

## The Local Economy

### City of Rockland 2002 Comprehensive Plan

## Chapter 2

# THE LOCAL ECONOMY

### State Goals:

To promote an economic climate that increases job opportunities and overall well-being.  
(Growth Management Act.)

To expand the opportunities for outdoor recreation and encourage appropriate tourist activities and development. (Coastal Management Policies.)

### Introduction

Historically, much of Rockland's economy has been tied to its harbor and lime. Over the years Rockland has received a number of nicknames based on the economy of the time. These nicknames include: "The Lime City," "Gateway to the Penobscot," "The Lobster Capital of the World," and recently, the "Schooner Capital of Maine."

A variety of small and medium sized industries are located in the City of Rockland. Rockland continues to attract new industries to broaden its industrial base while retaining traditional industries such as ship and boat building, and repair. More recent industries to Rockland include: furniture and playground equipment manufacturing, biotechnology industries, wholesale distribution, marine-related businesses, seaweed processing, metal fabricating, food related industries and others. The relatively broad base has made the City less vulnerable to economic fluctuations in any single industry or product line.

Rockland is clearly the service center for the region providing many of the regional shopping and service needs for surrounding towns. Rockland has recently experienced an increase in tourist-related economic activity. Rockland's distance from other major commercial centers places it in a good competitive position for most economic sectors.

### The Rockland Labor Force

Maine Department of Labor records show that there were 4,333 Rockland residents in the civilian labor force in 2000, not including the self-employed. The Rockland civilian labor force increased by over 11% between 1990 and 2000. The increase may be attributed to both a growing adult population and to greater participation rates among women. The labor force in 2000 consisted of 4,195 (96.8%) employed persons, and 138 (3.2%) unemployed persons. The number of people holding jobs increased by 20.1% between 1990 and 2000, which was a faster growth rate than the labor force itself (see Table 2-1). The long-term trend is expected to be continued growth of the labor force and jobs, albeit at a slower rate.

Unemployment rates between 1990 and 2000 have varied significantly reaching peaks in both 1991 and 1993. Since 1993, the employment outlook in Maine and the region has improved significantly. Maine, Knox County, the Rockland Labor Market Area (LMA), and the City of Rockland all show similar employment trends through time (see Graph 2-1). In the early 1990's, Rockland had high

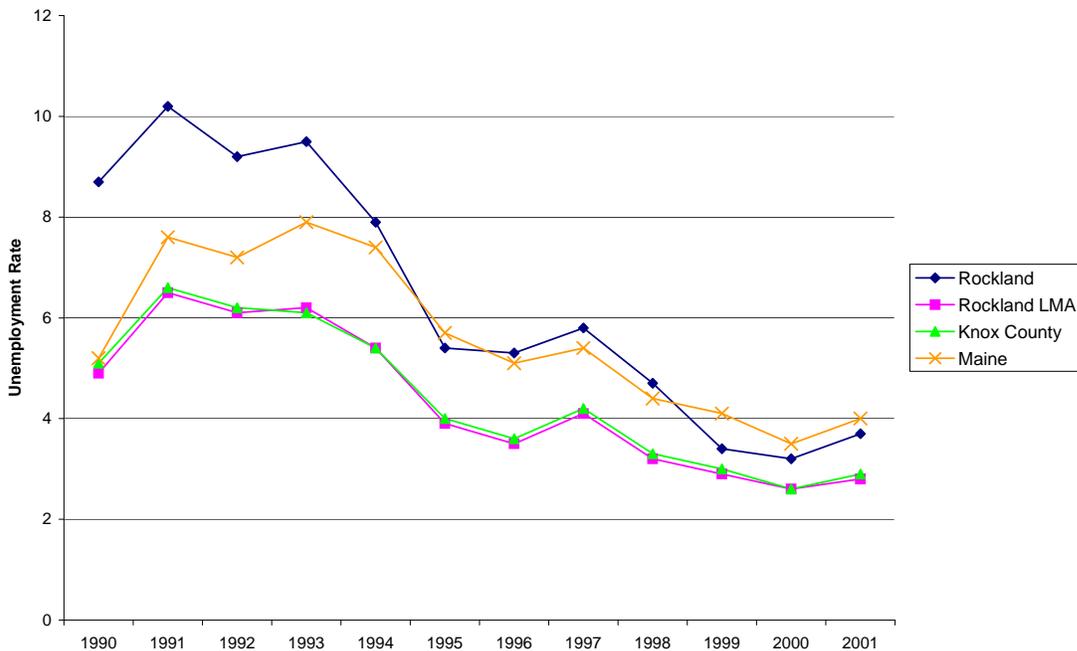
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unemployment rates that were often nearly double that of Knox County, and higher than the State of Maine. By the mid 1990's, Rockland's unemployment rate dropped significantly. Rockland's unemployment rates have dropped much quicker than the State, Knox County, and the Rockland LMA. In 2000, Rockland's unemployment rate was lower than the rate of State of Maine and comparable to Knox County and the Rockland LMA. Unemployment in Rockland increased slightly in 2001 but is still comparable to that of the State of Maine. MBNA and other industries moving to Rockland have significantly increased the employment opportunities for residents in Rockland and in the region.

<b>Table 2-1 – Rockland Employment</b>			
	<b>Labor Force</b>	<b>Employed</b>	<b>Unemployed</b>
1980	3,773	3,326 (88.2%)	447 (11.8%)
1990	3,894	3,492 (89.7%)	402 (10.3%)
2000	4,333	4,195 (96.8%)	138 (3.2%)
% Change 1980-1990	+3.2%	+5.0%	-10.1%
% Change 1990-2000	+11.2%	+20.1%	-65.6%

*Source: Maine Dept. of Labor (1980, 1990, 2000)*

### Graph 2-1 Unemployment Rate



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### The Economic Base

The Maine Department of Labor considers a "labor market area" to be "an economically integrated grouping of communities within which workers may readily change jobs without changing their place of residence."

Given the commuter patterns of the area, the Department has identified Rockland as the central community in a 19-town labor market area (LMA) that includes Appleton, Camden, Cushing, Friendship, Hope, Isle au Haut, Matinicus Isle Pt., North Haven, Owls Head, Rockland, Rockport, St. George, South Thomaston, Thomaston, Union, Vinalhaven, Warren, Washington, and Waldoboro, in Lincoln County. This grouping emphasizes Rockland's role in serving Knox County and beyond.

The number of jobs available within the Rockland LMA grew by 27% between 1991 and 2000, to 19,020 jobs. These jobs are well distributed among the services sector (31% of the jobs), the retail sector (21%), and the manufacturing sector (12%), see Table 2-2. Of these 19,020 jobs in the Rockland LMA, 7,197 (or nearly 38%) of the jobs were located in the City of Rockland.

The structure of the economy in the Rockland LMA (and in the country) has been shifting from manufacturing to services, retailing, and construction for many decades. Manufacturing, driven down by losses in non-durables (textiles, leather, food processing), has dropped from 18% of all available jobs in the Rockland LMA in 1991 to 12% in 2000. Meanwhile, during the 9-year period, jobs in the services sector jumped by just over 35% due to significant increases in hotels and motels, business services, legal services, personal services, and social services. Jobs in the retail sector increased by over 22% during that same time period; especially in building materials and garden supplies, general merchandise, eating and drinking places, and miscellaneous retail. The largest change in employment by industry was in the Financial, Insurance and Real Estate industries with an increase of over 217%. This increase can largely be attributed to MBNA New England opening offices in Rockland and Camden. Other large employment increases were in boat building and repair, construction, and trucking and warehousing.

