Economic Development Strategy

for the

Town of Vinalhaven,
Maine

Provided by: Planning Decisions, Inc.
www.planningdecisions.com
September 2014
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I. Executive Summary

The purpose of this report is to present specific economic development strategies for the community of Vinalhaven. The proposed strategies are based on community input (including public meetings, interviews, and a survey) and informed by outside expert interviews.

In public discussion, here is what residents of Vinalhaven said economic development means to them:

Economic development on Vinalhaven should:

- Support and strengthen our year-round community
- Value our heritage (lobstering and independence)
- Sustain island diversity, including young people
- Enhance our sense of community and civic engagement
- Protect the island’s natural resources and beauty
- Prioritize small, locally owned and home businesses
- Include a thriving Main Street.

Through public input and outside expert interviews, the following areas of focus were identified for economic development on Vinalhaven:

1) Art and Culture, including developing artist workshops or an artist retreat, promoting Vinalhaven as an arts destination, and assisting island craftspeople to create, brand, and market their crafts;

2) Business Support and Entrepreneurship, including assistance with business planning and access to capital, and the creation of a Chamber of Commerce that serves businesses on both Vinalhaven and North Haven;

3) A Buy Local effort to raise awareness among year-round and summer residents about the importance of supporting local businesses and services (this should include both Vinalhaven and North Haven);

4) Fishing diversification, including aquaculture, marine tourism, value-added products, and alternative markets;

5) Island Products that can be exported, such as oysters, cheese, and fiber; and
6) Destination Visitors, including leveraging Vinalhaven’s “authentic” experience, linking up with existing mainland initiatives to bring those visitors to Vinalhaven, and the development of multi-day visitor packages.

The economic development strategies we propose in this report were selected from among the many possibilities articulated in the areas of focus described above. Proposed strategies were selected because they are consistent with the economic development goals identified by Vinalhaven community members, and because they are realistic and achievable, building on existing island assets and capabilities.

*Recommendation #1: Increase Access to Small Business Support for Island Entrepreneurs Across Sectors* by creating opportunities for islanders to learn small business planning skills, gain assistance in navigating business legal requirements, and access business capital to start or grow their business.

*Recommendation #2: A Buy Local Campaign* to remind residents and visitors about the importance of supporting island businesses and services.

*Recommendation #3: Grow the Island Crafts Sector,* including quality production, branding and new retail opportunities.

*Recommendation #4: Attract High-Value Visitors* by integrating the Penobscot Bay islands into mainland visitor experiences that fit with the island brand, such as those organized around art, history, marine, and nature; and by developing “island experience” packages that maximize the length of stay and value of visitors, particularly during the shoulder seasons.

*Recommendation #5: Cultivate Future Island Prospects* such as oysters, cheese, and fiber, by supporting and encouraging island entrepreneurs.

*Recommendation #6: Attract and Retain Young People and Families* by helping island youth see a path to economic success on Vinalhaven, and by highlighting the assets and opportunities that make Vinalhaven attractive for young people and families.
II. Introduction

The purpose of this report is to present specific economic development strategies for the community of Vinalhaven.

The proposed strategies are based on community input (including public meetings, interviews, and a survey) and informed by outside expert interviews.

Thank-you to the Vinalhaven economic development advisory committee, which included Amy Lear, Marjorie Stratton, Kathy Warren, Tuck Godfrey, Gabe McPhail, and Rich Carleson. While the responsibility for the analysis and recommendations in this report lies with the consultant, the guidance provided by the committee was invaluable.
III. Goals

What are the goals for economic development on Vinalhaven? Economic development can mean different things in different communities. For example, it may mean creating jobs in one community, increasing property tax revenues in another, or generating higher incomes in a third. A community’s economic development goals matter because the goals determine which strategies are most appropriate to pursue.

In public discussion, here is what residents of Vinalhaven said economic development means to them:

Economic development on Vinalhaven should:

• Support and strengthen our year-round community
• Value our heritage (lobstering and independence)
• Sustain island diversity, including young people
• Enhance our sense of community and civic engagement
• Protect the island’s natural resources and beauty
• Prioritize small, locally owned and home businesses
• Include a thriving Main Street.
IV. Areas of Focus

Through the public input and outside expert interviews, the following areas of focus were developed: Art and Culture, Business Support and Entrepreneurship, Buy Local, Fishing, Island Products, and Destination Visitors.

A. Art and Culture

1) Fine Art

Vinalhaven has a historic arts identity that includes a reputation as an artists’ retreat as well as connections to renowned artists such as Robert Indiana and Margaret Wise Brown. One possibility is to develop artist workshops or an artist retreat, where artists live and work for days to weeks or months at a time. Artist retreats can be organized in various ways: they can be focused on one medium or many; some are fully funded, others require payment or a donation of work; they are often competitive, and some are invitation only; and some include instruction while others are individually led.

Artist workshops and retreats can attract visitors who stay for several days to a week, taking classes for part of the day but also spending money in local stores, restaurants, and other activities. This can add up to significant economic impact in the local economy. Haystack in Deer Isle and Summer Keys in Lubec are great Maine examples of this kind of artist vacation destination.

The workshops could also benefit high school students, training and developing a new generation of island artists.

Strengthening Vinalhaven’s brand as an arts destination could also help market the island to a specific type of visitor. This might include connecting to mainland art events and experiences such as the Maine Fiber Trail or the Farnsworth fall exhibit to draw those visitors to the island. The relocation of the Center for Maine Contemporary Art from Rockport to Rockland (where the Vinalhaven ferry departs) creates another mainland connection to leverage.

2) Crafts

There are numerous local artists creating a wide variety of crafts on Vinalhaven. With the closure of the Fog Gallery, there is no dedicated gallery space for crafts on Vinalhaven (other than the weekly flea market). An art retail cooperative could offer
local artisans a place to sell their art, including online. Cooperatives are usually membership based, and often require members to volunteer their time. It is important to understand the numbers it would take to make this model work. For example, if there were 20 members and each paid $40/month, that would equal $800 for rent, staff, and website and marketing expenses.

An arts cooperative could also ensure quality and build an island crafts brand. The League of New Hampshire Craftsmen requires its members to meet standards of creativity, innovation and technical expertise. The league is then able to leverage its brand to sell to large wholesale accounts. The first couple of days of its annual craftsman’s fair are open only to large buyers, including department stores which pre-order large quantities of products.

If they have good broadband connections, island artists could also use the internet and online marketplaces like ETSY to access consumers around the world. Research suggests that 97% of American consumers now look online for purchases.

Both a physical location and an online retail outlet require consistent, high quality production. To meet demand, Vinalhaven will need a cluster of artists making products. A shared space for making art could reduce the capital costs for equipment and help new artists get started. Artisans Asylum in Somerville MA is non-profit community design & fabrication center where people have access to professional manufacturing equipment, education, and a creative community network. Again it is important to understand the numbers that would make that work. A grant could help pay for the initial investment, but annual dues will also depend on maintenance costs.

Finally, island craftspeople may need technical assistance with how to price, package and market their products, as well as production planning to ensure having enough product on hand to meet demand throughout the year.

