



**ECONOMIC
DEVELOPMENT
ISSUES, ASSETS and
SEIZING
OPPORTUNITIES**



PREPARED FOR:

TOWN OF
Arundel
MAINE

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BUILDING A FOUNDATION FOR THE FUTURE

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INTRODUCTION

The following is a synopsis of Arundel’s significant issues and weaknesses, its primary strengths and assets, and definable opportunities.

In addition, expansion of non-residential activity associated with the defined opportunities will not happen without local action. There are reasonable steps that Arundel can take which will result in non-residential growth. Therefore, also included is synopsis of actions that will either mitigate weaknesses or strengthen its assets. Consideration was given to available resources and those that could be developed in a reasonable time frame.

This document represents a composite derived from a citizen input process that included a survey of more than 300 resident households, interviews with numerous residents and business interests, small focus group sessions, analyses conducted and the professional experience and suggestions of The Chesapeake Group, Inc.

This is one of several documents provided to the Town of Arundel and its economic Development Committee by The Chesapeake Group. The presented issues, weakness and strengths do not necessarily reflect the opinion of the Town of Arundel. The defined opportunities reflect those defined in the associated technical document and related analyses conducted by The Chesapeake Group, Inc.

It is important to consider that perceptions are reality to those who hold them, irrespective of whether or not they are based on fact. It is also important to recognize that success with economic development involves “political will,” mitigation of negatives to the extent possible, and capitalizing upon assets.

SIGNIFICANT ISSUES & WEAKNESSES IMPACTING ECONOMIC DEVELOPMENT

The following are significant issues and weaknesses identified through the process.

1. Limited local labor and public sector resources

Whether dealing with manpower and labor, local government capacity, and local public sector fiscal resources; Arundel has a relatively small population and tax base. It does not have the internal capacity to support the cost of major “public” utility, transportation enhancement or other efforts whose return is either less likely to exceed costs or the return is stretched over so many years that it becomes infeasible.

2. Limited tourism

Arundel does not have a significant presence in the tourism market at present. With tourism as one of if not the major driving force in Maine’s and York County’s economy, the lack of involvement has a significant economic and other impacts. For potential entities, activities, and resources associated with tourist attractions in Arundel, their geographic dispersal and lack of synergy contribute to the lack of impact.

3. Lack of “public” services/utilities

Much of the land in Arundel is without current access to public sewer; water; and affordable, cheaper, and abundant forms of energy, such as natural gas. In most cases, the cost of tapping into those resources or developing them further is prohibitive given the rural and low density of development associated with the residential and non-residential components of the community. There are also no major “end users.” On the other hand, such utilities are not necessary to tap many of the identified opportunities.

4. Aquifer

The aquifer that is found under Arundel is infiltrated with salt water, either limiting the traditional uses for aquifers or creating mitigation costs necessary to increase the use.

5. Little sense of community

Arundel is viewed as an “area” that people simply pass through. Where it begins, who it is, and where it ends is not recognizable by the public. There is no public gathering place, a spot that someone can identify with. It has no “heart” or “core.” On the other hand, it has rural character that is appreciated by its residents.

6. Costs – perceptions of high taxes and high utility rates

The perception exists that the cost of starting, locating and operating a business in Arundel is higher than in other places both outside of Southern Maine and, in some cases, within Southern Maine.

7. No oceanfront

The Kennebunk River is one of the borders for the community. However, unlike some of its “sister” neighboring communities, the Town of Arundel has no oceanfront property. Over the years, most oceanfront property has increased in value as activity along it changed and in many cases grew.

8. Dominance of surrounding communities

Many perceive that Arundel is part of a larger region but dominated by other municipalities in the region. Perceptions exist that other communities are dominant for shopping or tourism and some for their greater employment opportunities.

9. Perceptions of the quality of available land

Many business and property owners perceive that the primary developable tracts of land in Arundel have already been developed, particularly along the major vehicular thoroughfares. Slopes, soil conditions and other environmental factors, when coupled with regulations and utilities, are perceived to make development of many remaining parcels less than profitable.

10. Route 1’s internal conditions

Route 1 is viewed as simply “a narrow road through Arundel,” with a “need for upgrade of lighting during evening hours and enhanced character.”

11. Exportation of dollars

People do not generally shop or eat, be employed, or conduct much other business in Arundel. The perception is that little flows back into Arundel from surrounding communities.

12. Conditions at Biddeford Airport

Because the Biddeford Airport borders Arundel, its condition and circumstances are viewed as an issue. Current ownership has chosen to not reinvest in basic maintenance of the facility even though the funds for such investment is readily available.

13. Maine's recent historic message to people

For much of the past few decades at least, Maine's promotions have focused on tourism and extracting dollars associated with that activity with reasonable success. On the other hand, the message not sent was come live here permanently and open businesses here. It was come, spend some money and go home. The argument can be made, particularly for areas outside of Southern Maine, that this has become a self-fulfilling prophesy. Southern Maine is one of the few areas with stable or growing population often linked to the continued expansion of the Boston region.

14. Little "participation" in current Maine and South Maine's economic engine

Tourism has become a primary economic engine. Yet, Arundel, unlike some neighboring communities, has not extracted dollars from tourist to any great extent or established a niche in that engine or market to date. Furthermore, public and private visitor opportunities are not concentrated but dispersed. There is no synergy between existing visitor or potential visitor operations in Arundel.

15. "Conflicted"

Arundel has been described as "conflicted," with no shared goals, internal divisiveness in the community on fundamentals, and sending mixed messages. Some define this as historical within the staff and elected officials in Arundel; while others attribute it to a diversity of thought by the residents or no consensus direction.

16. Perception of not being business friendly

"It is harder to do business in Arundel than certain other neighboring areas; regulations coupled with high utility costs, taxes, and other factors make it difficult to develop or operate a profitable business in Arundel." Perceptions of inconsistent review processes and decisions impact development. The proverbial "they" do not want businesses here is a feeling expressed.

17. Inconsistent information and processes

Uncertainty with respect to developing any property can have a negative impact. Messages are perceived to change from one day to another at the staff level on what is required. A board that reviews development is perceived to often differ from staff, requiring a "redo" of costly engineering and other related soft costs.

18. Perception of inflexible regulations without incurring costs and uncertainty

Parcels to be developed have different characteristics. Yet, it is perceived that Arundel's regulations, coupled with regulations at the State level, do not provide for the opportunity to develop many sites in a way that provides a return on investment as well as the best quality of development for parcels. Each parcel is different because slopes, soil conditions, ingress and egress opportunities. Each requires differing design and engineering of the site, structures on sites, setbacks, etc.

19. Perception that non-residential is synonymous with retail

There is a fear among some residents that the major thoroughfare corridors will develop in a way, duplicating a long linear retail and related services strip found elsewhere in "suburbia." For whatever reasons, the word business is synonymous with retail in many minds in Arundel.

20. National demographics

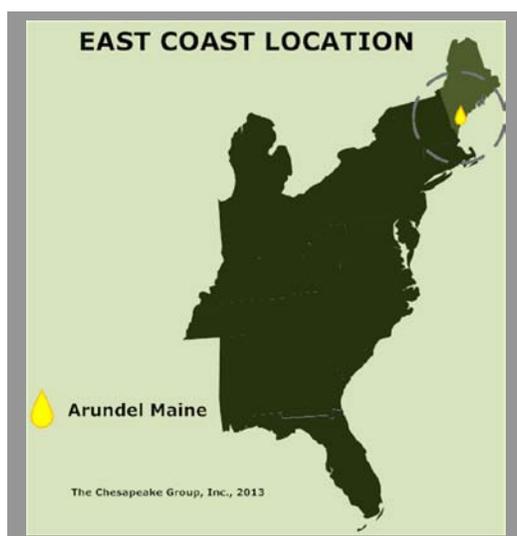
While the country's population is aging as a result of lower birth and fertility rates, lower marriage rates, later marriages, economic conditions and other factors; Arundel's demographics indicate that the proportion of senior households is much greater than the country in general. Furthermore, minority populations continue to grow rapidly in the country. There are few minorities in Arundel. Majority of the students in higher education institutions in the United States being trained in technology and math are either from other countries or are minorities. They are less likely to move and locate to Maine and Arundel. Technology continues to change rapidly, replacing former skilled labor positions with a lesser number but well paid technology driven positions.