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### Table 2-2 Rockland Labor Market Area 1991-2001

	1991	2000	% Change 1991-2000	2000 Distribution	1990 L.Q.
<b>TOTAL EMPLOYMENT</b>	14,970	19,020	+27.0	100.0%	-
<b>MANUFACTURING</b>	2,700	2,280	-18.4	12.0%	0.97
Durable Goods	1,390	1,440	+3.6	7.5%	1.09
— Stone, Clay, and Glass Products	190	170			4.33
— Fabricated Metal Products	150	190			2.00
— Industrial Machinery and Equipment	130	220			1.13
— Electronics and Other Electric Equipment	330	410			1.47
— Transportation Equipment	280	260			0.70
— Ship and Boat Building and Repairing	240	230			9.41
Non-durable Goods	1,310	850	-35.1	4.5%	0.88
— Food and Kindred Products	300	160			1.54
— Textile Mill Products	230	50			1.50
— Apparel and Other Textile Products	220	40			2.50
— Printing and Publishing	250	350			1.70
— Other Non-durable Goods	300	250			-
<b>NONMANUFACTURING</b>	12,270	16,740	+36.4	88.0%	1.01
Construction	770	1080	+40.3	5.7%	1.19
— General Building Contractors	280	470			1.58
— Special Trade Contractors	410	530			1.13
— Misc. Special Trade Contractors	120	170			1.14
Transportation and Public Utilities	560	860	+53.6	4.5%	0.86
— Local and Interurban Passenger Transit	90	130			0.50
— Trucking and Warehousing	120	100			0.57
— Water Transportation	120	330			4.00
— Transportation by Air	10	90			0.50
— Transportation Services	20	10			1.00
— Railroad Transportation	-	10			-
Wholesale Trade	560	900	+60.7	4.7%	0.80
— Durable Goods	160	200			0.52
— Non-durable Goods	390	700			1.04
— Groceries and Related Products	240	260			1.33
— Fish and Seafood	210	210			7.00
Retail Trade	3,140	3,840	+22.3	21.0%	1.04
— Building Materials and Garden Supplies	210	240			1.56
— General Merchandise	290	410			0.95
— Food Stores	730	870			1.36
— Automotive Dealers and Service Stations	310	340			0.95
— Eating and Drinking Places	950	1,220			1.00
— Misc. Retail	440	560			0.85
Finance, Insurance, and Real Estate	410	1,300	+217.1	6.8%	0.57
Services and Mining	4,370	5,910	+35.2	31.1%	1.17
— Hotels and Motels	520	590			1.94
— Business Services	200	580			0.50
— Legal Services	90	100			0.75
— Personal Services	180	140			1.50
— Health Services	1,680	2,060			1.24
— Social Services	270	510			0.95
Government	2,470	2,850	+15.4	16.5%	0.89
— Local	1,630	1,980			1.11

*Source: Maine Employment and Earnings Statistical Handbook, 1981, 1986, and 1991, Maine Department of Labor, Market Decisions, Inc.*

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Table 2-2 includes a column titled "Location Quotients" (LQ). Location Quotients are a measure of the area's specialization in an economic sector compared with that of a larger geographic level, in this case the State as a whole. An LQ significantly greater than one (1.00) shows a greater than average specialization. The Location Quotients demonstrate that the Rockland LMA is disproportionately reliant on, or has particular specialty in:

- Boat building and repair (LQ = 9.41);
- Food products (primarily seafood) manufacturing (LQ = 1.54);
- Lodging services (LQ = 1.94);
- Printing and publishing (LQ = 1.70);
- Health care services (LQ = 1.24);
- Construction (LQ = 1.19); and
- Retail trade (LQ = 1.04).

As suggested by these location quotients, the driving forces behind the regional and local economies are marine-related industries, tourism, and retirement. Rockland's central location in the region drives its retail sector. Tourism, the lodging sector, and retirement contribute to retail trade, as well as, to the health care industry and to home construction. Both tourism and retirement help to support marine-related industries, such as, boat building and repair. Printing and publishing includes the local newspapers and publications for the recreation and leisure markets. Rockland's location adjacent to Penobscot Bay has made it one of the leading fishing ports and seafood processors in Maine.

### Economic and Employment Projections

The Maine State Planning Office (SPO) released an economic forecast report in December of 1999. The report ranked the growth in Maine counties in a number of economic sectors. Based on this report, Knox County is predicted to see the second fastest growth in full and part-time employment between 1997-2010 with an increase of 2.3%, second only to Lincoln County with 2.5% growth. The report forecasts that taxable retail sales in Knox County will increase by 4.6% between 1998 and 2010. Knox County ranks 6<sup>th</sup> in the State based on this forecast. The study forecasts Knox County to have the greatest increase in Personal Income Growth of any County in Maine with an increase of 5.8% forecasted from 1997 to 2010. These forecasts are a conservative reflection of the continuation of the growth and prosperity that Rockland and the region have seen in recent years.

The Muskie School, at the University of Southern Maine, recently completed employment projections for both Knox and Waldo Counties combined. The projections continue through 2020. Since Rockland is a large portion of the employment engine of these two counties, one can assume that the percentage of increase would be similar, all other things equal. Table 2-3 shows employment by industry for 1990 and 2000 and employment by industry projections for 2010 and 2020 as well as percentage increase or decrease.

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**Table 2-3 Employment Projections for Knox and Waldo Counties**

<b>Industry</b>	<b>1990</b>	<b>2000</b>	<b>2010</b>	<b>2020</b>
Total Employment	33,248	43,643 (31.3%)	48,066 (10.1%)	50,473 (5.0%)
Manufacturing	4,461	4,012 (-10.0%)	4,121 (2.7%)	4,096 (-0.6%)
Non-Manufacturing	23,805	34,287 (44.0%)	38,210 (11.4%)	40,456 (5.9%)
Durables	2,346	2,126 (-9.4%)	2,116 (-0.5%)	2,106 (-0.5%)
Non-Durables	2,115	1,886 (-10.8%)	2,005 (6.3%)	1,991 (-0.7%)
Construction	3,219	3,764 (16.9%)	3,672 (-2.4%)	3,687 (0.4%)
Trans./Public Util.	1,258	1,759 (39.8%)	1,895 (7.7%)	1,891 (-0.1%)
Fin/Ins/Real Estate	1,279	3,989 (211.9%)	4,228 (6.0%)	4,161 (-1.6%)
Retail Trade	6,143	7,939 (29.4%)	8,203 (3.3%)	8,482 (3.4%)
Wholesale Trade	987	1,590 (61.1%)	1,784 (12.2%)	1,843 (3.3%)
Services	9,431	12,996 (37.8%)	15,877 (22.2%)	17,508 (10.2%)
Agri/For/Fish Service	1,483	2,244 (51.3%)	2,545 (13.4%)	2,878 (13.1%)
Government	4,003	4,505 (12.5%)	4,993 (10.8%)	5,250 (5.1%)
State and Local	3,233	3,743 (15.8%)	4,151 (10.9%)	4,377 (5.4%)
Federal Civilian	262	234 (10.7%)	240 (2.5%)	244 (1.7%)
Federal Military	508	528 (3.9%)	602 (18.5%)	628 (4.3%)
Farm	979	840 (-14.1%)	742 (11.7%)	671 (9.6%)

*Source: Muskie School*

According to the Muskie School projections, employment in the Midcoast region is expected to continue to grow. Most sectors will show employment growth over the next 20 years, particularly the retail and services fields. Sectors not expected to grow in the next 20 years are farming, construction, and manufacturing. Farming is currently a small employment sector, and as an industry, it is forecasted to continue to decline in employment through 2020. Construction has shown considerable growth as an industry to date and the Muskie projections show that the employment level will not change significantly from the current level through 2020. Manufacturing shows a continuation of its slow decline as an employment provider in the region.

### **Manufacturing**

The decline in manufacturing continues to diminish this sector's representation among those employed in the Rockland LMA. Manufacturing jobs now represent only 12% of all jobs in the Rockland LMA. Though the ratio of manufacturing jobs is decreasing, its importance as a piece of the Rockland Economy can still be seen in the LQ in the last column of Table 2-2. Proportionally, the Rockland LMA is about as reliant on manufacturing as is the State as a whole.

The losses in manufacturing were in the non-durables sectors, which declined by over one-third between 1991 and 2000. Durable manufactured goods, led by boat building and repair, increased by 3.6% between 1991 and 2000.

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Major manufacturing employers (50 or more employees) in the Rockland area of spring 2002 include:

<b>Table 2-4 Knox County Major Manufacturing Employers, 2002</b>			
<b>Name</b>	<b>Product</b>	<b>Municipality</b>	<b>Number of Employees</b>
Fisher Engineering	Snow Plows	Rockland	180
FMC BioPolymer	Seaweed extractives	Rockland	150
Dragon Products Company	Cement	Thomaston	125
Tibbets Industries, Inc.	Electronics	Camden	118
Courier Publications	Newspapers	Rockland	100
North End Marine and Fiberglass	Boat molds, boats	Rockland	87
BioWhittaker Molecular Applications	Bio-medical	Rockland	70
Marriners, Inc.	Bituminous concrete	Rockport	50

*Source: Rockland-Thomaston Area Chamber of Commerce and City of Rockland, May 2002.*

The importance of manufacturing to the region is also reflected in the value of products created. Rockland, in 1990, produced goods with a value of \$137 million, nearly 63% of the value of manufactured goods produced in Knox County. Rockland's product value was ranked 15<sup>th</sup> of all the municipalities in Maine.

