

# **Governors Council on Maine's Quality of Place**

Minutes of the Fourth Meeting, July 13, 2007<sup>1</sup>

UMaine Hutchinson Center, Belfast

**Next Meeting of the Council:** Tuesday, September 11, 10:00 a.m. to 4:00 p.m., at a location in Augusta to be announced.

**Present:** Council members: Edward Barrett, Richard Barringer (Chair), Jay Espy, John Marsh, Martha Freeman, Bruce Hazard, Eleanor Kinney, Charles (Chuck) Lawton, Mary Kate Reny, John M. Rohman, Henry (Hank) Schmelzer, David Whitney, Hilary Bassett, Barbara Trafton, Ken Young. Staff members: Sue Inches, John Del Vecchio, Jody Harris, Kate Reilly. Guests: Alec Giffen, Karin Tilberg, Tom Doak, Tim Glidden, Jeffrey Pidot, Fred Todd, Caroline Eliot, Mark Barry, Jim Gooch, Carol Ann Ouellette, Molly Dolby, Kelsy Rioux, Crystal Callaghan.

**Introductions & Greetings:** The meeting opened at 10:00 A.M. with the introduction of Council members, staff, and guests. Minutes from the June 19th meeting were accepted with no changes. No changes to today's agenda were suggested. Dick Barringer asked Council members if the background and documentation materials prepared by the State Planning Office have proven useful and helpful; Council members said they found them helpful and informative. Bruce Hazard made a special mention and appreciation of Kate and Henry's "Place and Prosperity" paper. Dick noted that Evan Richert has submitted "A Proposed Framework for Considering Quality of Place" to the Council (see attached) and encouraged members and staff to read it before the next Council meeting.

## **Panel Presentations**

### **1. Strategic Issues in Maine Landscape Protection**

**Karin Tilberg, Governor's Office; Tim Glidden, Land for Maine's Future Program; Jay Espy, Maine Coast Heritage Trust; Tom Doak, Small Woodlot Owners Association of Maine.**

Karin Tilberg offered her perspective on the overall importance and recent history of landscape conservation. She reviewed the benefits Maine enjoys from efforts such as the 700 + acre Pingree lands easement to much smaller yet highly significant efforts such as protecting the 8,600 acre Leavitt Plantation Forest plantation in Parsonsfield. She pointed out that the major impetus for protecting former Georgia Pacific lands in downeast Maine were local people living and working in the region who relied on the

land's remaining open for their livelihood as guides and other outdoor professions. The support of these local people is a key factor for helping to raise the \$30 million (nearly reached) needed to protect key elements of this important downeast landscape through easement and acquisition.

Key elements to any landscape protection effort include: community vision and investment by the community; time, as most projects are 5 to 10 year efforts; willing landowners; a mosaic of funding sources; and connectivity, or building on protected areas that already exist. Karin closed by encouraging the Council to think of ways to nurture further landscape protection projects, especially through regional planning and coordination.

Tim Glidden's slide show (see attached) pointed out that, due to human activities, we are losing quality in all of Maine's varied landscapes: rural and agriculture; coastal and waterfront; the North Woods; and town and village settings. The solution is to protect recognized values from both the local and statewide perspective. Threats to traditional public values and access to the Maine landscape are being fueled by several factors: globalization and rising energy costs that affect forestry, farming and fishing; the dramatic shift in forest land ownership patterns and investment expectations; and sprawling development. Along with these threats come conservation opportunities: increasing awareness of the importance of a place's quality is creating public support for action, and increasing understanding of regional linkages may allow more effective response. Tim closed by offering the following recommendations:

1. Integrate acquisition planning with targeted objectives: ensure effective ecological conservation efforts (currently effective); improve integration between recreation acquisition and tourism promotion and development; increase investments in infrastructure (e.g. trails, parking, snowmobile bridges) to use conserved lands; and increase investments in infrastructure (e.g. trails, parking, snowmobile bridges) to access conserved lands.
2. Seek investment that balances acquisition, investment (improvement) and maintenance: substantial investment is needed to upgrade the quality of existing facilities; stable long-range funding is needed; and challenge grants are needed to stimulate integrated conservation planning efforts at the regional level (particularly integrating land use planning/smart growth efforts with land conservation programs).

