City of Ellsworth, ME

Economic Development & Business Attraction Planning

FINAL REPORT

October 3, 2011

CWS Consulting Group LLC©

Location Strategies for Business and Economic Development

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Executive Summary

This report represents the culmination of a project to design and implement a business attraction program for the City of Ellsworth, Maine. This includes identifying industries and uses for which Ellsworth is well suited, identify programs that can leverage regional economy policy initiatives, and use this information to reach out and draw businesses to the City.

Summary Findings

While the region is small on its own, it has regional access to business networks, talent and infrastructure that may support a broad range of businesses. Analysis of local business and employment indicate that the region and the City have key strengths including:

- A good mix of current employers in the region representing sectors from healthcare and financial services to life science, manufacturing, and the creative economy
- Dedicated business zones ready for further development
- Strong growth in regional retail development
- A thriving downtown area, and a core resource in nearby waterfront access
- Access to the seasonal tourism areas of Bar Harbor and Mt Dessert Island
- A proactive and highly responsive City and Chamber of Commerce

Even so, the City does face the challenge of a tough economic climate, and also faces the specific obstacles of:

- A small labor force
- Some concerns regarding the availability of key skills, particularly in production
- Although there has been major and significant improvement to Route 1A through the City, there is still concerns regarding traffic through the downtown core along the Route 3 Corridor
- The tourism economy creates some seasonal stresses on the local labor market
- Some gaps in the training system, particularly for adult retraining
- Broadband access issues in some areas of the community
- Some missing suppliers and vendors for the food production and health care sectors
- The City is a relatively small player in a large field.

While some of the concerns above are structural, others are well within the power of the City to address.

Summary Recommendations

1. **Intensify Business Retention and Efforts to Capture Planned Growth:** Ellsworth should establish and maintain communication with all local businesses that may be planning expansions. The City, working with the Chamber, has a dedicated BR&E program. This program can (as in many locales) be improved to help foster and target new business attraction efforts. The City's business attraction program should be closely integrated with

the BR&E program as a way to identify potential new business contacts and leads based on existing business information and their supplier networks.

2. **Attract from Outside:** The community has the key attributes necessary to attract businesses in at least the following industry and use types:

    - **Creative Economy**
    - **Financial Service –** Back office and high service functions
    - **Food Production**
    - **Healthcare –** Regional acute and long term care, as well as customized high-end care
    - **Small-Scale Manufacturing and Production**
    - **Green Economy –** Particularly biofuels
    - **Retail –** Both regional and community-scale

3. **Downtown and Waterfront Improvements –** The current Maine Shellfish Company and other industrial activities currently block some portions of the waterfront from public use. This is detrimental for downtown and community feel, it is suboptimal for the industries involved, and it also adversely impacts roadway traffic through the City. Ideally, the City should explore partnerships for relocating these businesses, providing for their future growth, and for redeveloping the waterfront for more optimal community or retail use.

4. **Adult Training Programs –** While the City has adult training programs in place, the small local labor market and the seasonal impact of Bar Harbor make continual education and training an absolute must. An increase in dialogue between industry and the training programs is required, and the City needs to find ways to increase enrollment in these programs. The City should work with the training providers to develop target-specific training programs.

5. **Industrial Park Investment –** The existing industrial park has not grown effectively and has attracted some uses which are not fully in character with desired uses. Access to the site is historically problematic, and broadband telecommunications have not yet been installed in the park itself. Access concerns have been improved with the dedicated turn lane and the scheduled realignment of Route 180 directly to the Park. However, these improvements should be monitored and as addressed, a local and regional awareness campaign should be considered.

6. **Regional Collaboration –** While Ellsworth brings its own strengths to business attraction and economic development, teaming with the larger Hancock County and perhaps the Bangor area creates a mass of talent, infrastructure, educational institutions, and other inputs that

many companies use as gating criteria when they make location decisions. Through teaming, Ellsworth will be able to enter consideration for a larger group of opportunities than it would be open for on its own. It would also allow for effective pooling of marketing and outreach funds among the regional participants.

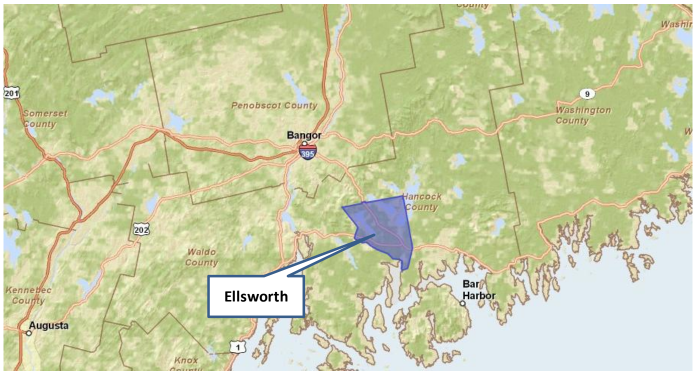
7. **Exploit Connection with Bar Harbor** – In addition to building the regional economic development strategy, Bar Harbor and Mt. Dessert Island represents a market full of individuals who are – in their everyday lives – corporate decision makers or advisors. By making them aware of Ellsworth's strengths, it may be possible to provide them with a location which is as much a good place for their business as for their recreation
8. **Active Outreach and Marketing** – The State of Maine, Maine & Company, and a variety of regional industry groups are all involved in active marketing of the State and its communities to corporate decision makers and to the consultants they hire. Both by working cooperatively with these organizations and through independent outreach to likely targets, the City will create awareness of what the community can offer to a select set of business and use types. Aggressive outreach within Maine, with these partners, and on targeted sectors in the National market will complement and expand the City's existing economic development programs.

The City has the focus and blueprint for an effecitive business attraction program. Caution is warranted. Breaking into the larger northeast (US\Canada) market will take time. There is market potential within the immediate in-state and neighboring regional market. Furthermore the most effective business attraction programs are not only focused but stay-the-course. Business attraction is a longer term strategy that requires commitment to focused targets, with adjustments, over at least 3-5 years.

Introduction and Overview

Defining the Areas of Study

The City of Ellsworth is located in Hancock County, approximately 25 miles southeast of Bangor. The City sits astride route 1A, the main roadway taken from Bangor to the Bar Harbor and other resort areas on Mt. Desert Island.



While our study focuses on the City of Ellsworth, the regional context plays a strong role in Ellsworth's economic life. As a result, we will also examine Hancock County and the Bangor MSA in some portions of this report.

Purpose of work

This study builds upon previous work performed by Eaton Peabody Consulting Group (EPCG) and Jeffery Donahoe Associates (JDA) in 2007 regarding industry targets which would be ideal targets for the City. The current report takes this information, examines it within the competitive context of other peer communities, applies a site selection point of view, and builds a strategy for performing further business targeting and outreach. The current report also identifies and suggests tactical and strategic steps that the City of Ellsworth may adopt to further improve its ability to attract and retain businesses in the City.

This work and Report provides the focused guidance and direction for the City's renewed business attraction efforts. This Report is designed to confirm and redefine the City's business attraction program. It identifies gaps or weaknesses to address while providing distinct and focused recommendations for targeted sectors and tactics. It is important that the City dedicate itself to this program, with adjustments and recognize the need to commit to the effort for at least 3-5 years if not indefinitely.

Market & Location Review

Review of City of Ellsworth Economic Development Strategy, 2007

In May of 2007, the Ellsworth City Council engaged Eaton Peabody Consulting Group and Jeffrey Donohoe Associates for the purpose of working with the City staff and the Ellsworth Economic Development Committee to craft a long-term economic development strategy for the community.

The move was prompted primarily by a recent influx of private sector investment that is expected to result in more than 1 million square feet of new retail space in the City's Beckwith Hill area. The City recognized that while these developments signaled an economic benefit, there was a need to establish a strategic approach to economic development as a means of ensuring a healthy diversity in the community's tax and employment base in the years ahead. The result of EPCG\JDA's work was the City of Ellsworth Economic Development Strategy, 2007. The City has used that Strategy and implemented many of the recommendations of that Strategy. In this section we provide a review and update of that Strategy for the context of our work.

Employment Base

As of 2006, Hancock County had five large employment sectors which together accounted for over three-quarters of all employment. The Education and Health Services sector was the County's largest in 2006, employing more than 5,200 in 2006, or almost 23% of all jobs in the County. The Trade, Transportation and Utilities sector accounted for more than 20% of all employment in Hancock County.

Maine's tourism economy played and continues to play a significant role in Hancock County. The Leisure and Hospitality sector was the third largest in Hancock County in 2006, employing almost 3,600. The Manufacturing sector accounted for more than 10% of the County's employment in 2006, while the Professional and Business Services sector was just under 10%.

A Location Quotient analysis (to be explained in the next section) indicated that Hancock County had a substantially higher level of employment within the Mining sector – 3.16 times as much – than the State. Other areas where the County had a substantial advantage over the State as a whole include Professional and Technical Services (1.96), Accommodation and Food Services (1.57), Other Services (1.45), Construction (1.36) and Arts and Entertainment (1.26).

The County also had a substantially lower concentration of employment in some sectors than the State as a whole. Hancock County had a low concentration of employment in the Finance and Insurance sector (0.56), Management of Companies and Enterprises (0.37), Administrative and Waste Services (0.35) and Wholesale Trade (0.32).

Interview Results

The EPCG/JDA team also performed a series of interviews with local businesses and institutions. We revisit the key findings based on those 2007 interviews and have built our work from those findings. The key findings from the 2007 work:,

Benefits and Strengths	Risks and Drawbacks
• There is a great mix of employers in the region, including Acadia National Park, Jackson Labs, and • Maine Coast Memorial Hospital. • While the industrial park has struggled, the new business park seems to be doing well. • The City serves as a regional retailing center, serving people well beyond the City's borders. • Strong growth in the region in terms of employment opportunities and population. • A strong health care sector, strong professional services sector. • A diverse community. • Good education system, good student/teacher ratio. • A stable core workforce. • Successful downtown revitalization program. • City is a good place to do business, City and Chamber of Commerce are responsive and helpful. Since 2007, there following "Risks and Drawbacks" have been addressed: • Traffic situation on 1A greatly improved, but still some need to address Route 3 • Access to Industrial Park improved and to be improved with the realignment of Route 180. • Continued improvement to infrastructure and branding has been made, but additional work remains	• Growth in retailing could result in the cannibalization of workers from existing businesses. • The traffic situation is critical – the new road plan is not sufficient – the community is near gridlock when it rains. The one-way traffic loop will leave some businesses with "much less traffic". • The industrial park is viewed as a failure – not a "real" industrial park. • There seems to be an anti-development attitude in Town. Needless delays increase costs and reduce profitability for developers. • The City's rapid growth has resulted in rapidly growing municipal expenditures – tax rates are high in Ellsworth. • The City needs more cohesive, integrated planning for the Beckwith Hill retail area and downtown • Ellsworth. Concern over the potential impacts of over-building. • Parking is a concern downtown. • City is allowing too much retail – the size of the retail pie isn't growing fast enough to support all this new growth – some existing businesses are likely to get hurt. • The City could be facing a housing shortage soon, particularly if workers move to the area for jobs in the retail sector. This could necessitate more rental and/or workforce housing. • Concern over where the worker will come from to support the new retail development. Finding new employees for existing businesses is "very difficult". • Route 1A is insufficient – needs to be expanded to keep up. • Ellsworth doesn't have an identity of its own – needs to be something more than the retail center for the region. • City needs to more clearly define requirements and expectations for developers.

Implications and Targets

The project established a Project Evaluation Tool as a means for judging the merits of retail and other projects that came into the City on their own. In this way, the City could evaluate whether a new project would:

- Provide economic benefit
- Meet other community goals
- Do so at a minimum negative impact to the community and its infrastructure

The team also recommended that the City work towards a broader property tax base by encouraging non-residential development. A goal of at least 45% non-residential tax base by 2015 was theorized to help to stabilize the community's tax rate by offsetting the potential increases in education costs for new school-aged children with expanded tax base. In order to achieve this goal, nonresidential development would have to occur twice as fast as residential development between 2011 and 2015.

The team recommended that the City focus on attracting two major target industries:

- **Financial Services** – This sector represented the highest local average wage, substantially above the community as a whole. The market strength of this sector in 2007 offered the community an opportunity to attract related businesses, such as back office operations and processing centers
- **Health Care -** the City's second largest employment sector (behind Retail Trade), and showed the largest increase in employment for any sector from 2001 to 2006. The growth of this sector represents an opportunity for the community to encourage additional employment opportunities to support the Health Care sector by having appropriate development sites available.

The study also recommended a series of infrastructure, utility, and telecommunications improvements to be implemented at the City's three major areas for development: Commerce Park, the Bucksport Road Area and the Ellsworth Industrial Park.

Updated Competitive Analysis

The global economic climate has changed considerably since 2007. While Ellsworth's competitive advantages have not changed, the competitive landscape has. As a result, we have re-examined employment trends for the region, regional business base, institutional partners, regulatory climate, operating cost base, and other factors. These all influence the potential success or failure of any one business at the individual level, and for the success of a cluster in Ellsworth at the macro development level.

Employment Base and Changes

The Bureau of Labor Statistics tracks employment data by North American Industry Classification System (NAICS). NAICS allows communities to track employment in companies by type of economic activity, and may also be used to examine the community's economic base. This knowledge may then be used to either examine economic dynamics in those specific activities or also determine how this workforce might be migrated into new opportunities.

Two- and three-digit numbers precede the industry or activity name through the following section. This number is the code assigned to that activity in the NAICS system.

The tourist trade has a significant impact on the Hancock County economy. As a result, it is no surprise that Hancock County's three largest industries employ 9,600 of the total 18,719 employed and that these are:

- Retail Trade
- Healthcare and Social Assistance
- Accommodation and Food Services

This does not tell the full picture of economic activity and opportunity in the region, however.

Location Quotient and Shift Share Analysis

Location Quotients and Shift Share Analyses are often used to identify activities in which:

1. A community has a particular employment strength, and
2. How a community's economic base is changing over time

These are determined using the following tools:

- Location Quotients are a method of identifying basic (domestic) and non-domestic (exported) employment in a region - Basic industries are those exporting from the region and bringing wealth from outside; non-basic (or service) industries support basic industries.
- Shift-share analysis allows for a review of how much of an industry's growth (or loss) due to the region's strengths relative to the nation (and the MSA) - is a widely used analytical technique sometimes used for retrospectively decomposing changes, usually in employment, in a set of

urban areas or regions. The analysis is meant to identify industries considered to have a comparative advantage in that particular area.