Non-durables manufacturing has continued to drop considerably during the 1990's as a percentage of total jobs in the Rockland area. A net loss of 460 jobs were lost in the non-durable manufacturing industry from 1991 to 2000; decreasing from 1,310 jobs in 1991 to 850 jobs in 2000.

The shift away from manufacturing of non-durable goods to service, retail, construction, and tourism and retirement related industries has been a continuing transition in Rockland and in the region. The number of jobs in the manufacturing of durable goods has increased by 50 jobs between 1991, but the percentage of these jobs compared to all jobs in this same time frame have decreased to approximately 7.5% of jobs in the Rockland LMA.

### **Retail Trade and Services**

Though Rockland has been a retail center in the Mid-Coast region for many years, the types of businesses, size of businesses, and the products that these businesses sell are continually changing. New retail structures are generally larger than older structures and are more often single story structures with fewer tenants. Newer retail development is generally focused on providing more regional retail rather than local retail. Rockland is attractive to larger regional oriented businesses due to its location, transportation facilities, and political desire to attract businesses. As the location quotients in Table 2-2 show, Rockland's locational attractiveness to retail trade and services is slightly above average compared with the State.

The role of service and retail trade is significant for Rockland and surrounding towns. As of 2000, there were 5,910 service sector jobs and 3,840 retail jobs in the Rockland LMA. Over 34% of the service sector jobs were in health care.

The growth in the service and retail sectors from 1991 to 2000 has more than offset losses in manufacturing. Together, the service and retail sectors now account for just over half of all jobs in the Rockland LMA. While wages in these sectors often are lower than skilled manufacturing jobs, they do

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represent a number of higher paying job opportunities such as professional, legal, medical, management, and other occupations, as well as, a welcome opportunity for many households in need of a second wage earner.

Major retail trade and service employers (50 or more employees) in the Rockland area as of spring 2002 include:

<b>Name</b>	<b>Type of Business</b>	<b>Municipality</b>	<b>Number of Employees</b>
Penobscot Bay Medical Center	Health care	Rockport	600
Hurricane Island Outward Bound	Education	Rockland	326-600
MBNA New England	Bank	Rockland	352
Samoset Resort	Lodging	Rockport	300
Shop and Save	Grocery Store	Rockland	207
Maritime Energy	Fuel	Rockland	170
Farley & Sons Landscaping	Landscaping	Rockport	50-180
Shaw's Supermarket	Grocery Store	Rockland	128
Kno-Wal-Lin Home Care, Inc.	Health care	Rockland	125
Wal-Mart	Discount Store	Rockland	118
Wayfarers Marine	Marina	Camden	80

*Source: Mid Coast Regional Planning Commission, May 2002*

### **Finance, Insurance, and Real Estate**

The Rockland LMA has relatively high employment numbers in the finance, insurance, and real estate sector even though the location quotient is low (see Table 2-2). Many of these jobs are due directly to MBNA New England's recent move of some of its operations to Rockland and Camden. Prior to MBNA New England's new offices, the Finance, Insurance and Real Estate industries provided a very small percentage of the employment in the local job market. Low employment in the finance insurance and real estate sectors typically limits the major development of office space development that is often prevalent in other service centers. Rockland's designation as the county seat and the region's desirability as an area for retirement may help the City expand its small office market. Rockland has significant potential for office space development in the upper floors of the downtown buildings. Currently there are no detailed evaluations of office space need, availability, and quality.

### **Wholesale Distribution**

Low employment numbers and a low location quotient for wholesale trade indicate that the City does not play a central role in distribution. One exception to this is the shipping and distribution of fish and seafood. The lack of direct access to the interstate highway system, a major airport, a major rail line and a relatively small end-user market are limiting factors in Rockland's wholesale and distribution sector. However, the City, because of its centrality in the mid-coast area, may be able to take advantage of the need for regional and local wholesale distribution. Low employment in the distribution area typically limits major development of warehouse/wholesale distribution terminals, which is prevalent in other centers. Another factor may be the limited industrial land that is currently available within the City of Rockland.

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### Construction

Construction employment in the Rockland LMA, fueled by the building boom of the late-1990's, increased by almost 40% between 1991 and 2000. Construction levels, particularly those of housing, are expected to remain high with the increase in retirees moving to the area. Residential construction will remain a noteworthy component of Rockland's economy. In a smaller economy, such as the Rockland LMA, commercial construction is often variable and dependent on specific projects rather than on economic trend.

### Government

Government generates a significant portion of Rockland's employment. In 2001 more than 16% of jobs were government related.

Major government employers (50 or more employees) in the Rockland LMA as of spring 2002 include:

Name	Municipality	Number of Employees
Maine State Prison	Warren	475-500
Maine School Administrative District #5	Rockland	252
Maine School Administrative District #28	Camden	240
Maine School Administrative District #50	Saint George	171
5 Town Consolidated School District	Camden	122
State of Maine Human Services	Rockland	102
Town of Camden	Camden	55 – 105
City of Rockland	Rockland	99
Knox County	Rockland	95
State of Maine Department of Transportation	Rockland	71
Town of Thomaston	Thomaston	50 - 75

*Source: Mid-Coast Regional Planning Commission.*

### Tourism

The Rockland area is an integral part of the tourism industry in the greater Midcoast region, stretching from Brunswick to Belfast. According to a November 1998 report by Longwoods International for the Maine Office of Tourism, the greater Midcoast region received an estimated 2,100,000 "person-trips" during 1997. 1,500,000 stayed overnight:

- 5% from January to March
- 29% from April to June
- 51% from July to September
- 15% October to December

The primary reasons for these trips were:

- recreation ..... 40%
- visit friends or relatives..... 45%
- business, personal, or other purposes..... 15%

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Every fourth overnight traveler to Maine visited the Midcoast region making it the third most popular region in the State.

Rockland has seen considerable investment, both private and public, in its waterfront and tourist-support facilities. The two motels that bracket downtown have expanded recently. Three new marinas were developed in the City as support to both commercial boats and recreational and vacation boaters. MBNA New England recently completed a new call facility in the City with a quarter mile long boardwalk on the harbor that is open to the public during daylight hours. The City added streetlights, landscaping, sidewalk, and road improvements to Main Street downtown. Cultural and recreational resources like the Maine Lobster Festival, the Blues Festival, schooners, the Farnsworth Museum, and the Breakwater and Lighthouse, are magnets that draw visitors to Rockland. Rockland is an increasingly desirable tourist destination.

### **Retirement**

Retirement is not often thought of as an industry, however, an area's economic base is a mix of activities that bring new dollars in from the outside for expenditure and circulation in the local area. An area that attracts disproportionate numbers of retirees also attracts disproportionate shares of social security payments, pensions, dividends from investments, and other sources of outside income upon which retirees depend.

The Rockland LMA is well established as a destination for retirees who wish to migrate from the metropolitan northeast to the Maine coast. As a result, the 2000 Census shows that 19.5% of Rockland's population is 65 or older (compared with an estimated 14.4% statewide and 12.4% nationwide); and an estimated 23% of households in Rockland are headed by a person who is retired. These retirees are an underpinning of Rockland's economy. According to the 2000 Census, 31.9% of Rockland residents receive social security income. Statewide, 28.9% of residents receive social security income.

Industries in the area that are supported by the retirement industry include construction, health care, restaurants, and other retailers. Some residential projects are marketed specifically to retirees and empty nesters. As an example, Bartlett Woods, was developed as a congregate care community including a forty-eight unit apartment building and individual townhouse units with central dining facilities and health care services. Among the area's employers that cater to retired residents are Shore Village Nursing Home, Penobscot Bay Medical Center in Rockport, the Knox Center in Rockland, Kno-Wal-Lin in Rockland, and Quarry Hill in Camden.

There is some support for the view that a local public transit system would encourage more of the retirement community to locate in Rockland.

### **Commuter Patterns**

There are more employment opportunities in Rockland than are available employees residing in the City. The majority of those who live in Rockland also work in Rockland. In addition, commuters flow into Rockland from surrounding towns to fill the additional employment needs of Rockland employers.

