

**Maine Working Waterfront Access Pilot Program (WWAPP)**  
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**History and need:**

Waterfront access is a pressing issue in Maine. Property values and property taxes are rising rapidly; commercial property is being purchased for residential use; and Federal fishing regulations are limiting the amount of revenue commercial fishing boats and related business can generate. All of this has resulted in reduced water access for commercial entities along the coast. Today ~20 miles of Maine's 5,300-mile coastline are still in service to fishing and marine industries. Maine's fast moving residential real estate market for ocean-side property, waterfront taxes, and the growing costs of maintaining safe efficient piers is putting significant pressure on an already limited resource. Our fishing, aquaculture, cargo, marine service, boat building and repair operations are in danger of losing their most basic infrastructure needed to do business – their access to and from the water. Maine's ~20 miles working waterfront represent – *a mere 0.38% of our shorefront* – and currently provide:

- Maine's 10,300 fishermen access to the water in order to park their trucks, dock/board their boats, buy ice and fuel, and unload their catch;
- Support for over 26,000 fishing-related jobs necessary to sustain an industry worth over \$740 million;
- Access for water-dependent marine trades such as boat builders, boat yards and marinas that employ nearly 3,000 people statewide, generating an additional \$85 million in wages.

**A lack of data:**

Many people knew there was a commercial waterfront access problem but there was a lack of data to support this claim. In 2002, CEI was hired by the Maine State Planning Office to investigate commercial fishing access in 25 of Maine's coastal communities that had a fishing fleet. We designed a survey questionnaire and then visited each community for a face-to-face discussion with fishermen, harbor masters and municipal officials to discuss the particulars in their community. CEI conducted 2 studies over two-years investigating commercial fishing access in the same 25 communities so we could track and monitor changes over time.

**Studies:**

The first study "*Preserving Commercial Fishing Access: A Study of Working Waterfronts in 25 Maine Communities*", was conducted in 2002 and we found:

- 64% of the towns reported a waterfront access problem for their commercial fishermen
- 80% of the towns expressed the commitment to act now to protect future access
- 75% of the access to and from the water is privately held, subject to private sector decisions in the current real estate market.

In 2004, CEI followed up with a second study in titled "*Tracking Commercial Fishing Access: A Survey of Harbor Masters in 25 Maine Coastal Communities-2004*".

- 2002 to 2004 there has been an overall *drop* (10%) in the number of commercial fishing licenses/permits.
- 3,434 in 2002                      3,092 in 2004                      down 342

Between 2000 and 2004 there has been an overall *increase* (58%) in land valuation across the

25 municipalities. 15% in Eastport 104% in Kennebunkport

- This can lead to a Landowner wanting to sell at a “high market value”
- It can also push or force a landowners to sell because of “higher taxes”

In the 25 towns there are over 1,000 people are on waiting lists for moorings:

- 9% of those on waiting lists are commercial fishermen
- 91% of those on waiting lists are waiting for recreational moorings. (This represents an overall decline in available access and evidence of increasing competitive uses.

### **Formation of the Maine Working Waterfront Coalition:**

Now that we had data to support the access issues overall awareness and concern increased among many groups and individuals in the state. People were concerned about the loss of Maine’s working waterfront so we decided to band together to form a “Coalition” to work towards a common goal. The Maine Working Waterfront Coalition (WWC) formed in March 2003 to protect and preserve Maine’s increasingly vulnerable marine infrastructure and working access to the water. This statewide group has grown from 12 to over 150 committed community members from York to Washington County representing industry associations, nonprofits, land trusts, state agencies, and concerned individuals.

### **Establishing priorities:**

Once the Coalition was formed, we held regular monthly meetings along the coast to recruit further support. We went through a strategic planning exercise to help establish and guide the Coalitions efforts. Policy, Planning, Investment and Education were the resulting areas to target and we ended up with a mission statement that reads: “*A statewide group of industry associations, nonprofits, state agencies and individuals dedicated to supporting and enhancing Maine’s working waterfront through policy, planning, investment and education.*” At the Policy level we saw relief from high property taxes on waterfront properties and a public funding mechanism to help purchase and preserve these properties as two potential tools to help address Maine’s diminishing commercial access.

### **Building momentum (Bi-partisan Legislature support and Maine’s Governor):**

In 2005 there was a groundswell of support for preserving Maine’s working waterfront. The Coalition decided to hire a part time lobbyist to keep a pulse on the activities and discussions around the creation of a working waterfront access protection program in the halls of the state capitol. The Coalition worked closely with the legislature and other decision-makers to support the two policy measures that would help preserve and secure commercial access for future generations. By October 2005, Governor John Baldacci, the State Legislative Coastal Caucus, the State Planning Office, and the Department of Marine Resources all voiced their support for the initiatives. With bi-partisan support, the two measures were placed on the ballot and in November 2005, the Coalition’s work paid off at the voting booth where Maine voters passed both measures with wide margins of support.