21. Population size

Arundel is small in terms of population and even smaller than many of its neighboring jurisdictions. Because of the size, commercial operations are dependent upon importing dollars for success.

PRIMARY ECONOMIC DEVELOPMENT ASSETS OR STRENGTHS

1. Proximity



There is an adage in real estate and economic development that success is all about "location, location, location." Certainly proximity and location are fundamental to Arundel's future development. Arundel is:

- A. In close proximity to millions of people along the East Coast.**
- B. Closer to home, at the edge of the Boston Metropolitan Area.**
- C. Central to large population centers in Southern Maine.**
- D. Near major internationally known tourist attractions.**
- E. Near vast natural resources, the ocean and other draws and attractions.**

The proximity provides opportunities to draw local, Southern Maine and larger region populations with a unique product and strategic mix of activity.

2. The transportation network



The transportation network facilitates the movement of people, goods and services, creating linkages to other markets and providing opportunities.

- A. Arundel activity is served by a number of airports, including three “**international**” airports within a one-half to two-hour drive in Southern Maine, New Hampshire and Boston.
- B. Arundel is also served potentially by **regional and municipal airports** in neighboring communities, including Biddeford and Sanford. The Biddeford airport borders Arundel. The Sanford airport is well maintained and has longer runways, accommodating a broader range of aircraft than Biddeford.
- C. The Town of Arundel is served by **both Route 1 and Interstate-95**, providing quality vehicular highway access. Dual access is also important should one of the two major routes become blocked or have other issues that impede traffic.

D. Arundel also has land and sites that are served by rail.

E. Arundel activity has easy **port** access.

The range of the network provides the Town of Arundel with a solid transportation network foundation.

3. The communications network

Technology is increasingly the driving force behind business. One of the most important is communications technology in a global economy. Arundel has an adequate communications network at this time for most business activity although enhancement should be pursued in the future with changes in technology.

4. Rural character & quality of life



The rural, non-urbanized and non-village character is a defining factor for Arundel. This character makes the community different than surrounding communities. In the opinion of existing businesses and residents alike, quality of life at present is linked to this character. Numerous studies have defined quality of life as a key factor in business location decisions. Arundel provides an alternative character for businesses that might seek an alternative to many other communities in Southern Maine. In a sense, it is “another world” in close proximity to the communities of differing characters. The rural character is its “trade mark” in the past, at present and potentially its future.

5. Agricultural History & Continuance



Agriculture is one of the most significant industries in the history of the country and one where the country continues to be dominant from both the research and production side. Much land in Arundel is utilized for agricultural purposes. The range in production in York County is significant. Irrespective of the noted issues and the small number of farmers in the Town, Arundel has the potential to be the “agricultural capital” of York County and Southern Maine, being in a leadership position for research and development and tourism perspectives. Kate’s is introducing a research component and advancing the agri-tainment and agri-education end of the spectrum.

From “farm to table” is a growing movement in this country. Agri-tainment, agri-tourism and agri-education are arguably some of the fastest growing tourism activity in the United States for those located in close proximity to large population centers and in rural settings not near or in urban centers.

6. Kate’s Home Made Butter



The construction and opening of Kate’s in Arundel bridges the gap between modern industry and agriculture. Kate’s is an attraction with strong interest in the pursuit of agri-education, modern agricultural techniques, advanced production processes and agri-education. It is likely to become a significant visitor draw upon which others can capitalize. It will rapidly become a true anchor for Arundel and an entity upon which to build success.

7. Educated, aging population

The relatively large senior population base in the community provides for transference opportunities of knowledge and skills, potential entrepreneurship for small business activity and fiscal resources that can be tapped. Seniors often require greater medical services than youth. Seniors desiring to stay in the community over time may result in changes in the housing stock and related development opportunities. The Wall Street Journal recently highlighted a growing “risk aversion” in America, particularly in populations under 45. “Baby boomers” have a tendency to be more willing to invest in their communities and take associated reasonable risks.

8. Relative affluence

The average household income in Arundel is higher than the majority of other communities in the immediate and larger Southern Maine area in York County. This provides Arundel with a greater aggregate purchasing power than average in the area in spite of its smaller size.

9. Affordability

Land, housing and property values are lower in Arundel than some the immediate neighboring communities.

10. Taxes

Local tax rates are lower in Arundel than some of the immediate neighboring communities.

11. The Community

Welcoming, warm and “neighborly” are terms often used to describe the Arundel community by those who have moved to the community from other locations as well as those who have opened businesses.

12. Existing Business Activity



While the numbers are small; the diversity of manufacturing including Arundel Machine, locally owned and operated food service establishments, and new vehicle dealerships flourish in Arundel. Arundel has established a strong presence in the regional economy in certain niches such as vehicle dealerships and certain “craft” endeavors.

Existing larger operations have incorporated cutting-edge and emerging “green” technology and other innovations.

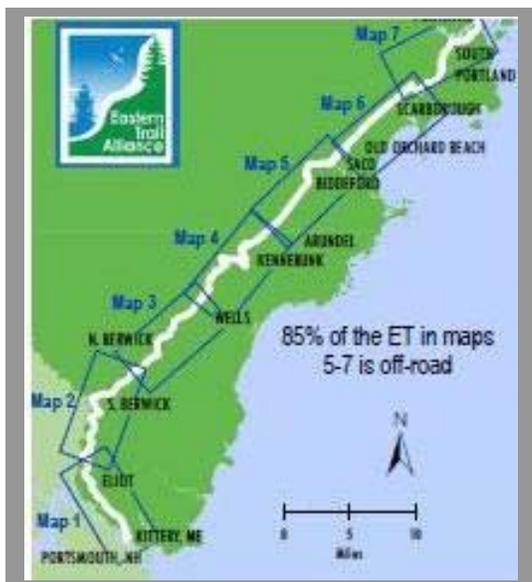
13. Schools

A range of education and training opportunities exist in the greater Arundel area. Local school achievement performance is reported to have improved in Arundel with recent regionalization of resources.

14. Land

The supply of land is sufficient to facilitate or provide for expanded non-residential and residential activity and still maintain the rural character, without incurring redevelopment costs. In some cases, including existing business parks, land near Biddeford airport and other locations; such activity is not likely to require large capital outlays from the jurisdiction or those that develop parcels. In other cases, utilities would be required to be brought to sites.

15. The “Trail”



The Eastern Trail is the southern Maine section of the East Coast Greenway, a developing trail system, spanning 2,900 miles as it winds its way between Calais in Maine to Key West, linking all the major cities of the eastern seaboard. The Greenway is approximately 25% complete.

The Eastern Trail (ET) is a 30% complete vision of a 65-mile recreation/transportation greenway connecting Casco Bay at Bug Light in South Portland with Strawberry Banke in Portsmouth, New Hampshire. This world-class, 10-foot wide trail is enjoyed by thousands of users for hiking, snowshoeing, cross-country skiing, walking, biking, birding, nature study and many other “muscle-powered” healthy activities.

The trail includes a four mile section in Arundel, and passes through miles of quiet woodlands and wetlands. The trail is administered by the Eastern Trail Alliance.

There are trends and indications that participation levels and demand for recreational activity and choices will continue to increase in the years ahead.

16. Natural Resources.

The Arundel area has diverse and abundant natural resources. These resources are within and external to the Town of Arundel. Much emphasis in the larger region has been placed on their use for recreation, tourism and formerly extraction. However, there are substantial and in some cases greater use options that have not been fully developed related to research and related product development.

AREAS OF OPPORTUNITY

1. Local and visitor population demand driven based on spending or employment needs

The primary and secondary markets, consisting of residents in York County including those in Arundel, will generate demand for about 1.3 million square feet of additional retail goods and related services space over the next ten years.