Jay Espy focused on the various "players" and their roles in landscape conservation. He pointed out that public money for conservation is not growing, while competition for funding is growing. The more prominent sources in Maine are: Federal-- U.S. Fish and Wildlife Service and Acadia National Park; State-- Land for Maine's Future; Non-Profits—The Nature Conservancy, New England Forestry Foundation and Maine Coast Heritage Trust. With 100 local land trusts, Maine has the highest per capita number of local land trusts in the nation. Local bonding is infrequently used in Maine (mostly southern ME) but is available to raise land protection funds. Other potential new sources of funds include the Real Estate Transfer Tax and the Meals and Lodging Tax (Brookings

proposal). Private conservation funding is by far the largest source in Maine--\$0.25 billion invested in Maine in the last 10 years. Like voters, private donors really like to see their money being “leveraged”.

Maine has two strong traditions—land donation by landowners and straight philanthropy. Key considerations for improving landscape conservation include: find out what motivates someone to donate land or contribute to saving a place, then provide incentives to encourage action (e.g. tax benefits, tax savings). Maine is a “hodge podge” when it comes to tax treatment of conserved lands; explore and expand the use of transferable development rights as a means to increase land conservation in one area while allowing greater density in another. An impact fee program might also be used similarly; and increase conservation planning to ensure funds are spent effectively and to integrate conservation of landscapes with economic development.

Tom Doak described the importance to the state of the thousands of small woodlot owners who own 35-40% of the state’s forestland. Polls of landowners in Maine and across the country reveal that owners value their forestland more for wildlife viewing, privacy, and recreation than for timber production. He pointed out that the age distribution of SWOAM members mirrors broader state averages. Statewide, Maine small woodland owners who are 65+ years old own 41% of Maine’s forested lands. Including owners 55 years and older, the figure jumps to a full two-thirds (66%) of all Maine’s forestland. The implications for what happens to this forest land in the near future are significant. Small woodlot owners are faced with a variety of costs and pressures (taxes, regulations, grief and uncertainty) that compete with their motives for owning woodlots. Allowing public use is rarely, if ever, a benefit (or value) to a private woodland owner.

Key questions to help identify the important role played by woodland owners include: What is the value of forestland to society? What is forestland worth? Should landowners benefit from what they provide, and if so, how and to what extent? For example, the IF&W’s plan is to increase the deer herd from 250k to 380k. There are costs to landowners for doing this. The rationale for increasing the herd is to improve deer viewing and hunting (in large part for tourism and economic development), not survival of the species. What cost of the increase should landowners bear, and should they also benefit? Woodland owners must be, and want to be, part of “quality of place” here in Maine. It should not be taken for granted that woodland owners will be willing to provide current or increased societal benefits without receiving benefits for their contribution.

## **2. Strategic Issues in Wildlands Management.**

**Caroline Eliot and Fred Todd, Land Use Regulation Commission; Alec Giffen, Maine Forest Service; Jeff Pidot, Esq.**

Caroline Eliot presented “Development Trends in LURC Jurisdiction” (powerpoint document attached). LURC’s jurisdiction has many distinctive characteristics making it unique in both Maine and the Northeast. The population of LURC jurisdiction is growing faster than the population of adjacent, organized towns. The number of dwellings in the jurisdiction increased by 81% between 1970 and 2005. Of the 8,633 new dwellings built, only 28% were on lots reviewed by LURC. Compared to other forested areas across the country, Maine’s forestlands are unique, and they are changing. It is becoming more apparent that our existing protection mechanisms are inadequate and that new mechanisms are needed....now!

The jurisdiction includes 10.5 million acres, 850 miles of public roads, and some 12,000 residents. Maine’s forested landscape is unique, not just for the large blocks still in single ownership, but also because of the great abundance of lakes and ponds—3,000 in LURC jurisdiction (6,000 statewide). This remarkable combination of large expanses of forestland punctuated by a myriad of lakes, ponds, streams and rivers, accounts for its extremely high “quality of place” value—a value which exists in few other places in the U.S. Along with the high value of our forested, lake-studded landscapes, Maine enjoys public access to these areas that is without peer and the envy of other states and regions.

