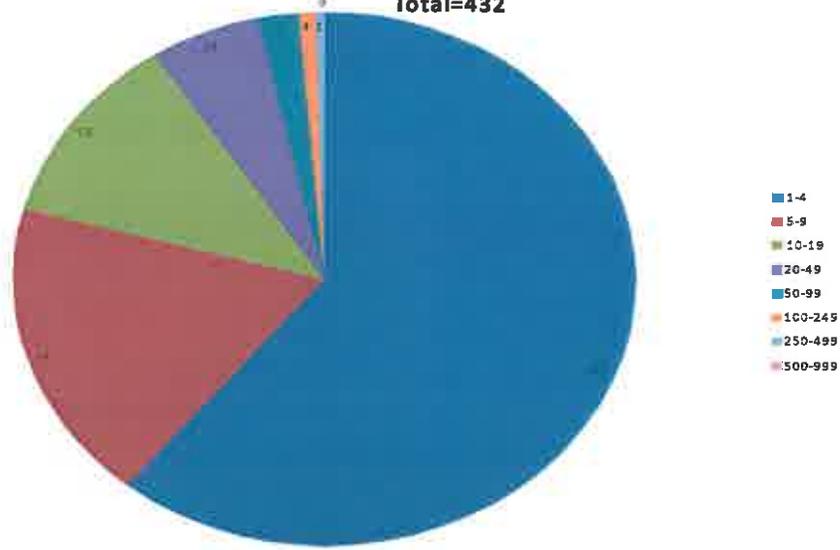


The data suggests clusters in the health and education services, retail trade, manufacturing, hospitality, and professional and financial industries. Retail trade has grown since the 2000 census, where it had declined in the previous period by 10% to only 8.2%. Service industry jobs have continued to grow, led by the health care industry, an important growth center for the future. As noted previously, an existing cluster of importance is the construction, property management industry.

While Plixer represents a new, growing software company, the growth in the information industry in Kennebunk has lagged generally. This industry is important for one reason; it is very attractive to young workers and has the potential to create jobs for Kennebunk graduates. It is an industry to focus on in the future.

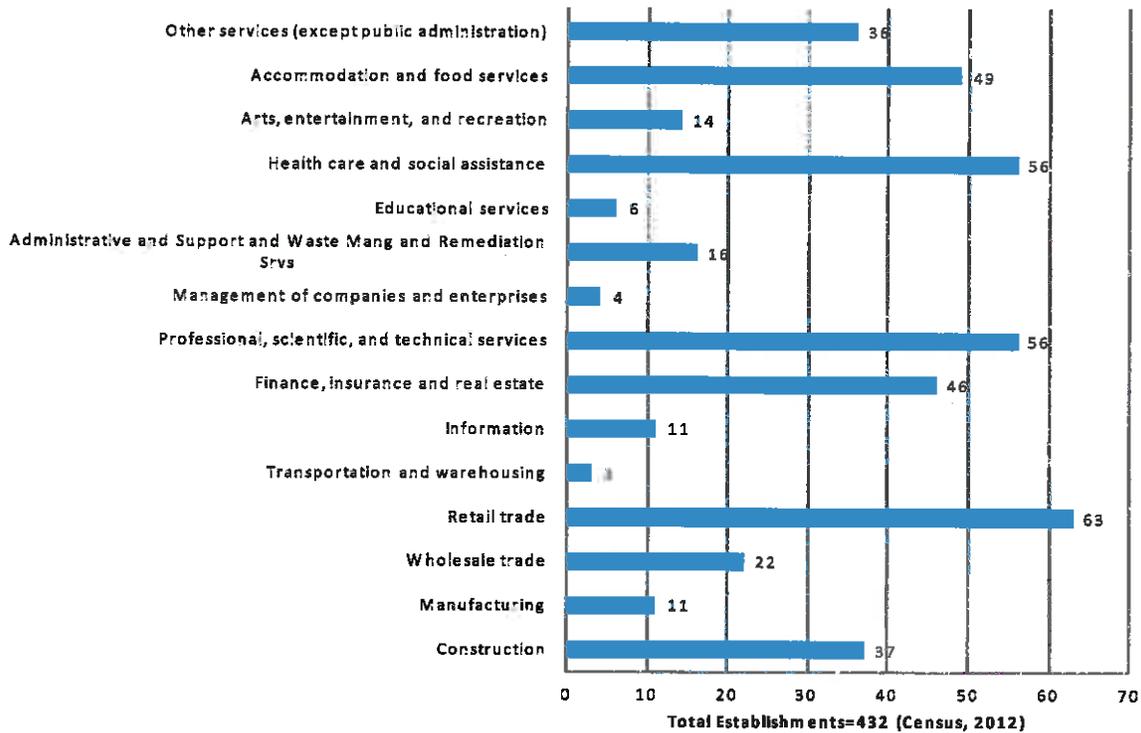
While Kennebunk does house some larger employers, the vast majority of companies in Kennebunk are small (and these do not include home businesses, which are believed to be substantial in the community). Well over half of the businesses had 1-4 employees. It can be argued that smaller businesses are more consistent with the scale of the community, and also create a diversity that is more flexible during difficult economic times. During the recession beginning in the end of the 2000s, Kennebunk remained relatively stable.

Establishments by Number of Employees (US Census, 2012)
Total=432



Because of the number of smaller businesses, we looked at our firms in terms of the industry clusters to better understand their concentration and potential need. There are many small retail businesses plying their trade in Kennebunk. The professional services industry also emerges more clearly, where there are 56 such companies. But again, hospitality, finance and in particular the services/construction industry, and their importance to the local, economy become clearer.

Firms by Industry Clusters



What the above tells us is that Kennebunk has an emergent set of industry clusters that is consistent along company and job type. Training, businesses assistance, available space, and financing are key needs of such small companies, as well as a focused marketing and messaging program to attract similar, like minded companies.

During public discussions, a key component that emerged was the issue of youth flight, where citizens identified both the lack of jobs and affordable housing as key reasons for their children leaving the community. Future efforts, within our identified clusters, will need to focus on attracting these young workers to or back to the community. That effort should include the development of recreation and activities attractive to that generation (for example, the creative economy that is emerging throughout town, but in particular, the Lower Village). There should also be a focus on the creation of affordable, workforce housing. These combinations could result in growth in local technology industry.

Commuting Patterns

Kennebunk is by definition a service center community. People live, work, shop, and receive critical services here. Of the 5,000 plus workers who work here in Kennebunk, one third are from the community. 22% are from a distance, while the remaining workers come from our neighboring communities.