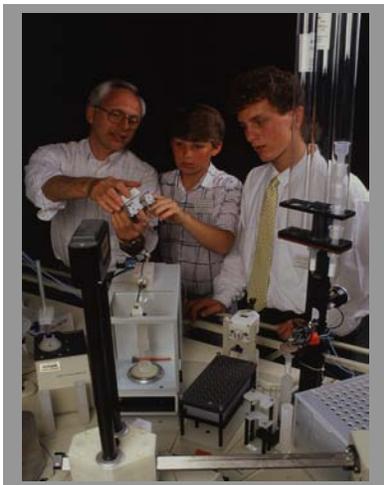
Visitors to the general area, coming from outside of York County from other parts of Maine and generally surrounding states, will generate increased demand for retail goods and related services space, pumping and additional \$400 million in new retail sales into the regional economy.

From the collective markets, Arundel could attract and support a minimum of **100,000 square feet to 230,000 square feet of retail goods and related services space.**

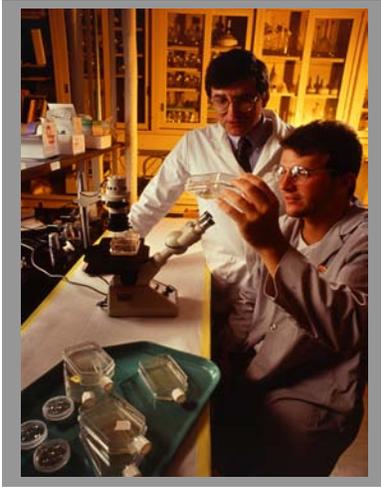
Arundel could attract an additional **25,000 to 50,000 square feet of traditional office space.** Furthermore, **Arundel could add still other space if it pursues agriculture and natural resource-based research.**

Additional manufacturing activity could include space associated with smaller-scale medical, botanical and pharmaceutical manufacturing; pottery product manufacturing; subsets of sporting goods for winter activity; drone development; and others identified in the technical analysis.

2. Agricultural industry driven



The emergence of Kate's along with the existing agricultural activity in Arundel and York County, that includes dairy farming, specialized horse ranches and a full range of ag products could play a key role in defining Arundel as an **agri-tourism and education mecca** within Southern Maine. In so doing, Arundel could play a substantial role in increasing visitations, expanding existing visitor stays and generating spin-off commercial activity.



There is a strong interest on the part of Kate's ownership to encourage agri-education and agri-tourism on their property in Arundel. This welcome addition could be the stimuli to bring ag area interests together for on-site and seasonal on and off-site activity. **This would be a spur to the regional economy, could assist with significantly expanding tourism activity in "off-seasons" as well as generating increased revenues for current farming community members in Arundel.**

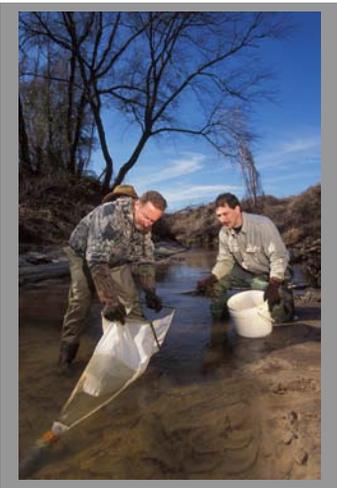
Kate's will also be involved with introducing modern farming techniques and related **research** in the area. This could once again act as a catalyst for additional such activity and product research and development through joint efforts.

Substantial research opportunities exist for Arundel in the following general areas as identified in the technical document.

- ✓ Commercial and small business farming
- ✓ Dairy farming
- ✓ Animal husbandry
- ✓ Poultry growing, manufacturing and processing

With capital, there is an opportunity to expand ag production of certain products through **hydroponics and aquaculture that would include flowering plants and fresh marketable fruit and vegetable products, such as tomatoes, grown in climate controlled conditions.**

3. Resource driven

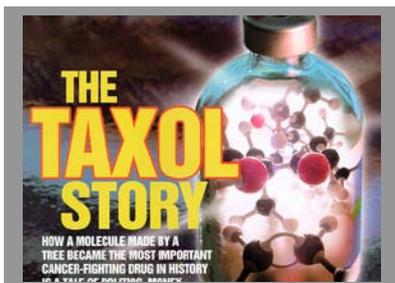


As noted, the major emphasis on natural resource use in Maine in general and in the Arundel area has been for extraction, recreation, and tourism. Yet, natural resources associated with both land and water have been the foundation of human and animal "healing" for centuries in this country and around the world.

The overwhelming number of pharmaceuticals produced in the past century as well as most vitamins and supplements are derived from either natural resources or agricultural products.

The aging of the population has led to substantial research in the learning capabilities and memory functions of many species in abundance in Maine and the Arundel area.

Climate change and continued debate has also contributed to research opportunities. As an example, understanding of the pine trees role in the ecosystem continues to be debated.



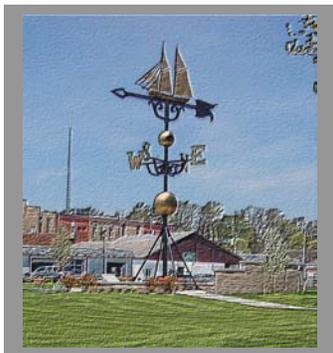


Arundel, in partnership with institutions, has the opportunity to grow a new industry that creates high paid jobs without negative impacts on either the rural character or the resources. In fact, in some cases the researchers and research entities desire a more pristine and quiet environment, yet one that is close to numerous amenities and necessary destinations around the United States and globe.

Arundel could attract 30,000 to 150,000 square feet of research and related development space.

4. Man-made Linkages driven

While concrete numbers are not available, there is every reason to believe that the portion of the trail in Arundel is underutilized; and its role in economic activity within Arundel is negligible at this time. One of the primary reasons for both is the lack of adjacent or nearby parking at the head of the trail in Arundel.



Yet, the trail could be couple with ag-tourism activity, the trolley museum, and craft activity to create a hub for Arundel and extract visitor dollars not currently being extracted. The trail and linkages could expand visitation, merging natural and ag resource energy and spinoff dollars. It could also be used to strengthen the fledgling art activity within the community by providing opportunities for display and working environment at an adjacent or nearby area coupled with the parking. This would provide Arundel complementary, not competitive regional appeal.

5. Transportation network driven



Opportunities associated with Biddeford Airport could be significant for Arundel which has substantial adjacent acreage. There is known demand to support the expansion in the number of hangars which could significantly expand the use of the airport, increase maintenance operations and related employment, and provide additional opportunities.

Another opportunity is for storage and maintenance of antique planes or those used for aviation shows. Other small municipal airports have had success in this arena.



Another opportunity is to foster small plane construction through the Experimental Aircraft Association or other entities. While most of the aircraft industry product development and production has been negatively impacted by recent economic conditions; those conditions have opened the door for the expansion of the “light aircraft” development and production niches by both amateurs and professionals.

As a result of affordability and other factors, the development opportunity for light aircraft in the Arundel area, with its airports in neighboring Biddeford and Sanford, its adjacent underutilized land to Biddeford, and multiple means of arriving and departing via air and land, presents an opportunity upon which Arundel could capitalize. The opportunities range from attracting an existing assembler/manufacturer from other parts of this country or from another country, to developing a start-up operation based on existing skills and talents, and to promoting the opportunities for those involved with development of the aircraft to amateurs.

Seizing the above opportunities does not necessarily require runway expansion, but enhanced maintenance of the existing runway at Biddeford. There have been both public and private plans for enhancement of the Biddeford airport that have not reached fruition in spite of available funding for many of the needed improvements.

On the other hand, development of adjacent land to the airport in Arundel for economic development should be pursued irrespective of airport enhancement. Access through the airport, which can be accomplished in several ways, is sufficient to capitalize upon some but not all of the potential economic opportunities.

6. Emerging technology driven



Manufacturing, in particular, is undergoing a metamorphous, much like the type associated with the evolution of the computer for homes and offices from 1990 through 1999. The combination of the application of technology, including but not limited to multi-tasking robotics with 3-D printing, with new materials is changing dynamics rapidly. It is mitigating traditional “blue-collar” labor costs; while increasing the importance of transportation costs to production and the “bottom line.” Thus, locations closer to large population centers gain increased importance and work to the advantage of Arundel in the foreseeable future.

Employment and training needs will change, but the opportunity exists to increase the manufacturing component of the Arundel area that is increasingly compatible with its rural character.