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<b>Table 2-7 – Principal Commuter Patterns, 1990</b>	
<b>City of Rockland</b>	
<b>Where Rockland Residents Go to Work</b>	<b>Percentage</b>
Rockland	69.5%
Rockport	7.3%
Camden	5.4%
Thomaston	4.6%
Lincoln County	3.0%
Bath	2.0%
South Thomaston	1.6%
St. George	1.6%
Warren	1.4%
Elsewhere	3.6%

According to the 1990 Census, over two-thirds (69%) of Rockland's employed residents stayed in Rockland to work. About 30% commuted out of town: nearly a quarter to other communities in Knox County, such as Rockport, Camden, Thomaston, and smaller shares to Lincoln County and Bath (see Table 2-7 and Table 2-8).

<b>Table 2-8 – Where Workers Come From to Fill Jobs in Rockland, 1990</b>	
<b>Municipality</b>	<b>% of Community's Work Force Employed in Rockland</b>
Rockland	69.5%
Owls Head	49.6%
South Thomaston	43.1%
Thomaston	39.7%
St. George	33.3%
Cushing	26.5%
Warren	25.7%
Rockport	24.7%
Union	21.3%
Hope	20.0%
Appleton	19.9%
Friendship	16.9%
Camden	14.7%
Washington	13.0%
Waldoboro	11.3%
Vinalhaven	2.1%

Source: 1990 Census

Though the market has changed significantly in the decade following 1990 it is clear that Rockland still has the most jobs in the LMA. Commuter patterns into Rockland have probably increased due to an increase in jobs in the City of Rockland and a decrease in population in the City. Though many of the percentages may have changed, they most likely still reflect the overall patterns in the 1990 Census data.

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### Retail Sales

Rockland has historically played the role of a “community center” level commercial area. The community center typically contains 100,000 to 250,000 square feet of commercial space and requires a market area of at least 20,000 people and, for larger community centers, 40,000 people or more.

The Primary Trade Area for Rockland extends primarily to the south and west but include some areas to the north. The Trade Area includes the City of Rockland and the towns of Warren, Owls Head, Union, Thomaston, South Thomaston, St. George, Friendship, and Cushing, plus the Route 17 corridor into West Rockport. This market area has a year-round population of approximately 26,000. The rest of Rockport, Camden, Waldoboro, Appleton, Hope, and Washington constitute a Secondary Trade Area, with a year-round population of over 16,000.

The year-round population of the trade area is sufficient to support Rockland as a community center. The year-round population is supplemented by a summertime increase of seasonal homeowners and visitors. According to the 2000 U.S. Census, the Primary Trade Area for Rockland includes 1896 seasonal homes, and the Secondary Trade Area includes 1175 seasonal homes. There is no official estimate of the actual summer population. However, a comparison of third quarter retail sales with the average level of sales during other parts of the year suggests that the population increases by an average of about 20% during the summer quarter in the Primary Trade Area, and by about 100% in the Secondary Trade Area. The Camden area has a much more pronounced jump in seasonal traffic and sales than does the Rockland area. During the summer months, the Primary Trade Area's population approaches 33,000, while the Secondary Trade Area's population approaches 32,000.

For stores in the City of Rockland as a whole, taxable consumer retail sales grew by 29% from 1996 to 1999. In 1999, retail sales in the City dropped over 10% in one year. Retail sales between 1999 and 2001 have nearly recovered the loss from in 1999 with a growth rate of 9% in retail sales (See Table 2-9). The City's sales will probably show a continual, but slow, increase over the next two or three years.

As Table 2-9 shows, sales have been increasing throughout the region except for 1999 where taxable consumer sales in Rockland and the Rockland Area slipped. The City's taxable consumer retail sales in 2001 represented about 74.4% of all such sales in the Rockland Area and about 48.4% of all such sales in the Rockland and Camden areas combined.

<b>Table 2-9 – Taxable Consumer Retail Sales 1997-2001 (in millions)</b>						
					<b>City of Rockland as % of:</b>	
<b>Year</b>	<b>Rockland (City)</b>	<b>Rockland Area</b>	<b>Camden Area</b>	<b>Rockland &amp; Camden Area</b>	<b>Rockland Area</b>	<b>Rockland &amp; Camden Area</b>
1997	161.3	222.2	99.0	321.2	72.6%	50.2%
1998	191.3	251.5	112.6	364.1	76.1%	52.5%
1999	171.8	240.9	120.5	361.4	71.3%	47.5%
2000	184.1	249.5	130.0	379.5	73.8%	48.5%
2001	187.4	251.7	135.3	387.0	74.4%	48.4%

Source: State Planning Office

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Within the City, the mix of taxable consumer retail sales by category in 2001 was as follows:

**Table 2-10 – Retail Sales Tax - 2001**

Building supply stores .....	\$ 19.3 million
Food stores .....	\$18.5 million
General merchandise stores .....	\$59.6 million
Other retail stores .....	\$15.9 million
Auto and transportation .....	\$41.9 million
Restaurants and lodgings .....	\$20.0 million

Increasingly, Rockland's retail base has expanded out of its Downtown to suburban shopping facilities in the Park Street and Camden Street districts.

In 1999, Eastern Appraisal & Consulting completed a Community Retail Trade Area Analysis for the City of Rockland. The Analysis compared economic surplus/leakage and pull factors based on certain merchandise categories.

Economic surplus/leakage is an indicator that determines whether a community is drawing or losing potential revenue by comparison to other communities of comparable size or demographics in Maine. Other communities that Rockland was compared against in this analysis are Belfast, Camden, Ellsworth, Farmington, and Skowhegan. Table 2-11 shows the surplus by merchandise category. Table 2-12 shows the leakage by merchandise category.

**Table 2-11 – Rockland Economic Surplus**

Merchandise Category	Potential Sales	Actual Sales	Surplus	Percentage of Surplus
Consumer Retail	\$143,056,534	\$180,845,000	\$37,786,466	26.41%
Food Stores	\$17,362,886	\$21,374,000	\$4,011,114	23.10%
General Merchandise	\$35,810,238	\$50,698,000	\$14,237,762	41.16%
Other Retail	\$14,530,987	\$42,613,000	\$28,082,013	193.26%

**Table 2-12 – Rockland Economic Leakage**

Merchandise Category	Potential Sales	Actual Sales	Leakage	Percentage of Leakage
Building Supplies	\$18,881,096	\$14,052,000	\$4,829,096	-25.58%
Auto Transportation	\$36,857,888	\$35,198,000	\$1,659,888	-1.54%
Restaurant & Lodging	\$20,513,825	\$16,910,000	\$3,603,825	-17.57%

*Data Source: Eastern Appraisal & Consulting, 1999 (tables 2-11,2-12)*

Though the method is not exact due to a number of variations, this analysis does provide some insight into whether Rockland is filling the regional and local needs for retail sales, and if not where there is potential for growth. Table 2-11 shows that Rockland is strong in retail sales and food sales. Much of this strength comes from the large food stores and discount centers located in the Camden

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Street commercial district. Keeping these businesses in Rockland and allowing for their future growth are the challenges facing Rockland. According to the analysis, building supplies, auto transportation, and restaurant & lodging are areas where there seems to be potential for growth, or significant competition from surrounding communities. Building supplies shoppers are being pulled away from shopping for their supplies in Rockland. Competition from building supplies stores in surrounding towns and the limited number of actual building supplies stores in town (2) are most likely the cause of this “leakage”. Building supply stores are often more accepted in rural communities because they supply much needed farming and property maintenance equipment. Auto Transportation shows very little leakage, the discrepancy is probably due to competition from automobile dealerships in Thomaston. The Midcoast region is highly tourist oriented. There are a number of restaurants and lodging facilities scattered through the towns surrounding Rockland. Rockland also has historically been seen as an urban place and not as a tourist destination. As Rockland continues to become more attractive as a tourist destination, the opportunities in filling this leakage will increase.

The Pull Factor is a per capita comparison to the average State per capita. If the factor is greater than one (1.00) then the indication is that more money is being spent in the community than in the average community in Maine. If the factor is less than one (1.00) the opposite is true. In the 1998 analysis all pull factors were significantly higher than one (1.00)(see Table 2-13).

<b>Merchandise Category</b>	<b>Pull Factor</b>
Other Retail	6.06
General Merchandise	3.71
Consumer Retail	2.99
Food Stores	2.80
Auto Transportation	2.42
Building Supplies	1.74
Restaurants and Lodging	1.60

Though the pull factors are all high, when compared, they reflect the surplus and leakage data. Building Supplies and Restaurant and Lodging both rank low in Pull factor and show leakage.

### **Commercial and Industrial Land Use**

The settlement patterns of the land have shaped the character of Rockland; how it may be used in the future is central to the entire comprehensive planning process.