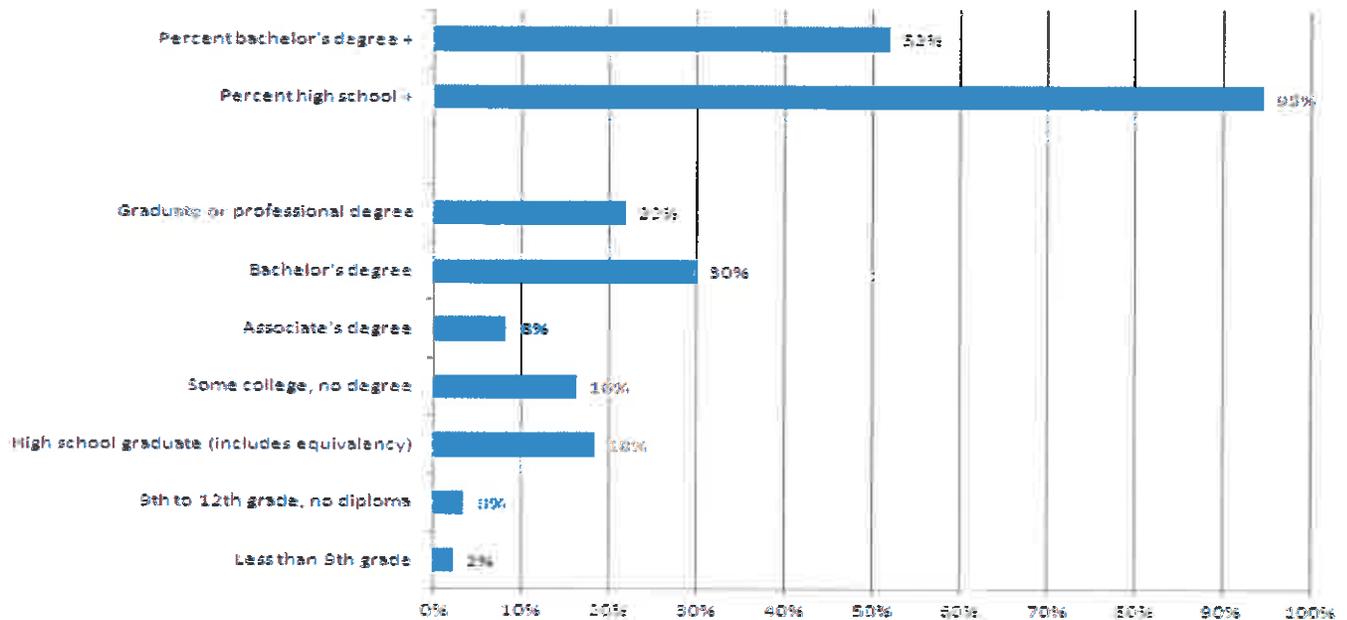
People who work in Kennebunk and live in:	
Kennebunk	32%
Sanford	9%
Arundel	6%
Biddeford	5%
Wells	5%
Waterboro	5%
Lyman	4%
Saco	4%
Kennebunkport	3%
OOB	2%
South Portland	2%
Other	22%

For Kennebunk residents only, this pattern shifts somewhat. Eleven percent of the population commutes to Portland, this likely being the product of the heavy influence of professional and management workers who live in the community (doctors, lawyers, managers). Another 16% commute to our immediate neighbors, while the remaining 40% commute some distance.

People who live in Kennebunk and work in:	
Kennebunk	33%
Portland	11%
Biddeford	7%
Kennebunkport	6%
Sanford	4%
Saco	3%
Wells	3%
Westbrook	2%
Portsmouth	2%
South Portland	2%
Kittery	2%
Other	24%

Educational Attainment

As one would expect, given the industries and job clusters, educational attainment among citizens of Kennebunk is high:



The 52% rate for bachelor’s degree is well above the state average of 27%. The High school graduate rate is equally impressive. The percentage of those with graduate or professional degrees is also consistent with our industry and job clusters.

Income

As you would expect, the industry clusters and educational attainment are reflected in family and household incomes. The median household income for Kennebunk is \$71,757, while the mean is \$93,973. That compares to a state of Maine mean income of \$61,697 and a York county mean of \$68,517. The mean income is likely at this high range because of the clusters of incomes above \$100,000 (29%+). However, one should not discount that 46 percent of the community are at or below median household income.

Household Income	
Less than \$10,000	2.90%
\$10,000 to \$14,999	2.60%
\$15,000 to \$24,999	10.00%
\$25,000 to \$34,999	8.00%
\$35,000 to \$49,999	8.10%
\$50,000 to \$74,999	20.30%
\$75,000 to \$99,999	18.80%
\$100,000 to \$149,999	16.50%
\$150,000 to \$199,999	7.10%
\$200,000 or more	5.80%

Family income tends to run higher. Mean family income in Kennebunk is \$116,751 as compared to Maine, \$73,780 and York County of \$79,790. The group making over \$100,000 makes up 38% of the families, a substantial number. Again, almost 40% live at or below the Maine mean income, suggesting great diversity of incomes in the community.

Family Income	
Less than \$10,000	1.40%
\$10,000 to \$14,999	0.00%
\$15,000 to \$24,999	4.00%
\$25,000 to \$34,999	5.50%
\$35,000 to \$49,999	4.30%
\$50,000 to \$74,999	23.20%
\$75,000 to \$99,999	23.20%
\$100,000 to \$149,999	19.50%
\$150,000 to \$199,999	10.50%
\$200,000 or more	8.30%

Retail Sales

The retail sector is a significant industry cluster for the community. While Building Supply sales decline during the recession (much like everywhere else), many of the other retail groups remained stable. In terms of general consumer sales, there was a slight dip during the recession, but 2012 showed signs of recovery. Restaurant and lodging, during this period, held steady as it was believed that visitors chose shorter trips at less cost, making Kennebunk a very reasonable commute from anywhere in the northeast. The addition of a train stop should assist in that growth, and could also smooth out future economic downturns.

**Retail Sales by Product Group and Consumer Sales
(\$/000)**

	Business/ Operating	Building Supply	Food Store	General Mdse.	Other Retail	Auto/ Trans.	Rest. & Lodging	Group Total	Consumer Sales
2012	6,111	17,752	18,354	3,284	15,349	3,385	44,460	108,694	102,583
2011	5,876	15,991	16,426	3,461	14,921	2,856	42,879	102,409	96,533
2010	5,575	18,267	14,785	2,999	14,604	2,590	40,543	99,363	93,788
2009	4,980	18,844	14,860	2,533	13,262	2,578	38,677	95,733	90,753
2008	4,882	24,255	15,131	3,511	12,589	2,900	38,857	102,124	97,242
2007	4,701	29,658	13,373	3,950	12,495	6,304	38,283	108,764	104,063
2006	4,587	31,441	10,271	3,389	15,509	8,173	36,261	109,630	105,043
2005	4,477	29,818	9,783	3,707	17,479	9,314	34,648	109,226	104,749
2004	4,762	32,079	8,921	3,330	16,775	11,599	33,355	110,821	106,059
2003	5,144	28,687	8,301	3,439	15,745	9,583	32,984	103,881	98,737

SOURCE: State of Maine, Department of Taxation, Sales Tax Section. The State Department of Taxation cautions that the 2003 statistics are correcting for an overstatement in 2002 on a statewide basis.