The table below lists those industry groups for which Hancock County has a Location Quotient above 1.0 and therefore has an existing export advantage or nexus of activity. Also shown are the 2010 employment in each of these sectors and the overall change in Location Quotient from 2001-2010

	Hancock County, ME		
Industry	Employment, 2010	Location Quotient	Change in Lq, 2001-2010
NAICS 721 Accommodation	1080	3.51	0.01
NAICS 444 Building material and garden supply stores	526	2.61	0.66
NAICS 712 Museums, historical sites, zoos, and parks	56	2.49	0.01
NAICS 453 Miscellaneous store retailers	241	1.77	-0.09
NAICS 445 Food and beverage stores	873	1.76	-0.17
NAICS 336 Transportation equipment manufacturing	389	1.66	-0.5
NAICS 238 Specialty trade contractors	993	1.63	0.25
NAICS 622 Hospitals	1330	1.63	0.26
NAICS 485 Transit and ground passenger transportation	117	1.58	-0.73
NAICS 713 Amusements, gambling, and recreation	341	1.4	0
NAICS 442 Furniture and home furnishings stores	107	1.39	0.19
NAICS 813 Membership associations and organizations	321	1.39	0.54
NAICS 623 Nursing and residential care facilities	728	1.32	-0.07
NAICS 511 Publishing industries, except Internet	173	1.3	0.2
NAICS 541 Professional and Technical Services	1700	1.29	0.02
NAICS 441 Motor vehicle and parts dealers	360	1.25	-0.02
NAICS 311 Food manufacturing	314	1.24	-0.16
NAICS 451 Sporting goods, hobby, book and music stores	129	1.21	-0.46
NAICS 722 Food services and drinking places	1868	1.13	-0.14
NAICS 452 General merchandise stores	534	1.01	0.17

The County has export advantages (high location quotient) in:

- Areas serving the tourist trade
- Arts, Entertainment, Cultural and Creative Economy
- Hospitals and Healthcare
- Professional and Technical Services

While this analysis shows which uses and sectors currently contribute to the County's economy, it does not yet tell the full story. Examining the Shift Share analysis allows for a better refinement of not only where the strengths are currently, but where there has been better than expected growth over the past ten years.

The Shift-Share table below shows those industry groups for which Hancock County gained more than its predicted share of employment from 2001-2010. The Bangor MSA is also shown at left by way of comparison. Each of the sectors below has benefitted from additional growth in Hancock County.

Industry	Bangor MSA	Hancock County, ME
NAICS 622 Hospitals	1,670	553
NAICS 424 Merchant wholesalers, nondurable goods	(230)	263
NAICS 561 Administrative and support services	771	261
NAICS 444 Building material and garden supply stores	(7)	260
NAICS 813 Membership associations and organizations	(594)	249
NAICS 452 General merchandise stores	661	201
NAICS 541 Professional and Technical Services	(68)	157
NAICS 454 Nonstore retailers	771	129

This continues to underline the Community's strength in such area as healthcare and professional services. Interestingly, Hancock County has accomplished significant growth in areas where the Bangor, ME MSA has faltered or lost share. The underlying strength in health care continues to suggest that a targeted effort on additional peripheral or focused sub-sector classes of health care makes sense.

Review of Findings from Interviews

Numbers and analysis provide insight into the outcomes of a community's economic system, but they cannot provide the context. For this it is necessary to speak with the businesses and institutions on the ground to understand how the community's strengths and weaknesses impact their ability to succeed.

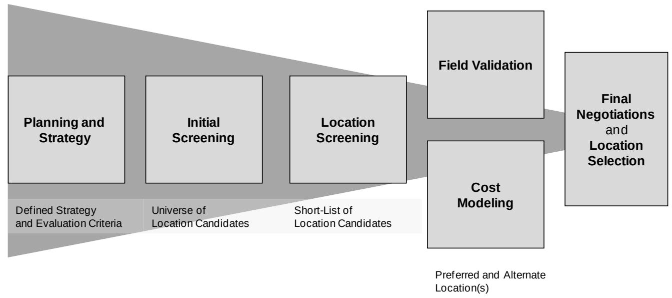
The summary conclusion of our interviews (table below) show a strong impact of tourism on Bar Harbor and Mt. Desert Island which could be used as a recruiting tool. Some manufacturing and resource based trade impacts the city itself. There are some concerns regarding the availability of trained talent (holding key skills) and the impact of seasonal tourism on other more stable employment pools.

Benefits and Strengths	Risks and Concerns
• Proximity to the corporate decision makers on Mt Dessert Island • Strong support from the City and good regulatory environment. Allows for predictable, fast development process as well as an active community partner • Very good location for accessing regional and tourist retail markets • Good talent base for services and for health care • Strong existing and growing creative economy including artisans, and museums. Also includes retail and educational components • Workforce is willing to commute long distances • Winter weather – while severe – does not deter transportation through the region • Region did not experience large development boom in 2005-2007, and did not suffer a large bust as a result • Population data suggests that the region could also be a regional draw for health care and outpatient procedures • Existing components of the networks for the food production, health care, and creative economies	• Traffic through the downtown core as well as along Route 3 There is still a regional, state, or perhaps even national *perception* about traffic via Route 1A that needs to be addressed through continued public relations or advertising. • Labor force is generally small • Tourism economy creates some seasonal stresses on the local labor market • Some gaps in the training system, particularly for adult retraining • Broadband access issues in some areas of the community (or at least the perception of poor access) • Need to find more job and career opportunities to retain local youth • Some missing suppliers and vendors for the food production and health care sectors • Some difficulties recruiting to the area, especially if a trailing spouse is involved due to lack of employment opportunities

Importantly, we also found that several of the companies interviewed identified broader supplier and partner networks that could be fostered in the Ellsworth area which do not currently exist, particularly in health care, the creative economy, food production, and even light manufacturing. Some of those interviewed suggested business needs that are fulfilled by contract from businesses outside the City and some outside of the County. Those may be sectors or event business contacts that may be encouraged to locate offices or service centers in the City.

Regional Competitiveness

The Location Decision Process and Competitive Base

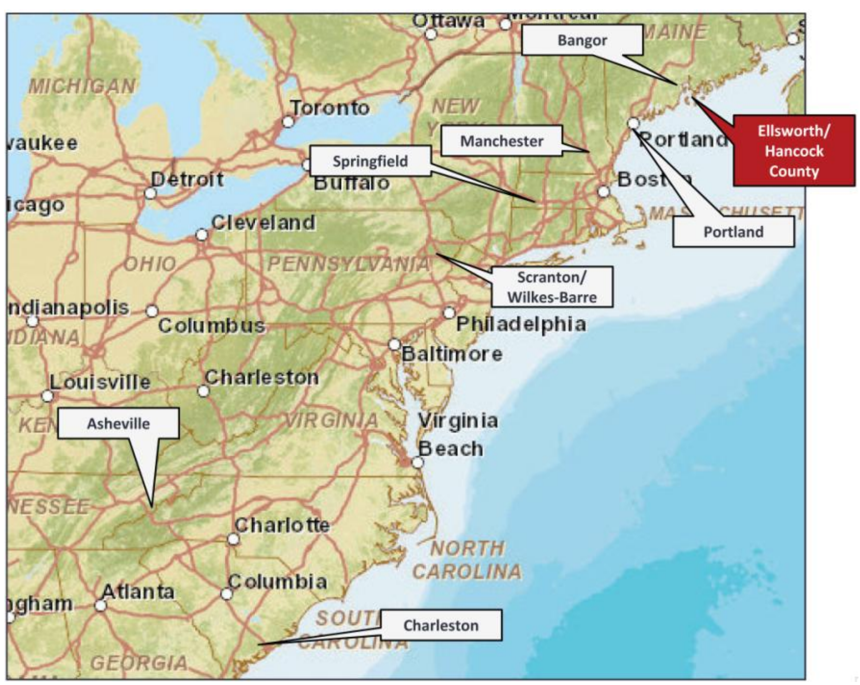


Companies making expansion and relocation decisions typically go through a process similar to that shown in this section. This process begins with the company listing their business opportunities, constraints and needs for the new facility, and then progresses through an evaluation of location options. This evaluation process continues to narrow the list of options until the company is prepared to negotiate with the last handful of communities and sites remaining on the list.

Importantly, this process usually starts with a regional, national, or even international large list of options. At this point, metropolitan areas are the units of geography being evaluated, not towns or sites.

The Ellsworth and Hancock County area typically compete (together) against Portland ME, Manchester NH and Springfield MA for most projects. Coupling this knowledge with overall trends in industry, the Hancock County area would most likely compete with communities like the following for employers and investment:

- Portland, ME MSA
- Manchester, NH MSA
- Springfield, MA MSA
- Scranton / Wilkes Barre, PA MSA
- Asheville, NC MSA
- Charleston, SC MSA



Each of the above communities is either a regional competitor or has characteristics similar to Ellsworth. These would include being a small or moderate sized community having proximity to a tourism center, but also having a somewhat independent economic base of its own.

Analysis by Factor

Following is an analysis of the region by each category type typically included in a location screening. The database of factors for each of the communities examined may be found in the Appendix. Similarly, weights have been assigned to each criterion based on real-world experience in site selection projects. These relative weights are also included in the Appendix.

Each of the numbers shown in the table below indicates the respective community's rank. Hence, a lower number indicates a more favorable performance.

Rank by Category

Community State	Ellsworth ME	Hancock Cty ME	Bangor ME	Portland ME	Manchester NH	Springfield MA	Scranton PA	Asheville NC	Charleston SC
Population and Demographics	5	5	5	3	3	5	5	1	2
Labor Force Characteristics			3	2	1	5	6	4	6
Industry Specific Employment	7	7	4	2	1	5	3	5	9
Occupation Specific Employment			7	4	6	1	3	5	2
Occupation-Specific Salaries			3	5	7	6	1	2	4
Education	3	1	5	2	4	6	9	6	6
Transportation and Market Access	8	8	6	4	3	2	1	5	7
Tax Regime	4	4	4	4	4	3	9	2	1
Climate and Natural Hazards	7	7	7	3	4	1	5	1	5
Crime and Quality of Life	3	3	2	6	9	8	5	1	7

Population and Demographics

Population dynamics give an overall indication of a community's "health," or whether it is growing at a sustainable pace. Negative growth can indicate a failing economy or an obsolete community. Explosive growth can be a warning sign for strain on infrastructure or on community finances.

This analysis, which typically examines growth of working age population over a specified time period, typically favors young or newer communities. Of course, Ellsworth is neither and does not perform as well. Asheville and Charleston lead this category. This analysis of Ellsworth's relative growth differs from a recently published report that Ellsworth highlighted in the Bangor Daily News[1]. Indeed, Ellsworth is the central-core of growth in the county. But relative to its competitors for new business, Ellsworth is "middle of the pack." All of the New England communities perform roughly similarly, except for Portland and Manchester which rank slightly higher.

General Labor Force Availability

Given as a measure of Civilian Labor Force growth and an area's unemployment dynamics, this section measures the very general strength of the workforce as a whole, without regard for specific skills.

[1] http://bangordailynews.com/2011/05/04/news/hancock/interior-towns-boost-hancock-county-population-growth/

Areas with moderate unemployment and stable labor force growth perform well. Manchester, Portland, and Bangor (which serves as a proxy for Ellsworth in this category) all fared reasonably well through the recession and rank at the top of this category. There is indeed more local and in some cases more recent data, but our model uses standard data sources used by most site consultants that is consistent for locations across the Country. (If and when Ellsworth is identified as a potential source, the City should provide the more recent data to the interested parties).

Industry-Specific Employment

This section contains information on the availability of workers within selected industries. Employment in Utilities, Construction, Manufacturing, Finance, Services, and Professional/Technical/Scientific functions are analyzed as a percentage of overall employment indentifying critical masses of industry partners and workforce. These are selected as they provide an indicator of the presence of basic skills and networks which may be useful across a broad array of new industry and use types the City may target.

Ellsworth and Hancock County do not have significant numbers or concentrations of as many industry clusters as compared to the peer communities. While Manchester and Portland have diversified workforces, the Ellsworth region will need to draw from a larger area or develop training programs to ensure that it can staff employer needs. The Bangor MSA performs better in this regard, and Ellsworth may be able to draw on this labor pool. Ellsworth and Hancock County currently have their greatest advantages in the Services sector and have some secondary strengths in the Information sector

Occupation-Specific Employment

In addition to understanding industry trends, the modern economy still requires workers with specific talents regardless of what company they apply them for. This category examines the availability of some in-demand skills, such as Business and Financial Operations, Computer & Mathematical, Healthcare Support Functions, and Production skills. As with the statements for industry employment, the availability of these broad occupations types is indicative of the strength of the local skills base for a variety of uses.

This data is neither available for Ellsworth nor for Hancock County, but the Bangor MSA does not perform particularly well or at best is “average.” Springfield and Charleston perform well in this category.

Labor Force Cost

Salaries and benefits often make up companies’ largest or second largest cost category overall. Hence, costs for specific occupations in each community show the relative cost of doing business for the assembled entity.

Here again, data is not available for Ellsworth or Hancock County, but Bangor performs relatively well, ranking third in the category. Only Scranton and Asheville rank higher.

Education

The education levels of a community's population (from high school to professional school graduates) indicated both the capabilities of the workforce and can also be an indication of the regional school system as a quality of life measurement. An educated workforce can also help attract talented people to relocate to the region.

This category is a decided strength for both the City of Ellsworth and for Hancock County as a whole. On its own, Hancock county ranks first and Ellsworth ranks third, indicated that the basic educational attainment levels of the population are highly competitive.

Transit and Infrastructure

Acting both as a measure of traffic within the community (and therefore workforce attraction) as well as the ability to move goods and personnel into and out of the community, transit and infrastructure measures the availability of air and road capability and the capacity of that capability.

While the region is reasonably well served by highway, it is relatively far from major population centers. Additionally, the area does not have significant air access allowing for movement of goods and personnel. This will be an important consideration when determining the most efficient effort to target companies.

Tax Structure

Tax structures can – intentionally or otherwise – be used as a regulatory tool to encourage or discourage corporate investments of various types. Property, income, and sales taxes all impact companies in different ways and should be examined on an institution by institution basis.

Maine's tax regime is neither particularly aggressive nor punitive. As a result, the Maine communities place after North Carolina, South Carolina, and Massachusetts, but before Pennsylvania. As noted above, this is a highly location and company specific issue.

Incentive Programs

Incentive programs – which include tax credits, grants, funding programs, loan programs, and utility assistance – can help communities make the "final sale" during short list deliberations. They cannot supplant other critical business location needs, but they can provide an appropriate mechanism for forging a partnership between business and community.

The incentive programs available to Ellsworth and to the State of Maine compare favorably to other locations in the Northeast and should be considered in discussions with targeted companies and industries. A full list of available programs may be found in Appendix 3.

Climate and Natural Hazards

Climate is both a quality of life indicator and can also be a measure of business interruption risk. Similarly, no location is without some form of natural hazard risk. Businesses will typically look to establish locations in such a way as to minimize their exposure to any one risk.

Maine experiences cold winters and high snowfall. While the region has a culture of dealing with these, the simple fact that the climate statistics are what they are may deter some companies worried about business interruption risk.

Crime and Quality of Life

Quality of life is a subjective measure and the criteria to measure the concept vary from individual to individual. However, such subjects as housing cost (as compared to prevailing wages), cost of living, crime, and health care system capacity carry universal appeal and can have direct business impact.

Low crime rates, cost of living, and excellent healthcare all place the Bangor MSA and its surrounding environs in the second place on this category, outscored only by Asheville. This may assist in recruiting talent to the area.

Outcomes

Companies making location decisions assemble the above information, shifting the importance of individual criteria or categories of criteria depending on the nature of the function or functions to be located. A cost-sensitive function such as assembly will tend to emphasize operating and labor costs. Similarly, technical functions will place more importance upon the availability of particular skills and educational attainment of the general population. An executive function will emphasize quality of life (used to measure the ability to recruit to the area) and air access into the region.

