



Maine Woods Consortium Report

**For: The Maine Woods Consortium
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1. Background, Purpose & Outline of the Report

The Maine Woods Consortium is an open association of businesses, non-profits, and government agencies focusing and aligning efforts to use our region's assets in creative and sustainable ways.¹ Its region of concern is the Maine woods, here for practical reasons taken to be the state's rim counties.² Its topics of concern are essentially three:

1. *landscape*: preserving and cultivating the region's natural resource as a solid base for sustainable economic and community development;
2. *community*: maintaining and building the public infrastructure (including cultural) necessary for sustainable business growth; and
3. *economy*: sustaining, growing and attracting businesses so as to create more employment opportunities.

The challenges to meeting these goals for this region are also threefold:

1. vast size: the Maine woods region encompasses an area of 10 million acres, half the size of the rest of New England combined;
2. separate traditions of communication and governance: for 300 years, the region's trade, communication and governance has been built along the north-south lines the of the region's river valleys which have worked to keep the region organizationally divided;
3. the devastating impacts of globalization over the past 30 years that have slowed employment and population growth, threatened resources and undermined community infrastructure.

The purpose of this report is to recommend ways the members of the Consortium can overcome these challenges and meet their goals by:

1. organizing and governing themselves in creative ways that take maximum advantage of electronic communication technologies;
2. generating and evaluating program and investment ideas; and
3. bringing the best of those ideas to a wide range of potential funding sources so as to maintain an ongoing and sustainable development program.

¹ See the consortium's website for more information. <http://mainewoodsconsortium.org/mmh/>.

² Washington, Aroostook, Piscataquis, Somerset, Kennebec, Franklin and Oxford counties; see map on page below.

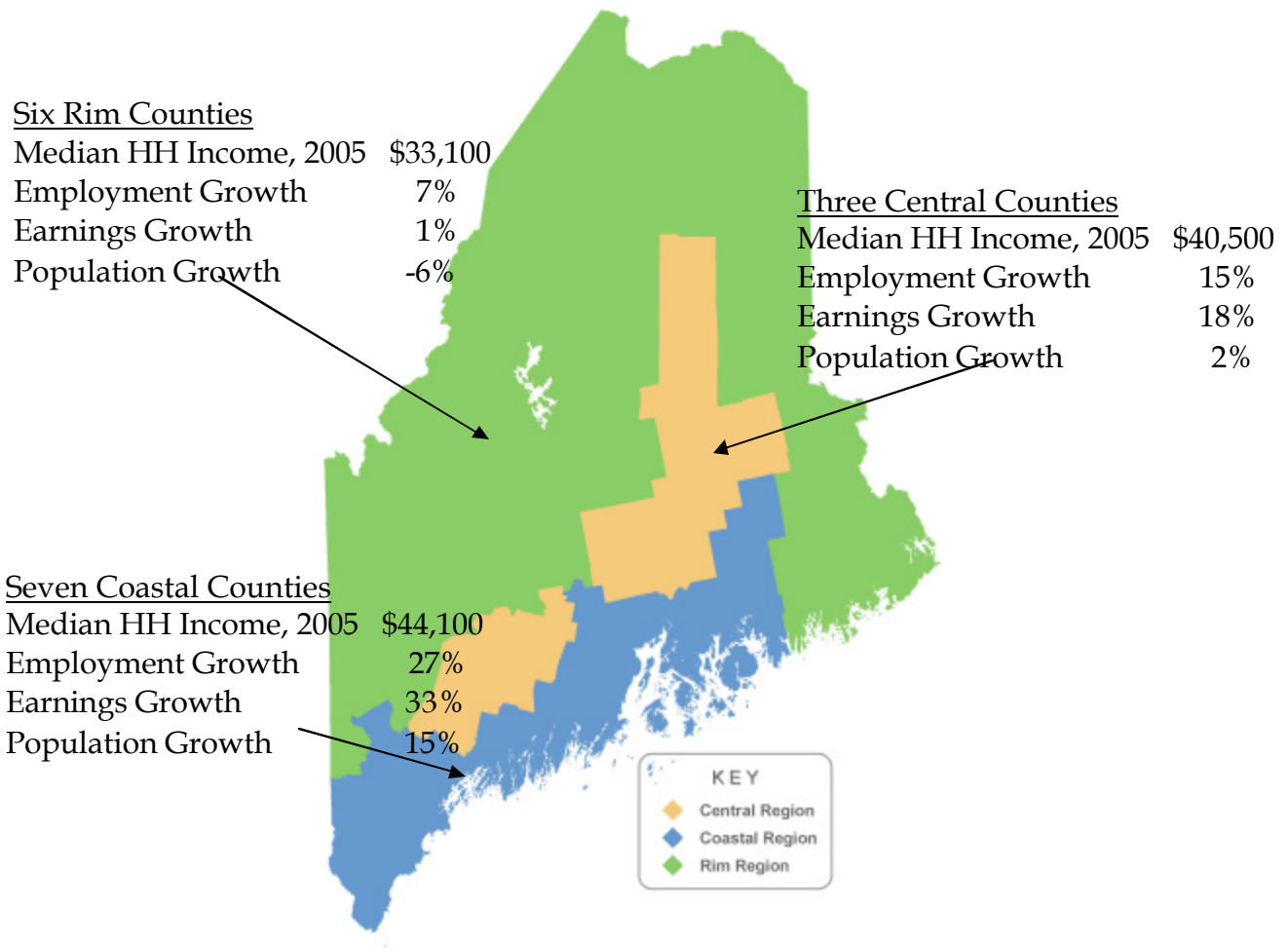
The report is organized into the following sections, each addressing a particular question:

1. What is the Maine Woods Region? The Rim Counties.
 - a. Delineate the region.
 - b. Describe its current socio-economic status and recent trends.
2. How Should the Consortium Organize & Govern Itself?
 - a. Who are its members?
 - b. How do they formulate and make decisions?
3. How Should the Consortium Prepare a Capital Investment Program?
 - a. How should it solicit, develop and evaluate investment proposals?
 - b. What metrics should it use to evaluate projects?
 - c. How should it coordinate its projects with those of its members?
4. How should the Consortium Seek Project Funding?
 - a. Making the case: Why fund Consortium projects?
 - b. How do separate projects fit together?
 - c. What sources of funding should be sought?
 - d. Who should make the pitch?

1. What is the Maine Woods Region? The Rim Counties

The Maine Woods Region encompasses the six counties that constitute Maine’s boundary with Canada. Running east to west they are Washington County, Aroostook County, Piscataquis County, Somerset County, Franklin County and Oxford County. Figure 1 locates these counties and lists some of their key socio-economic descriptors.

Figure 1: Maine’s Economic Regions



The Coastal Region is Maine’s most prosperous and rapidly growing. According

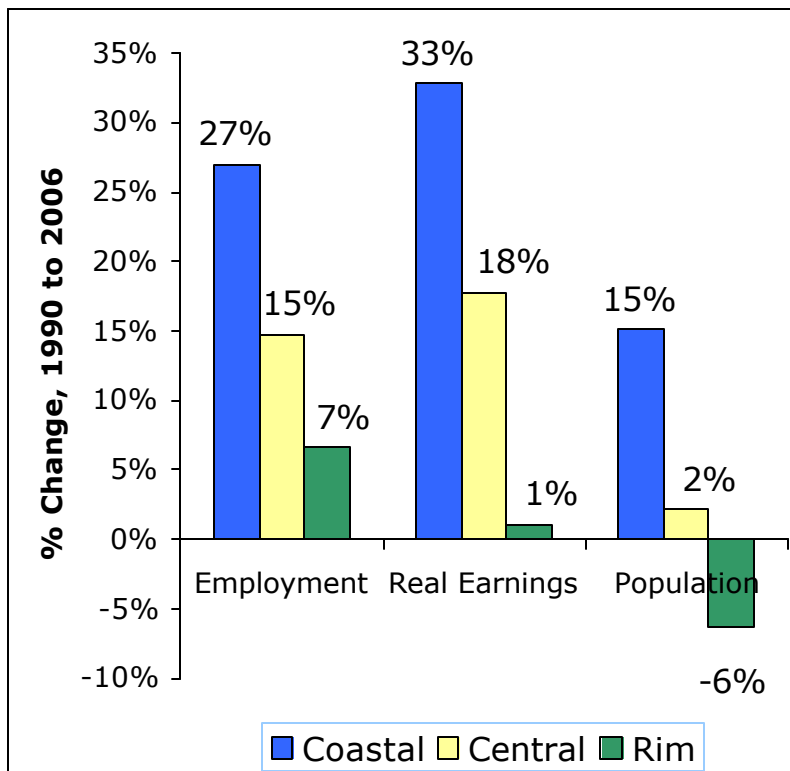
to the Bureau of Economic Analysis³ its 2006 per capita income exceeded \$35,000, its total income increased by over 60% between 1996 and 2006 while its population grew by 10% over the same time.

In comparison, the Central Region's per capita income was about \$30,000 in 2006, its income growth was about 50% and its population growth about 3%. The Rim Region had lower income and lower income and population growth than the other regions. Its per capita income was just under \$26,000, its income growth was 47% and its population actually declined by 2%.

Figures 2, 3 and 4 depict the implications of this regional disparity. The rim counties are characterized by:

Low growth

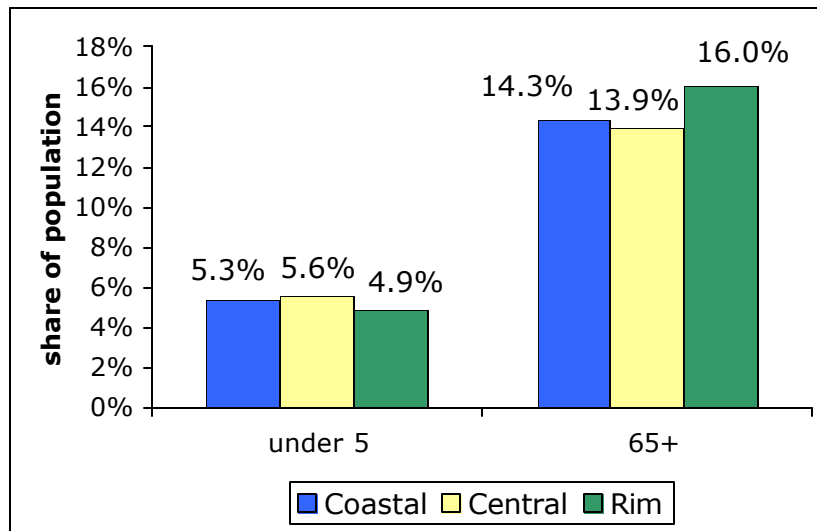
Figure 2: Indices of Regional Disparity, 1990-2006



³ US Department of Commerce, Bureau of Economic Analysis. *Local Area Personal Income Tables*. <http://www.bea.gov/regional/reis/>.