The real question is if the retail sector were to grow, in what areas should it expand? Using ESRI data and mapping systems from Southern Maine Council of Governments, we were able to contrast population demographics with various retail choices to see where Kennebunk dollars are being spent in and out of town.

Spending Outside Kennebunk="-"	
Industry Group	Factor
Motor Vehicle and Parts Dealer.	-51
Furniture/Home Furnishing	-18.4
Electronic/Appliances	-57.5
Bldg Materials/Garden/Supplie.	-17.2
Food and Beverage	36.2
Health and Personal Care	-9.7
Gasoline	13.5
Clothing	22.9
Sporting Goods, Books, Music	-19.8
General Merchandise	-66.7
Florist/Office/Used Merch/Oth	48.1
Non-Store Retailers	72.8
Food Services/Drinking Places	20.1
Source: ESRI 2012	

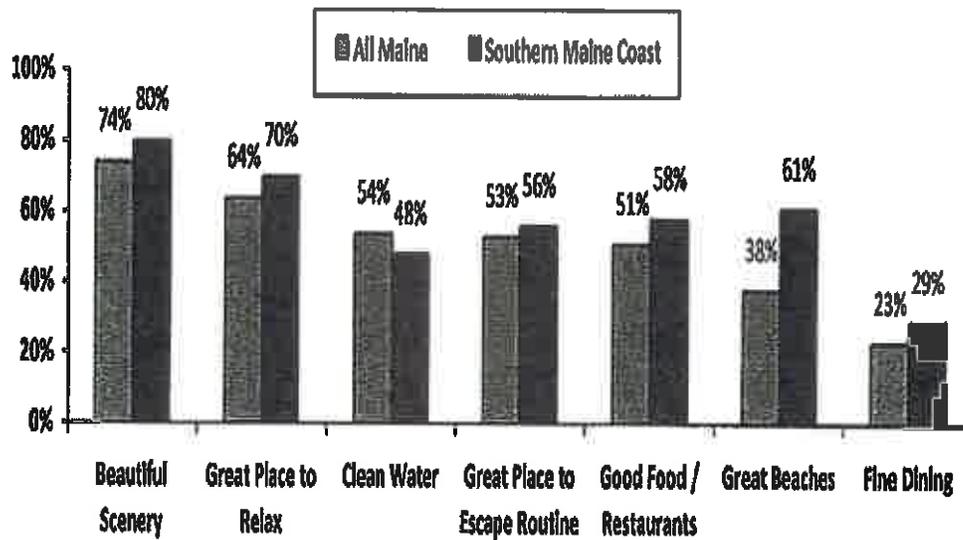
The table above represents the spending habits by those who live within a five mile radius of the downtown. For example, with very few car dealerships, a great deal of money is spent on motor vehicles out of town. Those industry groups with positive factors suggest surplus funding that is above the ability of the population to support. For example, the food and beverage group is well support by visiting tourists and not necessarily by the local population (hence some of the closing that occurs during the winter when visitors drop off-and the need to strengthen).

The major competitors, based on a recent consumer survey, appear to be the Biddeford shopping center, Kittery, and Portsmouth, among others. However there are really strong opportunities that could be gained. General merchandise (e.g. "Dollar Store") may have a market here in Kennebunk. Home furnishing, building supplies and sporting goods all have potential to grow here in Kennebunk. It would also suggest, for example, the food and beverage group, for that industry to grow there must be a combination of population growth and extending our shoulder seasons to attract visitors during those slower periods. A facility like the Waterhouse Center, combined with other winter marketing programs (i.e. Valentines Day) may very well help in that development.

Visitors

One of Kennebunk’s own companies, Digital Resources, is responsible for putting together the Maine tourist visitor data. Using their work we have tried to understand who visits here and why. This data pointed to the proposition that Kennebunk would be an ideal train stop for the Downeaster—a project that is now moving forward. (The tables below were from the Digital Resources 2010 report for the Maine Office of Tourism.)

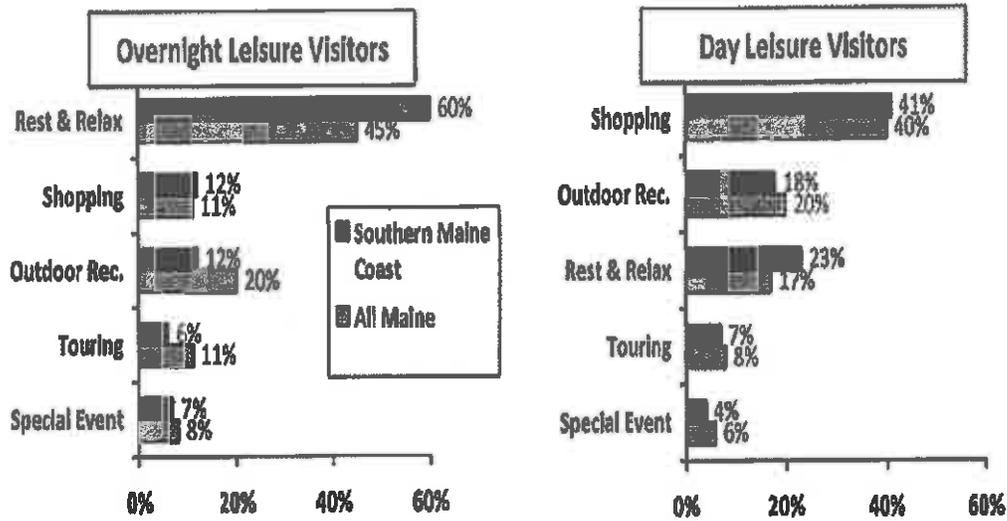
Figure 7: Descriptions of Maine Most Frequently Selected – Overnight Leisure Visitors



Kennebunk lies within the Southern Maine Coast region. In the above, overnight leisure visitors identified the reasons they came to Maine and the southern coast, in particular. Scenery and a great place to relax were primary reasons to come here, but beaches for the southern coast also played an important role. Equally important, and consistent with earlier retail sales discussions, is that this area is very popular for its “foodie” industry—a cluster industry that could grow on both the supply and demand end (local farmers, meat shops as suppliers, restaurants meeting the demand).