B. Business Support and Entrepreneurship

Small business owners and entrepreneurs in all sectors on Vinalhaven describe needing assistance with business planning and access to capital. Partnerships with existing organizations and resources could help bring those services to the island, possibly through Vinalhaven Adult Education or the Chamber of Commerce. The Maine Woods Discovery Network is a project of the Maine Woods Consortium where members work together to develop and market visitor packages. Another project, the Maine Woods Tourism Training Initiative, provides training to local businesses around topics such as customer service and social media marketing.
New technologies can help to overcome physical distance. For example, a recent initiative by the ConnectME Authority and Maine Adult Education used Tandberg video conferencing over high speed internet in local schools to offer a simulcast presentation on internet marketing to small businesses all over the state.

The Vinalhaven Chamber of Commerce should be recreated to serve business on North Haven as well. This would increase the size and diversity of the local business network, as well as raise additional funds to support increased Chamber programming.

Efforts to engage island youth could include helping identify island economic opportunities and career paths, particularly in the trades. The Island Institute’s ISLE Program is designed to provide training in leadership, advocacy, and entrepreneurship. Programs like Jobs for Maine’s Graduates partner with the business community to provide mentor relationships and help high school students develop career paths and the skills to pursue them. Vinalhaven used to have the “Big Bridges” program, which connected students with local businesses, but it was ended.

**C. Buy Local**

A “Buy local, support your community” campaign would help raise awareness among year-round and summer residents about the importance of supporting local businesses and services. Studies have demonstrated that more of the money spent at a locally owned business stays in the local economy, creating jobs and expanding the tax base. The term “local multiplier effect” refers to how money recirculates through a community’s economy. For example, a 2010 report by the Maine Center for Economic Policy estimated that shifting 10% of consumer spending from national chains to locally owned businesses would result in an additional $127 million in economic activity in Greater Portland, with 874 new jobs generating over $35 million in wages (http://www.mecep.org/).

Efforts to increase community awareness about buying local make a demonstrated difference. According to the Institute for Local Self-Reliance, independent businesses in communities with a “buy local” campaign outperform those in communities without such a campaign (www.ilsr.org). For the islands, it will be especially important to emphasize “buying island” instead of “buying local,” since many potential buyers are from away (not local).

A buy local campaign for the island should include both Vinalhaven and North Haven.
Vinalhaven’s “Downstreet” is a community asset and could be a strong partner in a buy local effort. The Maine Downtown Center’s Main Street Maine program supports downtown revitalization using a four-point approach: shared goals and coordination; special events and marketing; building and street improvements; and economic diversification. Communities apply to participate. ([http://www.mdf.org/mdc_main_st_maine.php](http://www.mdf.org/mdc_main_st_maine.php))

**D. Fishing**

Ten years ago, there were more pounds of other species landed in Vinalhaven than pounds of lobster. That ratio has flipped, and today the island’s fishery has become more focused on a single species, lobster. In the long-term, diversifying the fishing industry will help make the industry and the island more resilient.

Diversification of the fishery harvest could include aquaculture, especially mussels and seaweed, also soft-shell clams. Maine Sea Grant is willing to conduct training workshops for interested aquaculture entrepreneurs, including fishermen.

Marine related tourism activities could also help diversify fishermen’s incomes. Maine Sea Grant has done legal research to understand the implications and requirements for taking visitors out on boats and farms, and can share lessons learned from business owners who have tried it.

Value-added fishery products and alternative markets also create opportunities for Vinalhaven. Value-added refers to taking a raw product and creating something new, which can then be sold at a higher price. Examples include Calendar Island Lobster Company in Casco Bay, which processes lobster into lobster stew and lobster pot pie. High electricity costs and limited water could be limiting factors for some kinds of processing. How can Vinalhaven capture more of its lobster value locally?

A recent newspaper article about lobster food trucks in Washington DC described lobster meat supply as an issue. What are the alternative markets for Vinalhaven’s lobster?

**E. Island Products**

Seafood and cheese are great examples of exportable products Vinalhaven is already producing. Island producers should work together and with producers on North Haven to create an island product brand and to collaboratively market and export their products.
A shared commercial kitchen space would help small food producers who want to scale-up production to move out of their home kitchens. But such spaces are capital intensive to establish and usually require larger populations of entrepreneurs to create enough demand. Discussions on North Haven included mention of a former restaurant space that could be used if the equipment is still there. That would reduce the upfront costs, and grants and fundraising could also help with the initial investment. A feasibility study should be conducted to see how many entrepreneurs are interested on both islands, and how many it would take to keep the operation going beyond year one.

Any effort to develop a commercial kitchen should be connected with other business support services, such as working with the Maine Grocers and Food Producers Association, which offers peer to peer networking and support to members.

Finally, there is a local (and summer resident) market for local food and products. Expanding the flea market hours would help capture some of the dollars that leave the island when people shop on the mainland instead.

F. Destination Visitors

Most Vinalhaven visitors come in the summer, and capacity is limited. Scale (small) and timing (shoulder-season) are critical in terms of growing the economic impact of visitors on Vinalhaven. To maximize the economic return, the island should target high-value, low-impact visitors.

A number of national press articles about Vinalhaven emphasize its authenticity. How can Vinalhaven leverage that perception? One trend in tourism is to put together packages for potential visitors that combine accommodations, food and island activities. Packages can increase visitor spending by providing more varied experiences (and opportunities to spend more) and encouraging longer stays. Vinalhaven businesses can work together and with North Haven businesses to create packages that market a unique island experience.

Another possibility is to link up with existing mainland initiatives that fit with the island experience (such as art, history, maritime and nature) to bring those visitors to Vinalhaven. One example is Experience Maritime Maine, which ties together assets related to Maine’s maritime heritage including festivals and museums, into a single experience.
Vinalhaven Economic Development Strategy

V. Proposed Strategy

Economic data show that the Vinalhaven economy is heavily dependent on the lobstering industry and summer visitors. Economic reliance on one or two industries is risky for any community. The following recommendations are intended to help Vinalhaven diversify its economy and increase the community’s resilience.

The strategies we propose were selected from among the many possibilities articulated in the areas of focus described above. They were selected because they are consistent with the economic development goals identified by community members, and because they are realistic and achievable, building on existing island assets and capabilities.

**Recommendation #1: Increase Access to Small Business Support for Island Entrepreneurs Across Sectors.**

Vinalhaven has a strong culture of self-employment and entrepreneurship. Almost two-thirds of Vinalhaven households report income from self-employment, more than double the rate for the county and four times as high as the state (Appendix A). Economic development on the island should build on that asset by increasing local business capacity. This includes creating opportunities for islanders to learn small business planning skills, gain assistance navigating insurance and legal requirements, and access business capital to start or grow their businesses. Island artists, fishermen, food producers, and contractors can all benefit from these kinds of services.

Small business support can be done efficiently by partnering with existing on-island and off-island resources, such as the Chamber of Commerce and Vinalhaven Adult Education, as well as CEI, Women Work and Community, and other statewide business oriented organizations.