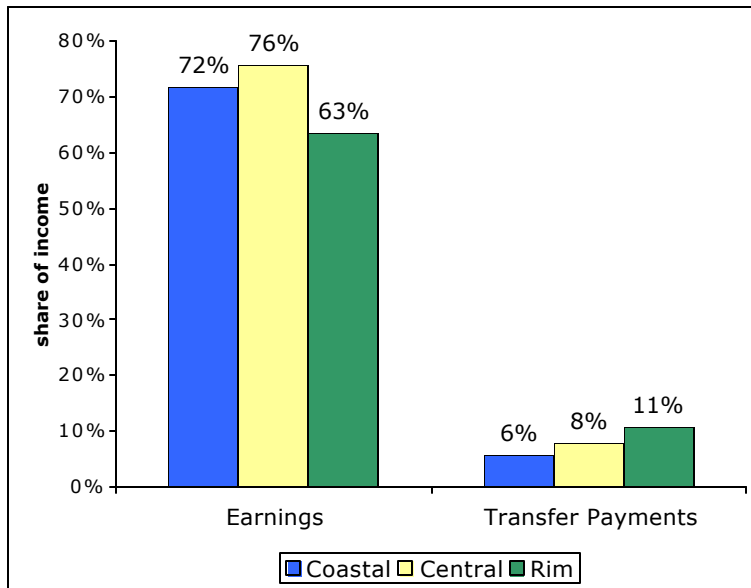
An aging population.

Figure 3: Share of Population by Age Cohort, 2006



A growing dependence on the public sector.

Figure 4: Share of Income by Source, 2006



2. How Should the Consortium Organize Itself?

Organizational governance involves two components: membership and operational procedures. Who belongs to the organization, and how do they make decisions and undertake work? We will treat each in turn.

Membership

Given the enormous territory encompassed by the Maine Woods and the vast scope of its goals, the watchwords for the Consortium's governance structure should be simplicity and scalability. From the potential member's point of view, access to Consortium information should be easy and participation in its deliberations welcomed. From the Consortium's point of view, its structure should be sufficiently flexible to accommodate both varying levels of participation and a potentially large influx of members. For this reason, it is useful to think of membership in terms of a theoretical ideal and a current, practical reality.

The Maine Woods Consortium is an open association of businesses, non-profits, and government agencies. Its focus is the economy, the community infrastructure and the resource base of Maine's rim counties. It ought, therefore to aim for members representing each element in the resulting matrix.

Figure 5: Membership Matrix

Program Area	Business	Non-Profit	Government
Landscape	land owner resource processor, resort owner	LMF, local land trust	DEP, Parks & Rec, Tourism Office
Community	DT merchant	Chamber President	Town Manager, County Commissioner, Regional Development Agency
Economy	banker, real estate agent	trade association	DECD

Review of the Consortium's current membership list and meeting attendees indicates a preponderance of government and non-profit membership. It would be a useful exercise in this regard for the Consortium to compile an "ideal" membership and set as a goal the regular addition of a business member and perhaps even unaffiliated citizen members.

As a new organization with such far-reaching goals, membership development should be a central element of current Consortium activities. Every potential Consortium member will ask the following question, "Why should I participate in this group?" There are two possible positive answers:

1. Collaboration through the Consortium will improve the quality and probability of success of programs and investments I am going to undertake anyway with my own resources; and
2. Collaboration through the Consortium will enable me to obtain resources not otherwise available to me.

Ensuring a positive response to the first question depends on the effectiveness of the Consortium's operating procedures. Ensuring a positive answer to the second depends on its capital budgeting and fund raising efforts.

Operational Procedures

Given the importance of membership development, the actual current membership in the Consortium should be divided between Contributing Members and Interested Parties. Contributing Members would be defined as those contributing more than say 30 hours per quarter of assigned work for the Consortium.⁴ Interested Parties would be those who have expressed interest in a Consortium program. Contributing members should be allowed to vote on Consortium matters (strategic goals, programs to undertake, investments to fund, organizational structure). Interested parties would be encouraged to express their opinions about programs, their ratings of proposed investments and their ideas about Consortium organization and operation. These opinions