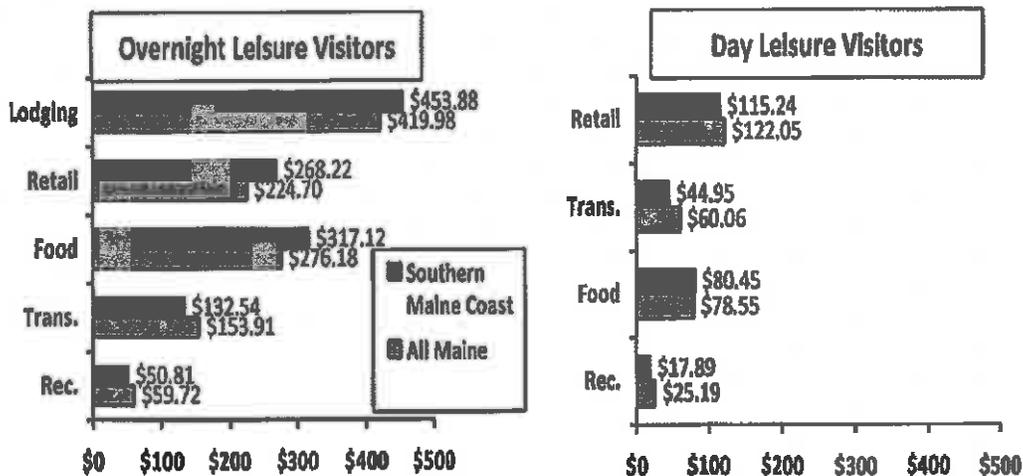
The graphic below speaks more to areas that we may be failing to capitalize on. Overnight visitors are clearly focused on rest and relaxation. However, with day time visitors, their purpose is broader, including shopping, outdoor recreation and then some rest. Compared to the rest of the state, we are not taking advantage of our natural resource base and recreation possibilities. Touring and outdoor recreation, along with the marketing of local events, could all increase reasons for visitors of both types to come here. In this case, we may not be telling our story clearly.

Figure 5: Primary Purpose of Leisure Trip to Maine



The table below explains where overnight and daytime visitors spend their funds. This is generally confined to a weekend period, or for the day visitor, a day trip. The spending habits do differ, in the sense that daytime visitors will spend more of their money on retail and transportation. Obviously, visitors must expend funds on lodging, but their food and retail expenditures are substantially higher. This may suggest that more rooms and extended seasons could result in increased spending in our local businesses. Concurrently, the addition of the train stop may increase the time and expenditures of the daytime visitor, but the trip once they arrive here needs to be more carefully crafted for them to enjoy their visit. In either case, recreation is clearly an area for growth and development.

Figure 6: Leisure Trip Expenditures



Housing and Income Implications

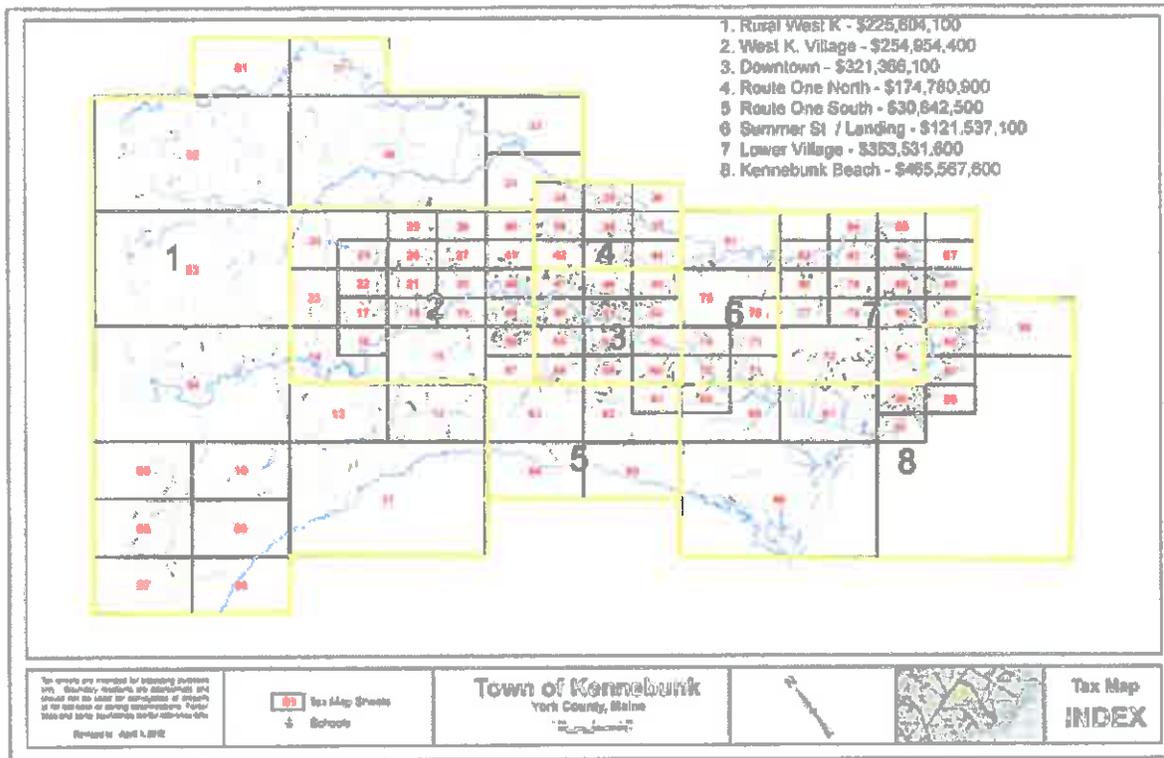
In the income discussion we identified the strength of the upper income community, both in terms of their ability to fuel other industry sectors (e.g. property management, health care) but also in terms of their job mobility, education, and willingness to travel for longer commutes.

What we also identified, through public meetings and demographic assessments, is the need to develop industry clusters that appeal to younger adults and families. While this is a noble effort, it cannot be met without an equal focus on housing development. Of our almost 6,000 housing units (not including hospitality units), almost 16% are seasonal (compared to 2.1% for York County) with very few rental units available. With area vacancy rates during the census at less than 2%, it is very difficult for young adults or families to find housing. This may, in turn, make it difficult for companies to attract workers here to Kennebunk, or that those jobs will be filled by those forced to commute some distance (as our existing employment base would suggest). On a regional basis, that may work, where housing options on a regional basis are more plentiful. However, that does not speak to the difficulty Kennebunk youth are having when they are looking for local employment or housing. While a native having an experience away from the community or the state may bring value back to the community at some point, they will still need a job and home to come back to.