There is opportunity for multi-tenant small spaces, such as flex space. Based on the anticipated previously defined growth in the labor force and changing space needs based on the changes in the amount and types of labor, **120,000 to 170,000 square feet of manufacturing space could be developed that does now and will not in the future require heavy utility use.**

7. Community character driven

The United States is increasingly diverse in terms of its increasing population. While the proportion of people that seek non-urbanized environments is decreasing; the numbers seeking non-urbanized situations are at least stable or even increasing. In other words, the share of the proverbial “pie” is shrinking; while the “pie” continues to grow.

The rural character provides ample opportunity to establish a campus setting for small higher education institutions; specialized institutions, such as those associated with the food preparation and hospitality industry; extension services; and those focused on research linked to other industries that prefer isolation. Maintenance of the rural character is critical to seize any of these opportunities as well as other non-retail economic activity.

TAKING ADVANTAGE OF OPPORTUNITIES

Expansion of non-residential activity associated with the defined opportunities will not happen without local action. There are reasonable steps that Arundel can take which will result in non-residential growth. The following are a synopsis of actions that will either mitigate weaknesses or strengthen the use of its assets. Consideration was given to available resources or those that could be developed in a reasonable time frame.

Careful & Coordinated Use of Limited Resources

As defined, Arundel is small in terms of population and tax base; and public sector staff is limited. Furthermore, while it has assets; the number of future “building block projects” controlled or strongly influenced by the Town and the community are small. Arundel has a “capital budget” that has been based on a “pay as you go” process to a large extent and has an adequate reserve fund for a community of this scale (but small in terms of the potentially financed projects). The Town also has a need to replace the existing Town administrative offices; a community-recognized desire for greater definition of who we are that could take physical form and associated costs; community representatives interested in preserving the historic character through preservation of historic structures; a need to expand public parking to increase the use of the Trail; a need for other public infrastructure; and a desire by various segments of the population to expand recreation and culture collectively. These represent sizable efforts identified by this process or through other means.

If new offices are built in one location, historic preservation occurs in another, recreation added at yet another location, and other opportunities not now often viewed as “one package” continue to be viewed separately; the economic impact and the impact on the community’s image will be marginalized. In considering the future for any of the above enhancements in future planning, including parking to the trail and any other public or quasi-public investment; synergism and locational synergism is required to maximize the return. For all efforts, the ability to leverage the expenditures and activities is critical.

Fiscal Resources

As noted, Arundel has limited local fiscal resources. The Economic Development Committee was formed to identify opportunities to promote non-residential tax base growth opportunities and for other reasons. There are some significant internal programs that can be pursued or actions taken to either create new fiscal resources or enhance the use of existing resources, affording greater opportunities for success with economic development and an enhanced tax base. The significant ones which are reasonable for Arundel to pursue follow. Some must be pursued cooperatively between the public and private sector; while others must be private sector initiatives and blended with public sector initiatives.

Like most jurisdictions that attempt to maintain rural character in whole or part, Arundel has done an excellent job at land conservation. However, land conservation does not necessarily preserve the industry on the land. Little has been done to maintain the economic viability of agriculture. There are options to pursue agriculture and other economic enhancement which also generates potential tax revenues and employment. These include:

1. Defining and Pursuing Federal, State and Industry Company Grant Funds for Agricultural Expansion, Transition to Emerging Ag-based Activity and Other Economic Development.

There are opportunities for grant funding from federal, Maine and private industry sources to enhance agriculture and implement other Arundel opportunities. Grant preparation is generally a local government staff function. For Arundel, such activity could be reviewed by the EDC or an advisory sub-committee of farming interests in the area with EDC members.

2. Creating an Investment Fund Composed of Dollars from Local Residents and Business Interests.

Two options exist that are similar, with one “formal” and the other less formal.

While many times the “financial injections” come from outside sources in many communities around the country; that does not have to be the case and should not be the case in Arundel. There are several local options which could have a much greater positive impact on Arundel in general and on economic development efforts in particular. One would be to pursue an “Economic Development Capital Fund” that is similar in concept, if not identical to, the following scenarios. It is noted that:

- ✓ Available private sector resources, if marshaled, will always be greater than public sector resources.
- ✓ The proposals are not based on a contribution or “angel” funding; nor is anyone asked to “donate” money. It is an investment mechanism like many others. The difference is that a portion or all funds would be invested in Arundel, thereby providing a direct return to the investor and an indirect or “spinoff” returns to investors and their community. The type of investment can be appropriate for those who reside, own property, and/or operate businesses in the area.

One option would be An Economic Development Capital Fund identical to any traditional “mutual fund,” with a few critical exceptions. One scenario, not the one favored for Arundel, would be to establish the fund through any traditional brokerage or mutual fund manager, a local investment firm, etc.

Money would be invested not “given” to the fund. It could be removed by the individual investors after a set time frame or at any time and replaced by other investor funds. However, unlike other funds, either (a) a proportion of the earned income is “given” to a designated 501(c)(3) organization that would invest the money in economic development activity in the area; or (b) all funds would be used directly for such purposes. If partial dollars go to a tax exempt organization, the investors would get annual tax deductions for the contribution as well as the return on the remainder not given to the tax exempt entity.

If a portion of the funds did go to the tax-exempt organization, the direct funds reinvested would be lower than in a traditional fund, but the total “return” to the investors is only marginally different because of the accrued tax benefit.

The illustration that follows assumes the tax exempt methodology with only a portion for the return on funds used locally for economic development purposes. In the illustration, a “capitalization” of \$1 million is used only for example purposes. These funds could come from individual investors, corporate interests, pension funds, private pension resources, etc. The fund could have a very low investment threshold, such \$1,000, making it available to almost all segments of the population. The illustration assumes an annual return of 8%.

As stated above, this figure is conservative and well below returns recorded in the past twenty years by managed funds. Assuming only an 8% return and a 50% split (could be any percentage or flexible or fixed proportion), \$40,000 would be earmarked for the non-profit, with the tax benefit of the contribution accruing. The other one-half would be reinvested or returned to the investor. Capital could continue to accumulate; but the “gift” amount would hold constant in this scenario. Thus, the proportion of the return, but not the actual dollar amount “granted” to the non-profit of the total resources and earned income could diminish annually. The cap of dollars could be “set” from the onset so that returns greater than 8%, if achieved, would resort in greater capital accumulation, not added “grants.”

The new resources could be used for a variety of purposes, including but not limited to any of the program elements, such as capitalization of small entrepreneurial businesses and farm activity; purchase of property; assistance with creating redevelopment; creation of flex space; assistance with financing other projects; etc.

The advantages are numerous and include being able to seek long-term returns versus short-term returns on the investment, financing entrepreneurship that otherwise could not be financed.

A second and less formal approach has been utilized by Hudsonville, Michigan, which is a small community located in West Michigan. In this case, a private group of investors, without the formal arrangement essential for a mutual fund, collectively chose to invest some or a portion of their resources locally. Working with the Downtown Development Authority, their strategic investments are made to leverage other dollars, buy property and enhance the economic development efforts in any way that the small group sees as providing both the investors and the area with a long-term return. Since only having to answer to themselves, there is an enormous potential flexibility to play a strategic role in any activity the group deems beneficial.

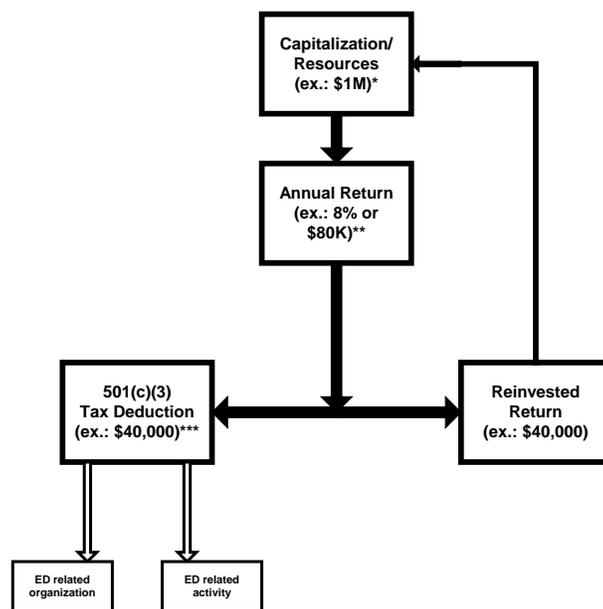
The latter “less formal option” is the most probable of the two alternatives for Arundel.