Opportunity Profiles

Coupled with the existing regional industry and corporate base, the screening suggests that the following industry and use types might be appropriate targets for the Ellsworth area. It is important to note that this list cannot envisage each and every opportunity which might arise. Therefore the City of Ellsworth and its outreach partners should also be aware of opportunities which share operational and need profiles which are similar to those listed below:

Creative Economy	
Specific Description	The creative economy remains a somewhat ill-defined sector, but may be broadly considered to include activities in advertising, architecture, art, crafts, design, fashion, film, music, performing arts, publishing, R&D, software, toys and games, TV and radio, and video games. Within Ellsworth, the Creative Economy includes small art galleries, artisan and craft artists, museums, and heritage sites. Each of these appear to benefit from proximity to the tourist market and to Bar Harbor
Current Industry Outlook	• Given its nature, it is nearly impossible to assign an industry outlook to the pieces of the Creative Economy outlined above. Each is idiosyncratic and is subject to matters of taste and the involvement of specific individuals • Generally however, spending in the arts and creative economies tends to parallel overall consumer spending trends. As a result, the sector is in the middle of a slump which began in 2008. Spending is down almost 6% since it's last peak in 2007[2] • There is significant regional variation
Key Requirements or Value Chain	• Strong cluster orientation – creative culture tends to aggregate around other existing creative uses • Access to a benefactor or consumer market which appreciates the arts and creative culture • Access to good local transportation and access • Ability to build visibility for the creative economy

[2] http://www.artsusa.org/information_services/arts_index/001.asp

Creative Economy	
Specific Role/Opportunity for Ellsworth	• Continue to build the nascent artisan, art, and theatre community • Attract further artisan and art education uses • Utilize these as a key component of a larger tourism strategy
Ellsworth/Hancock County Advantages	• Existing art, artisan, museum, and theatre uses • The County already has individuals who can help drive this initiative through their own involvement in the creative economy • Access to the seasonal wealth center of Bar Harbor
Disadvantages and Risks	• Continued national economic decline • Some concerns regarding access and market visibility
Tactics and Strategies for Growth	• City marketing of local Creative Economy as a comprehensive entity. Note breadth and number of creative economy resources • Cooperative education drawing further patrons into the creative economy and building endogenous market demand • Consider use of TIF funds to spur and encourage additional marketing of the City.

Financial Services – Backoffice	
Specific Description	Financial services contain activities related to banking, securities, capital markets, insurance, real estate, and their support functions. Financial services backoffice functions may include call and customer service centers, data centers, and treasury functions among others. It may also include administrative functions such as human resources and information technology.
Current Industry Outlook	• The financial services sector overall continues to reconstitute itself following the considerable shocks of 2008-2010. Market pressures, portfolio problems, and new regulation have forced considerable consolidation within the market • All of the above has resulted in a general decline in backoffice activity among large institutions, but has created market space for small and mid-tier regional player to enter the market
Key Requirements or Value Chain	• Strong telecommunications infrastructure • Good general labor force. Some need for more highly trained personnel depending upon the complexity of the financial instruments
Specific Role/Opportunity for Ellsworth	• Backoffice functions for regional or mid-size banks including customer service, data, and call centers as well as additional “Back of house” operations

Financial Services – Backoffice	
Ellsworth/Hancock County Advantages	• As noted in the previous study, the financial services sector is among the highest paying in Hancock County. Still this is competitively low when compared to other New England financial services wages • Existing financial services activity for local and regional banks creates a talent pipeline which may feed additional growth for this area • Expansion of existing firms in this sector
Disadvantages and Risks	• Relatively small labor pool • Total operational size likely to be limited to less than 200 persons per use

Tactics and Strategies for Growth	• Regional marketing outreach through programs at the state and through Maine & Company
	• Interactions with key executives who reside or visit Bar Harbor
	• Leverage key financial incentives such as:
	  o Jobs & Investment Tax Credit
	  o Local TIF
	  o Possible applicability for R&D tax credit for financial software systems
	  o Possible Maine Seed Capital program for new regional banks

Financial Services – High Net Worth Individuals	
Specific Description	As noted above, financial services contain activities related to banking, securities, capital markets, insurance, real estate, and their support functions. Banks often choose to establish special service centers to cater to the needs of high net worth individuals or others who present an increased source of profit for the bank. Services offered may include treasury, capital markets, securities, financial planning, insurance, and loan sales.
Current Industry Outlook	• As with the above, the financial services sector continues to recover from the shocks of 2008-2010. • However, the opportunity to serve high net worth populations has not seen as much impact, and banks of various sizes have begun to make added investments which target this specific segment
Key Requirements or Value Chain	• Access to markets with high net worth individuals • Workforce with very strong interpersonal and service skills • Existing financial services industry framework
Specific Role/Opportunity for Ellsworth	• Ellsworth may provide an excellent location to serve the high net worth population in the Bar Harbor region and other higher-wealth communities in Hancock County

Financial Services – High Net Worth Individuals	
Ellsworth/Hancock County Advantages	• Direct access to Bar Harbor and other Mt. Dessert Island communities • Strong services labor base • Some existing financial services industry base
Disadvantages and Risks	• Possibly diminishing market due to the impact of electronic and other banking
Tactics and Strategies for Growth	• Direct and advertising outreach to the banks located in Bar Harbor region and other statewide or regional banks exploring new markets • Direct solicitation of national/global investment and private banks which service this target population

Food Processing	
Specific Description	Food production includes both the initial and final preparation of food and foodstuffs. This may include the initial gathering and processing of grains, fish, meats and the like. It may also include formulation, cooking and packaging of prepared foods.
Current Industry Outlook	• The recession, national trends towards ready to eat meals, and attention on food sources and ingredients have all placed differing pressures on the national food pipeline • Both sourcing and nutritional issues have created an opportunity for fresh healthy food, which has in turn created a drive towards re-regionalization of food production near agricultural centers
Key Requirements or Value Chain	• Access to key ingredients, produce, and meats • Strong transportation infrastructure • Proximity to major consumer markets
Specific Role/Opportunity for Ellsworth	• The Hancock County region is a direct producer of fish and shellfish, and is also a seasonal producer of berries and other produce • These ingredients - coupled with products from elsewhere in Maine and Atlantic Canada – may provide opportunities for prepared or fresh foods • Several companies already in the area (e.g. Maine Shellfish) may either participate in this market or supply it • There is often an undefinable correlation between specialty food production and sales and the Creative Economy—there may be ways to interconnect these sectors
Ellsworth/Hancock County Advantages	• Direct access to key inputs (e.g. shellfish, berries, other produce) • Good access to other agricultural inputs (potatoes, vegetables, other) from New England and Atlantic Canada • Reasonable access to major population centers in Northeastern US and Eastern Canada

<table>
<tr><th colspan="2">Food Processing</th></tr>
<tr><td>Disadvantages and Risks</td><td>Availability of trained labor
No direct connection with University food, nutrition, or culinary programs</td></tr>
<tr><td>Tactics and Strategies for Growth</td><td>Develop connections with Eastern Maine Technical College, Husson College, Beal College, or other schools who offer culinary training – this may result in drawing an entrepreneur and will also result in developing a talent base
Develop connections with food producers in the region and the associations to which they belong in effort to coordinate expansion of company
Work with existing food producers and suppliers to identify further value-added opportunities
Leverage key financial incentives such as:
Jobs & Investment Tax Credit
Local TIF
Possible Maine Seed Capital program for new producers</td></tr>
</table>

<table>
<tr><th colspan="2">Green Energy - Biofuels</th></tr>
<tr><td>Specific Description</td><td>The green economy contains several sectors which pertain to energy, of which biofuels may provide an opportunity for the Ellsworth Region. Biofuels include any fuel which has been produced through biological action, such as ethanol and biodiesel.

A growing sector of biofuels is based upon the use of wood waste to produce pellets. Sawdust and wood chip are the critical inputs.</td></tr>
<tr><td>Current Industry Outlook</td><td>Wood pellets are increasingly being used in home heating – both for aesthetic applications such as wood-burning stoves and for core home heating in some areas
Additionally, wood pellets are increasingly being used by European nations to complement the fossil-fuels (primarily coal) used in their electrical generation plants. Biofuels such as pellets allow these regions to increased their reported use of renewable or “Zero Net Carbon” fuels
Governor LePage has announced a major new policy initiative for natural gas development. There is also regional opportunities around use and distribution of methane under discussion.</td></tr>
<tr><td>Key Requirements or Value Chain</td><td>Access to wood waste
Good transportation network
Access to an intermodal bulk terminal is an advantage (in the case of pellets for international shipment)</td></tr>
</table>

Green Energy - Biofuels	
Specific Role/Opportunity for Ellsworth	• Processing of wood waste and chips into pellets • Waste energy from this process (steam) might also be used to fire a cogeneration facility, providing small-scale low-cost electricity
Ellsworth/Hancock County Advantages	• Proximity to timber activity in Maine, the rest of New England, Atlantic Canada, and Quebec • Additionally, bulk terminal capability is available at Auburn, ME, allowing for the rail shipment of pellets across the continent and to seaports. Transport may be available at Searsport and the port of Eastport is focused on creating such bulk shipping facilities.
Disadvantages and Risks	• Limited rail capability places strains on entry of raw materials and shipment of finished pellets • Unknown future for lumber mills in Maine, with resulting unknown supply of wood waste • Competitive nature in Maine to locate such facilities and for ability to source the raw material

Tactics and Strategies for Growth	• Direct outreach to timber interests in the region to determine current value chain for wood waste
	• Use same contacts to identify key players in biofuels, and approach these directly
	• Leverage key financial incentives such as:
	    ○ Jobs & Investment Tax Credit
	    ○ Local TIF
	    ○ Possible Maine Seed Capital program for new producers

Healthcare – Regional	
Specific Description	The healthcare sector includes all acute and long-term care facilities. This includes regional and community hospitals, rehabilitation facilities, and can also include some extended care facilities and nursing homes
Current Industry Outlook	• According to the Bureau of Labor statistics, healthcare is expected to create more wage and salary jobs in the next 10 years than any other industry sector. This will be due both to retirement and replacement as well as increased provision of services • The means for provision of service is also changing, with more outpatient procedures requiring different kinds of facilities and skills • In addition to the above, the greying of the population creates a need for more long-term care options
Key Requirements or Value Chain	• Access to populations in need • Access to key medical and care skills

Healthcare – Regional	
Specific Role/Opportunity for Ellsworth	• Increased regional role in primary healthcare • Long-term care facilities such as advanced nursing care and assisted living
Ellsworth/Hancock County Advantages	• Strong existing healthcare system • High quality of life provides an excellent setting for long-term residential care
Disadvantages and Risks	• Low basic population base • Strategies are needed to confirm the roles of Ellsworth's care facilities vis a vis other regional healthcare
Tactics and Strategies for Growth	• Continued conversations with Maine Coast Memorial Hospital to coordinate hospital's plans with City's growth plans • Examination of demographics to confirm need for assisted and residential living facilities • Direct approach to Sunrise Senior Living, Emeritus, or other providers if market need can be confirmed

Healthcare - High-End/Recovery	
Specific Description	The healthcare sector includes all acute and long-term care facilities. This includes regional and community hospitals, rehabilitation facilities, and can also include some extended care facilities and nursing homes There is a growing sector of healthcare which caters to high net worth individuals, providing luxury accommodations and personal care for those who are willing to pay for these services privately
Current Industry Outlook	• While direct statistics on this subsector are unavailable, many hospitals around the country are adding wards or facilities to specifically serve this market
Key Requirements or Value Chain	• Existing quality hospital and health care • Proximity to or location within a high quality of life location with amenities • Good transportation infrastructure • Proximity to either resident or seasonal high net worth populations desirable
Specific Role/Opportunity for Ellsworth	• Establishment of hospital and recovery facilities specifically catering towards high net worth, private pay individuals

Ellsworth/Hancock County Advantages	• Existing medical facilities at Maine Coast • Access to Bar Harbor and Mt Desert Island • Setting in high amenity region
Disadvantages and Risks	• Possible concern regarding transportation – Lack of direct air access may limit the market which Ellsworth can attract
Tactics and Strategies for Growth	• Begin discussions with Maine Coast Hospital regarding fit of this strategy with other hospital growth plans

Manufacturing and Assembly - Small-Scale	
Specific Description	Manufacturing and production in general is concerned with the production of goods either used by consumers or by other companies in the economy. Small scale industries can be characterized with the special feature of adopting the labor intensive approach for more customized, innovative, prototype or specialized production.
Current Industry Outlook	• While much large-scale manufacturing moved overseas over the past 30 years due to production costs, small scale manufacturing has stayed throughout the United States and have even thrived • Increased transportation costs and the need to include manufacturing in the innovation process are forcing some companies to re-examine the United States as a location for some manufacturing
Key Requirements or Value Chain	• Competitive overall cost profile (labor, utilities, transportation, etc) • Access to key supply chains (input materials, end users) • Availability of skilled talent
Specific Role/Opportunity for Ellsworth	• While not an ideal location for large scale manufacturing, Ellsworth and Hancock County are already home for a variety of smaller scale manufacturers, assembly operations, and machining operations that have a record of success. Such operations can also enable the more efficient operation of other sectors of the economy through customized production
Ellsworth/Hancock County Advantages	• Relatively low-cost labor • Some existing production capability and resulting supplier networks • General access to Eastern US and Canadian markets
Disadvantages and Risks	• Distance to most American consumer markets may impede time to market as well and increase transportation costs

Manufacturing and Assembly - Small-Scale	

Tactics and Strategies for Growth	• Find ways for reducing costs for producers in the area
	  ○ Alternative energy (biofuels and waste energy)
	  ○ Cooperative purchasing programs
	• Speak with existing regional producers to identify other companies within their value chains and approach these directly
	• Build additional customized training and retraining capabilities within the adult education system
	• Leverage key financial incentives such as:
	  ○ Jobs & Investment Tax Credit
	  ○ Local TIF
	  ○ Possible Maine Seed Capital program for new producers

Retail – Regional and Large-Scale	
Specific Description	Regional and big-box retail includes regional shopping centers, malls, lifestyle centers, and large footprint stores such as Staples and Home Depot
Current Industry Outlook	• While consumer spending remains low due to the economy, the Bureau of Labor statistics forecasts retail employment to grow by 11% between 2008-2018. This is on par with all other employment growth in the overall economy
Key Requirements or Value Chain	• Access to consumer markets • Access to a labor force with customer service skills
Specific Role/Opportunity for Ellsworth	• Continued development and redevelopment of the 1A retail corridor
Ellsworth/Hancock County Advantages	• Ellsworth and the Route 3 (High and Myrick Streets) corridor are already a major regional retail corridor
Disadvantages and Risks	• Aggressive big-box retail growth may impede more regional or locally-originating trade • Big-box development may negatively impact development in other retail corridors such as traditional downtowns • Development may increase traffic and also absorb large amounts of land desirable for other uses
Tactics and Strategies for Growth	• The City has plans and codes in place to locate retail development. The existence of such plans are often a good tool to “promote” for new retail development

Retail – Community and Tourism	
Specific Description	Smaller-scale retail caters to the idiosyncratic needs of the domestic community and also allows for local entrepreneurs to enter the marketplace
Current Industry Outlook	• As with standard retail, the current marketplace represents a significant challenge for small scale retail due to reduced consumer buying and lowered access to capital
Key Requirements or Value Chain	• Access to consumer markets • A marketplace willing to patronize local merchants • Marketing support from the local community
Specific Role/Opportunity for Ellsworth	• Downtown Ellsworth is currently a vibrant retail marketplace • The success of local merchants may be further enhanced through collaborative marketing or other outreach • Consider options for redevelopment of waterfront for retail and service business (while helping those existing waterfront companies expand)
Ellsworth/Hancock County Advantages	• Strong existing local marketplace • Support of City and Chamber of Commerce
Disadvantages and Risks	• Access to capital • Reduced consumer spending
Tactics and Strategies for Growth	• It may be possible to use the Possible Maine Seed Capital program for new producers • Additional community support through collaborative marketing of Ellsworth Community merchants • Consideration of “Downtown” Tax Increment Financing for new business growth in downtown

General Strategies and Tactics

Each of the sectors and opportunities makes investment and location decisions in somewhat different ways, and the strategies and tactics will differ slightly as a result. Each will want a different set of inputs, executives will be accessible in different ways, and will be receptive to different value propositions,.