Property Values

Kennebunk is unique in many ways. It's diversity in people, in income, and in existing housing is enviable in contrast to other communities. This diversity does create an issue in terms of supply and demand, but one underlying outcome is very strong property values. **And these property values are very strongly related to our natural resource base and the experience residents and visitors have come to expect.** The sense of the community was that we want to work towards a balanced, service center community that is rich in natural resources (that need maintenance), but also a good place to visit.

To achieve that result, our property values will need to be maintained and increased "to create this continued sense of place". The following map depicts where the centers of values are and should direct us in how we are to maintain those values (for example, water quality on the beaches, necessary services, land use management, infrastructure maintenance, appropriate development of specific industry clusters).



This map also points to the importance of the beach to the local economy. This is true both in terms of their relative share of property values paid and in terms of the service industry and retail jobs they create.

Goals, Strategies, and Action Items

After presenting the above data, staff and the Economic Development Committee worked during a six-month process in late 2013 to create a series of goal statements to provide the community with direction as it relates to economic development. After a series of meetings in which the strengths and weaknesses of Kennebunk were inventoried, and where citizens were encouraged to share ideas and help the community set priorities, the EDC then constructed this Strategic Plan to be inserted into the town's Comprehensive Plan as an update. The Plan is generally presented in the following format:

1. **Goals Statements:** guidance, designed to organize our vision statement around specific measurable areas of direction

- a. **Strategies:** specific targeted statements designed to achieve each of the 7 goals of this plan.

Action items: specific areas of focus or actions, including:

- o Who (Responsibility)
- o When (Timelines, Years 1-5)
- o Priority (High, Medium, Low)
- o Cost (General Cost Assessments)

2. **Benchmarks:** measures established to describe the success or failure of our business development activities

3. **Abbreviations:** ED=Economic Dev. CD=Community Dev. EDC=Economic Dev. Comm. KDC=Kenn. Development Corp. RSU=Regional School Unit; Utility Districts: KLPD (Kenn. Light & Power Dist.), KSD (Kenn. Sewer Dist.), KKWWD (Kenn. Kport & Wells Water Dist.)

GOALS AND STRATEGIES

Goal: Development of Industry Clusters-*This plan recognizes the need to create quality jobs focused on, but not limited to, the following industry clusters: Tourism, the Creative Economy, Health Care, Retail, Financial, Manufacturing, Construction, Energy, and Home Businesses.*

Tourism: Continue to grow and expand the tourism industry, linking it to the quality of life experienced and enjoyed by those who live here year-round and guided by the following components:

- Incorporate trails, parks and the beach into an eco-tourism program.
 - o Who ED staff, Conservation Commission, GIS reps.
 - o When 1
 - o Priority H
 - o Cost \$20,000

- Link the developments of the food, arts industry and non-profit cultural industry into a tourism attraction strategy.
 - Who ED staff, EDC
 - When 2
 - Priority M
 - Cost \$0

- Learn to piggy back on some of our best partners and marketers who have proven to be successful in their industry area.
 - Who ED staff, EDC
 - When 1
 - Priority M
 - Cost \$0

Creative Economy: Establish a development program that creates affordable space, provides incentives, and enhances lifestyle improvements to support professionals in the technology, arts, engineering, and other creative economy sectors.

- Inventory and understand the level and types of creative talent in the community and develop a focused attraction strategy for specific technical and professional sectors.
 - Who ED staff, EDC
 - When 1
 - Priority H
 - Cost \$0

- Ensure and market recreation activities available in the region (e.g. surfing, trails, biking, nearby skiing, etc.) as part of a creative economic attraction.
 - Who ED staff, EDC
 - When 2
 - Priority M
 - Cost \$0

- Coordinate the efforts of artists and restaurants to create year-round activities.
 - Who ED staff
 - When 3
 - Priority M
 - Cost \$0

- Examine ways to create affordable working and residential space.
 - Who KDC, EDC
 - When 2
 - Priority M
 - Cost \$0

- Establish a program that links youth, schools, and new companies to the creative economy.
 - Who EDC,-RSU
 - When 1
 - Priority H
 - Cost \$0, with grants and support

Health Care: Implement an aggressive and supportive development strategy for expanding the health care industry in Kennebunk.

- Define the industry and services, who is here now, where their interests are, and how they want to expand.
 - Who ED staff
 - When 2
 - Priority M
 - Cost \$0
- Continue to develop appropriate housing to support the industry.
 - Who EDC
 - When 2
 - Priority M
 - Cost \$0

Retail Industry: Continue to expand retail offerings, particularly as it relates to local needs that may also have tourist implications.

- Survey and identify the needs and desires of local citizens and businesses and relate to a general marketing strategy.
 - Who ED staff
 - When 3
 - Priority M
 - Cost \$20,000, in-house, or via college students—make contact
- Continue the build-out of Route 1 North, limiting vacancies and focus on the three area clusters: health, financial, and retail.
 - Who CD staff
 - When 1
 - Priority L
 - Cost \$0, property owners
- Focus implementation on locally owned retail development.
 - Who ED staff
 - When 3
 - Priority M
 - Cost \$0

Financial Industry: Recognize and coordinate the story around the financial industry in Kennebunk and what it means to various aspects of economic and community development.

- Bring together the industry in a strategy session that focuses on Kennebunk being a regional center.
 - Who KDC
 - When 1
 - Priority H
 - Cost \$0

- Identify supply-side industries that could more easily serve this sector if located here.
 - Who EDC
 - When 2
 - Priority M
 - Cost \$0

- Connect the industry to the schools and training programs.
 - Who EDC
 - When 1
 - Priority H
 - Cost \$0

Manufacturing: Manufacturing is a core employment area for the community and should be strengthened through expansion, retention, attraction, and training.

- Further coordinate the existing industries in composites, plastics, metals fabrication, and closed molding to understand the supply and demand-side industries that might locate here in Kennebunk.
 - Who EDC
 - When 3
 - Priority M
 - Cost \$0

Alternative Industries: Using our existing cluster base, work to identify other clusters that would fit our existing model and help them grow here in Kennebunk.

- Fully understand all supply chain and networking opportunities.
 - Who ED staff, EDC
 - When 2
 - Priority M
 - Cost \$0

Goal: Business Attraction and Retention-*Using identified industry clusters, develop a program to assist in expanding existing businesses or inviting new businesses to the community that are synergistic with other development goals.*

Business Assistance Programs: Continue the Business-Friendly program that either links or contributes resources to the needs of new and existing companies focused on the following:

- Revolving loan program
- Linkages to assistance programs
- Local professional development programs
- Linkages to critical agencies
- Linkages to local review process and assistance
- Expand upon informal merchant support groups throughout the community
 - Who ED staff
 - When 1
 - Priority H
 - Cost \$0, but loans and grants are a part of the strategy

Utility Cost and Fees: Work on a strategy that controls the increase of utility costs and fees to new or expanded development, particularly as it relates to changes at KLPD and the KSD.

