

ECONOMIC AND FISCAL IMPACTS OF
THE PROPOSED ACADIA GATEWAY CENTER

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Executive Summary:

This report examines the economic and fiscal impacts of the proposed Acadia Gateway Center. Economic impacts are the changes in output (i.e., dollars of spending), employment and personal income that might occur as a result of the facility's construction and operations, whereas fiscal impacts are the changes in local taxes and government spending that might happen. Over an anticipated seven-year construction project, the annual employment and income impacts would range from an estimated 19 to 77 full- and part-time jobs, and \$606,501 to \$2.47 million in wages and salaries. The total seven-year impact of the facility's construction, including multiplier effects, would be an estimated \$38.1 million in countywide economic activity and \$12.4 million in wages and salaries. Once the facility is completed, its annual operations (i.e., use, occupancy and maintenance) would support an estimated nine jobs that provide \$258,688 in annual wages and salaries. Workers employed by Downeast Transportation (13 year-round, increasing to 88 during the peak season) would be in addition to the nine full- and part-time jobs estimated in the study. The facility would likely have a modest impact on new and existing business activity in the Trenton area, which at present is not highly dependent upon tourism-related retail sales. However, if the facility is built, local businesses could enhance their marketing efforts to capitalize on the thousands of summer tourists that it might attract. Potential impacts on local taxes and government spending also appear to be low. The town would lose about \$1,600 in annual property taxes as the site would become tax exempt; however, a modest increase in surrounding economic activity and property values could offset this reduction. Since the facility is unlikely to generate demands for public services beyond the municipality's current capacity, its impact on local government spending is expected to be modest.

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1. INTRODUCTION

Several stakeholder groups are examining aspects of the proposed Acadia Gateway Center to be developed on a property known as “Crippens Creek,” located in Trenton, Maine. The facility would serve as a welcome center for Acadia National Park, as well as an intermodal transportation facility with garage space suitable for limited bus maintenance functions. If the project is completed, visitors to Acadia National Park would be able to pick up guide maps and other pertinent information at the welcome center, and perhaps watch a video about the area in a National Park Service theatre.¹ In addition, some people might park their cars and transfer to the Island Explorer Transit System (i.e., buses) to access sites in Acadia and elsewhere on Mount Desert Island.

The purpose of this study is to examine the economic and fiscal impacts of the proposed Acadia Gateway Center. Economic impacts are defined as the changes in output (i.e., dollars of spending), employment and personal income (i.e., wages and salaries) associated with the construction and annual operations of the facility. Fiscal impacts refer to the changes in local taxes and government spending that might happen as a result of the project. Along with these issues, the study will also consider the impacts of the proposed Acadia Gateway Center on new and existing business activity in the local area.

Interested readers should keep the following caveats in mind when thinking about the information presented in this report. First, the study does not take a position on

¹ During the non-peak season, the theatres and other facilities will be available for use by local groups.

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whether the proposed Acadia Gateway Center is “good” or “bad” for the town of Trenton or Hancock County as a whole. It simply estimates the economic and fiscal impacts of the proposed facility. In addition to these impacts, other environmental, land-use, transportation, tourism-related, and community development impacts should be considered to determine whether the project would be “bad” or “good” for the area.

Second, the study is based on information from a variety of sources; some of it is actual data and figures available in other published reports, and some of it is information that is estimated as part of the analysis. For example, the economic impact analysis of the facility’s construction is based on cost figures reported in the 2006 *Acadia Gateway Center Business Plan* and the 2007 *Preliminary Design Report*. The average of these cost figures is used, along with an input-output model of the Hancock County regional economy, to estimate the corresponding employment and income impacts. As another example, the business impact analysis is informed by actual taxable retail sales data for Trenton and its surrounding areas. Taxable retail sales figures are collected by Maine Revenue Services and disseminated by the Maine State Planning Office.

Third, the study will consider multiple scenarios, rather than come up with a single quantitative estimate, related to the proposed Acadia Gateway Center’s impact on new and existing business activity in the Trenton area. Detailed surveys of local residents and visitors to the region, which are beyond the scope of the current analysis, would be required to determine the extent to which the Acadia Gateway Center (and its expanded bus service) will impact surrounding businesses. In the absence of primary data, assessment of the business impact scenarios will be informed by past research on

the impacts of transit in and around U.S. National Parks, and an analysis of taxable retail sales data for Trenton and its nearby communities.