To facilitate such activity, a sub-committee of the EDC would be formed to establish the fund and seek local interests. Two members of the EDC, acting as co-chairs, are anticipated to seek involvement from others for the committee and potentially additional individuals for investment. The two co-chairs should be one member with experience in the financial industry and one member with significant ties to the existing business community in Arundel.

3. Community promotion and participation in “crowdfunding” as an incentive.

Either coupled with the Economic Development Capital Fund or independent of the development of such a resource, “crowdfunding” represents a significant opportunity for Arundel. It too would be private sector driven.

Economic Development Capital Fund



*Considered minimal initial capitalization amount. Amount capitalized grows annually based on reinvestment.

**Return estimates likely to be understated significantly. Dollar amount could be capped or percentage.

***Resources available for community and economic development activity

“Crowdfunding” was recently given tentative approval by the Security and Exchange Commission and opens the door for an incentive for entrepreneurship in Arundel. The new rules allow investors (in this case Arundel residents, property owners and businesses) to invest in companies over the internet using a “crowdfunding” exchange if they will locate in Arundel. Assuming flex and other space was generated in Arundel for non-retail activity; small and promising companies could be enticed to come to Arundel by providing capital for growth. Not only is capital generated but expansion costs are lowered from savings associated with decreased need to hire costly investment bankers and accountants. Working with and through an existing “funding platform,” including Kickstarter, Selfstarter, Micro-Ventures, Indiegogo, and Fundable; Arundel could promote the availability of capital generated by local residents and businesses to grow new and fresh ideas and entrepreneurial entities. This would provide a competitive advantage and compensate for certain Arundel issues.

“Crowdfunding” comes prior to approaching venture capital funders. There are more than 800 online platforms. Many now focus on specific industries. There are two approaches to crowdfunding. One is product production oriented; while the other is simply investor oriented. Campaigns that provide backers with equity in the business instead of products have less short-term delivery pressures. Equity crowdfunding is really simply an extension of raising investment dollars from relatives, friends and other individuals frequently used to launch new businesses.

The concept should be reviewed and explored by the EDC and contact made with a variety of existing platform entities.

4. Increasing regional cost sharing.

Arundel has had success with selective participation in the provision of services on a regional basis. Its most recent decision to participate in the regional school system has proven immensely successful in a very short period of time. Regionalization can result in cost savings as well a higher level of service and does not necessarily result in less control at the very local level.

At least one of the suggestions in this strategy will not be effective without regionalization. Others require regional cooperation at a minimum.

This economic development effort did not look at the cost savings of sharing of specific services; but efficient utilization of limited fiscal resources would indicate that such should be considered for many locally provided services that are now internalized by the Town of Arundel and other small population jurisdictions nearby.

Business Development Through Agriculture

1. Expanding agricultural activity.

Visible farming activity is one of the major features associated with Arundel’s rural character that the community finds desirable. Lengthening the current season and expanding production not only helps to preserve the character but provides the opportunity for expanding local community wealth, employment and related tax revenues. “Northern” area farming has proven to be productive. One of the best know fruit/vegetable products that is found on supermarket shelves throughout this county all year long, known as Tomatoes-On-The-Vine, is a product of Canada.

Taking advantage of both Arundel's transportation network and aquifer that is infiltrated by salt, ornamental fish farming (for the hobby industry) is one option that should be explored. In addition, fish farming for human consumption, again with species that thrive in a salt or a brackish water setting, combined with or without hydroponic farming, is an additional option. Other options include use of the noted emerging techniques identified in the technical document.

With the increased emphasis on "farm to table," expansion of product production all year long can also increase retail activity in Arundel.

These and other expansion options should be further reviewed and developed as part of the activity for to be noted committees related to agriculture and research and development.

2. Business development through ag-based tourism

Arundel's primary market, consisting in the residents of the Town, is healthy but relatively small in scale. Increasing business activity can come from diminishing the exporting of dollars; but more importantly from increasing imported dollars and expanding the non-resident market. Obvious markets to be attracted can be residents of the larger region, those who visit Southern and other parts of Maine on a seasonal basis, or those who attend other existing events and activities that do not live in Arundel or York County. Based on the existing activity in Arundel and York County's community and the level of other activity outside of Arundel's boundaries; market expansion through particularly agri-tourism and agri-education could be successful at drawing people to the area for commercial purposes.

Rural tourism has been increasing rapidly over the last two decades. Many factors have contributed to this trend. Briefly, people are taking more and shorter trips, doing more traveling by car, combining business travel with vacations, looking for new experiences, adding diversity to their experiences, traveling as a family, and looking to "get back to their roots."

Agri-tourism is one option for economic development in rural areas or areas with a strong history of agricultural production and a continued presence. Research has shown that rural regions are already popular destinations. For example, in 2000, the National Survey on Recreation and the Environment found that approximately 82 million people visited farms during that year. It also found that even though only a small percentage of American farms were participating in the industry, income earned from agri-tourism was close to \$800 million at that time. Both of these numbers were significant enough to prompt the U.S. Census of Agriculture to start tracking income from recreation and agri-tourism on farms in 2002. The substantial growth in direct marketing through farmers' markets has already been noted in the technical document.

Agri-tourism, by its nature, is closely linked to other forms of tourism such as ecotourism, nature tourism, heritage tourism, and rural recreation. What separates agri-tourism from the rest is that farmers or ranchers are using the physical or cultural assets and resources of their farms and ranches as draws.

Most agri-tourism operations are day-trip ventures located near large urban centers. They are smaller in scale and often include activities such as wineries, orchards, or petting zoos. Many of these are also seasonal. Their specialization increases public visitation during certain times of the year (for example, pumpkin patches in the fall or Christmas tree farms in December). Other larger operations have been developing farther away from population centers.

Agri-tourism has tended to develop on smaller farms near urban centers because operators rely on the proximity to a large population base. More recent trends, however, show that thriving agri-tourism sectors have been flourishing in remote areas away from cities as well. Along with other opportunities in these regions, research also indicates that this is due to the mobility of modern tourists as well as the need of urbanites to "get away from it all."

An "alternative enterprise" is marketing what you produce differently, adding value to the product you produce or adding a new enterprise. It is also using your natural or other resources differently, or using the same resource in multiple ways.

Value added agriculture offers significant opportunities for enhanced financial positioning to farming and can have significant spin-off impact on other area businesses. Like any other business, there are risks involved. Those risks can be partially modified or diminished through "due diligence" that would include the following.

- ✓ Evaluate personal financial situation.
- ✓ Define unique activity and its spatial positioning within the property and larger area.
- ✓ Research start-up costs.
- ✓ Define marketing techniques to reach intended audiences.

Agri-tainment is the fun side of agri-tourism and includes such activity as mazes, petting farms, pumpkin picking, haunted houses, horseback riding, and numerous other activities integrated into one or more sites. There is at least one area operation interested at present in expanding their agri-tourism and agri-tainment activity.

Agri-education involves teaching visitors about agricultural production, how food and fiber are produced, rural values, and quality of life. It is building support for agriculture through educational experiences. When visiting the farms, the farmer has children's undivided attention for twenty minutes to an hour to teach them about their food and how farmers/ranchers produce it. At the same time, provided is an experience about cultural and heritage tourism, two of the other fast-growing tourism niches.

In Kate's, there is at least one operation in Arundel that is interested in agri-education for which productivity is almost assured for both the entity and the community at present because of the scale of the operation and the vertical integration of their processes both on and off-site.

Initial activity could revolve around an event, occurring in the fall and aligned with both Kate's and trolley museum activity.

3. Business development through ag internships

At the higher education level, there is a growing demand for course work and programs related to agriculture, resulting enrollment growth in courses. Most higher education institutions today require students to have internships in their respective fields before graduating. Given the quality of life offered in the region, ranging from Portland to some closer communities, and the immense summer recreation opportunities in the region; internships in Arundel would likely be relatively easy to market.