- Inventory and project cost implications for each utility and look for cost offsets where necessary.
 - Who EDC
 - When 1
 - Priority H
 - Cost \$0, need to understand all alternatives

Affordable Housing: Insure that there is a variety of workforce housing across all income levels.

- Inventory and project supply and demand and work proactively with developers to meet the needs.
 - Who ED staff, EDC
 - When 1
 - Priority H
 - Cost \$0

Space: Work the assets that already exist in Kennebunk to maximize their use as we grow new and existing businesses.

- Update current inventory of available space, by type of asset, cost, and potential for redevelopment or expansion and implement a development plan.
 - Who ED staff
 - When Ongoing
 - Priority M
 - Cost \$0, GIS system useful

- While maximizing existing space, identify future property for business park development.
 - Who EDC
 - When 3
 - Priority H
 - Cost \$0, GIS useful

- Inventory and identify developer interests to be able to make appropriate introductions and market where necessary.
 - Who EDC, KDC
 - When Ongoing
 - Priority M
 - Cost \$0

Schools: Develop a relationship with the school system that maximizes skill sets to meet local and regional business needs.

- Align skills training with needs and desires of students, needs of businesses and align where appropriate.
 - Who EDC
 - When 1
 - Priority H
 - Cost \$0

Goal: Natural Resources-Clearly identify and celebrate the natural resources of Kennebunk and link them to economic development strategies.

Conservation Policy: Utilize conservation policy as a positive, quality of life story and incorporate into the community's marketing program.

- Describe/inventory important natural resources and tell the story.
 - Who Conservation Commission, CD staff
 - When 3
 - Priority M
 - Cost \$0, GIS system helpful

Beaches: Maintain the quality of the beaches, including water quality, access, recreational options, linking its story with a basic marketing plan.

- Continue to participate in Maine Healthy Beaches program, improving water quality management throughout the community (as well as our regional neighbors) and tell the story.
 - Who Conservation Commission
 - When Ongoing
 - Priority H
 - Cost Annual testing fees

Rivers and Fisheries: Understand the diversity of species available in our system, work to protect and develop them, and incorporate that into an eco-tourism program.

- Mousam River
 - Work with the Dam relicensing process (KLPD) and the KSD expansion/update, over the next five years, to best understand the opportunities for the fisheries, the river system, and adjacent business development. Focus on the most cost-effective improvements that add to the community's development capacity 20 years into the future.
 - Who EDC, KLPD, KSD, Board of Selectmen
 - When 3
 - Priority H
 - Cost Unknown; full analysis of all options needed
- Kennebunk River (Ward Brook)
 - Continue to develop the harbor, understanding its existing operation and future potential.
 - Who EDC, Kport
 - When 3
 - Priority H
 - Cost Unknown

- **Branch Brook**
 - Understand any development activity as it impacts the Branch Brook water supply system.
 - Who ED staff; KKWWD
 - When 2
 - Priority M
 - Cost \$0

Conservation, Recreation, and Trails Systems: Develop a single coordinated map and marketing program about the value of conservation, recreation and trail systems to the community.

- **Inventory all resources, create a single map and incorporate into the marketing program.**
 - Who Planning, Conservation Commission, Assessing, Recreation
 - When 1
 - Priority M
 - Cost \$0, GIS system

- **Develop and implement a community-wide wetland mitigation program.**
 - Who CD staff, Conservation Commission, EDC, KKWWD
 - When 2
 - Priority H
 - Cost Surveys, Assessment of in house info

- **Finish the Eastern Trail and all possible connections; formalize connections with Eastern Trail, the bridle path, beach, and all other systems.**
 - Who Planning, Conservation Commission, Chamber of Commerce, all other non-profits who need to be at table
 - When 2
 - Priority H
 - Cost DOT funds

Goal: Kennebunk's Location-*Take advantage of Kennebunk's location along major access routes, nearby to major natural resources (the ocean and the mountains), and within modern commuting distance of major urban areas.*

Central Access to Turnpike: Take advantage of our location and central access to the turnpike.

- Expand Kennebunk's presence at the Turnpike rest area
- Ensure that all marketing materials include connection to the highway
- Monitor and make improvements to the connecting system when necessary
- Make similar connections to area airports
 - Who Events staff, CD staff, Chamber of Commerce
 - When 1
 - Priority H
 - Cost \$50,000

Highlight Access to Urban Markets: Take advantage in our marketing of our location within several urban markets.

- Identify key industry clusters to target in the Boston, Portland, and Southern New Hampshire markets and implement the marketing program.
 - Who CD staff
 - When Ongoing
 - Priority L
 - Cost Unknown, Website updates in-house

- Utilize the citizen network to reach out to businesses one to one.
 - Who EDC
 - When Ongoing
 - Priority H
 - Cost \$0

Connectivity and Wayfinding: A key aspect of year-round quality of life is establishing the connectivity of all pedestrian and bikeway systems. Gateways: Improve and maintain our gateway impressions. Inventory and identify improvements, coordinate those improvements with the wayfinding and branding program.

- In coordination with all improvements necessary to complete system, develop a way finding system consistent with branding efforts that will help guide individuals to the various systems.
 - Who EDC, CD staff, Public Works, DOT
 - When 1
 - Priority H
 - Cost \$50,000 (for sign improvements—must follow branding exercise)

- **Expand business opportunities related to biking and ecotourism and coordinate with the marketing program.**
 - **Who** CD staff, Chamber of Commerce, Kport
 - **When** 3
 - **Priority** M
 - **Cost** Unknown

Technology: Understand the existing technology backbone in the municipality, making improvements where necessary.

- **Inventory providers and capacity, negotiate improvements where necessary and include in marketing program.**
 - **Who** IT (Information Technology) staff
 - **When** Ongoing
 - **Priority** H
 - **Cost** Unknown

Amtrak Downeaster Train: Formalize stop in Kennebunk with the Downeaster system.

- **Work to establish a seasonal stop in 2015, participate in their studies, and then work to make formal connections to the municipal wayfinding system, associated businesses (bikes, mopeds, etc.) and incorporate into the marketing program.**
 - **Who** Town Manager's office, Board of Selectmen
 - **When** 2
 - **Priority** H
 - **Cost** \$200,000 (Capital improvements)

Goal: Sense of Community-Kennebunk must continue to celebrate the diversity, passion, and commitment of its people to each other and to the built environment around them, attracting industry and businesses that are consistent with our sense of place.