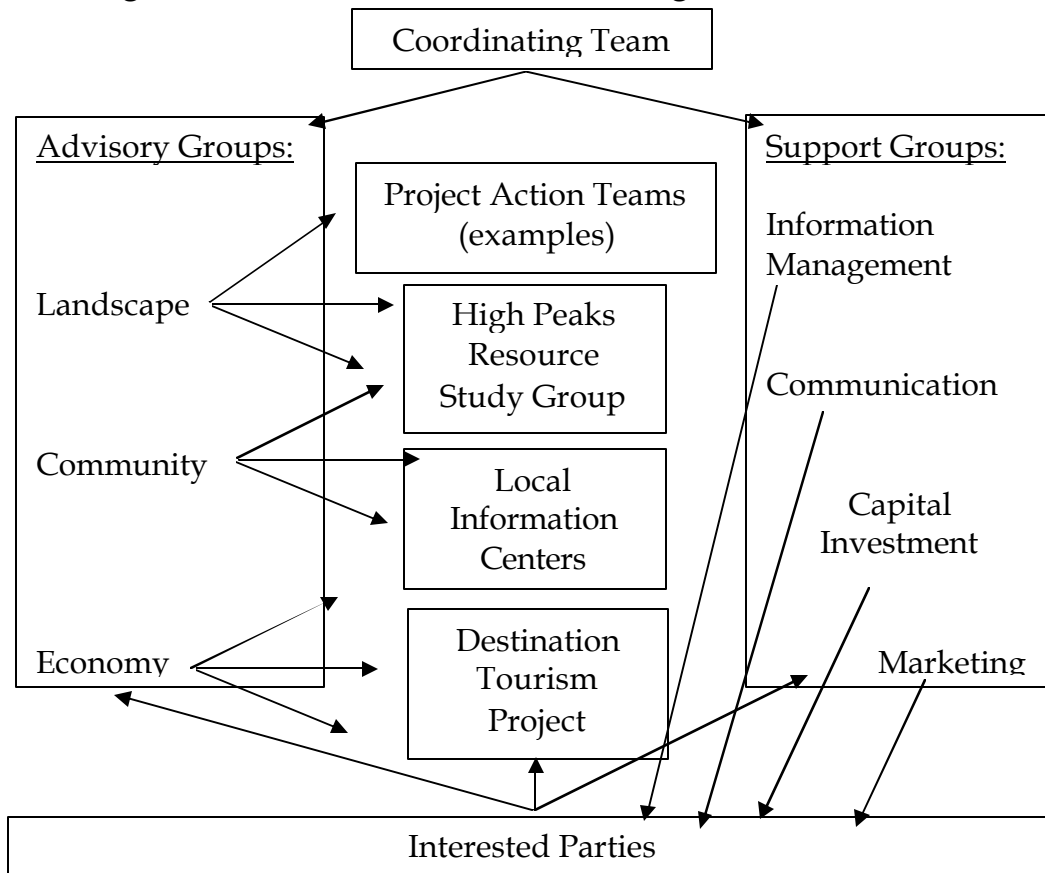
⁴ This amounts to about 5% of a full-time job, but any other definition of significant work or financial contribution could be used, perhaps a financial threshold based on labor time plus non-labor in-kind contributions.

should be tallied and considered by Contributing Members in making Consortium decisions. One of the responsibilities of Contributing Members should be to seek out and engage Interested Parties in Consortium activities.⁵

The Consortium is currently organized into a series of program-specific *Advisory Groups* and functionally specific *Support Groups*, both under the general supervision of an overall *Coordinating Team*. Figure 6 illustrates this structure.

⁵ For a more complete description of the ways to structure a social networking system of collaboration between Contributing Members and Interested Parties, see the report by Bazaar Strategies, LLC [Online Social Networking Strategy for the Maine Woods Consortium](#) included as an Appendix to this report.

Figure 6: Maine Woods Consortium Organizational Structure



The overall Coordinating Team oversees the work of Advisory Groups in each of the Consortium's three program areas. Each of these groups, in turn, oversees the work of project specific Action Teams. In addition, the Coordinating Team oversees the work of a series of *Support Groups* that constitute the Consortium's internal management structure.

At this point in its evolution, these Support Groups are the most crucial for the Consortium's survival and growth. They maintain its internal stability and are responsible for making the effort to reach out to and bring in Interested Parties.

It is, therefore, particularly important to design their work carefully.

The fundamental purpose of the Consortium is to design, develop, evaluate and obtain funds for program and investment ideas designed to meet its three-pronged goals. Because of the wide range of these goals, the vast territory they address and the large number of potential activities that could be included, the Consortium risks degenerating into a collection of small disconnected groups pursuing small uncoordinated projects. To avoid this outcome, the Consortium must demand two conditions of all its activities:

- ✓ The Consortium must make it very easy for interested parties to participate in its activities; and
- ✓ The Consortium must force every idea presented for consideration to articulate its empirical relationship to a Consortium goal.

In a word, the Consortium's governance system and operational procedures must be fiercely efficient with members' time and rigorously demanding of data driven project justification. To convey these priorities, the Consortium must embody this approach in its own operation. This is the responsibility of the Support Groups.

Information Management

The central task of the Information Management Support Group should be to embody and facilitate the Consortium's commitment to data driven project description and justification. Its role should be:

- ✓ to identify, locate the sources for and assemble a set of readily available empirical measures related to each of the Consortium's three major goals;
- ✓ to gather and publish in a central place lists of these data to familiarize Consortium members with the data and encourage its use;
- ✓ to provide examples of how the data can be used to formulate program and investment proposals, i.e., proposals presented as business plans with five year anticipated outcomes specified in terms of empirical measures related to a Consortium goal.

Examples of data this Support Group should gather and require as components of all program and investment proposals are:

Landscape

- ✓ Distribution of land use by category
- ✓ Land sales and prices per acre
- ✓ Timber stocks per acre
- ✓ Wildlife stocking
- ✓ UT building permits
- ✓ Hunting & fishing licenses
- ✓ Deer kill
- ✓ Park/trail/road capacity and spending

Community

- ✓ Population
- ✓ School enrollment
- ✓ Municipal valuation, revenue, expenditure and tax rates
- ✓ Building permits
- ✓ Home sales and prices
- ✓ Energy prices and volume produced
- ✓ Water & sewer locations and use
- ✓ Transportation network quality and volume of use

Economy

- ✓ Employment, earnings & number of firms by area and industrial sector
- ✓ Retail sales by area and industrial sector
- ✓ Board feet of lumber produced
- ✓ Tons of pulp & paper produced
- ✓ Acreage planted & volume of agricultural crops produced

By making these and other sources of data readily available and providing examples of how they can be used, this Support Group can help insure that potential Consortium members find positive answers to the two critical questions noted above.