Regardless, there are a set of short- and longer-term measures that the City of Ellsworth can adopt to increase its overall chances for business attraction and increased overall vitality. These include:

- **Downtown and Waterfront Improvements –** The current Maine Shellfish Company and other industrial activities currently block some portions of the waterfront from public use. This is detrimental for downtown and community feel, it is suboptimal for the industries involved, and it also adversely impacts roadway traffic through the City. Ideally, the City should explore partnerships for relocating these businesses, providing for their future growth, and for redeveloping the waterfront for more optimal community or retail use.
- **Adult Training Programs** – While the City has some adult training programs in place, the small local labor market and the seasonal impact of Bar Harbor make continual education and training essential. An increase in dialogue between industry and the training programs is required, and the City needs to find ways to increase enrollment in these programs. The development of specific training-programs (at low cost) for targeted companies should be considered as a service to those companies who express some interest in the City.
- **Industrial Park Investment** – The existing industrial park has not grown effectively and has attracted some uses which are not fully in character with desired uses. Although recently improved and the relocation of Route 180 will further improve, access to the site is historically problematic, and broadband telecommunications have not yet been installed in the park itself. These issues should be addressed and a lingering perception will likely need to be addressed as the implementation of the business attraction program begins.
- **Regional Collaboration** – While Ellsworth brings its own strengths to business attraction and economic development, teaming with the larger Hancock County and perhaps the Bangor area creates a mass of talent, infrastructure, educational institutions, and other inputs that many companies use as gating criteria when they make location decisions. Through teaming, Ellsworth will be able to enter consideration for a larger group of opportunities than it would be open for on its own. It would also allow for effective pooling of marketing and outreach funds among the regional participants.
- **Local Business Involvement** – There is no better spokesperson for a community than a business owner who is already successful. By engaging as many aspects as possible of the local business community on a regular basis, the community can keep a ready tab on what is and is not working. It may also be possible to directly identify new opportunities for business attraction and even enlist local businesses in outreach for these introductions
- **Exploit Connection with Bar Harbor** – In addition to building the regional economic development strategy, Bar Harbor and Mt. Dessert Island represents a market full of individuals who are – in their everyday lives – corporate decision makers or advisors. By making them

aware of Ellsworth's strengths, it may be possible to provide them with a location which is as much a good place for their business as for their recreation

- **Active Outreach and Marketing** – The State of Maine, Maine & Company, and a variety of regional industry groups are all involved in active marketing of the State and its communities to corporate decision makers and to the consultants they hire. Both by working cooperatively with these organizations and through independent outreach to likely targets, the City will create awareness of what the community can offer to a select set of business and use types. The City has demonstrated its commitment to design a business attraction program. Now it must be prepared to fully-engage with the State and for the long-term on a focused and efficient program.

Continuing Action

In any case, the City will need to make a long-term commitment to economic development. This is best translated to action through developing a long-term plan. The City indeed has such a plan (the 2007 Strategy) and has further focused its plan with this business attraction pan. Still the City must be aware that continued review of the following must be an on-going process that includes:

- Review of desired outcomes and community goals
- Review of immediate and mid-term objectives
- Long-term policy and development objectives and the intermediate adjustments for critical path items
- A means for continual outreach to the local business community and the outside market
- A clear commitment to both BR&E and business attraction efforts
- A method for measurement and adjustment as the plan rolls forward

Ellsworth's future as a vibrant community is certainly helped as much by the community's desire to develop an adaptive, sustainable economy as it is by its own resources. It will be able to achieve this through committing to an ongoing strategy for economic development and by building new networks in and outside of Maine. For business attraction it is important to remain focused, with the ability to adjust and react to new opportunities while building from the existing business community and their encouraged growth.

Appendix

1. List of Institutions and Individuals Contacted For the Study

2. Location Screening Data and Weighting System

3. Full Listing of Available Incentive Programs

3. Initial Ellsworth Pitch Sheet

1. List of institutions and individuals contacted for the study

Name	Organization	Date Interviewed
Tom Ellis	Ellis Commercial Management	August 8
James Markos	Maine Shellfish	August 8
Joe Murphy	Bar Harbor Bank and Trust	August 8
Rick Newman	Superior Docks	August 8
Charlie Therrien	Maine Coast Memorial Hospital	August 8
Amy Boles	Hancock County Technical Center	August 24
Lauri Fernald	Jordan-Fernald Funeral Home	August 24
Matt Mann	Home Depot	August 24
Bob Merrill	Merrill Furniture	August 24
Kenneth Perrin and Linda Chruscielski-Perrin	Atlantic Art Glass	August 24
Zoe Alexis Scott	The Grand	August 24
Joshua Campbell Torrance	Woodlawn Museum, Gardens, and Park	August 24
Bonnie Sparks	University of Maine System – Ellsworth Center	September 1

2. Location Screening Data and Weighting System

3. Full Listing of Available Incentive Programs

Program Name	Description
Pine Tree Development Zones	• 80% ETIF (Employment Tax Increment Financing) for ten years; • A 100% refund of corporate income tax and insurance premium tax for years one through five, and 50% for years six through ten; • A local option TIF (Tax Increment Financing) that will not be counted against a municipality's existing TIF area and value caps; and • (Effective July 1, 2005) A 100% sales and use tax exemption for zone-related construction materials and equipment purchases.
Employment Tax Increment Financing (ETIF)	• Returns between 30 and 75 percent of new employees' income withholding tax to companies who add new workers • Employees must be paid a wage equal to or above the per capita wage in their labor market area, and be provided group health insurance and access to an ERISA qualified retirement program • Company must also demonstrate that ETIF funding is an essential component of the expansion project's financing
Business Property Tax Reimbursement Program	• State reimburses local property taxes on facilities built after April 1, 1995 for a maximum of 12 years
Jobs and Investment Tax Credit	• 10% tax credit on equipment and facilities that generate new jobs against Maine income taxes • Must generate at least 100 new jobs within two years, as long as the investment is at least $5 million for the taxable year • The credit amount is tied to the federal investment tax credit and is limited to $500,000 per year with carry-forwards available for seven years
Research and Development Tax Credit	• Based on R&D definitions within the Internal Revenue Code • In general, qualified research expenses include in-house and contract research related to discovering information that is technological in nature and is intended for use in developing a new or improved business

Program Name	Description
R & D "Super Credit"	• Super Credit is designed to assist substantially increased research and development investmentsA business qualifying for the existing research expense credit is allowed an additional credit against the tax due equal to the excess, if any, of qualified research expenses for the taxable year over the "super credit base amount." • The "super credit base amount" is the average amount spent on qualified research expenses by the taxpayer in the three taxable years immediately preceding the effective date of the super credit, increased by 50%
Sales Tax Exemptions	• Machinery and equipment used directly or primarily in production or exclusively in research and development will be exempt from the 5 percent sales and use tax • Program also exempts consumable and repair/replacement parts used in production • Provides a sales tax exemption for 95 percent of all fuel and electricity purchased for use in manufacturing • Also exempts from sales tax the purchase of custom computer programming
High Technology Investment Tax Credit	• Rewards eligible high tech firms for investments in a range of computers and related equipment • Applies to purchases or leases of computer equipment, electronics components, communications equipment and computer software placed in service in the state • Businesses eligible for the credit include those that design, create or produce computer software, computer equipment, supporting communications components and certain other computer accessories • Businesses that provide Internet or e-communications access services, support access to electronic media, data and associated communications support, or advanced telecommunications capabilities also qualify
Maine Seed Capital Tax Credit Program	• Designed to encourage equity and near equity investments in young business ventures, directly and through private venture capital funds • State income tax credits to investors for up to 60% of the cash equity they provide to eligible Maine businesses may be authorized • Investments may be used for fixed assets, research or working capital

Program Name	Description
Tax Increment Financing (TIF) Districts	• Municipalities may designate a TIF District in which new or expanding businesses can receive financial support based on the new property tax revenues generated by their project • The municipality may choose to fund a portion of the project improvements or to return a percentage of the tax revenues to the company to offset the costs of development
Development Fund	• The Development Fund provides funding to communities that in turn loan to businesses for the purpose of acquisition, relocation, demolition, clearance, construction, reconstruction, installation, rehabilitation and working capital • Fund assists projects that represent new economic initiatives and development opportunities that will create or retain jobs
Business Assistance Program	• Program provides funding to communities to loan, grant or a combination of each, to business entities to meet the infrastructure, capital equipment and real property needs of businesses

4. Initial Ellsworth Pitch Sheet

Please note that this is an initial pitch sheet. This will be tailored to fit the needs of specific pursuits as and when they are initiated.

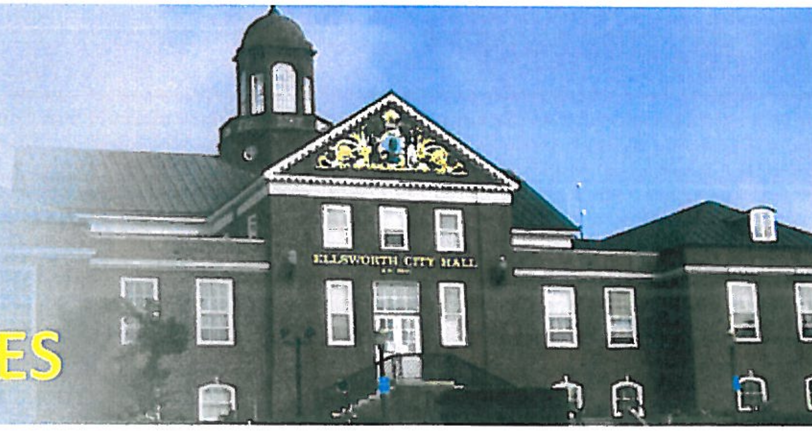
Metropolitan Statistical Area	Factor	Weight	Q'tile	Ellsworth 40min	Hancock Co.	Bangor	Portland	Manchester	Springfield	Scranton	Ashville	Charleston
State				ME	ME	ME	ME	NH	MA	PA	NC	SC
Total Population 2000				53,096	51,791	144,919	487,568	380,841	680,014	560,625	369,171	549,033
Total Population 2010				55,639	54,752	149,690	524,531	404,021	691,379	551,999	420,918	671,833
Projected Population 2015				55,382	54,515	150,150	530,867	406,292	690,468	547,633	444,059	740,909
% Population Growth 2010-2015	1	5.00%	MB	-0.5%	-0.4%	0.3%	1.2%	0.6%	-0.1%	-0.8%	5.5%	10.3%
Q'tile				1	1	1	2	2	1	1	5	1
Subscore				0.0500	0.0500	0.0500	0.1000	0.1000	0.0500	0.0500	0.2500	0.0500
Total Population 15-65 2000				35,250	34,224	99,122	325,371	255,991	448,916	354,058	238,927	374,499
Total Population 15-65 2010				37,718	37,063	104,025	357,497	275,303	470,495	358,099	273,526	461,197
Projected Population 15-65 2015				36,259	35,521	101,538	352,507	270,482	458,156	346,048	280,832	495,398
% Population 15-65 Growth 2010-2015	1	5.00%	HB	-3.9%	-4.2%	-2.4%	-1.4%	-1.8%	-2.6%	-3.4%	2.7%	7.4%
Q'tile				1	1	1	2	2	1	1	3	5
Subscore				0.0500	0.0500	0.0500	0.1000	0.1000	0.0500	0.0500	0.1500	0.2500
Total												
Category Subscore	2	10.00%		0.1000	0.1000	0.1000	0.2000	0.2000	0.1000	0.1000	0.4000	0.3000
Percent of Leader				25.0%	25.0%	25.0%	50.0%	50.0%	25.0%	25.0%	100.0%	75.0%
Subrank				5	5	5	3	3	5	5	1	2
Labor Force Availability												
Civilian Labor Force 2006						69,911	201,718	105,609	346,051	279,056	204,509	300,790
Civilian Labor Force 2011						70,713	204,325	107,599	350,043	280,081	206,137	322,430
%Growth in Civilian Labor Force 2006-2011	0	0.00%	HB			1.15%	1.29%	1.88%	1.15%	0.37%	0.80%	7.19%
Q'tile						1	1	2	1	1	1	5
Subscore						0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Unemployment Rate 2006	1	3.33%	LB			4.5%	3.5%	3.6%	4.5%	5.3%	3.8%	5.2%
Q'tile						3	5	5	3	1	5	1
Subscore						0.0999	0.1665	0.1665	0.0999	0.0333	0.1665	0.0333
Unemployment Rate 2011	1	3.33%	LB			7.4%	6.2%	4.7%	9.1%	8.6%	7.7%	8.5%
Q'tile						2	4	5	1	1	2	1
Subscore						0.0666	0.1332	0.1665	0.0333	0.0333	0.0666	0.0333
Change in Unemployment Rate	1	3.33%	LB			2.9%	2.7%	1.1%	4.6%	3.3%	3.9%	3.3%
Q'tile						3	3	5	1	2	1	2
Subscore						0.0999	0.0999	0.1665	0.0333	0.0666	0.0333	0.0666
Total												
Category Subscore	3	9.99%		-	-	0.2664	0.3996	0.4995	0.1665	0.1332	0.2664	0.1332
Percent of Leader				0.0%	0.0%	53.3%	80.0%	100.0%	33.3%	26.7%	53.3%	26.7%
Subrank				8	8	3	2	1	5	6	4	6
Industry-Specific Employment												
Total Employment 2010				30,319	29,906	73,688	278,428	209,515	306,362	256,631	191,176	296,672
Manufacturing				2,031	1,944	6,042	27,008	28,075	31,862	27,460	21,221	22,844
as a % of Total Employment	1	1.67%	HB	6.70%	6.50%	8.20%	9.70%	13.40%	10.40%	10.70%	11.10%	7.70%
Q'tile				1	1	2	3	5	3	4	4	1
Subscore				0.0167	0.0167	0.0333	0.0500	0.0833	0.0500	0.0667	0.0667	0.0167
Wholesale Trade				728	598	2,432	9,188	7,752	9,804	9,239	6,309	7,417
as a % of Total Employment	1	1.67%	HB	2.40%	2.00%	3.30%	3.30%	3.70%	3.20%	3.60%	3.30%	2.50%
Q'tile				2	1	4	4	5	4	5	4	2
Subscore				0.0333	0.0167	0.0667	0.0667	0.0833	0.0667	0.0833	0.0667	0.0333
Retail Trade				3,396	3,170	8,916	33,968	30,170	34,619	32,849	22,368	36,194
as a % of Total Employment	1	1.67%	HB	11.20%	10.60%	12.10%	12.20%	14.40%	11.30%	12.80%	11.70%	12.20%
Q'tile				1	1	2	3	5	1	3	2	3
Subscore				0.0167	0.0167	0.0333	0.0500	0.0833	0.0167	0.0500	0.0333	0.0500
Information				758	778	1,769	8,353	5,238	6,127	5,903	3,250	5,933
as a % of Total Employment	1	1.67%	HB	2.50%	2.60%	2.40%	3.00%	2.50%	2.00%	2.30%	1.70%	2.00%
Q'tile				3	4	3	5	3	1	2	1	1
Subscore				0.0500	0.0667	0.0500	0.0833	0.0500	0.0167	0.0333	0.0167	0.0167
Finance/Insurance/Real Estate				1,516	1,465	3,095	23,945	16,342	17,463	15,911	8,794	17,504
as a % of Total Employment	1	1.67%	HB	5.00%	4.90%	4.20%	8.60%	7.80%	5.70%	6.20%	4.60%	5.90%
Q'tile				1	1	1	5	5	2	3	1	2
Subscore				0.0167	0.0167	0.0167	0.0833	0.0833	0.0333	0.0500	0.0167	0.0333
Services				15,978	15,431	38,981	135,594	93,234	162,372	118,820	95,970	141,216
as a % of Total Employment	1	1.67%	HB	52.70%	51.60%	52.90%	48.70%	44.50%	53.00%	46.30%	50.20%	47.60%