People: Kennebunk is blessed with a wide variety of extremely talented and connected individuals which bring value-added propositions to each and every conversation; we must learn how to consistently use this strength. (This is a repeat but important to keep here.)

- Understand the network (year-round and seasonal), skill set, and diversity and coordinate communication.
 - Who EDC, KDC
 - When Ongoing
 - Priority H
 - Cost \$0

Events: Build on the success of community events and places designed to serve our citizens as an attraction to visitors and those interested in locating here in Kennebunk.

- Coordinate efforts, maintain quality events and include in marketing efforts.
 - Who CD staff, Chamber of Commerce, Town Manager's office
 - When Ongoing
 - Priority H
 - Cost Annual budget

Community Scale: The scale and physical quality of the community and infrastructure is what attracts people to live and work here; this must be maintained and improved. Geographic areas are treated here separately, but it brings a unique user quality that can be capitalized upon. However, each must be viewed as a part of the greater whole.

- Route 1 South
 - Streetscape planning, extension of downtown work
 - Organizing around home furnishing retail
 - Design concept related to theme and appearance shall be developed with businesses in the area, as they seek to be a destination place.
 - Who CD department, Public works, Ed staff
 - When Ongoing
 - Priority H
 - Cost Annual budget

- **Route 1 North**
 - Medical and health services industry coordination
 - Connections, transitions along the street and access ways
 - Redevelopment of some properties or shining the gem that is an attractive, small scale retail center!
 - Who CD staff, So. Maine HealthCare transition staff, developers
 - When 1
 - Priority H
 - Cost \$0, some physical improvements likely

- **Downtown**
 - Work on build out scenarios consistent with trends, identifying key structures
 - Further housing development
 - Redevelopment of west side of bridge, consistent with streetscape efforts
 - Changing habits
 - Fresh look at the Lafayette Center
 - Short and long-term parking solutions
 - Event center development continues with the development of the Pavilion
 - Who Downtown Committee, ED staff, CD staff, Events staff
 - When 3
 - Priority M
 - Cost Unknown, credit enhancements could be a tool

- **Lower Village**
 - Parking, particularly bus tours
 - Extending streetscape work to upper, lower village
 - Coordinating uses and activities
 - Arts focus
 - Creative economy support system
 - Understand and maintain the working harbor
 - Build relationships with Kennebunkport
 - Who Lower Village Committee, CD staff, ED staff
 - When 3
 - Priority M
 - Cost \$0

- West Kennebunk
 - Alfred Road improvements
 - Linkages, particularly Eastern Trail
 - Small scale support businesses (bike shop, hostel)
 - Lighting
 - Links across the Mousam River, back to Town
 - Marketing messages
 - Who CD staff
 - When Ongoing
 - Priority H
 - Cost \$0

- Design Standards
 - Implement standards in a way that is business-friendly and maintain our niche as a full service community
 - Who Site Plan Review Board, CD staff, EDC
 - When 1
 - Priority M
 - Cost \$0

Youth: Implement strategies that would diminish youth flight, or at least provide a job base for youth to return to.

- Expand the Swift Educational Center program (at RSU 21) to all ages, create a marketing profile attractive to youth workers and companies (creative economy in some cases), and strengthen the connection between the business community and the school system.
 - Who Passamaquoddy Tribe, RSU
 - When 3
 - Priority M
 - Cost \$0, private

Goal: Kennebunk's Identity-*To create a consistent economic message about who and what we are, while recognizing the individual strengths, talents and diversity of the community, remembering we are all part of the whole.*

Marketing Plan: Create a marketing plan that respects individual directions while telling a unified story about the community, its families and its role as a service center community (attractive to tourists).

- Developing this plan should include establishing the audience(s), developing the message and a brand, establishing targets for implementation, creating appropriate protocols and communication partners, and establishing a stream of funding.
 - Who ED staff, EDC, all committees
 - When 1
 - Priority H
 - Cost \$0—all local, find the talent/resources

Community Outreach: Recognize that our neighbors are important to us from a development strategy, with the need for good working relationships.

- Kennebunkport: recognize the importance of Kennebunkport to Kennebunk's development strategy, Kennebunkport's role as a tourist-only focus, and seek to cooperate.
 - Create formal channels of communication, including the role of the Chamber of Commerce, establish areas of common interest (Christmas Prelude, trail systems) and provide a focus for shared marketing.
 - Who ED staff, Events staff, Chamber of Commerce
 - When 4
 - Priority L
 - Cost \$0
- Arundel: Recognize Arundel as an area for future residential and commercial development and seek to cooperate.
 - Create formal channels of communication, including the role of the Chamber of Commerce, establish areas of common interest (e.g. Route 1 corridor, Eastern Trail) and provide a focus for shared marketing.
 - Who Town Managers, EDC
 - When 3
 - Priority L
 - Cost \$0

Goal: The Provision of Key Infrastructure and Town Services-*To maintain and develop the necessary service and infrastructure to serve a diverse and growing economy (the following are organized into specific action steps).*

- **Trolley System.** Create a trolley or bus system that is year-round and connect with the future development of the Train station.
 - Who Town Manager, York County Community Action Program, Chamber of Commerce
 - When 4
 - Priority L
 - Cost Unknown, extending it the full season, DOT

 - **Kennebunk Light and Power District.** Work to understand the implications of dam removal and various power take-off agreements as KLPD works through the relicensing process, with particular attention spent on the future of the Mousam River; ensure that any data analysis of the river be coordinated with the KSD.
- AND**
- **Kennebunk Sewer District.** Coordinate all business development strategies, including future growth with the upgrade and replacement of the existing treatment plant and ensure that there is adequate capacity for the next twenty years; ensure that any data analysis of the river be coordinated with KLP
 - Who Town Manager, Board of Selectmen, EDC
 - When 1-2
 - Priority H
 - Cost Unknown

 - **Kennebunk, Kennebunkport & Wells Water District.** Coordinate KKWWD replacement and capacity needs with the protection of water supply systems with business development strategies
 - Who EDC, KKWWD
 - When 5
 - Priority L
 - Cost Unknown

 - **Recreation Facilities.** Coordinate marketing efforts about the community with the ongoing efforts of the Recreation Committee.
 - Who Events staff, Recreation, Chamber of Commerce
 - When Ongoing
 - Priority M
 - Cost \$15,000, annual

- **Parking.** Conduct and maintain an analysis of parking in the downtown and Lower Village that considers growth projections, supply and demand, and proximity to demand.
 - Who CD staff
 - When Update, GIS system
 - Priority L
 - Cost \$0

- **Working Harbor.** Develop an understanding of the working harbor, its growth and potential and incorporate that assessment into the community's development strategy.
 - Who ED staff, Harbormaster
 - When 3
 - Priority L
 - Cost \$0

- **Community Event/Areas.** Incorporate and maintain community events as part of the brand and marketing efforts for the community.
 - Who Events staff
 - When Ongoing
 - Priority H
 - Cost \$20,000 per annum

BENCHMARKS

Annually, the EDC will provide a report to the Board of Selectmen, as part of the community's annual economic development report. The report will describe how the community has done in implementing the SEDAP. As part of that report, the EDC has selected the following benchmarks to track, as we seek to understand just how we are doing as a community. Staff will monitor these benchmarks and make them available to the EDC, prior to the report being presented to the Board of Selectmen.