**Current Use Taxation:** a constitutional amendment that offers Working Waterfront property owners the option of having their property taxes based upon the current use of their property (commercial use), rather than the current higher valuation method of "highest and best use" (residential development). The end result is to reduce the tax burden on fishing families enabling them to retain their waterfront property rather than selling it when they can no longer afford the property taxes. Maine voters passed this Constitutional amendment 72% to 28%, which when compared with a similar ballot question that was narrowly defeated in 2000.

**Working Waterfront Access Pilot Program (WWAPP):** Passage of the \$12 million Land for Maine's Future (LMF) Bond in November of 2005 established a unique working waterfront protection program, it included \$2 million for projects that protect strategically significant working waterfront properties whose continued availability to commercial fisheries businesses is essential to the long-term future of this economic sector. There is often a significant difference between the market value of a waterfront property and a reasonable business value of the property for commercial fishing purposes. The WWAPP was created to assist commercial fishing businesses and others to fill this financial gap when ownership is changing, property owners need to secure their working access or properties are threatened with conversion out of commercial fisheries.

**Language to enable the state to “hold” properties:**

In addition to a new Working Waterfront Access Pilot Program, legislation had to be crafted whereby the state of Maine could “hold” a privately owned property. This resulted in what has become known as a “working waterfront covenant” where the state Department of Marine Resources purchases the potential development rights from a property. The purpose of the covenant is to ensure the permanent availability and affordability of the property for use by commercial fisheries businesses. Through the covenant, the State is interested in making a contribution, based on the value of this covenant and the financial needs of the business owning and operating the property. The covenant will forever protect and preserve the property to ensure its availability and affordability for commercial fisheries operations by limiting its use, alteration, or development in any manner that precludes its use by commercial fisheries businesses. The covenant “runs with the land” and is binding upon the landowner and all future landowners. The covenant also requires that the state be given a right of first refusal. This sets a cap on the price of the property assuring its affordability for the future as well.

**Developing the pilot program:**

In March of 2006, CEI and the Island Institute were awarded a contract to design and administer the Working Waterfront Access Pilot Program on behalf of the Maine Department of Marine Resources and the Land for Maine's Future Program. The pilot program was designed to award ~4-6 grants to working waterfront access projects coastwide through a competitive application process in the first “trial round”. CEI was instrumental in developing the program from the beginning and pushed to bring it from concept to reality. CEI became the “front door” for applicants to apply to the program and we assisted with: developing program criteria, program application materials, the application process, facilitating meetings, assisting applicants with the process, developing projects with various components that included real estate appraisals, business plans, financing arrangements, match dollar requirements, environmental hazard assessments, working waterfront covenants and applicant confidentiality.

The Working Waterfront Access Pilot Program (WWAPP) was launched on June 1, 2006. The bulk of the work in the months up to this point was focused on drafting and completing the program materials, website content and an application workbook to guide applicants through the process. As the program materials were coming together the program staff also worked to develop protocols for dealing with program inquiries. This included how to field/filter inquiries about the program to ensure that time and energy was focused on projects with real potential. The program tools we developed included a website where applicants could obtain general information about the program as well as request the initial inquiry form <http://www.wwapp.org/>. Throughout the project we held bi-weekly team meetings to give project updates, status of contacts, develop working waterfront covenant language, conduct outreach as well as provide updates on potential projects.

With over one hundred inquiries to the program, six submitted applications, which were submitted on the Nov. 1, 2006 deadline. Our team (CEI and the Island Institute) prepared all of these materials to present before an industry review panel to score the proposals and eventually

the Commissioner of Marine Resources who made the initial recommendation for funding to the Land for Maine's Future Board. All six projects were approved for funding although not all of them received the total amount requested.

### **Proposal Scoring Criteria and Evaluation:**

A total of 100 points are available in the scoring process.

#### **1. Economic Significance of the Property (30 pts)**

This criterion considers the economic importance of the property to the commercial fisheries industry in the immediate vicinity and as part of the State economy. Factors such as the numbers and types of fishermen using the property, the value of landings, the amount of use the property receives over time, and the essential role of the property to providing commercial fishing access in the vicinity and to the industry as a whole.

#### **2. Alternative Properties in the Vicinity (20 pts)**

This criterion considers how the project fits into the existing commercial fishing situation and if other working waterfront properties exist in the same vicinity that are also supporting commercial fisheries uses.

#### **3. Degree of Community Support (10 pts)**

This criterion considers the degree of community support for the proposed project that is demonstrated by letters of support, financial contributions, and supporting business and/or town actions will increase the significance of a project.