Rockland's earliest economy was centered around its harbor. It was around this waterfront that a village center and development patterns evolved. With mobility limited to walking and horses, the development pattern was compact, with residential, commercial, and industrial functions closely integrated. The harbor, downtown, and adjacent neighborhoods of the City are vivid reminders of this historic development pattern. With the advent of the lime industry, Park Street, Limerock Street, Rankin Street, and Cedar Street were developed to lead straight to the waterfront.

Rockland currently has twelve (12) commercial zone districts and one industrial zone district. The number of commercial zone districts is higher than all other communities in the region and more than most other communities in the State of Maine.

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Commercial and industrial land use in Rockland is concentrated in four areas (districts):

- **Downtown** - On Main Street and along the harbor. Visual, pedestrian, and commercial/industrial access to the harbor is a major attraction to the Downtown and waterfront area for both the local and the tourist populations. Both Downtown and the harbor host a full array of high intensity uses, including water-dependent and water-related uses, small retail, service, lodging, water-oriented recreation, restaurant establishments, and civic/public uses. There are opportunities for expansion in some areas.
- **Park Street** - On New County Road, Payne Avenue, and Park Street, extending west to east from the Thomaston town line to downtown. Entering the community, commercial and industrial uses reflect a highway location. Development is spread out on larger lots than downtown. This area is essentially developed. Landscaping, lighting and other streetscape improvements have been added to sections closer to downtown recently. There are some additional opportunities to expand on this base of amenities.
- **Camden Street** - On Camden Street and Maverick Streets. This is Rockland's highway commercial shopping area. The area has developed commercially and continues to attract interest from businesses for new development. The area has some of the most picturesque views of Rockland Harbor from Route 1 that are being diminished with increased development in the area. This is probably the area of the City where the strongest commercial growth pressures will be felt in the coming decade.
- **The City's Industrial Park.** The City's Industrial Park is located one (1) mile from Route 1 off of Broadway and Thomaston Street. The approximately 92-acre Park is made-up of relatively large lots. While some vacant land remains, wetlands limit significant additional development and all are privately owned. In effect, there is little new development potential remaining without expanding the boundaries of the park.

### Downtown Rockland

Rockland's Downtown occupies a mile long, one-block deep stretch of Route One adjacent to Penobscot Bay. The primary location of Downtown can be considered along Main Street from Pleasant Street on the south, to Rankin Block on the north. Commercial growth in Rockland is occurring primarily north of downtown towards the Rockport town line.

Downtown Rockland is a compact, historic, and cultural commercial district of similar scale and style to others built in the late 19<sup>th</sup> century. Downtown buildings consist principally of two and three story block buildings located close to the sidewalks, many of them brick. The first floors are primarily retail stores, while the upper floors are often used for small offices and apartments. Downtown has a number of short blocks divided by fifteen streets connecting Main Street and Union Street to the west. While Main Street serves as the center of retail activity with secondary office uses, the numerous side streets offer access to other small offices and parking lots. A number of institutional, financial, and governmental uses are located on Union Street. Portions of Rockland's downtown have been designated a National Historic District.

### Role of Downtown

Downtown's mix of retail stores reflects that of a transitioning community center. Table 2-14 shows the mix of ground floor storefronts downtown for 1993 and 2002. The Downtown area in this table includes

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the ground floor storefronts along Main Street to the Rankin Block, the side streets between Main and Union Streets, and Park Street between Union and Main Street.

<b>Table 2-14 – Downtown Rockland Businesses</b>		
<b>Business Type</b>	<b>1992</b>	<b>2002</b>
<b>Retail goods stores</b>	<b>63</b>	<b>75</b>
Drug Store	2	2
Bank	6	5
Barber shop/hair salon	9	8
Auto parts	2	1
Hardware store	1	0
Paint and wallpaper store	2	1
Photo supply store	1	2
Medical oriented establishment	4	11
Fitness center	2	0
Travel agency	3	1
Card shop	1	1
General merchandise store	3	10
Clothing store	6	7
Bridal shop	1	0
Book store	4	3
Furniture store	3	1
Appliance store	1	1
Hobby shop/pet shop	1	3
Office supply/art store	1	2
Jewelry store	1	2
Housewares store	1	6
Gift store	3	6
Flower shop	2	1
Antique store	4	2
Convenience food store	0	1
Manufacturing	0	1
<b>Services/entertainment</b>	<b>10</b>	<b>35</b>
Service offices	Unknown	23
Museum	1	1
Art gallery	0	7
Movie theater	1	0
Billiards room	1	0
Church	1	0
Motel	2	2
Radio station	2	0
Realtors	2	2
<b>Restaurant</b>	<b>13</b>	<b>13</b>
<b>Vacant</b>	<b>6</b>	<b>4</b>

Of 92 storefronts, only 6 were vacant at the time of our inventory in early February 1993 compared with 4 vacancies of 100 (excluding service offices) storefronts in 2002. The vacancy rate in downtown storefronts has remained low; the ratio of retail to service storefronts has remained primarily the same. The most significant change in the face of downtown between 1993 and 2000 has been the types of retail and service stores. In general, the number of retail stores that are high end or tourist oriented has increased. The number of stores focused on products for local consumption and daily goods

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has decreased slightly. The largest change is in the service storefronts. Uses such as billiards halls, theaters, and churches have disappeared while the number of art galleries has jumped from 0 to 7. The number of restaurants has stayed the same. While this comparison is not exact, it provides a picture of the changes that have occurred downtown. The storefront inventory shows a changing, but healthy, business environment.

In addition to these storefront uses, there are many upper floor spaces, some of which are used as retail shops, offices and apartments. In the summer of 2000, the City of Rockland Community Development Department and the Rockland-Thomaston Chamber of Commerce conducted a joint study focusing on the upper floors of Downtown buildings. The results of the survey were followed up with a meeting with the Downtown Merchants in the fall 2000. Results of the survey provide a clear picture of the downtown and the struggles that it is facing. 38 owners representing 261,531 square feet of downtown property responded to the questionnaire. Downtown Rockland in 2000 had an 81% occupancy rate according to questionnaire responses, which is considered healthy occupancy rate among similar sized cities. 54% of the occupied space was owner occupied, while 46% of the occupied space was leased. Of the leased space, 60% was retail and office while 40% was residential. See Table 2-15 for a retail/office and residential breakdown.

<b>Table 2-15 – Downtown Leased Space</b>		
<b>Floor</b>	<b>Retail/office</b>	<b>Residential</b>
Total	59,100 s.f.	38,176 s.f.
1 <sup>st</sup> Floor	41,930 s.f.	0 s.f.
2 <sup>nd</sup> Floor	13,770 s.f.	17,770 s.f.
3 <sup>rd</sup> Floor	3,400 s.f.	18,526 s.f.
4 <sup>th</sup> Floor	0 s.f.	1,880 s.f.

Respondents noted the following obstacles facing downtown: Parking, wastewater treatment plant smell, and the cost of renovating to meet current standards. Many of the respondents noted a need for basic goods to be provided downtown; grocery stores, clothing stores, restaurants, etc.

A strong mix of retail goods stores is indicative of a community center. However, the evolution of retailing in Rockland has taken its toll on this traditional role for downtown.

First, one of the key draws of a community center is missing; there are no significant grocery or food stores in Downtown. A former grocery store space at the southern end of Downtown on Park Street is now a Rite Aid Drugstore that provides very limited food product. There is also a small organic food co-op located on South Main Street and a small convenience food store is located on the northern end of downtown.

Second, competition from newer discount retail stores and grocery stores located in the Camden Street commercial district successfully attract automobile traffic and therefore customers.

However, downtown continues to play an important role as a community center. Due to strong competition from the shopping centers, Downtown has had to continue to find the niches within which it can thrive. It must increasingly target market segments that are not as well served or at least are not fully served by the competing mass merchandising community centers such as Augusta and Bangor.

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### Performance

No sales data specific to Downtown are available. Downtown sales vary depending on the specific market and the commercial mix. Downtown markets will obviously be stronger in specialty products and services rather than discount services that are primarily provided by “suburban” types of stores.

Downtown is most likely capturing large shares of other types of general merchandise stores and "other retail" stores. "Other retail" stores include drug stores and specialty stores, like bookstores, jewelers, photo supply, sporting goods stores, etc. A critical mass of these types of stores has not assembled in or near the new shopping centers. Downtown, with two sizable motels and two bed and breakfast establishments, has an important presence in the lodging market. Many of the restaurants in the Downtown are small, but probably represent a noteworthy share of citywide restaurant sales.