All business support efforts should include both Vinalhaven and North Haven to maximize use of limited resources as well as strengthen the islands’ peer support network.

**Recommendation #2: A Buy Local Campaign**

There needs to be a concerted effort to remind island residents and visitors about the importance of buying island products and services. Buy local campaigns can include signs on local storefronts, informational brochures, “Buy Local” bumper stickers and other visual cues.
A buy local campaign here should include both Vinalhaven and North Haven.

For the islands, it will be especially important to emphasize “buying island” instead of “buying local,” since many potential buyers are from away (not local). For example, Isleboro uses the phrase, “Support Island Businesses.”

**Recommendation #3: Grow the Island Crafts Sector**

A strategy to grow the Vinalhaven crafts sector includes branding, marketing, and new retail opportunities.

The business support efforts described in Recommendation #1 should specifically target island craftspeople. For example, workshops on how to price, package and market their products, as well as production planning to ensure having enough product on hand to meet demand throughout the year.

The establishment of an island crafts organization could help build the island crafts brand. Such an organization might also help create retail opportunities, such as a shared on-island storefront or a retail website, as budget and interest allow. As with other strategies, an island crafts organization should include both Vinalhaven and North Haven.

Island crafts is an area where Vinalhaven can leverage Rockland’s success as an arts destination to the island’s benefit. A retail strategy for Vinalhaven craftspeople could include selling island crafts on the mainland, for example in an island cooperative gallery located on Main Street in Rockland.

**Recommendation #4: Attract High-Value Visitors**

To maximize economic return, Vinalhaven should target high-value, low-impact visitors, particularly in the shoulder seasons.

Vinalhaven and North Haven should work together to integrate the islands into mainland visitor experiences that fit with their island brand, such as those organized around art, history, maritime and nature. An important first step is for the Chamber (representing both islands) to appoint an island representative to the Midcoast Council of Chambers of Commerce, a regional organization whose geographic area includes Penobscot Bay.
Interested visitor, recreation, and arts businesses on Vinalhaven and North Haven should collaborate to develop and market “island experience” packages that maximize the length of stay and value of visitors.

**Recommendation #5: Cultivate Future Island Prospects**

Realistically, manufacturing (whether food or other product) on the island will always tend to be artisan rather than production. But there are a number of products, including value-added, that already export well from Vinalhaven and North Haven, for example oysters, cheese, and fiber. Islanders are experimenting with other value-added products as well.

The recent Maine Food Strategy Consumer Survey found that almost 80% of Maine consumers prefer to purchase local or Maine grown food. But the market for island products could extend well beyond the Midcoast region or the state. Islands have a special cachet with consumers that could give “Maine island made” products a marketing advantage.

Economic development on Vinalhaven should support and encourage island product entrepreneurs, and the business support efforts described in Recommendation #1 should specifically target island product businesses with sector specific topics such as food safety regulations and scaling-up production.

**Recommendation #6: Attract and Retain Young People and Families**

Recent data indicate that the island’s younger population is decreasing. The overarching challenge to the sustainability of Vinalhaven’s year-round community is its ability to retain and attract young people and families. That goal should permeate Vinalhaven’s economic development efforts.

Vinalhaven needs to invest in entrepreneurship training for high-school students. A program like Jobs for Maine’s Graduates, which connect high school students with local businesses and career paths, could help island youth see a path to economic success. A similar program, Eastern Maine Skippers in Deer Isle, focuses on marine related careers and self-employment. Vinalhaven should recreate a version of the Big Bridges program. These programs are effort intensive, but important as part of a larger strategy to help island youth stay and work on Vinalhaven.
In terms of attracting young people and families to come to Vinalhaven, the availability of jobs and economic opportunity is a determining factor. To the extent the above strategies and other efforts are successful, they will help. But the community also needs to be explicit in thinking about what makes Vinalhaven attractive for young people and families, and highlighting those assets and opportunities to visitors and prospective residents.
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<td>Increase Access to Small Business Support for Island Entrepreneurs Across Sectors</td>
<td>Establish a Chamber of Commerce that serves businesses on both Vinalhaven and North Haven</td>
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**Resources**

- Vinalhaven Chamber of Commerce
- North Haven Adult Ed.
- Your Chamber of Commerce Guide to Islands
- Island Institute
- Off-island: Island Institute
- On island: Chamber of Commerce

**Who**

- Vinalhaven Chamber of Commerce
- North Haven Adult Ed.
- Your Chamber of Commerce Guide to Islands

**When**

- Mid-term

**Partners**

- Chamber of Commerce
- Island Institute
- Off-island: Island Institute
- On island: Chamber of Commerce

**Where**

- Vinalhaven

**How**

- Work with off-island partners to determine needs and interest
- Work with on-island partners to determine needs and interest
- Work with on-island partners to work with off-island partners to determine needs and interest
- Work with off-island partners to develop and deliver island-specific programming

**Who**

- Vinalhaven Chamber of Commerce

**When**

- Short-term

**Partners**

- Chamber of Commerce
- Island Institute
- Off-island: Island Institute
- On island: Chamber of Commerce

**Where**

- Work with on-island partners to determine needs and interest
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- Work with on-island partners to work with off-island partners to determine needs and interest
- Work with off-island partners to develop and deliver island-specific programming

**Who**

- Vinalhaven Chamber of Commerce

**When**

- Mid-term

**Partners**

- Chamber of Commerce
- Island Institute
- Off-island: Island Institute
- On island: Chamber of Commerce

**Where**

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- Work with off-island partners to develop and deliver island-specific programming

**Who**

- Vinalhaven Chamber of Commerce

**When**

- Long-term

**Partners**

- Chamber of Commerce
- Island Institute
- Off-island: Island Institute
- On island: Chamber of Commerce
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<td>Build a farm-friendly community</td>
<td>Develop a tourist package that highlights the agricultural heritage of Vinalhaven.</td>
<td>Maine Farmland Trust’s publication, Cultivating Maine’s Agricultural Future: A Guide for Towns, Land Trusts and Other Agricultural Supporters includes recommendations for land use ordinances that support farms and value-added producers.</td>
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<td>Program</td>
<td>Action</td>
<td>When</td>
<td>Resources</td>
<td>Who</td>
</tr>
<tr>
<td>---------</td>
<td>--------</td>
<td>------</td>
<td>-----------</td>
<td>-----</td>
</tr>
<tr>
<td>Support island product entrepreneurs with sector-specific topics such as food safety regulations and scaling up production.</td>
<td>Lead: Chamber of Commerce</td>
<td>Mid-term</td>
<td>Support organization</td>
<td>Resources for small business -www.maine.gov/abo</td>
</tr>
<tr>
<td>Resources</td>
<td>When</td>
<td>Who</td>
<td>Action</td>
<td></td>
</tr>
<tr>
<td>-----------</td>
<td>------</td>
<td>-----</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>Highlight economic opportunities, Vinalhaven quality of life to visitors and prospective residents</td>
<td>Long-term</td>
<td>Island Business, Island Chamber of Commerce, Town of Vinalhaven</td>
<td>Available at: <a href="http://www.energizingentrepreneurs.org">www.energizingentrepreneurs.org</a></td>
<td></td>
</tr>
</tbody>
</table>
Appendix A. Vinalhaven Demographic and Economic Picture

The town of Vinalhaven is an island located in Penobscot Bay, 15 miles and a 1 hour 15 minute ferry ride out of Rockland, Maine.