Key changes/challenges in LURC’s jurisdiction include: dispersing development patterns, ownership fragmentation and parcelization (which makes land less economic to manage for forestry), steady development pressure (especially in the Greenville and Rangeley areas), and the dramatically changing character of development (larger, more year-round; more hillside development)

Alec Giffen discussed the price being paid for forested land today, and what this means to the long-term future of these lands and the state. Current prices paid for forestland do not reflect the value these lands can produce from traditional fiber and saw timber production. On average, Maine forestland can reasonably be expected to provide the landowner/investor \$20/acre/year gross income; timberland selling for \$1000 to \$5,000 per acre will not be able to produce adequate investment return relying solely on these values. The likely consequence is increasing forest land conversion/fragmentation. Even when a large parcel is fragmented into smaller parcels that remain forested, the reasons for ownership of the smaller parcels is different. While the original large parcel owners were satisfied with long-term (30 year) investment paybacks at steady by modestly appreciating values, the new smaller lot owners’ expectations are typically for privacy and the enjoyment of nature.

Recommendations for ensuring that Maine sustains its forest lands for fiber and timber production as well as public benefits include: develop lake concept plans that address both public and private interests; identify and seek balance between public and private uses—both need real and tangible benefits; increase Land For Maine’s Future funding and Forest Legacy funding; increase funding for non-profits for conservation easements ; develop new approaches for forestland conservation: explore federal tax incentives for growing forest products; and marketing ecosystem services—e.g. carbon markets. Task a working group to create incentives to keep forests as forests, recognizing the important

global role forests play in the global carbon cycle. Also, create incentive to increase productivity of forestland. We can improve the carbon/CO<sub>2</sub> balance on earth by keeping our forests as forests, managing our forests for increased production and re-establishing forest land. These improvements should be acknowledged and landowners rewarded for actions supporting carbon and other regional forested landscape values.

Jeff Pidot shared his perspective from having worked in Maine since 1976 in both the Attorney General's Office and as Director of the Land Use Regulation Commission, now currently retired and on the board of a local land trust. Jeff observed that Quality of Place is perhaps the most important thing about Maine. We are faced with the prospect of having a completely different ownership/values situation today from 30 years ago. The forest land base is now owned by institutional investors interested in "bottom-line" profits. To these investors, it doesn't matter where the land is—Maine or Malaysia—what matters is bottom-line profitability. Given this situation in Maine, there is no time for "business as usual". "Working forest easements" are good, but can they do enough? What if there is no forest products economy to support the resource? What if its (forestland) use is only for carbon sequestration ...how will it (sequestration) benefit Maine's economy?

The Council's work is about change—understanding change and influencing change where possible and desirable. For example, we just heard that forestland ownership in LURC territory is being fragmented, and that most of the development there occurs without regulation. Are adjustments needed? For example, should the "3 lots created every 5 years" threshold for subdivisions be lowered or eliminated? We should ask ourselves if the Forest Legacy and other funding programs are enough to ensure that the "sense of place" will exist in the future. Jeff suggests that we also need to understand impacts on quality of place caused by state investments in road widenings and state taxes. Twenty years ago Vermont created a special land speculation tax<sup>2</sup> ...should Maine consider something similar? We should challenge ourselves to Think Different, Think Bold.

**Discussion highlights:** Council members asked themselves if Maine is organized to deal with the complexities of today, and whether or not Maine is set up to do landscape protection in a coordinated fashion. The state's Land and Water Resources Council and Gateway1 were brought up as examples of entities/processes set up for coordinating regional efforts. An impediment to regional coordination is that constituents see each agency as their "advocate", which is not conducive to coordination/cooperation. It was observed that in Maine "no niche goes unfilled"... our history is to create new agencies/entities rather than change existing systems to accommodate new circumstances.

## Focus Group Discussions

Note: For most of the remainder of the meeting Council members participated in one of four facilitated focus group sessions. The goal of each session was to identify the Council's preliminary policy goals for the focus area, a work plan to flesh them out, and a statement of resource needs to achieve the goals. Facilitators then reported to the full Council, which discussed the reports.