### Strengths and Weaknesses

Downtown has several important strengths to exploit and weaknesses to overcome.

#### The strengths include:

- the continued strong mix of stores critical to its role as a community center;
- the continued presence of the variety of small specialty stores;
- identity as a community banking center;
- the land uses around Downtown, which should be viewed as built-in markets. These include professionals who are associated with the county government, health care, and museums, and the residents of the compact neighborhood to the west, who have easy access into Downtown;
- the physical layout of Downtown, with the short, walkable blocks and proximity of stores to each other; and the historic, human scale of Downtown, with its comfortable three-story buildings and two-lane Main Street;
- downtown's location in an intercepting position between much of its primary market area, which lies to the south, and the strip shopping centers to the north;
- the Farnsworth Museum; located in the Downtown area makes this a cultural destination. The museum continues to enjoy growing national recognition and prominence;
- proximity to the waterfront and marinas, which will be advantageous as it builds a stronger base for recreational use and increased numbers of visitors; and,
- reasonably priced space, including a number of owner-occupied spaces.

#### Weaknesses include:

- vulnerability to highway commercial competition;
- ability to bypass via Route 1A and Route 90;
- lack of convenient parking and handicapped parking;
- lack of anchor businesses; and,
- lack of basic service businesses such grocery stores.

The Rockland downtown is changing its complexion reacting to changes in the community and the competition. Rockland's downtown has shifted away from supplying daily need goods to more specialty shops and increasingly oriented towards tourism. Downtown's stores appear to be transitioning to more expensive specialty items to avoid competing with large discount stores in the Park Street and Camden Street commercial districts.

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### Park Street

Park Street (Route 1) west from downtown to the Thomaston line is developed with a number of small businesses. The commercial district also includes development along New County Road and Payne Avenue (Route 1). Many of the businesses located in this commercial area are oriented towards local residents and provide basic and/or discount services and products. Some of these establishments are: gas stations, car washes, laundromats, discount stores, hardware stores, used car sales and restaurants. Many of the business types that are no longer viable in the downtown have moved to this commercial district. There is limited potential for additional commercial development in this area; however, redevelopment of underutilized parcels is an option. There are very few large commercial or industrial ownerships in this commercial area. Lot size tends to be smaller as Park Street extends east towards the waterfront. Nothing significant alerts the traveler that he or she is entering Rockland. As one of the major entrances to the City, there is a need for the development of a "gateway" with improved signage, landscaping, and other streetscape improvements. Plans for a gateway park have been proposed along Route 1 in this commercial strip. Many of the existing commercial structures are aging, but generally do not represent the historic character or development patterns of Rockland. While many of these structures could use some updating, redevelopment of these properties may be difficult due to the limited lot sizes, the current parking, and setback regulations. This commercial district blurs into the commercial district in the Town of Thomaston along Route 1. Much of the Thomaston commercial district is often mistaken to be a part of the City of Rockland. Businesses naming themselves with the Rockland name in Thomaston often add to this confusion. Adding a gateway and creating zoning that reflect the Rockland culture more closely in this area may help to further define this municipal line.

The Rockland City Hall is located just outside the district on Pleasant Street. The Rockland Public Safety Building is currently located along Park Street on the corner of Broadway.

### Performance

No sales data specific to the Park Street district are available. Based on the current mix of businesses and the size of the commercial district, the Park Street District probably brings in less retail sales than either the Downtown or the Camden Street District. Park Street is a mix of smaller discount stores, local services, restaurants and small businesses. Many of these businesses are attracted to this district because of the low rents and high traffic volumes.

Park Street does not have a critical mass or well-known anchor stores to be a destination commercial district. Businesses are highway oriented and provide for limited pedestrian access except for close in to downtown. The wide variety of businesses with low density commercial and limited vacant commercial lots allow for limited future development.

### Strengths and Weaknesses

Park Street has several important strengths to exploit and major weaknesses to overcome.

The strengths include:

- the continued strong mix of stores providing everyday and specialty services;
- it's Route 1 location providing significant traffic counts and high visibility;
- Park Street's location between much of its primary market area to the south and west, and the Downtown and Camden Street districts to the north allow the businesses to intercept consumers;
- a large trade area to the south and west in need of everyday goods that are no longer provided downtown;

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- easy automobile access;
- businesses with plenty of on-site parking; and,
- reasonably priced rents, including a number of owner-occupied spaces.

### Weaknesses include:

- strong competition from Downtown businesses for specialty good markets;
- strong competition from large discount stores and national chain restaurants in the Camden Street district;
- lack of pedestrian friendly environment that helps to create a critical mass for destination shopping for smaller businesses;
- lack of anchor businesses; and,
- Park Street's location away from the waterfront, marinas, and tourist attractions, limiting its draw to highway traffic.

With downtown holding a significant share of tourist and specialty shops, and with Camden Street having the lion's share of national chain and discount stores, the Park Street district faces a difficult commercial environment. The markets in this district are not as clear and these businesses are not as well organized as those in Downtown. Due to the size of the trade area, Park Street may not be able to compete as well with these other districts, so it must find a separate niche. However, high traffic counts and visibility are strong, positive factors. Development of a gateway, as well as city support of improving the character of the area may help to spark commercial growth or redevelopment.

### **Camden Street**

The Camden Street commercial district includes Camden Street (Route 1) north of downtown to the Rockport town line and Maverick Street headed west to the intersection with Route 17. Most new commercial development in the past twenty years has occurred in this commercial district. This commercial district is primarily highway-oriented development. The primary difference between this and the Park Street district has been the availability of larger parcels of land that are zoned for commercial uses. Many of these large parcels are either undeveloped or developed as single-family homes. This commercial district consists of much larger commercial structures including two shopping centers and a large freestanding discount store. Rockland Plaza is over forty years old and has Hannaford, JC Penney, and Subway as tenants. The Harbor Plaza is over 15 years old and has Shaw's and Ames (as of this writing, Ames is going out of business) as anchor stores, and a number of smaller retailers as tenants. Wal-Mart built a freestanding retail store adjacent to Harbor Plaza nearly ten years ago. There are currently a number of national retailers and restaurant chains looking at properties in the area. This area is particularly attractive to commercial businesses because of the larger lots, Route 1 traffic, central location, easy access, utility access, and Rockland's continuing support for commercial development. With the development have come both increased traffic congestion and a diminished ability to adequately and safely handle the flow of traffic. Balancing the type and scale of commercial development with the adjoining residential neighborhoods and the Downtown is important for Rockland's future. Also this section of Route 1 has some of the best views of Penobscot Bay. Maintaining the quality of the views and access to those views are important to the City and the tourist industry.

### **Performance**

No sales data specific to the Camden Street district is available. Based on the current mix of businesses and the size of the commercial district, the Camden Street District probably produces the highest amount of retail sales in the City of Rockland. Camden Street's mix of large discount stores, fast food chains, auto dealerships, and other retail stores and restaurants has it poised as a "community center" level commercial area. These shopping centers have a Primary Trade Area that extends to a

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larger area than the downtown and the Park Street district. The supermarkets command most of the food store sales in the region, leaving little opportunity for general grocery sales in other parts of the City or in other communities. The department stores have preempted most of the discount sales of general merchandise. The location and design of these businesses provide for only limited pedestrian access except for along Maverick Street. It is expected that those national retailers and restaurants expressing a desire to come to Rockland will choose to develop in this commercial district.

### Strengths and Weaknesses

Camden Street has several important strengths to exploit and weaknesses to overcome.

#### The strengths include:

- The strong mix of national chain stores that have a trade area that is often larger than a local store or restaurant;
- It's Route 1 location providing significant traffic counts and high visibility;
- Proximity to the towns of Rockport and Camden;
- Two large regional grocery stores that attract consumers from a large trade area;
- Easy automobile access;
- Plenty of on-site parking for businesses;
- Larger vacant and underutilized properties available for development;
- Zoning that allows for future commercial development: and,
- Lighthouse tourism brings traffic to Camden Street.

#### Weaknesses include:

- Competition from Downtown and Park Street businesses for specialty good markets;
- Traffic congestion;
- Lack of local character that would attract much of the transient population (tourists) in the summer;
- Lack of a pedestrian friendly environment; and,
- Lack of residential neighborhoods directly adjacent to the commercial development, built-in markets.

The trade area for the Camden Street District is much larger than both the Downtown and Park Street districts. Camden Street's focus on highway-oriented development has been very successful, however as development continues, available land will decrease in this commercial district. Rockland must look towards how to most efficiently use the commercial resources to assure that Camden Street stays a viable, healthy commercial district while protecting views of Penobscot Bay.