With a year-round population of approximately 1,300 people (local estimates), Vinalhaven is the largest un-bridged island community in Maine. While its population has decreased significantly from historic highs, it has been relatively stable overall (=/- 200) during the last few decades.

Figure 1 below presents historic population numbers. Table 1 presents a population comparison to Knox County and the State of Maine.

Figure 1: Historic Population

![Vinalhaven's Population 1880 - 2010](image)

Source: 2014 Comprehensive Plan

| Table 1: Vinalhaven, Knox County and State of Maine Population, 2000-2010 |
|-------------------------------------------------|------|------|-----|-----|
|                                                 | 2000 | 2010 | Change | % Change |
| Vinalhaven                                      | 1,235| 1,165| -70 | -5.7% |
| Knox County                                     | 39,618| 39,736| 118 | 0.3% |
| Maine                                           | 1,274,923| 1,328,361| 53438 | 4.2% |

Source: US Census

---

1 In February 2014 the town of Vinalhaven adopted a new Comprehensive Plan. Much of the data presented in this section is drawn from that local document, with additional data from the US Census and Maine Department of Labor as well as the 2013 Island Institute report, “A Threatened Bay: Challenges to the Future of the Penobscot Bay Region and its Communities.”
Like many Maine communities, Vinalhaven’s population is getting older. While the population as a whole has remained relatively stable, this is not true across all age groups. The population age 45-64 increased from 2000-2010, while the population age 0-44 decreased.

**Figure 2: Vinalhaven Population by Age**

![Vinalhaven Population by Age](image)

Source: US Census

With a summer population of more than 5,000 (as estimated by the 2014 Comprehensive Plan), Vinalhaven is a highly seasonal community. In 2010, more than half of the housing on Vinalhaven (53%) was seasonal, compared to 20% in Knox County and 16% in the state as a whole.

**Table 2: Housing Units**

<table>
<thead>
<tr>
<th></th>
<th>Vinalhaven</th>
<th>Knox County</th>
<th>Maine</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total housing units</td>
<td>1,295</td>
<td>23,744</td>
<td>721,830</td>
</tr>
<tr>
<td>Seasonal housing units</td>
<td>685</td>
<td>4,828</td>
<td>118,310</td>
</tr>
<tr>
<td>% Seasonal</td>
<td>53%</td>
<td>20%</td>
<td>16%</td>
</tr>
<tr>
<td>Year round housing units</td>
<td>610</td>
<td>18,916</td>
<td>603,520</td>
</tr>
<tr>
<td>Occupied</td>
<td>545</td>
<td>17,258</td>
<td>557,219</td>
</tr>
<tr>
<td>Owner occupied</td>
<td>406</td>
<td>12,789</td>
<td>397,417</td>
</tr>
<tr>
<td>% Owner</td>
<td>74%</td>
<td>74%</td>
<td>71%</td>
</tr>
<tr>
<td>Renter occupied</td>
<td>139</td>
<td>4,469</td>
<td>159,802</td>
</tr>
<tr>
<td>% Renter</td>
<td>26%</td>
<td>26%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Source: US Census
From 2000-2010, Vinalhaven gained 67 housing units, including 48 seasonal and 19 year-round.

Figure 3: Vinalhaven Year-round and Seasonal Housing

![Graph showing year-round and seasonal housing units from 2000 to 2010]

Source: US Census

According to the 2014 Comprehensive Plan, affordability of housing is a concern for year-round residents and high prices are driven by seasonal demand. “Although new home construction has been evenly divided between year-round and seasonal residents during this time, the census figures indicate that seasonal owners are buying many of the houses formerly occupied year-round. Over the past 10 years, 150 properties have changed to seasonal ownership; that is 54% of the houses sold in that period. This puts additional pressure on housing options for middle income residents.”

Another way to look at property value is through state valuation statistics. A town’s state valuation is the sum of all real and personal property subject to taxation under Maine law (equalized among municipalities to reflect market values). Over the last decade, the valuation on Vinalhaven has increased more than in the State as a whole but less than Knox County.

Table 2: Municipal Valuation (1000s of dollars)

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2003</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vinalhaven</td>
<td>$516,550</td>
<td>$285,450</td>
<td>81%</td>
</tr>
<tr>
<td>Knox County</td>
<td>$7,201,200</td>
<td>$3,945,900</td>
<td>82%</td>
</tr>
<tr>
<td>State of Maine</td>
<td>$158,661,600</td>
<td>$94,025,050</td>
<td>69%</td>
</tr>
</tbody>
</table>

Source: Maine Revenue
Census data indicate that the median household income on Vinalhaven today is higher than in Knox County and the State of Maine, a change since 2000 when it was slightly lower.

Table 3: Median Household Income

<table>
<thead>
<tr>
<th></th>
<th>North Haven</th>
<th>Vinalhaven</th>
<th>Knox County</th>
<th>Maine</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>$39,250</td>
<td>$34,323</td>
<td>$36,824</td>
<td>$37,072</td>
</tr>
<tr>
<td>2012</td>
<td>$63,523</td>
<td>$58,333(^2)</td>
<td>$47,714</td>
<td>$48,219</td>
</tr>
</tbody>
</table>

Source: US Census: 2000 data are US Decennial Census; 2012 data are 5-year ACS

In terms of aggregate community earnings, Vinalhaven’s aggregate household income is up overall since 2000, including wage and salary income, self-employment income, and social security and retirement income.

The 2014 Comprehensive Plan states that “The Vinalhaven economy is supported largely by the lobster industry. In 2010, the recorded value of lobsters caught by VH fishermen was over $18 million.” In 2013, Vinalhaven is the third largest port in Maine by value of landings.

\(^2\) Margin of error is +/-14,945
Table 4: 2013 Top Ten Ports by Ex-vessel Value (Millions of Dollars)

<table>
<thead>
<tr>
<th>Port</th>
<th>Value (Millions of Dollars)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stonington</td>
<td>48.94</td>
</tr>
<tr>
<td>Portland</td>
<td>31.00</td>
</tr>
<tr>
<td>Vinalhaven</td>
<td>30.60</td>
</tr>
<tr>
<td>Beals</td>
<td>15.08</td>
</tr>
<tr>
<td>Rockland</td>
<td>14.85</td>
</tr>
<tr>
<td>Friendship</td>
<td>13.02</td>
</tr>
<tr>
<td>Spruce Head</td>
<td>11.37</td>
</tr>
<tr>
<td>Jonesport</td>
<td>11.22</td>
</tr>
<tr>
<td>Port Clyde</td>
<td>9.04</td>
</tr>
<tr>
<td>Bass Harbor</td>
<td>8.90</td>
</tr>
</tbody>
</table>

Source: Maine DMR

Penobscot Bay as a whole is more dependent on lobster compared to other commercial fisheries than the state as a whole, with lobsters accounting for 93% of total value of landings in 2011, up from 80% in 2001. Lobster landings have risen in value by 363% in the last 20 years. As noted in the recent Penobscot Bay report, “single-species dependency, however, means increased vulnerability to disease, market fluctuation, and the fate of largely Canadian processing facilities.”