Metropolitan Statistical Area		Factor	Weight	Q'tile	Ellsworth 40min	Hancock Co.	Bangor	Portland	Manchester	Springfield	Scranton	Ashville	Charleston
State					ME	ME	ME	ME	NH	MA	PA	NC	SC
	Q'tile				5	5	5	3	1	5	2	4	2
	Subscore				0.0833	0.0833	0.0833	0.0500	0.0167	0.0833	0.0333	0.0667	0.0333
Total													
Category Subscore		6	10.00%		0.2167	0.2167	0.2833	0.3833	0.4000	0.2667	0.3167	0.2667	0.1833
Percent of Leader					54.2%	54.2%	70.8%	95.8%	100.0%	66.7%	79.2%	66.7%	45.8%
Subrank					7	7	4	2	1	5	3	5	9
Occupation-Specific Employment (per 1000)													
Business and Financial Operations		1	2.50%	HB			1.71	9.26	5.42	10.02	8.27	4.62	10.81
	Q'tile						1	5	3	5	4	2	5
	Subscore						0.0250	0.1250	0.0750	0.1250	0.1000	0.0500	0.1250
Computer & Mathematical		1	2.50%	HB			0.79	4.86	2.83	4.42	3.56	1.49	5.13
	Q'tile						1	5	3	5	4	1	5
	Subscore						0.0250	0.1250	0.0750	0.1250	0.1000	0.0250	0.1250
Healthcare Support Functions		1	2.50%	HB			2.14	6.78	2.98	9.85	9.13	7.64	7.66
	Q'tile						1	4	1	5	5	4	4
	Subscore						0.0250	0.1000	0.0250	0.1250	0.1250	0.1000	0.1000
Office and Administrative		1	2.50%	HB			10.14	32.75	17.47	46.49	44.77	26.08	48.96
	Q'tile						1	3	1	5	5	3	5
	Subscore						0.0250	0.0750	0.0250	0.1250	0.1250	0.0750	0.1250
Production		0	0.00%	HB			2.73	9.26	5.36	20.86	20.94	12.83	15.43
	Q'tile						1	2	1	5	5	3	4
	Subscore						0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Transportation and Material Moving		0	0.00%	HB			3.83	12.27	4.58	19.28	23.44	11.23	18.21
	Q'tile						1	3	1	4	5	2	4
	Subscore						0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Total													
Category Subscore		4	10.00%		-	-	0.1000	0.4250	0.2000	0.5000	0.4500	0.2500	0.4750
Percent of Leader					0.0%	0.0%	20.0%	85.0%	40.0%	100.0%	90.0%	50.0%	95.0%
Subrank					8	8	7	4	6	1	3	5	2
Occupation-Specific Salaries (Annual Mean 2010)													
Business and Financial Operations		1	1.67%	LB			$ 59,220	$ 59,730	$ 64,250	$ 65,040	$ 53,860	$ 59,440	$ 60,020
	Q'tile						3	3	1	1	5	3	3
	Subscore						0.0500	0.0500	0.0167	0.0167	0.0833	0.0500	0.0500
Computer & Mathematical		1	1.67%	LB			$ 54,800	$ 66,710	$ 78,470	$ 69,420	$ 64,040	$ 56,290	$ 62,730
	Q'tile						5	3	1	2	4	5	4
	Subscore						0.0833	0.0500	0.0167	0.0333	0.0667	0.0833	0.0667
Healthcare Support Functions		1	1.67%	LB			$ 27,230	$ 28,080	$ 33,020	$ 30,520	$ 26,250	$ 26,320	$ 26,370
	Q'tile						5	4	1	2	5	5	5
	Subscore						0.0833	0.0667	0.0167	0.0333	0.0833	0.0833	0.0833
Office and Administrative		1	1.67%	LB			$ 30,450	$ 32,530	$ 35,110	$ 35,120	$ 30,060	$ 29,820	$ 31,380
	Q'tile						5	3	1	1	5	5	4
	Subscore						0.0833	0.0500	0.0167	0.0167	0.0833	0.0833	0.0667
Production		1	1.67%	LB			$ 32,780	$ 33,220	$ 35,140	$ 36,750	$ 32,610	$ 31,750	$ 35,850
	Q'tile						5	5	2	1	5	5	2
	Subscore						0.0833	0.0833	0.0333	0.0167	0.0833	0.0833	0.0333
Transportation and Material Moving		1	1.67%	LB			$ 31,440	$ 31,810	$ 33,170	$ 33,630	$ 30,180	$ 29,300	$ 29,950
	Q'tile						4	3	1	1	5	5	5
	Subscore						0.0667	0.0500	0.0167	0.0167	0.0833	0.0833	0.0833
Total													
Category Subscore		6	10.00%		-	-	0.4500	0.3500	0.1167	0.1333	0.4833	0.4667	0.3833
Percent of Leader					0.0%	0.0%	93.1%	72.4%	24.1%	27.6%	100.0%	96.6%	79.3%
Subrank					8	8	3	5	7	6	1	2	4
Education 2010													
Population less than High School Diploma		1	1.67%	LB	7.10%	2.10%	9.20%	7.60%	9.40%	13.00%	12.10%	13.40%	12.60%
	Q'tile				3	5	2	3	2	1	1	1	1
	Subscore				0.0500	0.0833	0.0333	0.0500	0.0333	0.0167	0.0167	0.0167	0.0167
Population at least High School Graduate as a % of Population 25+		1	1.67%	HB	92.90%	97.90%	90.80%	92.50%	90.60%	86.90%	87.90%	86.50%	87.40%
	Q'tile				3	5	2	3	2	1	1	1	1
	Subscore				0.0500	0.0833	0.0333	0.0500	0.0333	0.0167	0.0167	0.0167	0.0167

Metropolitan Statistical Area	Factor	Weight	Q'tile	Ellsworth 40min	Hancock Co.	Bangor	Portland	Manchester	Springfield	Scranton	Ashville	Charleston
State				ME	ME	ME	ME	NH	MA	PA	NC	SC
Population (at least) Some College as a % of Population 25+	1	1.67%	HB	60.00%	86.70%	52.70%	62.10%	62.10%	54.90%	46.50%	58.50%	57.40%
Q'tile				2	5	1	2	2	2	1	2	2
Subscore				0.0333	0.0833	0.0167	0.0333	0.0333	0.0333	0.0167	0.0333	0.0333
Population (at least) Associates Degree as a % of Population 25+	1	1.67%	HB	39.80%	80.60%	33.70%	43.40%	43.80%	38.30%	30.30%	37.30%	37.00%
Q'tile				1	5	1	2	2	1	1	1	1
Subscore				0.0167	0.0833	0.0167	0.0333	0.0333	0.0167	0.0167	0.0167	0.0167
Population (at least) Bachelors Degree as a % of Population 25+	1	1.67%	HB	31.00%	76.40%	24.10%	33.70%	34.50%	29.60%	21.70%	28.40%	28.30%
Q'tile				1	5	1	2	2	1	1	1	1
Subscore				0.0167	0.0833	0.0167	0.0333	0.0333	0.0167	0.0167	0.0167	0.0167
Population Graduate/Professional School Degree as a % of Population	1	1.67%	HB	11.30%	75.50%	8.90%	11.80%	11.80%	12.70%	7.70%	10.70%	10.30%
Q'tile				1	5	1	1	1	1	1	1	1
Subscore				0.0167	0.0833	0.0167	0.0167	0.0167	0.0167	0.0167	0.0167	0.0167
Total												
Category Subscore	**6**	**10.00%**		**0.1833**	**0.5000**	**0.1333**	**0.2167**	**0.1833**	**0.1167**	**0.1000**	**0.1167**	**0.1167**
Percent of Leader				36.7%	100.0%	26.7%	43.3%	36.7%	23.3%	20.0%	23.3%	23.3%
Subrank				3	1	5	2	4	6	9	6	6
Transportation and Market Access												
Population within 4 Hours Drive Time	1	1.43%	HB	1,977,436	1,977,436	5,749,744	13,708,774	29,111,796	43,253,346	50,024,515	20,929,849	9,558,193
Q'tile				1	1	1	2	3	5	5	2	1
Subscore				0.0143	0.0143	0.0143	0.0286	0.0429	0.0714	0.0714	0.0286	0.0143
Households within 4 Hours Drive Time	1	1.43%	HB	801,927	801,927	2,265,972	5,333,097	10,994,749	16,237,549	18,770,449	8,122,096	3,697,653
Q'tile				1	1	1	2	3	5	5	3	1
Subscore				0.0143	0.0143	0.0143	0.0286	0.0429	0.0714	0.0714	0.0429	0.0143
Median Household Income w/in 4 Hours	1	1.43%	HB	$ 51,449	51,449	$ 63,240	$ 63,042	$ 62,523	$ 63,793	$ 63,089	$ 52,008	$ 49,267
Q'tile				1	1	5	5	5	5	5	1	1
Subscore				0.0143	0.0143	0.0714	0.0714	0.0714	0.0714	0.0714	0.0143	0.0143
Annual % Household Growth w/in 4 Hours	1	1.43%	HB	0.32%	0.00%	0.30%	0.20%	0.23%	0.22%	0.32%	1.53%	1.69%
Q'tile				1	1	1	1	1	1	1	5	5
Subscore				0.0143	0.0143	0.0143	0.0143	0.0143	0.0143	0.0143	0.0714	0.0714
Miles to Mjr Airport	1	1.43%	LB	27	27	3	5	7	13	9	16	12
Q'tile				1	1	5	5	5	3	4	3	4
Subscore				0.0143	0.0143	0.0714	0.0714	0.0714	0.0429	0.0571	0.0429	0.0571
Airport Type	1	1.43%	HB	Small	Small	Small	Medium	Large	Large	Large	Small	Small
Q'tile				1	1	1	3	5	5	5	1	1
Subscore				0.0143	0.0143	0.0143	0.0429	0.0714	0.0714	0.0714	0.0143	0.0143
Interstate Highways	1	1.43%	HB	0	0	1	1	1	2	2	2	1
Q'tile				1	1	3	3	3	5	5	5	3
Subscore				0.0143	0.0143	0.0429	0.0429	0.0429	0.0714	0.0714	0.0714	0.0429
Total												
Category Subscore	**7**	**10.00%**		**0.1000**	**0.1000**	**0.2429**	**0.3000**	**0.3571**	**0.4143**	**0.4286**	**0.2857**	**0.2286**
Percent of Leader				23.3%	23.3%	56.7%	70.0%	83.3%	96.7%	100.0%	66.7%	53.3%
Subrank				8	8	6	4	3	2	1	5	7
Tax Regime												
State Corporate Tax Climate Score	1	2.50%	HB	4.39	4.39	4.39	4.39	3.29	4.62	4.62	5.04	5.85
Q'tile				3	3	3	3	1	3	3	4	5
Subscore				0.0750	0.0750	0.0750	0.0750	0.0250	0.0750	0.0750	0.1000	0.1250
State Corporate Income Tax -Highest Bracket	1	2.50%	LB	8.93%	8.93%	8.93%	8.93%	8.50%	8.75%	9.99%	6.90%	5.00%
Q'tile				4	4	4	4	5	5	1	5	5
Subscore				0.1000	0.1000	0.1000	0.1000	0.1250	0.1250	0.0250	0.1250	0.1250
State Sales Tax (Average)	1	2.50%	LB	5.00%	5.00%	5.00%	5.00%	0.00%	6.25%	6.00%	5.75%	6.00%
Q'tile				1	1	1	1	5	1	1	1	1
Subscore				0.0250	0.0250	0.0250	0.0250	0.1250	0.0250	0.0250	0.0250	0.0250
Property Tax as a % of Income	1	2.50%	LB	4.25%	4.25%	4.25%	4.25%	6.20%	3.72%	4.04%	2.46%	3.85%
Q'tile				4	4	4	4	1	5	5	5	5
Subscore				0.1000	0.1000	0.1000	0.1000	0.0250	0.1250	0.1250	0.1250	0.1250
Tax Regime												
Category Subscore	**4**	**10.00%**		**0.3000**	**0.3000**	**0.3000**	**0.3000**	**0.3000**	**0.3500**	**0.2500**	**0.3750**	**0.4000**
Percent of Leader				75.0%	75.0%	75.0%	75.0%	75.0%	87.5%	62.5%	93.8%	100.0%
Subrank				4	4	4	4	4	3	9	2	1