### Rockland Industrial Park

A major focus of the economic development effort in recent years has been the Rockland Industrial Park, the first industrial park in the region. The Rockland Industrial Park began development in 1974. The park is located 1 mile south of Route 1 on Broadway. The park has public sewer and water service, utilities, and access to Route 1. There are 30 lots in the 92.13-acre park and many of the major manufacturing employers in the City of Rockland are located in the park. As of May 2002, all but one lot in the industrial park were occupied. Nautica, Inc. announced in March of 2002 plans to close their operations located in the Rockland Industrial Park, the closure is expected to be complete by 2003. Finding a buyer for the vacant Nautica building may prove to be difficult, as new businesses to a region are often looking for vacant land to develop rather than redeveloping an existing structure to meet their needs. The remaining vacant land in the industrial park is not developable due to wetland limitations. Acquisition and development of additional land will be necessary if the park is to be expanded.

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**Table 2-16 – Rockland Industrial Park 2002**

<b>Lot</b>	<b>Business</b>	<b>Type of Business</b>	<b># of Employees</b>
Map 61 B1	Mail Services/Target	Marketing	50
Map 61 B2	The Courier Gazette	Newspaper	27
Map 61 B3	Harbormill Works, Inc.	Milling	8
Map 61 B3-1	Multi-Composties	Boat building	1
Map 61 B4	Dodge Enterprises	Machine shop	N/A
Map 61 B4-1	York's Marine	Boat building and repair	10
Map 61 B5	Maine Oxy-Acetylene	Welding supplies	2
Map 61 B6	Marine Hydraulic Engineering	Hydraulics for lobster industry	7
Map 61 B7	Kalloch Fuel	Heating fuel	19
Map 61 B8, 9 Map 62 A13, 15	North End Composites	Boat building and repair	86
Map 61 B10	Central Maine Power	Utility	36
Map 61 B11	Interstate Septic Systems	Septic Disposal	9
Map 61 B12	Vacant		-
Map 61 B13	Weatherend	Estate Furniture	64
Map 61 B14	Evolution Marine	Boat building and repair	N/A
Map 61 B14	Schooner Bay Taxi & Limo	Transportation Service	2
Map 61 C1	Knowlton Moving	Moving Company	15
Map 61 C3, 7	Vacant (Nautica building)	Warehousing	0
Map 61 C6	Cedar Works	Children's play set construction	30
Map 61 C8	Fox Island Transport	Seafood Distributor	4
Map 61 C9	J&B Printers	Silk-Screen Printer	4
Map 61 C10	Oak Island Seafood	Seafood Distributor	20
Map 61 C11	Lydon Bricher	Furniture Cover Manufacturer	24
Map 61 C12	C.N. Brown	Heating Fuel	0
Map 61 C12-1	F.W. Webb	Industrial Supplies	5
Map 61 C13	UPS	Parcel Distribution	N/A
Map 62 A12	North Atlantic Seafood	Distributor	N/A
Map 62 A14	Fisher Engineering	Snow Removal Equipment	180
Map 62 A17	Stuart Marine	Boat building and repair	6

*Source: Mid-Coast Regional Planning Commission, May 2002.*

### **Home Occupations**

Home occupations are permitted in Rockland's Residential A, B, B-1, Community Business, and Commercial Districts. The number of home occupations in Rockland is unknown; however, they are thought to be of increasing importance to many households. As a way of enforcing the appropriate level of business in residential neighborhoods three levels of home occupations should be defined as follows:

Level 1 home occupations should have no visible outdoor evidence of the use. They might include the offices and work space for resident authors, people involved with telecommunications, or the like. There should be no employees outside the immediate family-in-residence, no face-to-face sales or services conducted on the premises, and any deliveries should be made by mail, UPS, or similar services. Level 1 home occupations should be able to operate virtually anywhere in the City as long as they can meet the standards of the Level.

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Level 2 home occupations should have very low impacts. They might include the offices of a single doctor, lawyer, dentist, or other professional, a single-pupil instructor, or a small in-home daycare (6 or fewer children). There may be one employee from outside of the immediate family-in-residence. No noise beyond the limits of the property should be allowed. The business should be limited to a specified percent of the structure, for example 20 percent. Hours of operation, parking limits, lighting, and fencing should all reflect neighborhood standards. No outdoor storage should be allowed except for one small-scale vehicle. Clients may come to the home for face-to-face interaction, however, only incidental sales should be allowed. Deliveries should be made by mail, UPS, or similar services. Limited residential-scale signs may be allowed.

Level 3 home occupations may have moderate impacts of use. They may include larger day care facilities, tradesmen shops, or studios. There may be up to three employees from outside the immediate family-in-residence. No noise beyond the limits of the property should be allowed. The business should be limited to a specified percent of the structure (somewhat more than that of Level 2 home occupations), for example, 30 percent. Hours of operation, parking limits, lighting, and fencing should all reflect neighborhoods standards. Employee parking should be provided on-site. Clients may come to the home for face-to-face interaction, however, only incidental sales should be allowed. Level 3 home occupations should only be allowed in selected areas of the community and only as long as performance standards can be met. Standards should be developed to restrict outdoor storage.

### **Economic Development**

Economic and Community Development Departments have been a recognized municipal function in Rockland for some time. The City supports and participates in the Eastern Maine Development Corporation's economic development efforts. This agency is active in identifying the strengths, weaknesses, opportunities, and threats to economic development in Knox County.

At a focus group of Knox County business people in late 1992, the principal advantages to locating a business in the Knox County region were identified as:

- quality of life;
- high quality natural environment;
- committed people with strong community roots;
- lack of concerns about security;
- excellent ocean water quality;
- recreational opportunities;
- easy to recruit senior professional/technical talent;
- good work ethic; and,
- strong, committed local bank.

Some disadvantages described were:

- very poor state-level business climate because of workers compensation and environmental regulation;
- excessive, unproductive environmental regulation at all levels of government;
- distance to markets and suppliers;
- poor transportation access (highway access is poor, air service is difficult);
- lack of post-secondary education opportunities;

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- limited business commitment to improve the economy; and,
- limited access to sophisticated business services.

While many of these advantages and disadvantages are still affecting the business climate today, there have been some changes. Rockland is identified as the only area in Knox County with any appreciable industrial real estate. It is also seen as an area that has one of the County's more reasonable regulatory climates and is viewed as being supportive of business. The business community does appear to have some concern that public pressures are pushing the City to be more restrictive.

Rockland has many features that should support additional economic development. It has land areas served by public facilities and services, including:

- public sewer, with excess capacity at its treatment facility;
- public water;
- access to three-phase power;
- rail, with access to a deep-water harbor;
- an airport nearby in Owls Head;
- full-time professional fire, police, and emergency services with unparalleled response times;
- a historic, walkable Downtown adjacent to an accessible, scenic waterfront; and
- a government that is willing to work in partnership with the business community as evidenced by past use of the Community Development programs and tax-increment financing (TIF).

The City of Rockland Economic Development Advisory Committee anticipates revisiting this report in 2002 in order to update the list.

A Strengths, Weaknesses, Opportunities, and Threats Analysis (SWOT Analysis) by the Rockland-Thomaston Chamber of Commerce was recently completed in 2002. Survey input from the analysis was from Chamber of Commerce members and from the Chamber Board of Directors, 15 people in all. The SWOT Analysis respondents noted the following:

### Rockland strengths:

- natural beauty of the area;
- quality of life;
- Rockland Harbor and water front;
- school system;
- location as a transportation hub (inclusion in MDOT future plans); and,
- business community.

### Rockland weaknesses:

- lack of affordable housing;
- cost of living;
- lack of fiscal and regulatory investment in the historic character of Rockland;
- no year round public bathrooms; and,
- lack of public transportation.

### Rockland opportunities:

- passenger rail service;
- potential for waterfront development, both tourist and transportation development;
- ability to forge relationships with surrounding towns and chambers; and,

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- downtown development and beautification.

### Rockland threats:

- high cost of living;
- lack of vision; and
- Strip mall and big box development.

### **Commercial Analysis**

Rockland has always been the commercial and service center for the region. As the region has grown so have the commercial needs of the region. Surrounding communities continue to put more restrictive regulations on commercial development thereby putting more and more pressure on Rockland to provide the regional commercial, industrial, and service needs. Once the limited remaining commercial land along Camden Street is developed, Rockland will have very little viable commercial land left, with the exception of land for redevelopment.