Much of the work of this Support Group can be done by the data gathering staff of member organizations and could, in fact, ultimately become a function provided by the Consortium for all those members now providing data

gathering and distribution services. The data themselves should include text, numerical, image and GIS based data. In addition, the Information Management Support Group should compile and maintain a Master Capital Improvement Budget gathered from:

- ✓ the Comprehensive Economic Development Strategy (CEDS) documents of the four regional development organizations (AVCOG, KVCOG, EMDC, NMDC);
- ✓ the major state agencies involved in the rim counties (DOT, Conservation, Agriculture, Inland Fisheries and Wildlife);
- ✓ the major federal agencies involved in the rim counties (DOT, EDA, HUD, DOA, DOE, EPA among others);
- ✓ the member counties;
- ✓ any municipal investment of regional significance; and
- ✓ any private investment of regional significance.

Communication

The central task of the Communication Support Group should be to overcome the time and distance constraints that make collaboration in the Maine Woods region so difficult and expensive. This group should:

- ✓ Maintain the Consortium's website;
- ✓ Establish and operate a teleconferencing capability;
- ✓ Establish and operate a Consortium virtual library consisting of:
 - The database of information noted above;
 - Minutes of the meetings of all Consortium committees and groups;
 - Reports on and links to topics critical to each of the three goals;
- ✓ Maintain a common Consortium Calendar containing:
 - Consortium group meeting dates;
 - Funding deadlines;
 - Dates of significant municipal, regional, state and federal legislative action;
- ✓ Prepare agendas and distribute information for Consortium meetings;
- ✓ Prepare and execute a membership development campaign including:
 - Maintaining the Consortium's membership list;
 - Soliciting member opinions on Consortium projects and operations

by conducting electronic surveys on potential program activities and rating of potential investment projects.

The standard for success of this support group should be “Yes!” answers to the two questions noted above:

- ✓ Is it easy for you to participate in Consortium meetings?
- ✓ Do Consortium meetings (through information, ideas, contacts or some other way) help you do your own job better?

To undertake these governance activities effectively will require an annual budget of approximately \$150,000, provided either through the staff and other in-kind contribution of members or through outside funding. Table 1 lists the requirements by general area. It is important to note here that these activities are only for Consortium management. They do not cover management of any program activities undertaken by Advisory Groups or Action Teams. The following budget covers only internal Consortium management.

Table 1 Proposed MWC Management Budget

Activity	Cost
General Management	\$50,000
membership development	\$20,000
meeting logistics	\$15,000
fiscal management	\$15,000
Information Management	\$75,000
key indicators data	\$20,000
capital budget assembly	\$15,000
maintain website	\$30,000
issue scanning	\$10,000
Communications	\$25,000
calendar	\$5,000
surveying	\$15,000
newsletters/blogs	\$5,000
Total	\$150,000

We recommend that the Consortium approach both EDA and the DOL for

planning grants to support these activities. Michael Gilroy of the Employment and Training Administration within the U.S. Department of Labor recently made a presentation on their Regional Innovation Grants (RIG) in Augusta and stated that these grants are specifically for regionally oriented planning activities. He also said that the grants emphasized the importance of the “human dynamics” of the development process. This seems to make such a program attractive for the MWC because of its regional nature and its commitment to finding new ways to engage a wide range of people in the development process.

We recommend that the MWC explore this program while simultaneously pursuing a planning grant from the Economic Development Administration (EDA).

In conclusion, the governance of the MWC should be flexible and experimental. The Consortium should try different approaches for different situations. Its goal in governance should be to energize people about the three goals the Consortium seeks to achieve.

3. A Maine Woods Capital Investment Program

Hundreds, if not thousands, of organizations already prepare capital budgets in the Maine Woods—municipal governments, county, regional, state and federal agencies as well as businesses and non-profit organizations. What possible reason could there be for adding another agency to the mix?

The answer to that question is three fold:

1. Because that agency is the only one with a truly region-wide focus.
 - a. It maintains the most comprehensive summary of all capital budgets in the region
 - b. It supports projects that advance a single, coherent, regional strategy
2. Because that agency demands that all projects prepare a rigorous, data driven, five year business plan describing expected outcomes and how each will advance one or all of the Consortium's goals
 - a. the agency has developed a limited range of annually available data with which to evaluate projects
 - b. the agency requires all proposals to prepare five year plans explaining how successful outcomes will change these key mission-related data elements.
3. Because that agency develops and evaluates its investment proposals in one of the most inclusive and collaborative ways in the country
 - a. all projects are developed by a collaborative Advisory Group
 - b. all projects are subject to ratings by Interested Parties conducted through the Consortium's social networking system.

The elements of the Consortium's capital investment budgeting process should include a formal application process with a specified annual timetable. Each application should include the following elements.

Each project include a map delineating its impact area and listing baseline data for each of the three Consortium goal areas (landscape, community, economy) in the area the project proposes to affect.

- ✓ For Economy, it should be average wages, unemployment rate, business sales or production;
- ✓ for Community, it should be relative increase in property valuation, relative increase in per capita income, net migration.
- ✓ For Landscape, it should be change in relative resource yield and change in relative energy consumption.