Metropolitan Statistical Area		Factor	Weight	Q'tile	Ellsworth 40min	Hancock Co.	Bangor	Portland	Manchester	Springfield	Scranton	Ashville	Charleston
State					ME	ME	ME	ME	NH	MA	PA	NC	SC
Climate and Natural Hazards													
# Days of Precipitation per year		1	3.33%	LB	135	135	135	127	137	128	153	128	115
	Q'tile				4	4	4	5	4	5	1	5	5
	Subscore				0.1333	0.1333	0.1333	0.1667	0.1333	0.1667	0.0333	0.1667	0.1667
Annual Precipitation (in inches)		1	3.33%	LB	43	43	43	41	45.2	43	34.8	45	52
	Q'tile				3	3	3	4	2	3	5	3	1
	Subscore				0.1000	0.1000	0.1000	0.1333	0.0667	0.1000	0.1667	0.1000	0.0333
Annual Snowfall (in inches)		1	3.33%	LB	95	95	95	74	50	53	51.3	18	0.5
	Q'tile				1	1	1	3	5	5	5	5	5
	Subscore				0.0333	0.0333	0.0333	0.1000	0.1667	0.1667	0.1667	0.1667	0.1667
Total													
Category Subscore		**3**	**10.00%**		**0.2667**	**0.2667**	**0.2667**	**0.4000**	**0.3667**	**0.4333**	**0.3667**	**0.4333**	**0.3667**
Percent of Leader					61.5%	61.5%	61.5%	92.3%	84.6%	100.0%	84.6%	100.0%	84.6%
Subrank					7	7	7	3	4	1	5	1	5
Crime and Quality of Life													
Violent Crime		1	1.67%	LB			82.70	139.50	153.80	644.30	323.40	257.10	843.70
	Q'tile						5	5	5	1	3	4	1
	Subscore						0.0833	0.0833	0.0833	0.0167	0.0500	0.0667	0.0167
Property Crime		1	1.67%	LB			2,854.60	2,446.30	2,036.00	3,080.60	23,836.00	3,268.30	4,394.30
	Q'tile						5	5	5	5	1	5	5
	Subscore						0.0833	0.0833	0.0833	0.0833	0.0167	0.0833	0.0833
Cost of Living Index		1	1.67%	LB			98.6	109.5	107.7	105.7	81.6	86.6	97.6
	Q'tile						2	1	1	1	5	5	3
	Subscore						0.0333	0.0167	0.0167	0.0167	0.0833	0.0833	0.0500
Average Commute Time to Work		1	1.67%	LB			22.6	25.4	28.1	24	22.6	24	26.6
	Q'tile						5	3	1	4	5	4	2
	Subscore						0.0833	0.0500	0.0167	0.0667	0.0833	0.0667	0.0333
Physicians Per 10000 people		1	1.67%	HB			290.5	333.1	204	259.5	246.8	307.4	386.4
	Q'tile						4	5	1	3	2	5	5
	Subscore						0.0667	0.0833	0.0167	0.0500	0.0333	0.0833	0.0833
# of Hospital Beds		1	1.67%	HB			471.8	298.4	272.1	314.7	544.7	412.7	359.1
	Q'tile						4	1	1	1	5	3	2
	Subscore						0.0667	0.0167	0.0167	0.0167	0.0833	0.0500	0.0333
Total													
Category Subscore		**6**	**10.00%**		-	-	**0.4167**	**0.3333**	**0.2333**	**0.2500**	**0.3500**	**0.4333**	**0.3000**
Percent of Leader					0.0%	0.0%	96.2%	76.9%	53.8%	57.7%	80.8%	100.0%	69.2%
Subrank					8	8	2	4	7	6	3	1	5

City of Ellsworth



FINANCIAL SERVICES

Retirement, savings, mortgages, and other financial products provide a means for planning for future security and for purchasing today's necessities. The aftermath of the 2008-2009 financial crisis has placed even more emphasis on these functions being performed by trained, competent people who understand the communities and customers they serve.

Financial services activities include those related to banking, securities, capital markets, insurance, real estate, and their support functions. Financial services back office functions may include call and customer service centers, data centers, and treasury functions among others. It may also include administrative functions such as human resources and information technology.

Why Ellsworth?

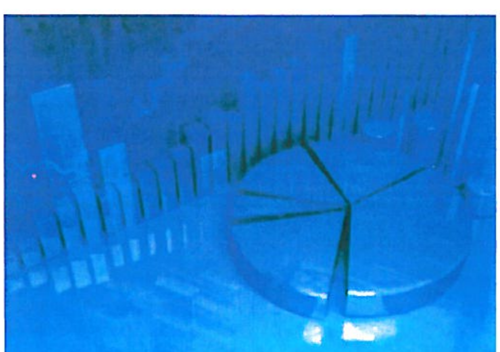
Ellsworth fulfills many of the key requirements needed to run a successful financial services operation. The industry needs strong telecommunications infrastructure, a large and qualified labor pool, and a need for more highly trained personnel depending on the complexity of the financial instruments. The industry also requires access to markets with high net worth individuals, and a workforce with strong interpersonal skills and services skills.

Ellsworth **advantages** are as follows:

- Financial services salary costs in Ellsworth are among the lowest in New England but still draw the highest caliber talent in the region
- Existing financial services activities for local and regional banks create a talent pipeline which may feed additional growth for the area
- For those financial service firms seeking high net worth individuals, Ellsworth is located near the affluent communities of Bar Harbor and Mt. Desert Island.

Ellsworth has specific **opportunities** with the following:

- Backoffice functions for regional or mid-sized banks including customer service, data, and call centers as well as additional "back of house" operations
- Excellent location to serve the high net worth population in the Bar Harbor region.

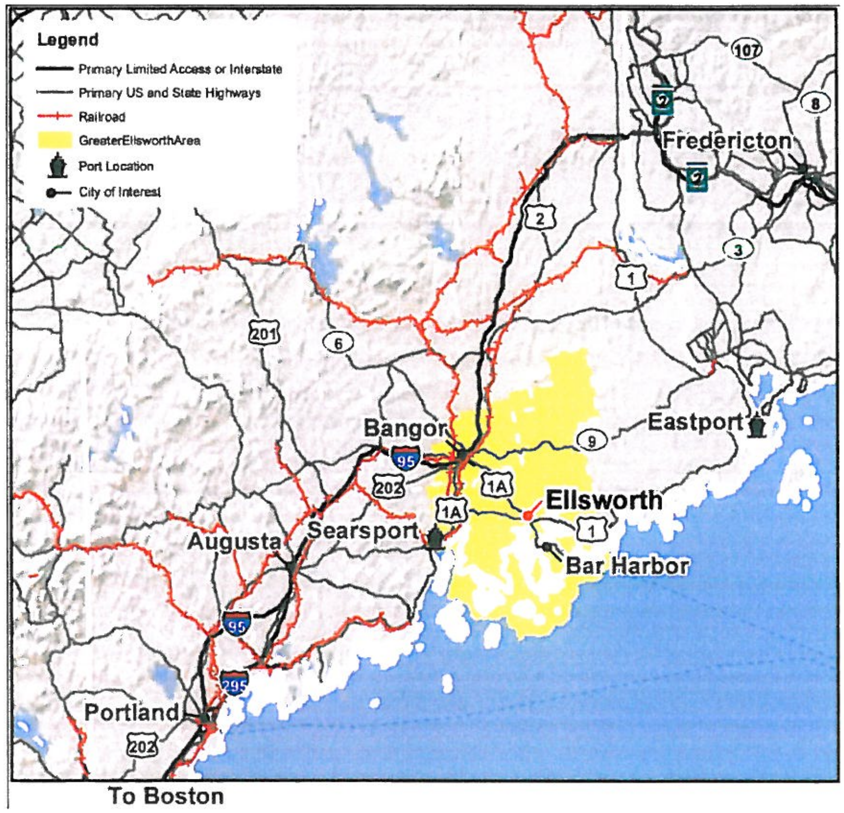


Request More Info at:

Please contact Micki Sumpter, Development Coordinator, for the City of Ellsworth at msumpter@ellsworthmaine.gov or (207) 667-2563 x172 for more information on Ellsworth financial services opportunities and for additional information on location decisions.

City of Ellsworth

FINANCIAL SERVICES



Ellsworth is the "hub" and central business district for eastern "Downeast" Maine. Although not as large in population as some other Northeast regional locations, Ellsworth competes well on all business decision and cost-factors. Ellsworth is a prime location and offers specific workforce, training, and cost advantages for your business.

The following compares the Ellsworth Maine area to Portland ME, Manchester New Hampshire, and Springfield Massachusetts Metropolitan Statistics Areas (MSAs).

Average Wages

The **Ellsworth** area is very competitive with an **average wage of $36,200**. Portland follows with $42,700 (118%), Springfield $44,500 (123%) and Manchester coming in as the most expensive at $46,800 (129%). Together with customized training programs, your wage costs in Ellsworth will be on average 18 to 30 percent cheaper than the comparative locations.

State Business Tax Climate

Tax structures can – intentionally or otherwise – be used as a regulatory tool to encourage or discourage corporate investments of various types. Property, income, and sales taxes all impact companies in different ways and should be examined on an institution by institution basis.

Ellsworth area has a corporate tax index at 4.98. While Portland follows at 4.89. Manchester corporate tax rate is at 6.18. Ellsworth will consider tax savings using tax increment financing for your project.

Industrial Electricity Rate

The **Ellsworth** area and Portland fare the best with **industrial electricity rates of $9.95**. Manchester follows with $13.83 and Springfield comes in last with $14.08. Ellsworth is pursuing other renewable or low-cost energy solutions for business.

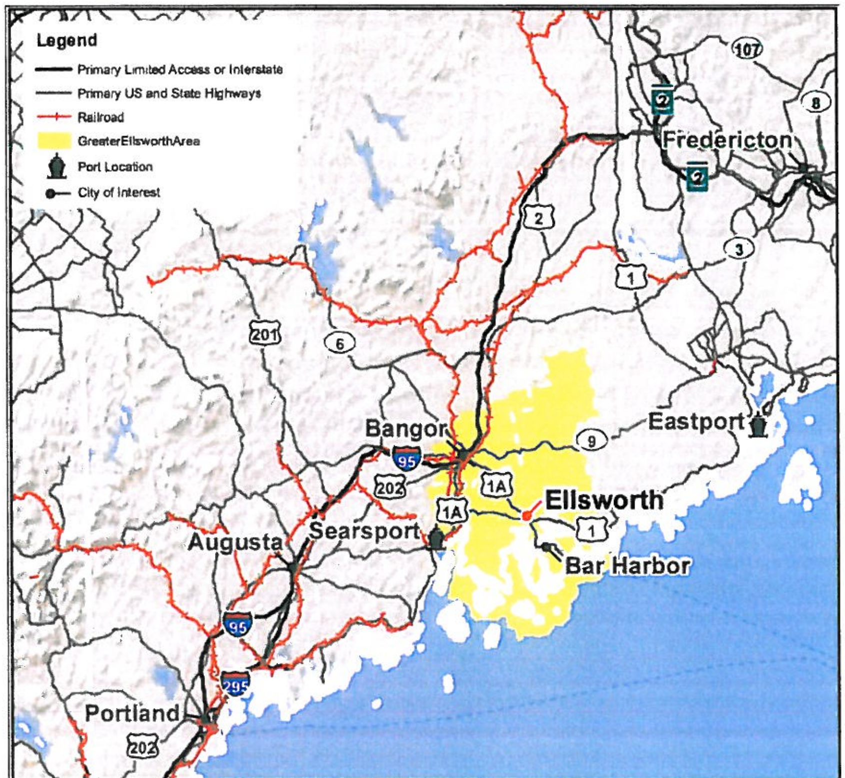
Bottom line is, Ellsworth wants your business!

City of Ellsworth

FINANCIAL SERVICES IN MAINE

Ellsworth is the "hub" and central business district for Downeast Maine. Ellsworth competes well on all business decision and cost-factors. Ellsworth is a prime location and offers specific workforce, training, and cost advantages for your business.

Ellsworth will compete for expanding and new business. The City policy is to consider TIF and Credit Enhancement Agreements that stimulate private investment. The City provides a number of services while keeping its mil rate competitive.



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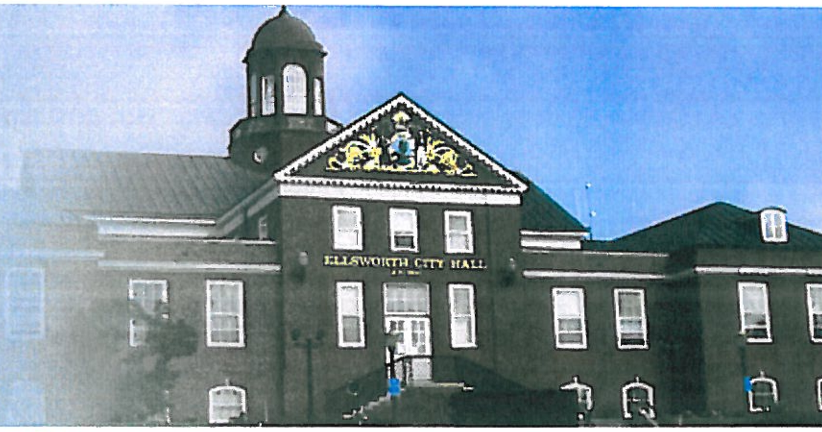

HEALTHCARE

Our aging population, medical advances, information technology, and regulatory changes are all resulting in new challenges and opportunities for the healthcare sector. Communities with a strong base in this sector also provide a strong base for other areas of the economy.

Healthcare covers all acute and long term care facilities in Hancock County. This includes regional and community hospitals, rehabilitation facilities, and can also include some extended care facilities and nursing homes. Ellsworth currently provides some of the best medical facilities and best physicians in Downeast Maine.

Why Ellsworth?

Ellsworth fulfills many of the key requirements needed to run successful healthcare businesses and services. The industry requires access to a population and transportation infrastructure in combination with existing quality hospital and health care. The high end/recovery aspect of the healthcare industry also requires proximity to high quality of life location with spa quality amenities to attract potential clients and physicians.