If commercial growth continues at the lower structural density as has occurred in the past 50 years Rockland will use up its commercial land much quicker than if developed in a more conservative manner. More structural density also allows for less infrastructure development per dollar of valuation.

### **Issues and Implications**

- (1) Rockland's downtown is transitioning from a community business center to a center that provides specialty goods and tourist oriented goods. What economic role does the City foresee for Downtown? Should the City continue to be active in market research efforts to determine the appropriate direction for Downtown and other commercial development?
- (2) Commercial areas in Rockland are quickly being developed. In the next ten years, will there be adequate commercial land? Is the commercial land being used efficiently (i.e. shared parking, functional green spaces not just parking strips, encourage multiple use buildings, require a pedestrian friendly design, etc...)?
- (3) Rockland's Park Street district is struggling to find a market niche. The Park Street district is also the Gateway into Rockland. Should the City help to organize the businesses to create an area wide plan? Should the City revisit the zoning in this district to enhance its economic viability?
- (4) Some of the best views of Penobscot Bay from Route 1 in Rockland are located in the Camden Street district. Should the City pursue policies to protect these views?
- (5) Demand for commercial land has resulted in the conversion of 11 acres of residential uses to commercial uses, thus eroding into existing neighborhoods. Commercial growth in Rockland is quickly out pacing residential growth; housing units are lost each year to commercial development. Is there a need to protect existing residential neighborhoods from the negative impacts of commercial/industrial development? Are existing zoning designations appropriate? Is there a need to reconsider allowed uses in the existing zones? Are performance standards addressing the impacts of traffic, lighting, and hours of operation the answer to resolving conflicts?
- (6) Rockland currently has twelve (12) commercial zones. Is this too many commercial zones? Should the City review their existing zones to consolidate where possible?

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- (7) Tourism's role in the Rockland economy is increasing, but as tourism increases, it can affect "way of life" issues, like summertime traffic congestion and character of Downtown. How should the City balance the economic vs. "way of life" needs of the community?
- (8) In the past, the City has provided and financed services in the Downtown area (such as sidewalks, lighting, tree-planting, and municipal parking). How should the City continue to partner with Downtown and the waterfront area? To what level? Should such services be primarily the burden of the property owners that most directly benefit from them? Should similar services be extended to other commercial areas?
- (9) Is there a demand for more office space? Should the City encourage offices to locate in the upper floors of Downtown? Should the City review the Business Park zone to provide more opportunity for office building development?
- (10) The Industrial Park is essentially developed. Should the City seek land, and extend infrastructure if necessary, to provide additional Industrial Park opportunities? Is there a need for additional industrially zoned acreage?
- (11) Three levels of home occupations were defined in Chapter 2 of the current adopted Comprehensive Plan. Should the City incorporate these definitions in the ordinances?

## **Goals, Policies and Strategies**

**Goal: Promote Rockland's tourist economy.**

### **Policies:**

1. Promote Downtown Rockland as an historic area adjacent to the harbor and waterfront activities.
2. Preserve and maintain visual and pedestrian access to the harbor.
3. Continue to promote and encourage the development of Rockland as a destination.
4. Explore opportunities for promoting the natural beauty and outdoor recreation opportunities of the bog, Chickawaukie Lake, and other natural areas within Rockland.

### **Strategies:**

1. Review zoning along the waterfront to ensure that the zoning supports recent economic trends towards a tourist economy while maintaining a healthy balance between the tourist economy and the working waterfront.
2. Provide visual and pedestrian access to the harbor through development of a harbor access plan. The harbor access plan should maintain and preserve existing public land that provide visual and pedestrian access and encourage development of areas located between downtown and the harbor with path access and potential restaurant and retail services.
3. Review performance, design, and other standards for industrial and commercial development and redevelopment to assure they reflect the importance of aesthetics and the visual environment.

## **The Local Economy**

4. Seek outside financial support through federal, state, or private foundation grants, or the designation of a Tax Increment Finance (TIF) District, to support public improvements to the downtown, gateways, and the harbor.
5. Work with the State of Maine Bureau of Tourism and the Chamber of Commerce to promote tourism in the City of Rockland.
6. Continue to promote and invest in attracting cruise trips to Rockland as a destination.
7. Use City website to promote tourism in Rockland.

**Goal: Support and strengthen Downtown's position as an important and economically viable center of cultural and retail activity.**

### **Policies:**

1. Promote Downtown as a destination that is pedestrian friendly.
2. Continue to support the strong residential base adjacent to the Downtown.
3. Promote mixed use (commercial/residential) of the upper level floors of the downtown area.

### **Strategies:**

1. Continue to invest in community facilities such as the Harbor Walk, public parks, public restrooms, parking lots, parking lot islands, sidewalks, bicycle racks, signage, pedestrian scale attractive lighting, and other amenities.
2. Provide appropriate directional signage to the Downtown and to existing parking.
3. Review building and life safety codes and evaluate for removal any portion that may hinder adaptive re-use of existing buildings.
4. Require new buildings located in the downtown to be compatible with downtown in scale, design and lot coverage.

**Goal: To promote Rockland's position as the commercial center of Midcoast Maine.**

### **Policies:**

1. Promote more efficient land use in commercial zones.
2. Review commercially zoned land to assure that the current zoning appropriately reflects the existing economic, transportation, and natural opportunities and constraints on the sites.
3. Review design standards to allow for adequate residential protection.
4. Re-evaluate zoning in existing commercial areas to allow for the desired level of commercial development in each area.
5. Evaluate the need for and address office development in Rockland while also maximizing the use of existing downtown office space and vacant floor area.
6. Adopt home occupation levels and performance standards.

### **Strategies:**

1. Review parking standards and shared parking opportunities to assure that adequate parking is provided while not providing too much parking. Allow reduction in parking space dimensions

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from 9 feet x 19 feet to 8 feet x 18 feet for compact cars and allow up to 40% compact cars.

2. Evaluate zoning to encourage context sensitive design of new buildings and facilities so that they are compatible with their neighborhood. This may include using materials that are or look traditional, like clapboards or brick, as well as reproducing roof pitches, facades, and architectural proportions.
3. Develop enforceable regulations requiring the long-term maintenance of landscaping and landscaped areas.
4. Evaluate dimensional landscaping requirements to focus on creating usable landscape spaces (i.e. plazas, play areas, pocket parks), including, without limitation:
  - Establish maximum setbacks to maintain existing development pattern (building street wall);
  - Discourage parking lots in front of buildings on principal streets like Main Street;
  - Limit drive-throughs downtown and in the Tillson Redevelopment TIF District.
5. Review and evaluate the zoning of areas based on the economic viability of the allowed uses, the transportation impact, the natural impact, and the compatibility with surrounding zoning and uses.
6. Review and evaluate existing buffering and impact mitigation regulations between commercial zone districts and residential development in order to suggest improvements to the regulations that would reduce the potential for costly conflicts with residential neighbors by providing for adequate buffering at the outset or through remediation when businesses seek to renovate or expand their facilities.
7. Evaluate the existing commercial areas on Payne Street, Maverick Street, New County Road, Park Street west of Downtown to Broadway, Park Street from Broadway west, Main Street from Rankin Street to Maverick Street, Camden Street from Maverick Street north to Rockport to assure that the zoning is appropriate to those specific commercial areas and that they are being developed to their best potential use. The intent of this evaluation will be to (1) determine which developments in these areas have been built well as regards function, retail activity, traffic circulation, landscaping and architecture, and to (2) reduce non-conformance by amending the zoning ordinance as necessary to recognize what has been built well and encourage future development to follow similar patterns.
8. Review existing commercial zone districts with the intent to simplify where possible.
9. Draft home occupation levels and performance standards.
10. Work with the Chamber of Commerce and Mid-Coast Regional Planning Commission to share data and economic development opportunities.
11. Evaluate Business Park zone.
12. Conduct a study of current office demand, existing office stock, and the feasibility of future office development.
13. Consider an alternative to building codes presently adopted by the City to facilitate re-development of existing buildings.

**Goal: Provide additional opportunities for industrial development.**

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### **Policies:**

1. Explore opportunities to expand the existing industrial park.
2. Look for opportunities to develop a new industrial park.
3. Maximize use of existing industrial zoned properties.

### **Strategies:**

1. Provide a second access route to the existing industrial park.
2. Work with adjacent communities to develop additional industrial land for an industrial park or an expansion of the existing park.
3. Evaluate the existing industrial zoning to maximize the use of industrial properties without creating a negative impact on the environment or surrounding property owners.