Each project should include formal evidence of participation by some community representative group in designing and monitoring the proposed project and some evidence of inclusion of the project in some formally approved community strategic development plan.

Project evaluation should be based on a discounted present value benefit-cost analysis as described in OMB Circular A-94 and required for analysis of social benefits for all federal government investments.⁶ This analytical tool has a well-established intellectual foundation and can be adapted to incorporate the three goals that embody MWC's investment strategy.

Evaluation with respect to economy should focus exclusively on the direct impacts of the project being financed and the enterprise responsible for its successful implementation. The central question to be answered here is, "Do the projected benefits captured by the entity receiving the investment funds exceed costs to a degree sufficient to repay a loan provided to finance the project?" The analysis necessary to answer this question is the business plan and cash flow accompanying the investment request.

The balance of the project description should focus on the benefits (to the community and to the landscape) not captured by the entity responsible for the project. The central question to be answered here is, "What are these benefits?" The analysis necessary to answer the question is to define, project and discount into present value these external benefits *relative to what would have happened without the project*. Benefit-cost analysis provides an analytical basis for making these assumptions explicit and comparable across projects.

⁶ See <http://www.whitehouse.gov/omb/circulars/index.html>.

Similar assumptions about the external public benefits of downtown revitalization and environmental enhancement are implicit in the justifications for those investments, and they too can be integrated into the benefit-cost framework

Proposed Project Forms

Project Summary	
Project Name:	
Location/ Address:	
Project Area (SF, Units, Acreage):	
Project Budget:	
MWC Investment:	
Other Funds:	
Project Description:	

Baseline Data for Economy:			
Measure	Year	Source	Value
Current Unemployment Rate			
Current Average Wage			
5-Year Relative Wage Growth			
5-Year Relative Migration			

Project Projections				
Measure	Revenue	Expense	Jobs Created	Wages Paid
Year 1				
Year 2				
Year 3				
Year 4				
Year 5				
Year 6				
Year 7				
Benefit-Cost Ratio				

Baseline Data for Community:	
Describe Impact Area	
Relevance to Community Plan	

Evidence of Community Participation			
Measure	Year	Source	Value
Household Income			
Poverty Level			
Education Level			
Recent Sales Value per SF, commercial			
Recent Sales Value per unit, residential			

Forward Linkages: Forest Mfg. Tourism				Backward Linkages: Suppliers		
Measure	Sales Generated	Jobs Created	Wages Paid	Sales Generated	Jobs Created	Wages Paid
Year 1						
Year 2						
Year 3						
Year 4						
Year 5						
Year 6						
Year 7						

Investment Linkages: Construction, Capital Equipment			
Measure	Sales Generated	Jobs Created	Wages Paid
Year 1			
Year 2			
Year 3			
Year 4			
Year 5			
Year 6			
Year 7			

Fiscal Impact	
Measure	Neighboring Property Value
Year 1	
Year 2	
Year 3	
Year 4	
Year 5	
Year 6	
Year 7	

Baseline Data for Landscape:			
Measure	Year	Source	Value
Productivity of Resource Utilization (cords/year, \$/acre etc.)			
Energy Consumption (BTU/SF)			

Resource Productivity		
Measure	Under Current Practices	With Project as Proposed
Year 1		
Year 2		
Year 3		
Year 4		
Year 5		
Year 6		
Year 7		

Energy Utilization		
Measure	Under Current Practices	With Project as Proposed
Year 1		
Year 2		
Year 3		
Year 4		
Year 5		
Year 6		
Year 7		

4. Financing the Capital Investment Program

The need for capital investment far exceeds the availability of funds. Demand for resources is great as there are limited pools of capital and a growing number of competing interests. Because of the increased demand, funders are reducing the size of their investment in order to fund a greater number of projects and disbursing those funds over a broad geographic area. The dilution of investments extends the project development phase, putting in jeopardy critical projects that have the potential of community revitalization and viable economic development, particularly in economically distressed rural areas. The end result of these funding trends is projects are not completed, community impact is lessened, and return on investment is either extended or diminished.

The new capital investment model proposed by the Maine Woods Consortium should be built on strong collaboration, regional prioritization of key investments based on desired outcome measures, and a multi-faceted investment strategy that includes public funding, private foundation support, and private equity. Central to making strategic capital investments that advance regional goals and objectives are the identification and prioritization of potential projects and/or programs.

Project Identification and Prioritization

The investment region defined earlier is served by four economic development districts - Androscoggin Valley Council of Governments, Eastern Maine Development Corporation, Kennebec Valley Council of Governments, and Northern Maine Development Commission - each conducting a comprehensive economic development strategy (CEDS) outlining both key projects and setting priority funding. Using the CEDS process as a base, coupled with the prioritization process outline above targeting of capital investment can be accomplished. The CEDS provides an excellent process in which projects can be solicited, while simultaneously strengthening the CEDS process at each of the four economic development districts. The projects deemed relevant to the Maine Woods will then be evaluated through a set of criteria offered above and further defined by Consortium members based on both quantitative and qualitative measures that advance the mission of the Consortium.

Capital Development Plan

A capital development plan includes a fundraising strategy based on philanthropic capital, corporate giving, and public sector grants, as well as the development of a private equity program that includes the creation of an angel network, venture capital, and pooled community investment funds. Below outlines components to establishing a comprehensive fundraising strategy to help operationalize the overall mission and vision of the Maine Woods Consortium. Given the nature of the investments – community, social, and private economic – the plan recommends a multifaceted approach with particular attention paid to creating a viable private equity component that explores individual equity investment, as well as pooled community equity investment. The following outlines the use of planning grant funds.