#### **4. Level of Threat of Conversion (20 pts)**

The threat of conversion to uses incompatible with commercial fisheries businesses can be reflected in the patterns and trends of waterfront development within the area.

#### **5. Utility of the Property for Commercial Fisheries Business (20 pts)**

The utility of the proposed protected property for commercial fisheries business uses in terms of its natural characteristics and developed infrastructure is an important factor in evaluating the significance of a project.

### **Projects that were selected for funding:**

#### **Holbrook's Wharf, Cundy's Harbor, Harpswell**

The Holbrook's Wharf proposal is a project of the Holbrook's Community Foundation (a newly incorporated 501(c)(3) non-profit community organization), which was organized "to get Holbrook's working again" as an integral part of the working waterfront in Cundy's Harbor in the town of Harpswell. The property is a .77-acre, mixed-use property that includes a commercial fishing wharf, a snack bar, a two-unit apartment building, a general store and a second pier with floats for recreational boating access and six moorings.

#### **Town Landing Project, Town of Isle au Haut**

This proposal from the island town of Isle au Haut to sell a Working Waterfront Covenant to the State of Maine will secure permanent commercial fishing access over the town's municipal pier. Proceeds from the sale of the Covenant will be used to replace the existing town pier with a facility that will support commercial fishing activities as well as continuing to serve as the island's main point of water access for all other commercial activities. This will benefit 12 full time fishermen directly, securing their access on the only public pier on the island and also ensuring the viability of the year-round community.

#### **Larrabee Cove, Town of Machiasport**

The Town of Machiasport proposes to purchase a permanent "Right of Way" access to Larrabee Cove for clam harvesting activities. Currently there are 5 access points to Larrabee cove, all across private property. This land acquisition will provide improved access by replacing an existing more difficult access point with a parking area and public driveway to the central portion of Larrabee Cove. The property will be held by the Town and managed primarily to

provide access for clamming. This property is economically significant due to the importance of the shellfish industry in this region of the state and the richness of this area. It is strategically significant due to the permanent access and the increased capacity that will be available upon completion of the project.

### **Perio Point Project, Beals Island**

This project is a proposal to sell the Working Waterfront Covenant for a significant commercial fisheries facility located in the town of Beals on Moosabec Reach in the Jonesport-Beals area. The 1.8-acre property, owned and operated by Carver Enterprises, regularly serves 75-100 boats landing lobster, crabs, mussels, and quahogs harvested in the region. The property includes wharfs, service buildings, two lobster pounds, and related working space and facilities. Purchase of the covenant will assure that this property will continue to be operated and available for the fishing industry in the area. This is a significant piece of working waterfront property that provides services to many fishermen in the Jonesport-Beals area.

### **Robert's Wharf, Barter Island, Boothbay**

This project is a proposal from the Boothbay Region Land Trust to sell a Working Waterfront Covenant over Robert's Wharf. This 1.9-acre property was recently donated to the Land Trust, with explicit directions that the historical use by local fishermen be maintained. The property contains two modest pier structures that are currently used by four local lobstermen for equipment storage and convenient access to their moored boats. The Trust proposes to upgrade the facilities to accommodate up to ten fishermen with moorings, wharfage, landing and gear storage to continue to provide convenient access to boats and equipment storage. This property currently provides strategically significant access and support and is a good model for a partnership between the Land Trust and local fishermen.

### **Sprucehead Fishermen's Coop Project, Sprucehead, South Thomaston**

The Sprucehead Fishermen's Co-op project is a proposal to purchase the land currently leased by the Co-op that encompasses their existing commercial fishing facilities. With over 75 members this coop represents one of the most significant lobster landing sites on the coast of Maine, additionally this facility provides limited services to non-members. Having managed the property for their own use for the last 30 plus years the facility is ideally developed for supporting the rich commercial fishing of the region and the significant number of fishermen. Successful completion of this project will secure working access for not only the 75+ fishermen; it will also benefit 2 full time and 6 part time employees.

### **Next steps:**

The projects that were selected for Land for Maine's Future funding will now be required to carry out the necessary "due-diligence" for their project before they receive any funds from the state. Over the next 10 months, we will continue to work with these successful project applicants to bring their projects to completion. We have some funds leftover (~500K) from the original 2M so we are planning to "re-open" the program for a 3-month window (March 1, 2007-May 31<sup>st</sup> 2007) to develop and accept new applications. We are currently modifying in collaboration with staff at the partnering state agencies the existing program criteria, application materials website content and any other materials as needed to reflect changes to the program before we fund any further projects.

We are aligning members of the Maine Working Waterfront Coalition to go back to the Maine legislature to ensure passage of legislation that would put a request before the Maine voters to have additional bond funds allocated to this program to take it from the pilot phase to a full fledged program. The Coalition is also working with the governor's staff to encourage the inclusion of funds in his proposed bond package for this program.