According to the 2014 Comprehensive Plan, while Vinalhaven lobster landings have increased, landings for crab and other species have decreased over the past decade. The fishery on Vinalhaven has become much more concentrated, in part due to the loss of other fisheries.

Figure 5: Vinalhaven Landings (pounds), 2000-2010

Source: 2014 Comprehensive Plan
The 2014 Comprehensive Plan presents recent marine resource license data for Vinalhaven. The number of residents holding harvester licenses decreased from 336 to 283 in the last 5 years.

**Figure 6: Vinalhaven Marine Licenses**

<table>
<thead>
<tr>
<th>Licenses</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Comm. Fishing - Crew</td>
<td>20</td>
<td>21</td>
<td>20</td>
<td>20</td>
<td>24</td>
<td>19</td>
</tr>
<tr>
<td>Comm. Fishing - Non-resident</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Comm. Fishing - Single</td>
<td>2</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Comm. Shrimp - Crew</td>
<td>9</td>
<td>10</td>
<td>9</td>
<td>6</td>
<td>8</td>
<td>5</td>
</tr>
<tr>
<td>Comm. Shrimp - Single</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Comm. Shellfish</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Demo - Lobster</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Lobster/ Crab Apprentice Under 18</td>
<td>3</td>
<td>2</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Lobster/ Crab Non-Comm.</td>
<td>9</td>
<td>9</td>
<td>5</td>
<td>8</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Lobster/ Crab Class II +70</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Lobster/ Crab Class III +70</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Lobster Meat Permit</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Licenses</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lobster/ Crab Apprentice</td>
<td>20</td>
<td>12</td>
<td>14</td>
<td>9</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Lobster/ Crab Class I</td>
<td>66</td>
<td>71</td>
<td>66</td>
<td>60</td>
<td>57</td>
<td>54</td>
</tr>
<tr>
<td>Lobster/ Crab Class II</td>
<td>99</td>
<td>95</td>
<td>98</td>
<td>96</td>
<td>100</td>
<td>95</td>
</tr>
<tr>
<td>Lobster/ Crab Class III</td>
<td>62</td>
<td>65</td>
<td>62</td>
<td>61</td>
<td>51</td>
<td>55</td>
</tr>
<tr>
<td>Lobster/ Crab Over Age 70</td>
<td>8</td>
<td>8</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Lobster/ Crab Student</td>
<td>67</td>
<td>57</td>
<td>52</td>
<td>42</td>
<td>34</td>
<td>43</td>
</tr>
<tr>
<td>Lobster/ Crab Under Age 18</td>
<td>8</td>
<td>8</td>
<td>5</td>
<td>3</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Marine Worm Digging</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Mussel - Hand</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Quahog (Mahogany)</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Retail Seafood</td>
<td>6</td>
<td>7</td>
<td>6</td>
<td>6</td>
<td>8</td>
<td>8</td>
</tr>
<tr>
<td>Scallop - Diver</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>2</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Scallop - Digger</td>
<td>17</td>
<td>12</td>
<td>11</td>
<td>10</td>
<td>11</td>
<td>8</td>
</tr>
<tr>
<td>Scallop with Tender</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Scallop - Non-Comm.</td>
<td>2</td>
<td>7</td>
<td>5</td>
<td>4</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Sea Urchin/ Scallop Tend</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Sea Urchin - Diver</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Sea Urchin - Digger</td>
<td>2</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Sea Urchin with Tender</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Wholesale with Lobsters</td>
<td>6</td>
<td>4</td>
<td>4</td>
<td>4</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Wholesale with Lobsters, Supp</td>
<td>3</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

Source: 2014 Comprehensive Plan
There is currently only one aquaculture lease site on Vinalhaven, for American oysters.

Tourism is identified in the 2014 Comprehensive Plan as the second largest industry on Vinalhaven, supporting nine lodging facilities, 6 retail shops, 1 gallery, and 7 restaurants. Tourism also helps support the local grocery store and several other downtown businesses, as well as a number of tradespeople and caretakers. “The employment of about 250 people, nearly the same number as those directly involved in lobstering, would be directly or, to a large degree, indirectly and adversely affected without the profits from the seasonal economy.”

According to the Census, in 2012, there are 664 workers in the labor force, more than half of whom are self-employed.

<table>
<thead>
<tr>
<th>Table 5: Vinalhaven Labor Force</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population 16 years and over</td>
</tr>
<tr>
<td>In labor force</td>
</tr>
<tr>
<td>Employed</td>
</tr>
<tr>
<td>Self-employed in own not incorporated business workers</td>
</tr>
</tbody>
</table>
Source: US Census

Almost two-thirds of Vinalhaven households report income from self-employment in 2012, more than double the rate for the county and four times as high as the state.
Table 6: Self-employment Income, 2012

<table>
<thead>
<tr>
<th></th>
<th>Vinalhaven</th>
<th>North Haven</th>
<th>Knox County</th>
<th>Maine</th>
</tr>
</thead>
<tbody>
<tr>
<td>Households</td>
<td>518</td>
<td>197</td>
<td>16,857</td>
<td>553,208</td>
</tr>
<tr>
<td>With self-employment income</td>
<td>323</td>
<td>62</td>
<td>4,248</td>
<td>84,783</td>
</tr>
<tr>
<td>Percent with self-employment income</td>
<td>62%</td>
<td>31%</td>
<td>25%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Source: US Census

The Quarterly Census of Employment and Wages (QCEW) program collects employment and wage information for workers covered by state unemployment insurance. These data exclude self-employed individuals. In 2012, among QCEW reported employment industries, retail trade employs the highest average number of people on Vinalhaven annually. Wages for the retail trade and accommodations and food services industry are relatively low.