Philanthropic Capital

Considerable philanthropic resources have been directed to protect land resources in the Maine Woods. During this period, community development needs of the region have often been overlooked. This campaign creates opportunities for community economic development investments, as well as for conservation. In discussions with funders, such as Roxanne Qumiby, Rockefeller Philanthropic Advisors, and the Betterment Fund they recognize the imbalance of charitable investments in the Maine Woods and are looking at opportunities to target philanthropic dollars in support of the communities and businesses in the region. Donors recognize the need to maintain, or in some cases develop a vibrant community – economically, culturally, and socially. This campaign as outlined below provides the structure and general approach to begin to engage donors and leverage philanthropic and equity investment.

Private Foundations – The Maine Woods Consortium must develop a comprehensive case reflected in a core proposal that addresses issues of interest to foundations, and from which can draw targeted proposals to respond to the particular interests of individual foundations. These targeted proposals are those initiative or project priorities the consortium identifies as having greatest impact.

Long term the Consortium must develop an ongoing research capacity to generate foundation prospect lists, and develop its knowledge of the foundation community. Key to the success of the Consortium is its

relationships with program officers and other key foundation leaders. This is a continual process that happens over time through regular contacts and visits. The Consortium should invest three to five years in cultivating a diverse array of foundation relationships, Maine based funders, regional foundations, and national institutions, and pursue a variety of strategies, including project grants, multi-year grants, small and large grants, seed money, challenge grants, etc. The organization should avoid creating special projects just to meet foundation desires, especially when the foundation does not support 100 percent of the costs, but rather concentrate on the priorities defined through the process.

Individual Giving – The Consortium should establish a multi-faceted program of major gift solicitation, with prospects derived from organization contributors list, from Consortium member contacts, and from ongoing fundraising research. The coordinating team, stakeholder group, and a donor advisory group should collaborate to solicit most major gifts through personal contact. Donor recognition is designed to encourage maximum donor effort. Highly targeted cultivation events need to be designed as a way of introducing a number of major gifts prospects to the Maine Woods Consortium’s work, simultaneously raising public awareness of the economic, cultural, and social issues facing the region. Individual visits with prospects should follow to “close the deal” and secure philanthropic investment. Major gifts may be targeted to particular uses in the Consortium in keeping with the donor’s wishes, or they may be unrestricted. Unrestricted funds should be disbursed to priority projects through a donor advisory group.

Planned Giving – Planned giving presents great opportunity for the Consortium to create real impact. Through strategic positioning, the Consortium should develop opportunities to solicit and receive bequests and other types of planned gifts, including charitable trusts of various kinds, pooled income funds, and charitable gift annuities. A Bequest Society should be organized to recognize donors who have designated the organization in their wills and educate stakeholders as to the benefits of bequests and planned gifts. Many finance institutions in Maine offer trust services that can be incorporated to provide the expertise to work with major gift donors to fashion planned gifts, and develop materials to support the solicitation of planned gifts.

Corporate Philanthropy

Corporate philanthropy embraces a “bottom line” mentality. The Consortium must identify what aspects of its work might be attractive to corporate sponsors, define a set of benefits that are of interest to corporations, and develop presentations that communicate effectively with corporate prospects. The Consortium must be flexible in its approach to corporations, recognizing that different corporations have a variety of departments and budgets that might be sources of support. For instance Bangor Savings has an established foundation, which is a likely source of support, as well as the bank's marketing department depending on the approach. The Maine Woods Consortium's mission is appealing and numerous corporate entities – in Maine and beyond – would find value in making such an investment.

Public Grants

The economic development districts have an established track record in securing public grant funds. Like private foundation support, public sources of support will follow a similar approach. Key to securing public support is engaging the governor's office, the congressional delegation, and key agency officials. Working collaboratively across multiple districts and with a vast array of stakeholders positions the Consortium well to attract public funding. Because of the breadth of issues the Consortium proposes to address many public funding agencies are potential funding sources. However with tightening state and federal budgets competition for public support is anticipated to rise.

6. Private Equity

Private equity investment is often the engine behind economic revitalization and can be essential to realizing the vision for a vibrant Maine woods. Investment can come in multiple forms and be directed in very specific ways. The Consortium would establish a private equity program that functions within a nonprofit structure to provide networking, training, and consulting that fosters entrepreneurship and encourages innovation in Maine woods businesses. A program is outlined below.

Pooled Investment Fund – To provide investment opportunities to individuals from various means, a pooled investment fund should be explored. Individuals would be able to buy shares in the fund. These shares would be invested in private ventures in the Maine Woods. Like other equity mechanisms, share values change based on the performance of the performance of the companies in which investment were made. Another approach would be to use a charitable gift annuity model where the investor would receive an annual payment based on age of the investor and the fund, through wise investments the principal investment would be retained. As a general rule, roughly 50 percent of the initial investment is given back to the investor through annuity payments.

Venture and Angel Network – To facilitate investment from private equity investors a venture and angel network will be formed. Investors with ties to Maine will be recruited to the network and introduced to investment opportunities from entrepreneurs from all sectors working in the Maine Woods. This network will link with the Maine Investment Exchange and University of Maine efforts.