Bringing interns into the farming activity can provide affordable labor, the injection of new ideas into the community and potentially result in youth that find it desirable to stay and open or run a new operation in Arundel in the future, providing potentially a youthful entrepreneurial class of people. It is a cost effective form of self-promotion with substantial potential long-term benefits at minimal short-term costs.

To facilitate such activity would require the following.

- ✓ Defining higher education institutions outside of Maine and New Hampshire that have ag programs.
- ✓ Establishing contacts with student employment/internship offices at universities with ag programs.
- ✓ Creating a dialogue with ag interests in the area.
- ✓ Creating or establishing internship opportunities with ag interests in the area.
- ✓ Defining opportunities for living arrangements for students that participate.

Business Development Through Agriculture & Resources

The technical document defined areas for R & D activities. The basic focus of opportunities is either on agriculture or natural resources.

Research associated with the agricultural production and natural resources would be non-exploitive and non-invasive to those activities and resources and would be compatible with the potential to expand visitor activity to and through those same resources. The wealth of biodiversity and agricultural products provide resources leading to potentially new pharmaceutical and medical advances, electronics research, water ecosystems and evaluation, monitoring and mitigation, and others. Pursuit of the activity would afford an opportunity to carve out a niche to recruit major “players,” including private companies and a range of public entities and institutions, and to develop expanded entrepreneurship.

R & D related activity and potential related tenants could include major corporate interests, start-ups and higher education institution interests. R & D related to agricultural development would be physically blended with agriculture.

There are two possible methods for pursuing research and development. The first method is to directly recruit individual companies through a coordinated, continual process. The second method is to form a partnership or consortium. The second is the preferred option for Arundel.



Fundamental to R & D recruitment activity would be the establishment of a “blue ribbon” committee, composed of national business interests in the area, County agricultural interests; Maine extension services; the area’s community college; and other interests involved with related or other areas of research at the present time. This methodology and partnership is suggested because:

- ✓ It can help to form and solidify a partnership between the Federal and State levels of government, with greater contact than now occurs and expanded relationships.
- ✓ It potentially brings in larger interests and dollars.
- ✓ It has staying power. (Often research, if and when it turns into product “development,” takes fifteen or more years.)
- ✓ It is likely to yield reasonable levels of employment for highly skilled individuals at present and in the future, increasing the potential to expand a “permanent younger resident” base and utilize the skills of an educated work force that exists nearby.
- ✓ The approach has proven to be successful elsewhere.

Centreville, Mich. —

Trine University representatives will speak about their proposed partnership with St. Joseph County at 7 p.m. Thursday at the St. Joseph County Intermediate School District on Shimmel Road.

Community members may attend, along with the target audience of business leaders. It will mark the fourth time Trine leaders have visited St. Joseph County in recent weeks to promote a financial partnership. Trine is a private university in Angola, Ind. Thursday's discussion is expected to explore the benefits to St. Joseph County economically and to local manufacturers and businesses.

Because of the costs and time frame for success with R & D activity in particular, the consortium approach might also require one or more partner area foundations or other area institutions along with community college interests. Federal and State government funding and involvement would have increased promise if such an approach is pursued.

Because of their current involvement with embryonic activity for agriculture, Kate's along with the tri-jurisdictional chamber and others could play a key role with funding. Attraction of funding experience is associated with staff of the trolley museum and others.

Internal Local Government Structure

A number of issues have been raised with respect to development and review processes in Arundel. It would seem that there are relatively cost effective means of mitigating the issues. The following changes are suggested.

- ✓ All communications from initial review or pre-submittal discussions between staff and businesses, property owners, tenants, or developers should be put in writing so that the consistency of advice or direction provided by the staff is apparent.
- ✓ All parties seeking to develop property utilizing standards and with uses that are defined as a “matter of right” should be treated equally; and processing times should be similar.
- ✓ When addressing a development or development review, lay review committees involved with planning and development should clearly understand what elements are a “matter of right” for properties under review. If there is currently activity that Arundel now allows that it feels should not be allowed, then the zoning laws or development regulations should be modified so that such is no longer a “matter of right” without exception.
- ✓ Arundel is in the process of revising its comprehensive plan and reworking its zoning rules and regulations. Because of topography, soil conditions, other natural conditions and issues associated with ingress and egress; Arundel should consider and evaluate the application of “performance based zoning” which could result in an enhanced product for the community and for the development interests.

Market Position

The Town of Arundel differs from all of its neighbors. It is not viewed as a village or as a city, but a rural area. It has a smaller population base, but a more affluent base. The rural, dispersed pattern is considered by residents to be one of the primary reasons for living in the community. While close to population centers that are larger; the unique image of being rural in character is its market position, differentiating Arundel from other surrounding areas. This is fundamental to future promotion and marketing for economic and residential development. Maintenance of that character while affording economic growth should be fundamental to future comprehensive planning efforts as well.

Packages for Visitors

As previously defined and to a large extent, the current benefit to Arundel accruing from the region's significant tourism patronage and dollars is negligible. During the process of the development of the technical analyses associated with the EDC, groups of individuals and businesses that share common themes were brought together. That dialogue needs to continue.

1. Business Development Through Packaging.

While agri-tourism is the primary tool to grow a visitor market in Arundel; increasing the visibility of the arts and culture activity in Arundel can play a role. Development of "packages" that enhance visitations would benefit individuals within the community and the larger region by extracting greater dollars, along with the agri-tourism, extending area stays, or opening new markets.

Examples of packages might include a discount admission to the trolley museum when combined with a trip to the playhouse and additional discounts at craft businesses, such as those involved with pottery. Also similar entities' discounts could be combined with a dinner or lunch at an Arundel food establishment or one in neighboring jurisdictions coupled with a stay overnight at a hotel in one of the neighboring areas.

Should a performing arts center be built within a neighboring jurisdiction as has been proposed, a package could be developed utilizing the performance activity associated with it as well.

The arts, crafts and history interests in Arundel could form a committee under the auspices of the EDC to further develop the concept and continue an open line of communications. The tri-jurisdiction Chamber can play a key role in this process, facilitating the meetings dialogue and package development.

It would be also reasonable to combine activities and share events with entities involved with the agri-tourism activity as it develops.

The Trail & Recreation



Expanding the economic structure and business activity through enhanced recreation activity (eco and natural resource tourism) is an additional option for Arundel. The Trail provides a foundation/asset upon which the activity can focus. While current trial use is not near the total potential; increased use will require changes to facilitate growth in use and expansion of recreation. Whether at the current trail head or elsewhere in Arundel, the following should be explored in detail.



- ✓ The provision of parking at either the existing trail head or elsewhere or available parking in close proximity to the entrance is essential for Arundel to maximize the benefits of this asset. Fortunately, such parking can also be catalytic to additional activity.
- ✓ If built to a greater capacity, space associated with parking could be used for a variety of other purposes; such as craft displays and shows, farmers' market in season, holiday celebrations and events, parking for potential other recreational activity on potential adjacent fields, and various types of parties. It could also be used for park use training and other environment-related instructional training. Craft activity on the site could be scheduled and promoted on select days and vary in form.

- ✓ Many of the above activities would require the construction of a semi-permanent or a permanent structure under roof. The structure does not necessarily have to have walls, but could use removable siding or plastic like many outdoor cafes and restaurants utilize as weather protection when and if necessary. Electrical hook-up would be prudent.
- ✓ In addition, an adjacent area could be set aside with a gazebo or a "healing garden," both of which are increasing in popularity.

Planning for the trail surroundings represents a significant situation to "sync" with other potential planning efforts in Arundel.

Public Gathering Place/Community Hub



Potentially related to the previous Trail opportunities, many residents feel that there is no "place" that one recognizes as being uniquely Arundel. These residents desire a community hub with a range of activities and not a traditional downtown or town center, such as that found in Kennebunk and elsewhere.

While either at the existing trail head or an added entrance to the Trail are options to create this "place." Further analysis should be undertaken to consider a range of location options. Components that could be located in a central location include historic structures and events, ag-related events, craft activity, recreation, and municipal services.

In addition, a strategic use and funding program should be developed considering the needs for event planning, event coordination, creation of a safe environment, potential environment training, passive recreation instructional activity for seniors and other public or non-profit activities.