Table 7: 2012 Vinalhaven Annual Employment and Wages by Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Establishments</th>
<th>Average Employment</th>
<th>Total Wages</th>
<th>Average Weekly Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total, All Industries</td>
<td>86</td>
<td>353</td>
<td>9,391,764</td>
<td>$512</td>
</tr>
<tr>
<td>Agriculture, Forestry, Fishing and Hunting</td>
<td>23</td>
<td>29</td>
<td>1367493</td>
<td>$897</td>
</tr>
<tr>
<td>Construction</td>
<td>8</td>
<td>32</td>
<td>1039653</td>
<td>$622</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>10</td>
<td>69</td>
<td>1415987</td>
<td>$398</td>
</tr>
<tr>
<td>Health Care and Social Assistance</td>
<td>4</td>
<td>41</td>
<td>1071182</td>
<td>$497</td>
</tr>
<tr>
<td>Arts, Entertainment, and Recreation</td>
<td>3</td>
<td>10</td>
<td>289452</td>
<td>$543</td>
</tr>
<tr>
<td>Accommodation and Food Services</td>
<td>6</td>
<td>48</td>
<td>400891</td>
<td>$161</td>
</tr>
<tr>
<td>Other Services, Except Public Administration</td>
<td>11</td>
<td>19</td>
<td>543795</td>
<td>$541</td>
</tr>
</tbody>
</table>

Source: Maine Department of Labor

The 2014 Comprehensive Plan describes the local economy as more diverse than other island communities in Maine, including numerous restaurants, a grocery store, a lumber yard, and various retail stores. The Town center, referred to as “Downstreet”, is home to the majority of retail. The Vinalhaven Chamber of Commerce website describes a broad range of businesses and organizations on the island including “a full K-12 school system, a medical and dental health center, and in addition to lobsterpersons are builders, musicians, plumbers, teachers, shopkeepers, electricians, innkeepers, artists, writers, realtors, restaurateurs, boat builders, ferry captains, architects, administrators, conservationists, and more.” A recent survey of residents revealed high levels of community support for the addition/extension of the following businesses and industries: boatbuilding (80%), craft industries (86%), elder/home care services (86%), farming (88%), and medical services (81%).
2013 taxable retail sales numbers reinforce the seasonality of the island economy, with disproportionately higher sales in the 3rd quarter (June-August) compared to the rest of the year.

Figure 7: 2013 Vinalhaven Taxable Retail Sales by Quarter

Source: Maine Revenue Services

In terms of economic infrastructure, Vinalhaven has limited accessibility to and from the mainland, with 4-6 Maine State Ferry trips per day departing Rockland between 7 am and 4:30 pm. It is also served by water taxi and Penobscot Island Air.

Electricity costs are very high on Vinalhaven. The Maine PUC reports a standard offer rate for Fox Islands Electric Coop of $0.11 per kWh plus $0.17 per kWh for delivery. By comparison, the standard offer rate for Bangor Hydro is $0.07 per kWh plus $0.06 for delivery (average). Three 1.5 MW wind turbines were erected on Vinalhaven in 2009. Due to the time of year the power is generated, FIEC sells surplus energy during the winter months and continues to buy more than it generates in the summer.

The 2014 Comprehensive Plan describes cell phone coverage as “currently limited to the northern and eastern sides of the island as they are able to utilize facilities located in neighboring communities.” Much of the island lacks cell phone service. While a business could have a landline, outgoing long distance calls can get very expensive on a landline versus a cell phone.
Finally, broadband (or high speed) internet is limited on Vinalhaven. While the specific internet speeds required for a particular business vary, the chart below shows the recommended speeds for various applications. According to the ConnectME Authority, a significant portion of Vinalhaven lacks even Tier 1 service, defined as speeds up to 1.5 Mbps. In Figure 9, the green lines indicate Tier 1 service or faster, while the red lines indicate internet service that is slower than Tier 1.

**Figure 8: Broadband Applications and Recommended Speeds**

<table>
<thead>
<tr>
<th>Application</th>
<th>Recommended Speed</th>
<th>FCC Tier</th>
</tr>
</thead>
<tbody>
<tr>
<td>Telegaming</td>
<td>400 Kbps</td>
<td>Tier 1</td>
</tr>
<tr>
<td>Electronic Banking</td>
<td>400 Kbps</td>
<td>Tier 1</td>
</tr>
<tr>
<td>Video Phone</td>
<td>200 Kbps</td>
<td>Tier 1</td>
</tr>
<tr>
<td>Audio on Demand</td>
<td>700 Kbps</td>
<td>Tier 1</td>
</tr>
<tr>
<td>Voice over IP</td>
<td>512 Kbps</td>
<td>Tier 1</td>
</tr>
<tr>
<td>Video Conferencing</td>
<td>900 Kbps</td>
<td>Tier 1</td>
</tr>
<tr>
<td>Electronic Newspapers</td>
<td>2 Mbps</td>
<td>Tier 2</td>
</tr>
<tr>
<td>Home Shopping</td>
<td>1.5 to 7 Mbps</td>
<td>Tier 2 to 4</td>
</tr>
<tr>
<td>Teleworking</td>
<td>1.5 to 7 Mbps</td>
<td>Tier 2 to 4</td>
</tr>
<tr>
<td>E-Learning</td>
<td>1.5 to 7 Mbps</td>
<td>Tier 2 to 4</td>
</tr>
<tr>
<td>Movies on Demand</td>
<td>1.5 to 7 Mbps</td>
<td>Tier 2 to 4</td>
</tr>
<tr>
<td>Telemedicine</td>
<td>1.5 to 7 Mbps</td>
<td>Tier 2 to 4</td>
</tr>
<tr>
<td>Digital TV</td>
<td>7 Mbps</td>
<td>Tier 5</td>
</tr>
</tbody>
</table>

Source: ConnectME Authority

**Figure 9: Broadband Service on Vinalhaven**
Appendix B. Public Meeting, Interview, and Community Survey Results

Fifty-four islanders attended Vinalhaven’s two economic development public meetings. In person interviews were also conducted with nine key island residents identified by the advisory committee. Another 36 individuals responded to the community survey (paper versions of the survey were mailed to every local post office account holder, and an online version was distributed by the committee through Facebook and various email lists).

The following section presents the combined results of the public input, organized by topic area.

Economic Development
- Economic realities are dividing people
- Vinalhaven is isolated, no economies of scale
- Need to revitalize downtown
- Need to unify the community
- Want year-round economic balance
- Want diversity of jobs, diversity of residents
- Strong self-employment culture
- Want places to eat out year round, have coffee Sat/Sun in winter
- As a business owner, need to trust in the community to support you and you have to have dependable hours
- Want more small businesses, help them grow and succeed
- Need more collaboration with other islands
- Relationship with North Haven was historically competitive, now less so, how to work together? Transportation
- High transportation, electricity, heating costs are a challenge
- Can make so much more money fishing, it’s hard to find year-round employees
- People don’t want change, but change is coming, need to plan so we can control it
- Want to be proactive
- Need strong leadership
- How to value the effort of community volunteers
- Keep local dollars recirculating
- Need lots of small ideas, not going to have big industries, anything you have to bring materials out to make will be more expensive, can’t compete
- How to market, how to sell off-island
- Keep Island Institute Isle Program, how to run a business, network of peers
• Micro-loan program
• Education
• Better internet connection
• How to use the internet for business
• Home businesses
• Information based jobs using internet
• Elderly care/certified
• Services- bookkeeping, editing that can be done remotely

Lobstering/Fishing
• Want a robust lobstering industry
• Lobstering is the economic lynchpin, 50% of island depends on it directly or indirectly
• Linda Bean says she is helping the fishermen but her prices dropped too when others did
• Threat of global warming
• Fear of lobster collapse
• Hardworking heritage and independence is important
• Branding Vinalhaven using lobster (LOBSTER TOWN USA/ DEEP SEA CAUGHT VINALHAVEN LOBSTER)
• If lobster collapsed, would probably happen slowly, young sternmen would be first to go, most successful would last the longest
• Used to have 6 scallopers, now just 1, don’t have shrimping anymore
• Younger lobstermen should have a back-up plan, learn a trade
• No value added currently, except neighbor to neighbor
• Lobster processing is capital intensive, expensive, high energy and water use
• To reach the export market, need someone to focus on building those relationships