1. Maintain an annual average commercial permits=126
2. Maintain a ROI of \$20,000 per job created
3. Maintain a ROI of \$10,000 of new value for every \$1,000 invested
4. Maintain an annual average commercial value increase of \$5 million
5. Maintain family income at \$90,000
6. Increase residents with bachelors degree to 55%
7. Increase total retail sales by 5% per year
8. Increase retail growth by 10% in the following areas:
 - a. General Merchandise
 - b. Home and Personal Care
 - c. Building Materials
9. Expand shoulder season visitors by 10%
10. Maintain the present tax rate
11. Do not let commercial vacancy rates exceed 10%
12. Maintain safe water quality on the beach
13. Establish a year-round farmers' market
14. Provide housing that matches house price with median income or low, medium and high categories (establish affordability index)
15. Extend tourist season:
 - a. ↑ beds available in offseason
 - b. ↑boat and kayak launch areas

Attachment 1

Members of the Kennebunk Community

Please Come!

Help Create a vision for the Economic Future of Kennebunk

Who: any citizen or committee member with an interest in Kennebunk's future

What: Session 1- A Strategic Economic Development Action Plan for Kennebunk

When: September 12, 6:30

Kennebunk Town Hall

Why Come:

Be a part of a dynamic process that will produce a strategic Action Plan for Economic Development in the community

As a participant, you can help us guide our future as a community while also coordinating activities across each of the village areas.

Work on a very local level, within the village or area you work or reside, or participate in the town wide sessions to help us develop strategies for our future

Work together with neighbors, businesses and friends to set a vision, both small and large, that will guide the community over the next 1-5 10 years

Session 1 Agenda:

Introduction to the process and purpose

Historical Context-the growth of our Village

Economic Demographics-today's trends

Comprehensive Plan and Recent Activities-past guidance and plans

Facilitated Exercises

Watch for further information on Kennebunk Public Access TV or on the Website:

For further information: Contact Mathew Eddy; Phone: 604-1366;

Meddy@kennebunkmaine.us

Tentative Outline: Kennebunk Economic Strategic Plan Program

Phase 1: An Introduction to the Strategic Planning Process.

Purpose: To place economic development in Kennebunk areas within a historical and planning context.

Presentation:

- Introduction to the process and purpose
- Historical context
- Economic Demographics
- Comprehensive Plan
- Recent Activities

Exercises: (1) Wayfinding (2) Question: From a day to day needs perspective, what part of the community do you identify with and why?

Phase 2: An Economic Development SWOT analysis for the community, one each conducted in West Kennebunk, the Downtown, and the Lower village.

Purpose: To understand the Strengths, Weaknesses, Opportunities, and Threats to economic development in Kennebunk.

Report Out: Summary from Session 1

Exercise: Economic SWOT Assessment for the community with sessions in West K., the Downtown, the Lower Village, with Staff/Division Directors, and with the Manager/Selectmen

Phase 3: Community Session-Emergent Themes and Actions for Economic Development

Purpose: From previous material, present and develop a series of themes and actions that will lead to a strategic plan

Report Out: Summary of SWOT analysis

Exercise(s): (1) Expand on base themes and actions (2) Initial priority session

Phase 4: Meetings with the three core areas on developing details around themes and goals

Purpose: Area Sessions focused on developing goals and action step details for each area, with a focus on town wide implementation.

Report Out: Summary of Initial themes, actions and priorities

Exercise: identification of goals, strategies, and actions, with priority setting

Phase 5: Presentation of Initial Strategic Plan for community reaction, input, and further refinement

Purpose: Develop material, for review and comment, for the Strategic Plan for Community Input

Report Out: Staff will take previous session and organize a first draft that identifies goals, strategies, and actions by initial cost, responsibility, and suggested timeline.

Exercise(s): (1) Community reaction to report out, modification (2) Priority setting revisited

Final Phase: Final Plan Presentation to the Kennebunk Community

Purpose: Share final plan with the community

Report Out: Review Strategic Plan by goals, strategies, actions, time line, cost and responsibility

Exercise: (1) Presentation and Celebration of Work (2) Adoption by Selectmen

Strategic Plan-Tentative Schedule			
	Meeting Date	Report Date	Place
<i>Preliminary Meetings</i>			
Board of Selectmen	9-Jul -		town hall
KEDC-process review			town hall
Downtown committee	1-Aug -		town hall
L. village	9-Sep -		hose co.
West K. village	3-Sep		stevens
Phase 1: An introduction to the Strategic Planning Process.	12-Sep	17-Sep	town hall
KEDC-strat plan update	12-Sep		town hall
<i>Phase 2: An Economic Development SWOT analysis.</i>			
downtown	9/17-6:30	1-Oct	town hall
L. village	9/16-6:30	1-Oct	hose co.
West K. village	9/18-6:30	1-Oct	Stevens
Route 1 north	9/23-6:30	1-Oct	TBD
Board of Selectmen/manager	9/24-6:30	1-Oct	town hall
Staff	9/17-12:00	1-Oct	town hall
<i>Phase 3: Community Session-Emergent Themes</i>			
KEDC-update	10/3-6:30	4-Oct	town hall
		10-Oct	town hall
<i>Phase 4: Meetings with the three core areas themes and goals</i>			
downtown	10/10-8:00a		town hall
L. village	10/7-8:00a		hose co.
West K. village	10/10-6:30		stevens
Route 1 north	10/9-6:30		TBD
Staff	10/15-12:00	21-Oct	town hall
KEDC-Initial draft discussions		17-Oct	town hall
<i>Phase 5: Presentation of Initial Strategic Plan</i>			
Tentative follow-up date	10/24-6:30	30-Oct	town hall
	11/6-6:30	13-Nov	town hall
KEDC Draft Review	21-Nov	26-Nov	town hall
<i>Final Phase: Final Presentation to the Kennebunk Community</i>			
Presentation to Board of Selectmen/KEDC/Celebration	9-Dec		town hall
	10-Dec		town hall

Draft 1: 11/19/2014

Attachment: SWOT Analysis Summary