**1. Regional Planning and Governance Focus Group 1.** Council members participating: Ed Barrett, Jay Espy, Martha Freeman, David Whitney, Sue Inches facilitating. Absent: Evan Richert, Ken Young (in another group).

**Highlights of Discussion:**

There is a gap when it comes to regional planning. We have local plans, we have state initiatives, but we don't have an overall vision for our regions. Regional Open Space Planning is the least threatening place to start. The Trust for Public Lands GIS capability and Beginning with Habitat programs could be very helpful here. SPO has learned that AVCOG is engaged in a regional open space planning process. If regional Open Space plans were developed we could put them together and work towards a state open space plan. Regions should take the lead in identifying visions, goals and priorities for their areas. This can't be done effectively from Augusta. The group recommends regional open space planning with incentives, funding (some private funding is possible), engagement of Regional Councils, connection with Beginning with Habitat program, ample public input, and multiple partners—public, non-profit, & private partners with varying roles. Sue noted that while Open Space Planning may be a good starting point, plans without "teeth" usually do little to slow sprawl and uncoordinated land conservation and development. In order to have "teeth," a plan needs to have some jurisdiction or authority, ample public input, and on-going funding sources to implement it. The group is contemplating these points.

The group then discussed functions that towns now administer and might be most willing to have administered regionally, including General Assistance, tax assessment, statistics, and animal control. Others listed in the background paper include shoreland zoning, clam ordinances, and building codes.

**Next Steps:**

- Sue will engage all Q of P Council members in an email discussion to ponder some of the key questions on how to move forward on this issue (see background paper for a list of key questions.)
- Information on Vermont's regional planning initiative and Southern Maine Regional Planning Commission's study on "Developments with Regional Impacts" will be circulated to the subcommittee.
- A conference call for this sub-committee and other interested Council members will be scheduled prior to the Sept. 11 meeting.

- Rough draft recommendations will be presented to the Council at the Sept. 11 meeting.

**2. Maine Downtowns Focus Group 2.** Council members participating: John Rohman, Hillary Basset, Mary Kate Reny, Jody Harris facilitating

**Goal:** That Maine's downtowns will have:

- a strong historic fabric to bring back the historical community
- residents and visitors moving in and around, new housing, thriving store fronts
- gathering places for artists and community events like restored granges, opera houses, and movie theaters
- an interface between the built and natural environments, greenways, trails, access ways

**Priority Recommendations:**

- Create a legacy program for historical buildings similar to Land for Maine's Future. We should protect our historic heritage just as we protect landscape. The program should focus on public places or places with public access. An inventory of these places now exists.
- Provide a 100% tax rebate on personal income for the cost of rehabilitating historic structures.
- Provide consistent and significant funding for the Maine Downtown Center.
- Build greenways and access to the natural environment through planning and construction projects. Provide a "downtown perspective" to groups involved in land conservation, community planning, and construction, including land trusts, environmental groups, chambers of commerce, MaineDOT, tourism industry.
- Support local stakeholders for downtown redevelopment programs and take advantage of small merchants group who fill a niche at the local level. (Mary Kate to develop this idea further)

**Other Recommendations:** The group supports the other Brookings recommendations, some of which are now being addressed. The following are particularly important:

- Grandfathering, relaxing of standards, or funding for elevators for buildings on the historical register.
- Work to resolve fire code standards that make rehabilitation cost prohibitive
- Target funding to downtowns in regional service centers
- Develop case studies to document successful downtown programs
- Create arts districts similar to historic districts

**Next Steps:**

- Track down historical inventory
- Create a list of potential organizations to help stimulate greenways

**3. Asset-based Development Focus Group 3.** Council members participating: Ken Young , Hank Schmelzer, Eleanor Kinney, Dick Barringer, Carolann Ouellette (guest), Kate Reilly facilitating.