Tourism
• Vinalhaven is known as an “unfriendly harbor,” there is no shower, no taxi
• Islanders can’t stand tourists on foot and bike, need infrastructure to accommodate
• More sidewalk improvements and lighting are needed to make downtown look nice
• Clean up the beach and invest in amenities
• Don’t want to become only a tourist town
• Don’t want tourism to compromise the integrity of the island
• Tourism is seasonal, extend the season
• Tourism is seen as being economically dependent on other people
Too many tourists who want Starbucks, “my cell phone doesn’t work!”
As a destination, want visitors who will come because it’s beautiful, and keep it that way (ecotourism, art, nature visitors like bird watching, kayaking, hunting)
Eliminate ticks
Small conferences at the motel, Downeaster, rent homes
Historic walking museum in the streets
B&Bs rather than hotels

Retail/Downtown
Online shopping and additional ferries have had a negative impact on thriving downtown
This is a dying town
Local retail is closing
Need more retail shops – year-round
People need to shop local, if they don’t we will lose those businesses
Help local stores sell to off island markets
6-7 for sale/empty store fronts on Main St
Zoning code is inadequate, first floor can’t be residential but it can be empty and the building used as a residence with “vacant” commercial space
Many businesses aren’t open year round, some are more of a hobby, open only 2 months but taking space off the market that others would want to rent
Not that many people here, need to bring money from off the island into the community

Contractors
Economy and people aren’t having work done because they don’t have the money
Younger generation of summer residents not investing as much in homes
Mainland contractors come over on the first boat, work cheaper
Need to help people understand keeping dollars local
Help young people learn trades so they can hire

Essential Services
Fear of losing post office, medical center
Fear of increased ferry costs/also loss of ferry
Increased cost of flood insurance
Need a community center where people can gather
Don’t want a public airport
Don’t want more ferry runs
Fear that cost of living will become unaffordable for year-round
Need more aging in place services to keep elders on the island
Wind power development was incredibly divisive

Community
- Strong sense of community
- Know everybody
- Diversity of people
- Need more people involved, move diverse community involvement
- Diversify community revenue, not just property taxes
- Lack of civic responsibility

Natural Environment
- Extraordinary beauty
- Protect our natural resources
- Value clean air and water
- Keep it accessible
- Build on natural resource-based economy
- Become self-sustaining (food, energy)
- Take leadership on sea level rise
- Increase recycling/compost, burn less
- Energy independence

Housing
- Need for more year-round rental housing
- Winter rentals are available but to stay here permanently is expensive (price of land, price of houses)

Youth
- Need to create options and opportunities for young people
- Kids who go to college often don’t come back
- Need modern skills for new types of jobs
- Something that appeals to younger people interested in coming or staying on the island
- Forgive student loans as a strategy
- “Big Bridges” program connected high school kids with local businesses, built community awareness about local businesses and strengthened relationships, but it was a lot of work
- Apprentice/trades program for kids
- Pay adults to mentor students to gain skills and vocation
- No organizations to tie kids into the community i.e. girl scouts, 4H
- Kids want to leave, instead encourage kids to stay here and make this island the community you want
- Business planning for kids
- Matchmaking to latent opportunities

**Health**
- Want a healthy community
- Less drugs
- Negative impacts of mental illness and substance abuse
- As a destination opportunity

**Agriculture, Fishing and Value-added Products**
- Lots of people making, building things on the side
- People baking cakes, pies, other food to sell on island
- Grow the flea market/farmer’s market, include fish, move to Saturday afternoons or Sundays when fishermen don’t work
- Vinalhaven has a great brand for export
- But shipping off-island is expensive
- CSA is growing but market is limited
- If people know what is available and prices are comparable they will buy island products
- Healthy competition between growers with different areas of focus
- Visitors want to come see the farm
- Tough regulations for food businesses, have to have stainless steel; a neighbor who makes jam, could she scale up?
- Spend school food dollars locally
- School as anchor for CSF (community supported fishery)
- Support and collaboration
- Food hub to reduce overhead
- Specialty farms
- Small manufacturing that could be shipped
- Lack start-up funding for materials

**Arts**
- Lots of islanders are artists, incredible talent
- Granite now is specialty/niche, eventually they will use up what’s been quarried, island doesn’t want to go back to quarrying
- Island connections to renowned artists
- Artists have historically come here to work quietly, known in the art community as a destination
• Create a small residency program
• Attract small groups like ROAD scholar
• Center for Contemporary Art moving to Rockland
• Fine art and crafts are different
• Island artists can pay a low cost fee and sell at the flea market in summer (weather dependent)
• The Fog, for 25 years a cooperative market, now there is no outlet for craftspeople
• Need a community gallery
• Island made crafts
• Wide spectrum of product
• Contact with other artists, exchange of views, information
• Need a shared space for making art, because equipment and materials are hard to get/expensive
• Need a shared structure to sell, build an island art brand
• Help island artists sell and ship off island
• Help with marketing
• Art can lead the way, example of White Mountains as a destination
Appendix C. Outside Expert Interviews

Planning Decisions also interviewed key people outside Vinalhaven for this report, including several regional and state economic developers and industry experts. Interviews conducted for this report included:

- Julie Richard, Maine Arts Commission
- Hugh Copperwaite, CEI
- Carl Wilson, Maine DMR
- Dana Morse, Maine Sea Grant
- Shelly Doak, Maine Grocers & Food Producers Association
- Carolann Ouellette, Maine Office of Tourism
- Caroline Wygant, Boothbay Chamber of Commerce

Julie Richard, Maine Arts Commission
Downtown development is connected to cultural development.

Arts cooperatives use different models, most require gallery sitting, almost all require membership fee, usually paying 10-20% back into the cooperative for advertising, marketing. If there is an empty space in town, talk to the owner, would they be willing to donate space or accept a reasonable rent? Example of Maine success is Reinholdt Gallery in Kingfield.

Brand Vinalhaven and North Haven as cultural destinations. Have the selectmen designate an arts district, with banners, brochure, and a logo to generate a cultural “vibe”. Important to get the word out about what you have, art walks can get people out and raise awareness, maybe draw artists from the mainland to participate? Have musicians, food to make it an event.

Destination and education tourism, develop visitor packages, with ferry, overnight and gift certificates. Partner with existing efforts, like the Maine Humanities lecture series, which works in partnership with local organizations. Recreate historic experiences, like the Maine Woods Consortium re-creation of the Thoreau Wabanaki Trail to celebrate anniversary, which includes 10 days with guides, reading, writing and talking about what Thoreau would have seen.