Venture Communities – Private equity investment can be generated from a range of investors. Modeled after the Golden Capital Network’s program based in Chico, California, Venture Communities establishes a mechanism for lower-level investors in the community to band together to infuse private capital into businesses.

Investor Networking, Showcasing and Profiling – To build a community of investors networking events and informational session would be held. Periodically throughout the year cultivation and networking events would take place that offer opportunities to introduce investors to entrepreneurs, area businesses, and the activities of the consortium. Guest speakers would be brought in to share experiences and cultivate participation in the network.

Investor Coaching and Mentoring – The expectation of the network is to attract seasoned investors as well as grow new investors from within the community. Coaching and mentoring new investors by those more seasoned would help strengthen the network and grow a local based investor pool.

Entrepreneur Training Program – The relationship between entrepreneur and investor is critical to the success of the network. Training would be provided

to entrepreneurs in business planning, presentation, investor relations, and other relevant topics.

Potential Funders

following outlines potential funders by the categories outlined above. This list

Private Foundations

The following list highlight foundations that have a giving history in Maine and fund programs similar to those proposed by the Consortium. This is not an exhaustive list and ongoing research is required to keep current with the dynamic nature of the Consortium activities. The list below outlines both Maine funders, as well as regional and national sources.

Funder Name	Investment Potential
Harold Alfond Charitable Trust	\$10,000 to \$150,000
Betterment Fund	\$5,000 to \$500,000
Jessie B. Cox Charitable Trust	\$50,000 to \$250,000
Davis Foundations	\$20,000 to \$50,000
The Ford Foundation	\$50,000 to \$500,000
Great Bay Foundation	\$150,000+
The Hearst Foundation	\$50,000 to \$100,000
Jane’s Trust	\$150,000+
Eugene and Marion Kauffman Foundation	\$50,000 to \$250,000
Kellogg Foundation	\$100,000 to \$250,000
Stephen and Tabitha King Foundation	\$25,000 to \$50,000
Ladd Charitable Corporation	\$20,000 to \$100,000
Libra Foundation	\$25,000 to \$100,000
Agnes Lindsey Trust	\$25,000 to \$50,000
MacArthur Foundation	\$50,000 to \$100,000
Maine Community Foundation	\$5,000 to \$25,000
Merck Family Fund	\$20,000 to \$50,000
Charles Stewart Mott Foundation	\$50,000 to \$150,000
Jessie Smith Noyes Foundation	\$50,000 to \$100,000
The Oak Foundation	\$25,000 to \$50,000
Open Society	\$50,000 to \$150,000

David and Lucile Packard Foundation	\$50,000 to \$250,000
The Pew Charitable Trust	\$50,000 to 500,000
Sandy River Foundation	\$10,000 to \$150,000
The Sunshine Lady	\$25,000 to \$50,000

Individuals Donors

Nearly 85% of all philanthropic investment made on an annual basis is contributed by individuals. Potential donors can range from local residents that have an interest in the vibrancy of the area to visitors to the region that learn about the effort. Generating a list of potential donors is an continual process that requires ongoing prospect research. In considering potential individuals it is recommended that efforts be concentrated on making an appeal to the donor's intrinsic values and experiences. It is beyond the scope of this report to develop a list of potential individual sources given that specific programs are still to be defined. However a number of potential sources are provided to begin a conversation towards cultivating a relationship.

- Roxanne Quimby
- Warren Cook
- William Hopwood
- Leon Gorman
- Peter Lunder

Corporate Support

Corporations that have a vested interest in the Maine Woods region, such as current business operations, brand association, a customer base, or business holdings, are the best candidates for making investments in the Consortium activities. The following offers examples of corporations that may consider an investment.

Corporation Name	Investment Potential
Banking Institutions throughout the region	\$5,000 to \$100,000
Cianbro Corporation	\$25,000 to \$100,000
Hannaford Charitable Foundation	\$10,000 to \$100,000
Hitachi	\$25,000 to \$100,000
L.L. Bean	\$1,000,000

New Balance	\$50,000 to \$150,000
Plum Creek	\$100,000 to \$1,000,000+
Wood Products Manufacturers	\$5,000,000 to \$100,000

Public Agencies and Programs

Considerable opportunity exists with public funding sources for very specific project. As the Consortium programs are defined public funding sources can be targeted. Below provides a general list of potential funding sources the Consortium should consider. Further research and be facilitated through www.grants.gov , www.maine.gov, and other agency specific websites.

Agency/Program Name	Type of Support	Investment Potential
Community Development Block Grant	Infrastructure, Downtown Revitalization, Housing, Economic Development, Community Planning, and Public Service	\$10,000 to \$350,000
Economic Development Administration	Planning, Public Infrastructure and Facilities, and Economic Development	\$100,000 to \$5,000,000
Department of Transportation	Scenic Byways and Trails, Infrastructure, Downtown Revitalization	\$30,000 to \$2,000,000
Department of Labor	Workforce Investment	\$100,000 to 5,000,000
National Endowment for the Arts	Cultural Development	\$25,000 to \$1,000,000
National Endowment for the Humanities	Cultural Development	\$25,000 to \$1,000,000
Department of Health and Human Services	Public Health, Community Development	\$25,000 to \$400,000
USDA	Rural Development, Infrastructure, Public Facilities, Economic	\$25,000 to \$500,000

	Development,	
Housing and Urban Development	Housing, Community Development	\$50,000 to \$500,000
Environmental Protection Agency	Environmental	\$50,000 to \$1,000,000