Flex Space And Manufacturing



Technological advances in the manufacturing arena have marginalized both the cost and need for labor in the process. It has also increased transportation costs as a factor and, for many products, minimized utility and many other production resource requirements that would have handicapped Arundel in the past. The changes will result in a return to the United States of the production of many products previously imported.

Spaces utilized for manufacturing activity derived from a host of materials will be smaller in scale than in the past. Several thousand square feet of space versus ten of thousands will be the norm for much of the new activity.

Unfortunately and essential to capitalize upon the related opportunities defined in the technical analysis, an inventory of space will be required. While current financing of speculative space is difficult; the defined investment fund development would help to overcome the current financial barriers.

With or without such a fund, recruitment of developers is a process that would likely result in positive benefits to Arundel. In many cases, this is more cost-effective and less time-consuming than individual tenant recruitment.

Redevelopment of some parcels and development of other parcels in all of the communities may require partnerships between the current owners and others, someone to buy the property, and/or other investors to bring it to fruition.

There are some fundamental considerations associated with a developer recruitment process. These include the availability of fiscal and human resources. The following are preliminary steps to establish a successful recruitment effort that should be considered for developers.



- ✓ Decide who will administer and provide staff support for the recruitment effort in general. The assumption is that such activity will be done in cooperative effort between the Arundel and others, including the Chamber and perhaps the County. Furthermore and within this context, a separate sub-committee structure should be set up to oversee the recruitment effort. This would involve the following.
 - Creating a coordinating team consisting of representatives as noted above and “consultants” (only if necessary to supplement the professional staff).
 - Identifying “qualified” developers based on specific projects or areas and like experience and fiscal capacity.
 - Developing marketing materials, including potentially direct mail materials, ads, public relations releases, and materials distributed electronically.

- Developing a Request For Qualifications/Proposals.
 - Reviewing and evaluating submittals that may be received.
 - Assuring the selection process is non-biased.
 - Continuing an ombudsman role in the process.
- ✓ Assure the ability to reproduce the materials on demand via internal computer capabilities and internal printing capacity.
- ✓ Develop a set schedule for phasing of the recruitment process.

The initial developer recruitment effort should take about six months from inception. The associated marketing activity would include that which follows.

- Preparation of Request for Qualifications or Proposals for areas and sites.
- Distribution of developed materials via direct mail and/or electronically; establishing contacts and networks; posting information on web sites; advertising in select trade journals, if affordable; and internet contact.
- Follow-up contact via telephone and internet to answer questions, gauge interest, etc.
- Review and evaluate responses and establish relationships (such as between the development interest and the private property owner).
- Continued follow-up, acting as an “ombudsman” for the process.

The need for and level of “pre-screening” potential contacts for any recruitment is a fundamental issue in the process. Consideration must be given to the following.

- Available data bases.
- The cost-effectiveness of the “pre-screening.”
- The likelihood of success with obtaining accurate information for a “pre-screening” process.

The following is noted with respect to developer recruitment.

- ✓ Generation of the initial list of developers essentially involves pre-qualification, as the developers sought should have experience doing similar projects as well as appropriate fiscal capacity. Thus, the research involves identifying developers through their projects. The most appropriate ways of doing this are through the following.
- Contact with professional organizations that track creative development like the Economic Development Administration, Urban Land Institute, Council for Economic Development, the National Trust for Historic & Architectural Preservation, etc.
 - Tapping libraries associated with professional organizations that deal with unique situations like the American Planning Association.
 - Review of focused development publications.
 - Internet research based on articles about desired types of efforts from around the country.

The opportune locations for the activity are also important. Arundel is in the process of beginning a significant updating of their comprehensive plan. In addition to available land near existing industrial activity, careful consideration should be given to location of additional opportunities in areas that would not impact the rural character. Probably the best such area is land in Arundel adjacent to the Biddeford Airport.

Many residents in Arundel have a previously noted fear of the stripping out of the major highway corridors within the community. The probability of such for retail is remote in the foreseeable future for a variety of reasons. First, the existing character of those corridors is rural. Redevelopment of existing development is likely to be cost prohibitive well into the future. Second, utilities are likely to continue to be constrained. To bear the cost of extensions would likely require substantial space developed simultaneously or substantial public sector intervention and investment. The latter two are locally controlled policy and fiscal issues. Third, demand for additional activity will grow. However, the market would not support substantial development of the corridors (as defined in the analyses) in all probability over the next ten years. Fourth, intensification of development from a rural appearance to a suburban or urban pattern and appearance is controlled by both market conditions and public sector regulations.

Sport Aircraft Works	Palm City, FL 34984
Sportplanes.com	Draper, UT 84020
Aircraft Spruce EAST	Peachtree City, GA 30269
Air Creation USA	Vail, AZ 85641
Costi Air, Inc.	Salem, OH 44480
FLIGHTSTAR SPORTPLANES	S Woodstock, CT 06267
AVIATION HAIM INC.	CANADA
ICON Aircraft	Los Angeles, CA 90066
Infinity Power Parachutes, LLC	Sturgis, MI 49091
Just Aircraft	Walhalla, SC 29591
Kifox Aircraft LLC	Homedale, ID 83628
CCS Aviation	Grand Bay, AL 36541-5210
M-Squared, Inc.	St. Elmo, AL 36568
Murphy Aircraft Manufacturing, Ltd.	CANADA V2R 4H5
Quad City Aircraft	Moline, IL 61266-0370
Quicksilver Manufacturing	Temecula, CA 92590
Terrafluga, Inc.	Woburn, MA 01801
Zenith Aircraft Co.	Mexico, MO 65265
American Legend Aircraft Company	Sulphur Springs, TX 75482
Cub Crafters, Inc.	Yakima, WA 98903
Eagle Aviation LLC	Oshkosh Wisconsin
InclUS Aviation, Inc.	Dallas, Texas 75237
MySky Aircraft, Inc.	Port Orange, FL 32128
New Horizons Aircraft, Inc.	Orlando, FL 32812
Nexaer	Peyton, CO 80631
Opus Aircraft LLC	Stoneville, NC 27048
Piper Aircraft, Inc.	Vero Beach, FL 32960
Progressive Aerodyne, Inc.	Tavares, FL 32778
Rocky Mountain Wings, LLC	Nampa, Idaho 83653-1188
Titan Aircraft Company	Austinburg Oh 44010
Aircraft Manufacturing & Design	Eastman, GA 31023
American Champion Aircraft Corporation	Rochester, WI 53167
Blisam Aviation	Morganton, NC 28655
LSA Aero	Tanner, AL 35671
FPNA, LLC	Sebring, Florida 33870
Hansen Air Group	Kennesaw GA 30144
Jabiru USA Sport Aircraft, LLC	Shelbyville, TN 37160
Luscombe-Silvaire Aircraft Company	Riverside, CA 92509
Paradise USA, LLC	Orlando, FL 32801
RANS Inc	Hays, KS 67601
REMOS Aircraft Inc	Santa Cruz, CA 95060-5848
Skykits Corporation	Paris, TN 38242
Tecnam North America Headquarters	Ashland, VA 23005
3Xtrim, Inc	Niagara Falls, New York 14303
Powrachute	Middleville, MI 48333
Six Chuter Inc	Yakima, WA 98903
Soaring Concepts, Inc.	Sturgis, MI 49091
Summit Aerosparts Inc	Yale, MI 48097
Bostik Industries, LLC	Melbourne, FL 32940

The proximity to Boston and other densely populated east coast locations opens the potential door for a range of product manufacturing utilizing advanced technology. Light aircraft manufacturing is one opportunity identified. (To the left is a list of manufacturers of small aircraft.)

The “rugged” northern character, the Maine reputation, some existing area retail operations, and the land conserved within Arundel suggest that product manufacturing for certain outdoor and sports related apparel and other products could be one niche to be pursued. This would include but not be limited to kayaks, bicycles, and scooters.

Biddeford Airport

Biddeford Airport is an important substantially under-utilized asset for Arundel. Arundel has substantial acreage adjacent to the airport that represents quality land for manufacturing and would require minimal investment in new infrastructure.