Ellsworth/Hancock County **Advantages** are as follows:

- Maine Coast Memorial Hospital
- Excellent setting for long-term residential care
- Desirable area with social, culinary and ecological attributes to attract medical professionals to staff the facilities
- Access to Bar Harbor, Acadia National Park, Mount Desert Island, and variety of locales that make "Downeast Maine"

Ellsworth/Hancock County has specific **opportunities** with the following:

- The Ellsworth area medical facilities can take on a more regional role for primary healthcare
- The long-term care facilities can expand in nature to provide a wide variety of assisted living options ranging from condo situations to full scale hospice care drawing from retirement crowds all over New England
- The Ellsworth area facilities could expand to cater to elective procedures with spa-like recovery alternatives - this option could be more seasonal depending on the recovery facilities

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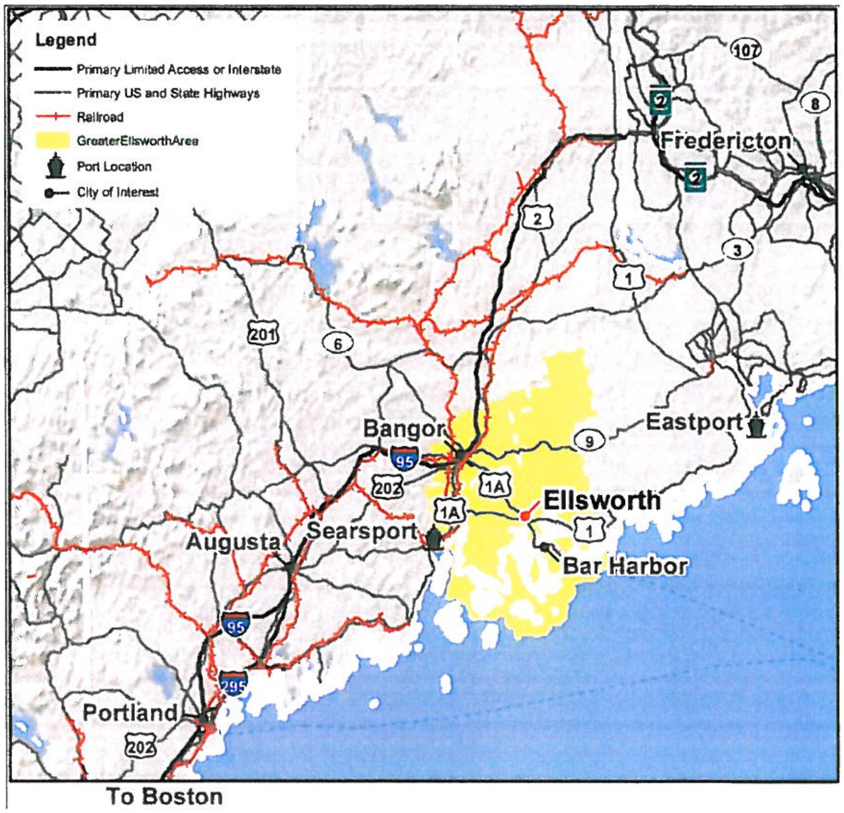
City of Ellsworth

HEALTHCARE



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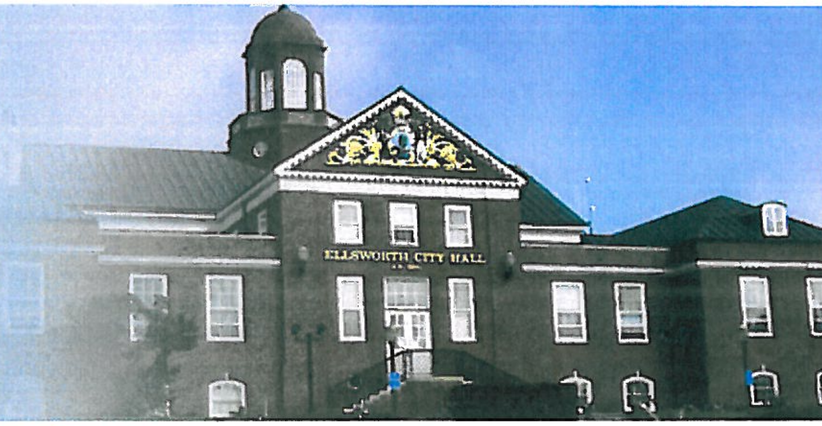
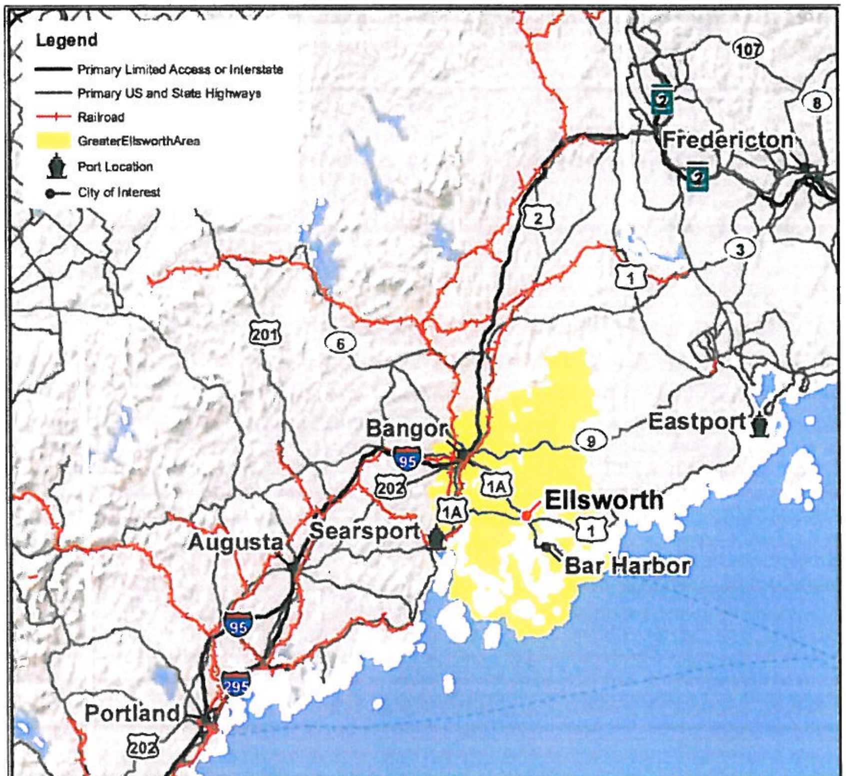


HEALTHCARE IN MAINE



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Maine has a strong culinary history, and the state still plays a strong role in food production. Food production includes both the initial and final preparation of food and foodstuffs. This includes the gathering and processing of grains, fish, meats and the like. This includes formulation, cooking and packaging of prepared foods.

Why Ellsworth?

Ellsworth fulfills many of the key requirements needed to run a successful food processing facility. The industry requires good access to key ingredients, a strong transportation infrastructure and proximity to major consumer markets.

Ellsworth **advantages** are as follows:

- Direct access to key inputs (e.g. shellfish, berries, other produce)
- Good access to other agricultural inputs (potatoes, vegetables, other) from New England and Atlantic Canada
- Access to major population centers in Northeastern US and Eastern Canada

Ellsworth has specific **opportunities** with the following:

- The Hancock County region is a direct producer of fish and shellfish, and is also a seasonal producer of berries and other produce
- These ingredients - coupled with products from elsewhere in Maine and Atlantic Canada – provides opportunities for prepared or fresh foods
- Several companies already in the area (e.g. Maine Shellfish) participate in this market and supply it
- There is a correlation between specialty food production and sales and the "Creative Economy" - and in Ellsworth opportunities exists to connect these sectors

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FOOD PROCESSING IN MAINE

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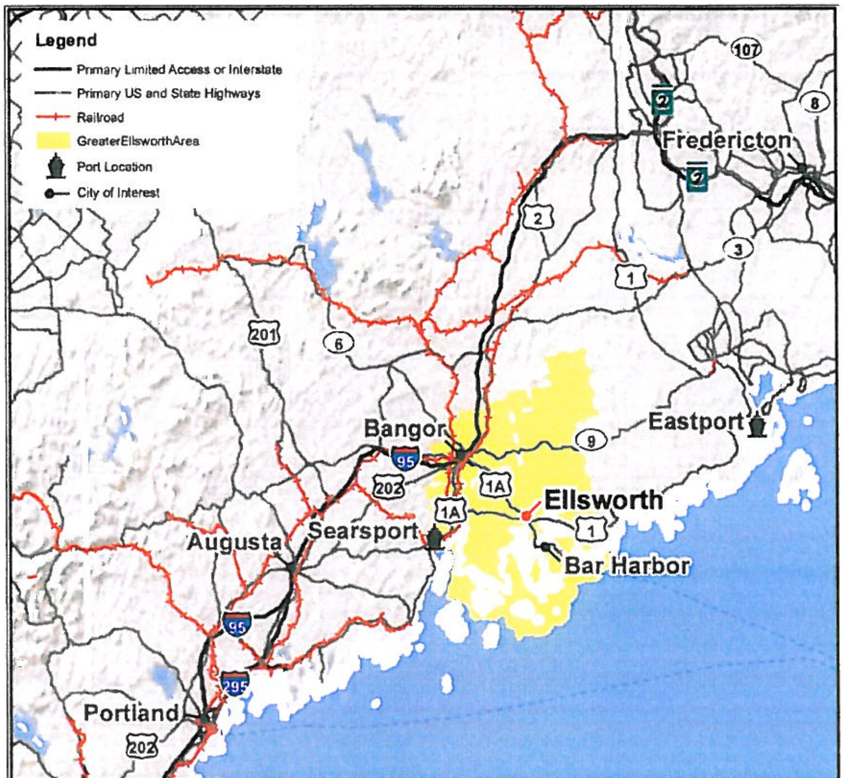

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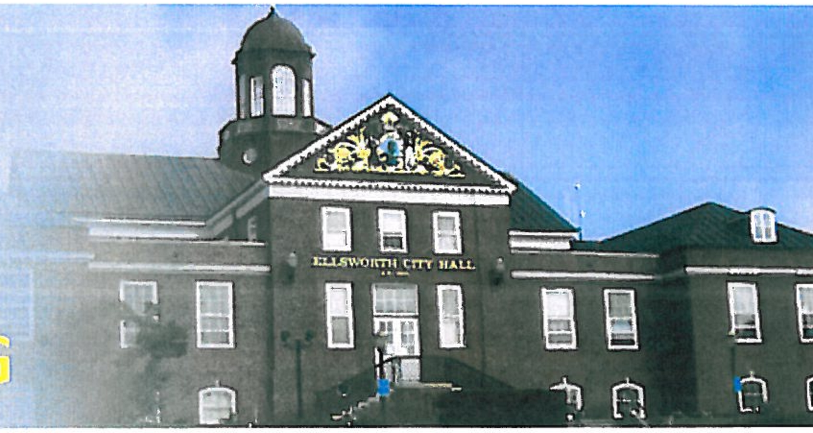

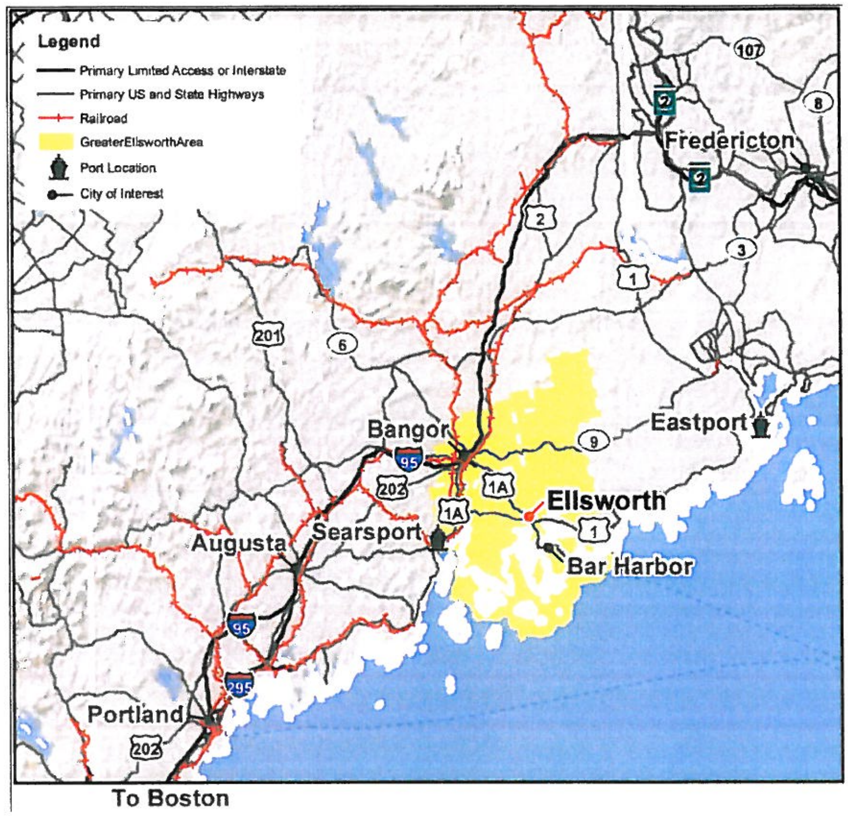

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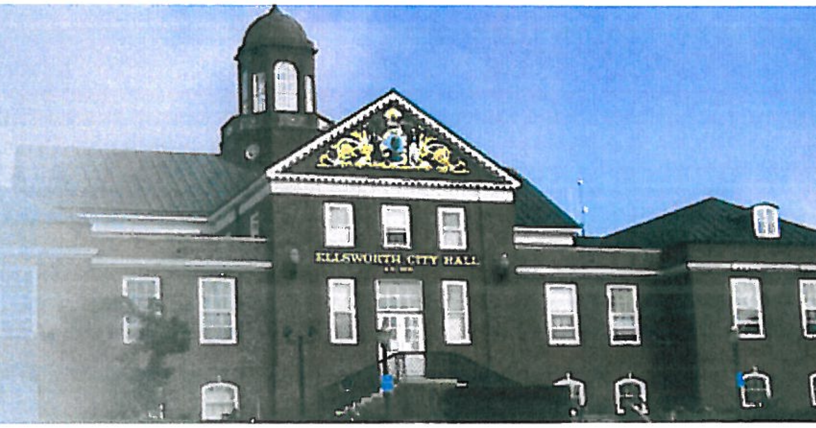
SMALL SCALE MANUFACTURING



While much has been written about the downturn in American manufacturing, the truth remains that significant opportunities still exist for making and processing products. Indeed globalization coupled with local customization can result in manufacturing and production opportunities of all kinds

Manufacturing and production in general is concerned with the production of goods either used by consumers or by other companies in the economy. Small scale industries can be characterized with the special feature of adopting the labor intensive approach for more customized, innovative, prototype or specialized production.

Why Ellsworth?

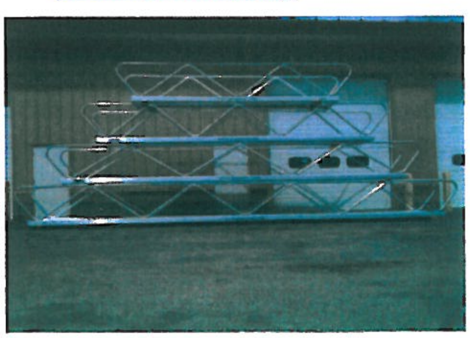
Ellsworth fulfills many of the key requirements needed to run a successful small scale manufacturing facility. The industry requires a competitive overall cost profile including labor, utilities, transportation, etc. as well as availability of skilled talent. It also requires access to key supply chains such as input materials and end users.