Do you have the infrastructure and capacity to accommodate?
Hugh Copperwaithe, Coastal Enterprises Inc.
Diversifying fisheries is challenging. There are opportunities in seaweed, kelp, sea vegetables for fishermen to diversify their income, already being done in Maine, tremendous potential. Ocean Approved in Casco Bay, a vertically integrated company (hatchery through sales), only company in US doing this, wants to work with fishermen, lease sites to deploy and grow in winter, harvest in spring, dry and sell.

Groundfish are still being landed in Port Clyde and Portland, using a CSA model (direct to consumer).

Still room for lobster processing in Maine, 17-18 companies today at various scales, but it’s capital intensive, expensive equipment, food safety certification, cash on hand to purchase raw, difficult to get into. For an island, also transportation logistics, waste and electricity. Shucks is leaving Richmond for Portland, challenges with workforce in Richmond, high transportation costs, also Eimskip is coming to Portland and creates and opportunity to export.

CEI offers small business assistance, counselors scattered all over the state, willing to go to the islands, islanders would also have to be willing to come to mainland. Individual drive to make the effort, being on island adds another level of challenge, logistics. A few years ago with the Island Institute, CEI tried to create a position, but travel to 14 islands, need to have the right person and funding to cover days trips to each island once per month. Island Institute Isle Program, those are the kinds of people you want to target, are really want to do something and willing to put the effort in. Some aspects can be done remotely, send things back and forth. Would like to partner more with Island Institute to deliver services.

Fishing and the high cost of petroleum, it’s in everything from nets to buoys to fuel, Penobscot East is working on a model with a redesigned hull and efficient engine.

Carl Wilson, Maine DMR
There will always be a lobster industry on Vinalhaven and North Haven. Traditionally Vinalhaven has been very strong, North Haven more part-time/part-time caretaker (fewer fishermen full time). Last 25 years, Vinalhaven was especially well positioned to take advantage of favorable conditions. 2nd largest port in Maine, amazing! Especially since Stonington draws from more towns.

But change is part of fisheries. There seem to be pattern changes in settlement, we don’t know how it will shake out, at least need to start the conversation. Even in a declining
resource, Vinalhaven is still well-positioned to survive. Do not envision a scenario where lobster won’t be economically important in Penobscot Bay. But the value and volume are 5 times historical average, and adjustment back to early 1990s levels would be painful.

Fisheries science is based on steady state theoretical modeling i.e. production will do this. Clear that we are in a period of change but no signal that it will stabilize. 100 years ago declined and now up. Best advice, be vigilant and adaptive.

Dana Morse, Sea Grant
In general, aquaculture can be part of economic diversification. Caveat is what would be appropriate given the environment? And if fishing community is on board.

Oysters on North Haven, site specifics allow but relatively limited area to support oysters. Flats that are underperformers, could culture soft-shell clams, production methods are known, but capital intensive, need planning and resources. Scallop possibilities but its new, a while before we know. Seaweed production, but money is in drying and product development, value-added. Drying is basic, green houses with wood stoves. Easy to grow, could overproduce.

Sea Grant provides educational programming, has worked with Harpswell and Corea lobster co-ops, and could do a similar program on islands.

Also marine related tourism. If tourists are there, lobster tour, aquaculture tour, buy oysters and swag. Creativity to integrate. Have done legal research to understand taking people out on boats, out on farms, workshops with guest speakers about what tourism meant for their business, have stories and materials could share.

Shelley Doak, Maine Grocers & Food Producers Association
A 2010 review of licenses revealed there are as many as 250-300 food processors, producers and manufacturers in Maine. These range from people making jam in their kitchens to sell at the local farmer’s market, to Stonewall Kitchen, which sells specialty foods globally to more than 6,000 wholesale accounts, as well as wineries, breweries and bakeries. The Maine Food Producers Association is a business association; services for members include networking, member to member mentoring. Maine Food Means Business conference September 9-10 in Freeport will include a session on distribution, connecting the dots, also for members, a chance to pitch your product, practice, listen and learn in a safe environment, an opportunity to test the waters, see what it means and what it takes.
Members include people working from stovetop or just off stovetop to Oakhurst. A lot started at home, friends said, that’s a great salad dressing, and you should sell that. If people are interested they should contact her (207) 622-9820. Ask other members about value of membership, $150, return on investment.

Shared commercial kitchens are risky! Belfast for example, just closed, couldn’t make it work. There is a lack of commercial kitchen space in Maine but needs density for success. Place like Denver, where they can rent it out 40 hours plus a week to caterers, personal chefs, others, it can work. It’s a challenge. There are home kitchen licenses but space, equipment, keeping it clean. One foodborne illness affects us all. Some producers use a dedicated space. If a kitchen, do a feasibility study, if 6 partners, what happens when one doesn’t make it? What are the numbers? Other alternatives, school kitchen but limited to weekends, summer; closed restaurant space but often they sell the equipment.

Carolann Ouellette, Maine Office of Tourism.

At the international level, Maine markets as part of New England, not an individual state. The primary market for Maine tourism is New England and mid-Atlantic. Islands should be reaching out to Midcoast region. Neither island has the resources to go it alone.

1) Getting the islands better known

Maine has moved from things to a value based approach, emphasizing storytelling and emotional connection to place. There is a value proposition when people make a travel decision. A lot of the stories they tell at the state level would encompass the islands – go to website, visitmaine.com to see the storytelling/insider section, highlights include Penobscot Bay, kayaking, and hiking.

Islands could build on the lobstering culture. People have romantic notions of island life, this is a big differentiator for VH and NH. From a PR perspective the state pushes the islands a lot. Opportunity to brand as the uber-authentic escape.

2) Tag onto existing infrastructure

“Experience Maritime Maine” is an initiative the islands should be tied into. With Penobscot Marine Museum, and the idea is to gather assets related to maritime Maine as a single experience, festivals, museums. Build partnerships to market the experiences that make sense for the islands. Maine Fiber Arts Association has the Fiber Arts Weekends/Fiber Arts Trail. Theatre and the Maine Performs Initiative.
Growing the off-season is one of 2 pillars in the state tourism strategic plan. It includes events and experiences, packaging and co-promoting are a better way to leverage resources. Anecdotally events help but take a lot of time and energy, could build off of existing events on the mainland i.e. Farnsworth exhibit in fall. Rockland is doing very well, restaurants and Main Street, a connection to a vibrant community.

Limitations on lodging are a chicken and egg dilemma, after Labor Day, what would people have access to.

Catherine Wygant, Boothbay Harbor Chamber
Experience Maritime Maine, a Maine Maritime Museum 50th anniversary initiative, has a grant to keep going, a new website to be launched soon, island could tie in. Boothbay talks about sea and science: Bigelow Lab, Hodgdon Yachts, lobstering experiences, lighthouses, sailing.

They have extended the season with events. September “claw down,” lobster competition and food festival, also Botanical Gardens, how to make it a multi-day experience. Bethel has become a 4 season area with golf, mountain biking. Islands, more challenging, need unique activities to compel people to come off-season.

Coordinate and work together more! People come to Maine for quality of life, need to let them know all there is to do. Hub and spoke model, tie in with things that are already happening in Rockland

Maine has high repeat numbers, if we can get them the first time they come back. Build on the island experience and food – farm and seafood.