**Goal:** To pursue an asset-based strategy for economic and community development in Maine. This strategy is comprehensive, in that it considers all elements that contribute to a region’s Quality of Place, including business development, transportation and telecommunication, education, land use, etc. It is market-oriented; investments and business development strategies are grounded in clear understanding of realistic market opportunities. It is outcome-driven, with a high degree of accountability; allotment of scarce resources is done largely, although not exclusively, on a competitive basis. It is regionally-driven and state-supported. Local residents are most familiar with their region’s assets and most empowered to realize their full potential. Each region’s strategy is unique. The state supports, enhances, and informs regional strategies, but does not dictate them. Asset-based growth is the state’s primary community and economic development goal, but it retains programs that address the immediate economic needs of Maine residents and communities; however, the balance of resources between asset-based and needs-based strategies is tipped in favor of the former.

**Next Steps:**

- An inventory of existing economic development and natural resource resources and programs – subsidies, incentives, and investments – at all levels of government that lends itself to analysis of how these resources could be aligned to support regional, asset-based development.
- Proposals of potential funding sources, distribution strategies and criteria, and organizational structures that would enable regional, asset-based development.

**4. Landscape Protection Focus Group 4.** Council members participating: John Marsh, Chuck Lawton, Barbara Trafton, Mark Berry (guest), John Del Vecchio facilitating.

**Goal:** Maintain a sufficient number of large parcels that can be managed for industrial forestry, recreation, and biodiversity (i.e., multiple use). The size and location of these areas will be determined by the specific resources, and areas will be significant from a statewide or regional perspective

**Priority Recommendations:**

- Identify Critical Values Needing Preservation. Articulate critical landscape values to be used in identifying and preserving areas statewide, to include but not be limited to sustainable production from the land, recreation, wildlife, aesthetic values; any given area needn't meet all value criteria.
- Identify Areas Containing Critical Values; Prepare Preservation Plans. Design a regional process for identifying specific landscape preservation focus area and for adopting plans with specific measures to preserve the areas.
- Resources
  - Continue to use Bonds, but also seek ways to diversify funding such as Real Estate Transfer Tax, Meals and Lodging Tax.
  - Create new programs-- market based whenever possible-- that support existing uses and values (such as large timber producing tracts providing recreation). Examples: Regional Purchase of Development Rights program, estate tax exemption on certified woodlots, a "quality of place" fee that supports expanding and maintaining landscape preservation efforts.
  - Create a Support System for private landowners preserving critical landscape values (e.g. public access, high value habitat)
- Review existing regulatory tools from the perspective of protecting regional landscapes.
  - In unorganized (LURC) territory, review subdivision and other exemptions.
  - In organized area of the state, review effectiveness in regulating large regional impact projects, cumulative effect of individual development.
  - Review regulatory tools needed to support a regional purchase of development rights program.

### **Other Recommendations:**

The subcommittee felt that a number of cross-cutting issues/needs applied to all the recommendations (above) and activities support the preservation of regional landscapes:

- Local participation is essential throughout the process, and should include all sub-state organizations (municipalities, land trusts, etc...). Key to successful long-term efforts is local support.
- Network land trust activities with other entities/interests (e.g. economic value, affordable housing, community planning and development, etc).

### **Next Steps:**

- Conceptualize a listing of critical landscape values, a regional process for identifying areas, and elements of a preservation plan.
- Prepare concept proposals for modifications to existing or new funding programs to support landscape preservation.
- Prepare options for supporting landowners who preserve critical landscape values.

- Conduct preliminary assessment of existing regulatory framework and its effectiveness in protecting regional landscape values.
- Explore opportunities to encourage local participation and greater coordination and net-working between organizations seeking similar goals related to landscape preservation.

**Next Council Meeting: Tuesday, September 11<sup>th</sup>, 10 a.m. to 4 p.m. in Augusta.**

**At the meeting we will review and refine the follow-up staff work completed over the next 10 weeks, as identified in the work plans for each focus group.**

<sup>1</sup> Note: The minutes have been prepared by staff of the State Planning Office from notes taken throughout the day; they are intended to summarize a rich set of presentations and conversations, and do not necessarily represent accurately the thoughts and opinions of those cited here.

<sup>2</sup> The Vermont tax is on land speculation, being a progressive tax that is assessed on quick turnovers of unimproved lands at high profits, with the amount of the tax declining with the length of the holding period.