Ellsworth **advantages** are as follows:

- Low cost labor, as compared to other Northeast locations
- Existing production capacity and resulting supplier networks
- General access to Eastern US and Canadian markets

Ellsworth has specific **opportunities** with the following:

- Ellsworth and Hancock County are already home for a variety of smaller scale manufacturers, assembly operations, and machining operations that have a great record of success such as Superior Docks (http://www.superiordocks.com/)
- Excellent transportation and High Speed capacity that allows your product to get to markets. The Ipswich Group and Maine Shellfish distributes from Ellsworth due, in part, to its location and access to those assets (http://www.ipswichshellfish.com/index.php/maine-shellfish-company)



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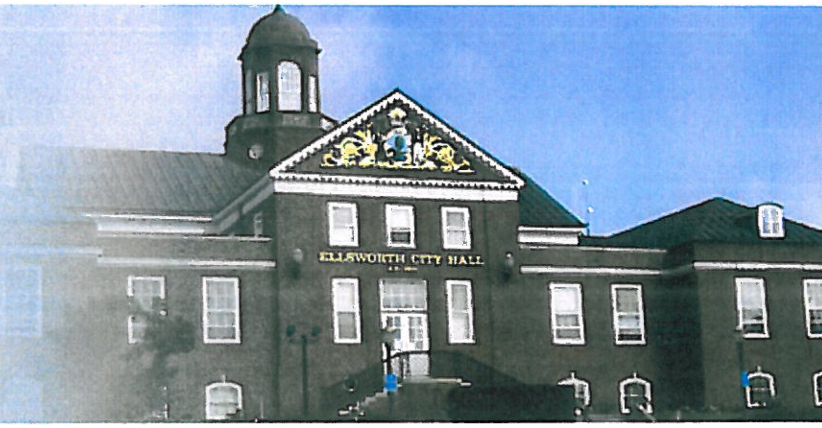

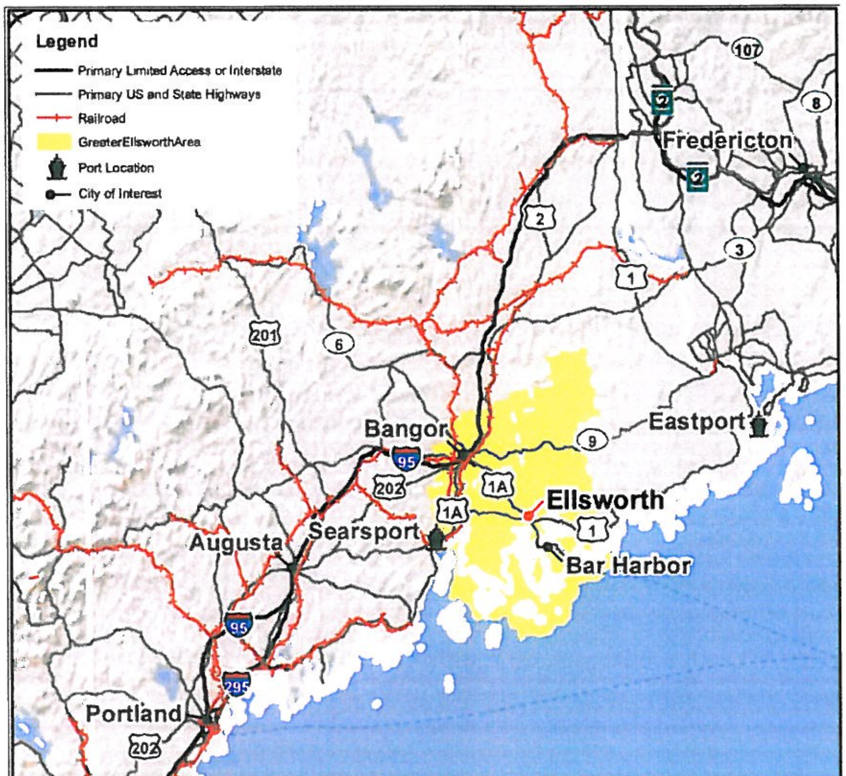

To Boston

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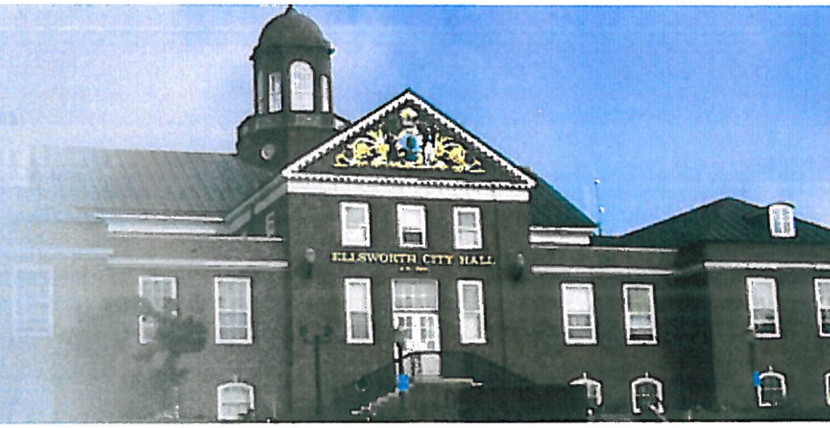

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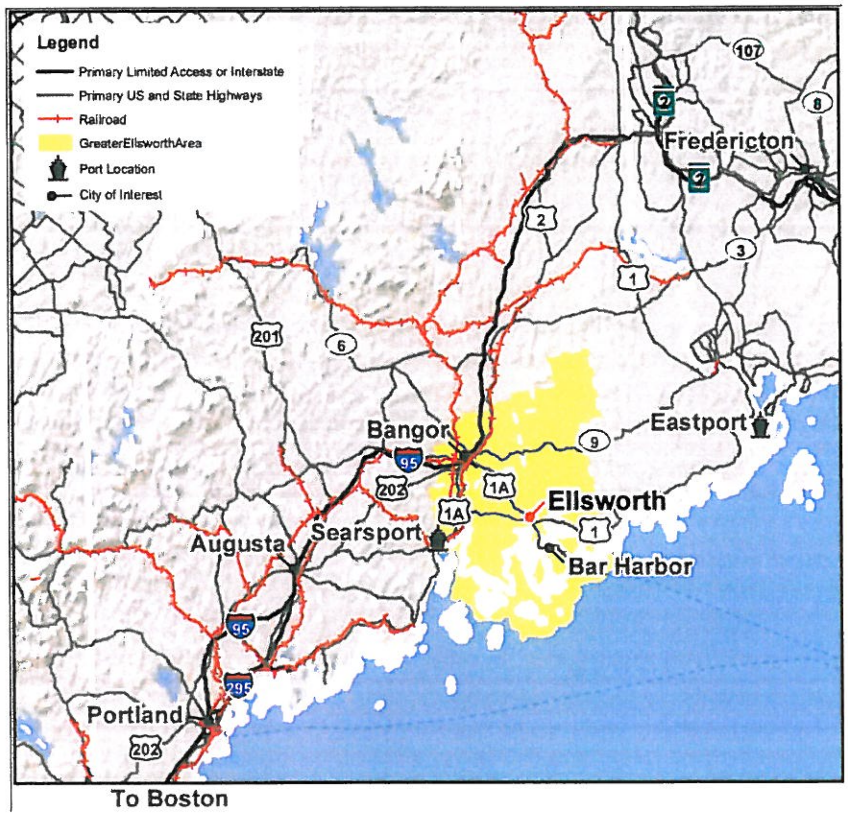

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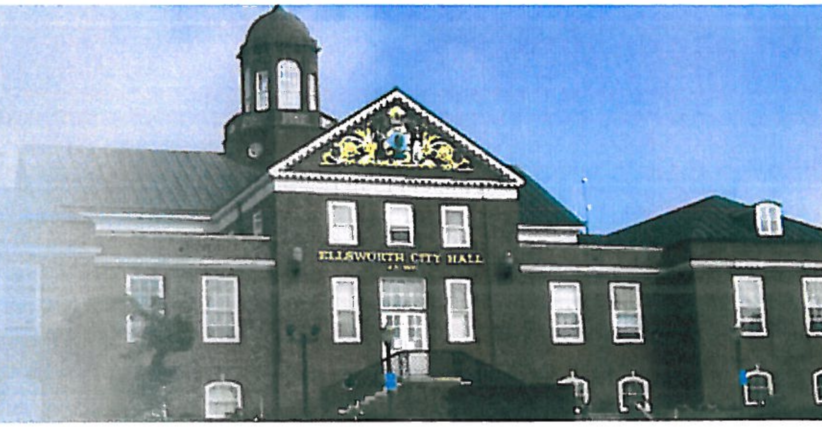

GREEN/BIOFUELS

As a low net-producer of new carbon dioxide, one strong focus of the green economy includes energy and biofuels. Biofuels include any fuel which has been produced through biological action, such as ethanol and biodiesel.

One growing sector of biofuels is based upon the use of wood waste to produce pellets. Sawdust and wood chip are the critical inputs and the resulting fuel may be used residentially as well as in electric generation.

Why Ellsworth?

Ellsworth fulfills many of the key requirements needed to run a successful pellet processing facility. The industry requires good access to waste wood and a good transportation network. It is advantageous to have access to an intermodal bulk terminal in case of international wood pellet shipment.

Ellsworth/Hancock County **advantages** are as follows:

- Proximity to timber activity in Maine, and generally in New England, Atlantic Canada, and Quebec
- Bulk Terminal Capability available at Auburn, ME allowing for rail shipment of pellets across the continent and to seaports
- Strategic location with road access from the timber resource to the north, west and east
- Located near two of Maine's bulk seaport facilities (Searsport and Eastport)

Ellsworth has specific **opportunities** with the following:

- Processing of wood waste and chips into pellets
- Waste energy from this process such as steam might also be used to fire a cogeneration facility providing small-scale low-cost electricity

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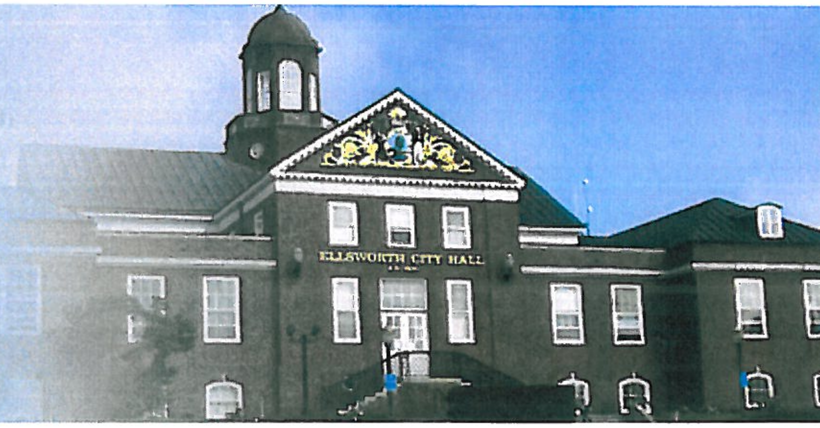

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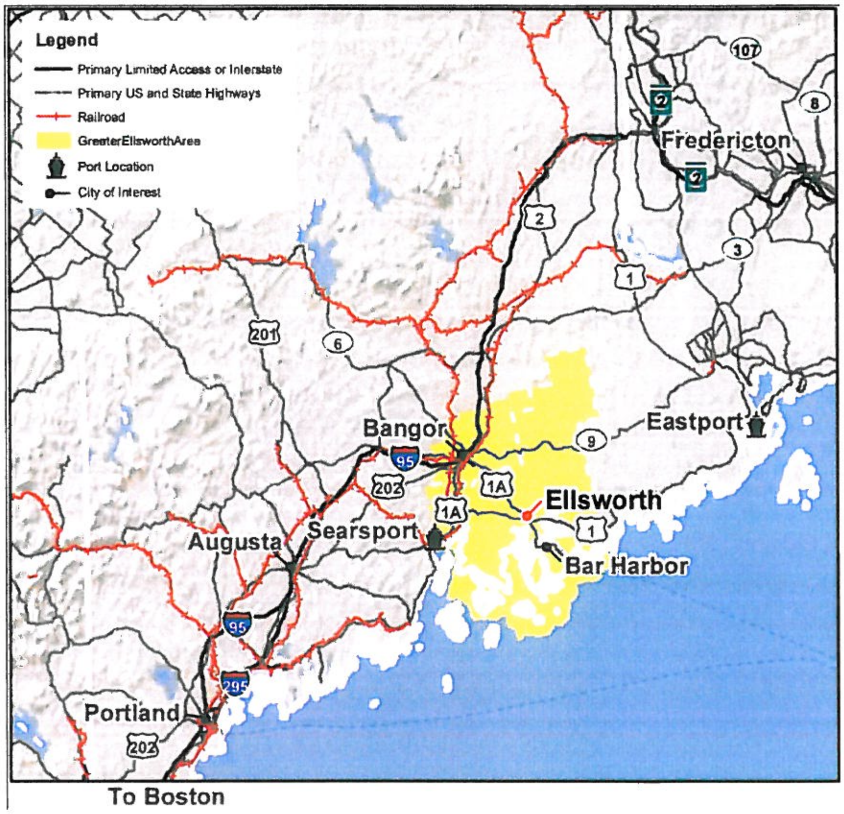

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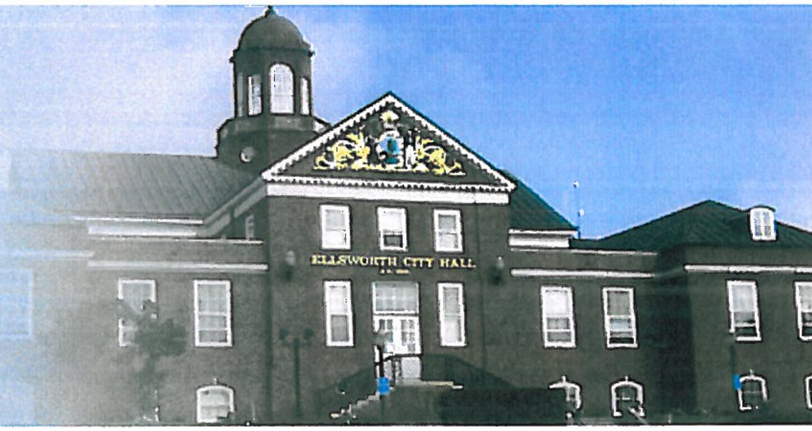

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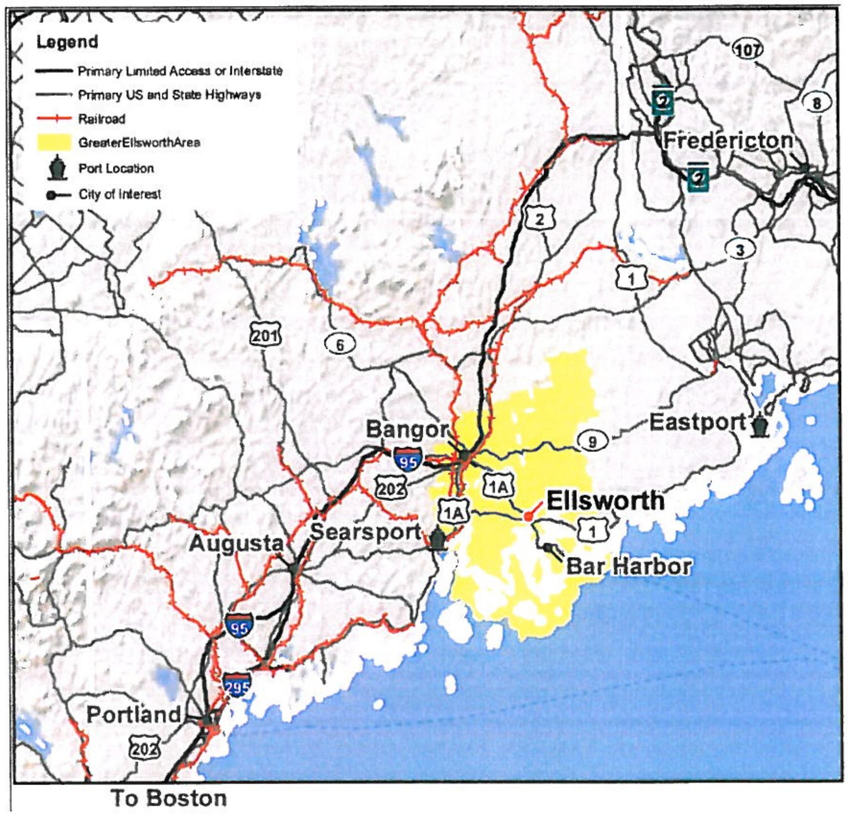

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