Maintenance of the airport, the minimum necessary to increase its use, is not a fiscal issue, but a political one internal to the City of Biddeford. There are existing perceptions that proper maintenance using the available federal funds will result in revision of proposals to add new runways and extend existing runways to accommodate larger aircraft. For Arundel’s use of adjacent acreage, expansion is not necessary; but maintenance could be a key factor for some use of adjacent properties but not all economic activity use. However, the process defined in the following could mitigate Biddeford’s concerns and speed maintenance.

Formation of a Regional Airport Authority.

With enhancement unlikely to be initiated from within Biddeford, steps should be taken to increase the prospect for enhancement externally. Arundel, working with at least the Chamber and perhaps other aviation interests such as Sanford, should explore the formation of a regional airport authority that would assume responsibilities for maintenance, upgrades and administration of all or some airport functions. This could have significant benefits to others, including Sanford.

Assuming there is an interest, Biddeford would be approached. The regional airport authority concept would also have benefits to Biddeford in the future by cutting administrative costs as well as ensuring that planned improvements are limited to those that would not reasonably conflict with neighboring residential areas in Biddeford.

Covenant Restrictions Between the Regional Authority and the Community.

The regional airport authority, unlike a local government entity, could sign covenant restrictions with a community entity, such as a neighborhood organization. Prohibition of future runway additions or significant expansions or even placing controls on the number of flights could be included. The regional authority would be able to tap federal and state funds for future maintenance and afford future funding for appropriate upgrades to be defined by the covenants. The covenants could last for 20, 50, or 100 years; anything in between; or for perpetuity and would be enforceable by law.

If successful, the single step would allow Arundel to maximize the potential of the best available land in Arundel for industrial use at minimal cost to any developer or the Town.

A first step in this process would be to form a sub-committee of the EDC co-chaired by one of the members having the greatest knowledge of the airports and aviation and the Town Manager. Other members from outside the EDC would be brought in as well.

Irrespective of the success with regionalization, the reuse of the land near Biddeford Airport for economic development is most advantageous to Arundel. It is the prime land that affords substantial opportunity while preserving the rural character of the community.

Infrastructure Investment

Arundel has choices for investing in infrastructure and seeking outside funds for such investment. The greatest return versus cost is likely to be achieved by investment in the following.

1. Necessary infrastructure to use land adjacent to Biddeford Airport located in Arundel for economic development activity.
2. Investment in infrastructure associated with the Trail and expanding its use.
3. Investment in a multi-faceted public “gathering place.”
4. Adding lighting to the main vehicular corridors, such as Route 1, to mitigate conditions.

Investment of staff, volunteers or others’ time in creating agri-tourism and synergy between existing operations potentially involved with tourism should also be given priority.

Utilities

As previously defined, unless substantial simultaneous development in one area were to occur in Arundel or a very large user of natural gas or other utilities were to locate in Arundel, the cost of extending “lines” is likely to be prohibitive for much of Arundel, or the return on the investment horizon so long that it cannot be justified. Even if a tax increment financing district were to be created as has been suggested; the investment in infrastructure to extend lines for most of the corridors where it is non-existent will not likely yield sufficient returns in a 20-year period and will not have as high a return-on-investment as the other types of infrastructure investments noted.

That being said, there may well be an opportunity that Arundel can seize utilities at little or no cost, lessening the cost of natural gas line extension.

There is now and there could well be others that surface in the future proposals to build new pipelines for gas, oil sands, oil or other such commodities through Arundel. Many pipeline companies are involved with more than one commodity.

Whether residents of an area like it or not, the pipeline companies have been granted legal authority which prevents localities from prohibiting pipelines. In most cases, they require the approval of the National Energy Regulatory Commission. These companies are accustomed to local pressures to modify routes, etc.

While many might like to see the United States move away from energy production primarily derived from one form of extraction or another; the preponderance of our energy will come from extraction of one product or another for the foreseeable future. The reasons for this are many, including but not limited to the cost of conversion to other sources on a large scale basis; wind, solar or other non-extractive based energy sources are also fought on environmental grounds; storage issues with alternative power have yet to be solved; energy use in homes and operations associated with heating, air conditioning and other controls on the environment continue to grow; and federal subsidies for alternatives continue to be divisive politically, lessening the prospect for extensive long-term public sector fiscal commitments.

However, the pipeline companies also prefer to have local support. It is suggested that instead of being antagonistic to proposed pipelines, Arundel support the activity in return for the creation of a tap source for natural gas in Arundel and perhaps some injection for “goodwill” into one or more local lines.

The other significant utility issue that has been raised is the lack of lighting along Route 1 previously noted. Arundel should effectively communicate and educate its legislators at the County and Federal government to establish the lighting as a priority and secure enhanced lighting if local funding cannot be achieved.

Technology

The noted recruitment efforts will require some enhancement to Arundel’s office equipment. However the cost of such equipment is less than \$1,500.00

As noted, the current communications system in the area is adequate. Deployment of future systems should be pursued as technologies change in the industry.

There are potential uses for the aquifer that has been and continues to be penetrated by saline. With the growth in fracking nationally and increased drought in a variety of areas within this country and world, Arundel could open a dialogue with the University of Maine and the University of Southern Maine to explore research to advance desalination processes.

Promotion

Arundel’s greatest chance of success in capturing dollars from those who come to Maine and Southern Maine from outside of the area is through cooperative marketing with other communities in the area. With the addition of Kate’s, the future potential for agri-tourism and agri-education, movement with respect to Trail-related opportunities, expansion of craft and entertainment related packaging, and other related activity; there is every reason to believe that Arundel can be a viable part of the tourism industry in Southern Maine.

However and as noted for other activity, additional opportunities for increased professional office space, higher education institution expansion and certain retail can also occur but not without direct involvement in promoting Arundel as a rural alternative for such opportunities.

Working through the previously defined committee, recruitment of professional and service organizations to serve the growing needs of Arundel and surrounding area residents will be essential. With respect to professional recruitment lists, information can be generated from three primary sources. These follow.

- ✓ National and Maine professional associations.
- ✓ Chambers of Commerce's membership lists from neighboring states such as Massachusetts and New Hampshire.
- ✓ Often state regulatory agencies.

It is not cost-effective to dissect, pre-qualify, or pre-select the professionals like indicated for developers. Mass "mailings" (electronic or paper), even if performed over time, will inevitably have greater cost-effectiveness than any pre-qualification effort.

EDC

In its short existence, the EDC has begun to play an important and pivotal role in shaping the future Arundel. As described in the strategy, there are additional tasks with which the EDC needs to be involved. Furthermore, while the volunteering efforts have been and will continue to be substantial; the expanded activity will require local staff support as well. In general, the added roles for the EDC indicated to implement a strategic program include those that follow.

Establish Sub-committees.

The implementation of the strategy requires several sub-committees to be formed. These sub-committees are essential for three purposes. The first is to focus efforts on critical activity that will make a significant difference in expanding economic activity. The second is to spread the work load through adding volunteers. The third is to gain increased awareness by the public of the need to expand economic activity to preserve the quality of life in Arundel. Thoughtful consideration should be given to identifying those from outside the EDC brought to the sub-committees.

Increase Communications with Other Committees or Commissions in Arundel.

Certain defined issues as well as much of what needs to happen will involve other committees, commissions or boards in Arundel as well outside entities, such as the Chamber. It is suggested that one member of the EDC attend appropriate other Arundel committee/commission/board meetings when substantive issues related to development and business activity occur. A reciprocal arrangement with planning and zoning-related commissions or boards should be sought as well.

Participate in Re-writes of Comprehensive Plan and Zoning/Development Regulations.

The EDC should be represented at meetings and be directly involved in any process to develop the update of Arundel's comprehensive plan and finalization of new development/zoning regulations. The comp plan is important to future land use and is supposed to be the basis for zoning and other regulations. Decisions impacting economic activity that includes placement of non-residential development, residential development, proposed policies, infrastructure plans, etc. need to have the EDC's input.

Welcome New Businesses.

When a new business opens its doors, the EDC should promote the entity via the web and should provide a certificate, plaque, or other means of officially welcoming the new business to the community. If possible, the businesses should be asked to come to an EDC meeting to inform the EDC and community of who they are, what they do and their ultimate goals for the future. This process could start with Kate's BATTERY.

Permanence.

Consideration should be given to making the EDC a permanent board, commission, or committee by Arundel.