Finally, it is difficult to pinpoint exactly where some of the impacts described in the report will occur. The economic impacts are estimated using an input-output model of the Hancock County economy, since one is not available for Trenton. Although the construction work will mostly take place at the proposed site, the workers employed by the project are likely to come from a larger labor market area. Likewise, the workers employed by the facility, when it is completed, could come from outside of Trenton. Only a small portion of the facility's multiplier effects, estimated in Section 2, will be felt in Trenton itself. As described later in the report, 2008 taxable consumer retail sales in Trenton accounted for only 2.6 percent of the Hancock County total. Trenton will likely capture more than 2.6 percent of the estimated multiplier effects (because they tend to dissipate as the distance from the direct impacts increase), but a sizable amount of the multiplier effects will be felt elsewhere in Hancock County.

2. ECONOMIC IMPACT ANALYSIS

The first part of the study examines the economic impacts related to the construction and operations of the proposed Acadia Gateway Center. As noted above, economic impacts are typically measured in terms of the output (i.e., dollars of spending), employment and personal income related to a change in a regional economy. In this case, the change consists of the temporary impacts of the facility's construction and then, when completed, the on-going impacts of its annual operations. Table 1 shows a seven-year construction schedule, which is a modified version of the four-phase plan articulated in

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2006 by the Maine Department of Transportation and Federal Transit Administration.² The plan, as of 2006, shows a six-year timeframe from breaking ground on the bus maintenance facility (Phase 1) to the completion of the National Park Service welcome center (Phase 3). A seventh year is added in Table 1 to account for the time needed to construct the National Park Service theaters (Phase 4).

Two construction cost estimates are shown in Table 1. Estimate 1 is from the 2006 *Acadia Gateway Center Business Plan* and estimate 2 is from the 2007 *Preliminary Design Report*. In cost estimate 1, the total of \$12.12 million in Phase 1 includes \$10.87 million in construction-related costs, as well as \$1.25 million in “project-wide costs” related to master planning and review. These project-wide costs do not appear to be included in cost estimate 2, which shows a total of \$9.9 million in Phase 1 costs. The total construction costs for all four phases range from an estimated \$27.3 million to \$29.7 million, with an average of \$28.5 million.

Table 2 shows a series of eight (i.e., one for each of the seven years, and one for the entire project) estimated economic impact scenarios related to the construction of the proposed Acadia Gateway Center. In each year, the direct output is simply the annual construction cost, which is the average of the two cost figures reported in Table 1. Direct employment and income are estimated using data on output and annual wages per worker in the relevant sectors of the economy. For example, information shown in the top panel of Table 2 suggests that the \$5.51 million in year 1 construction activity would require 58

² The phasing summary plan is shown in Table ES.1 of the 2006 report *Acadia Gateway Center Business Plan*, developed by the Maine Department of Transportation and the Federal Transit Administration.

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full- and part-time workers, and generate \$1.87 million in wages and salaries received by those directly involved in the facility's construction.³

Along with the direct impacts, Table 2 also shows the multiplier effects associated with construction of the proposed Acadia Gateway Center. These multiplier effects, estimated using an input-output (i.e., IMPLAN) model of the Hancock County economy, result from the additional economic activity generated by the spending of businesses (i.e., indirect impacts) and workers (i.e., induced impacts) involved with the facility's construction. The Hancock County IMPLAN model traces the flows of expenditures and income through the economy with a complex system of accounts that are uniquely tailored to the area. Underlying these accounts is detailed information regarding transactions occurring among businesses located in the region, the purchasing patterns of local households, and transactions occurring between Hancock County and the rest of the world. Some of the data sources used to develop the IMPLAN model include County Business Patterns from the U.S. Census Bureau, Regional Economic Information System (REIS) data and input-output accounts from the U.S. Bureau of Economic Analysis, and ES-202 statistics from the U.S. Bureau of Labor Statistics.

Figures shown in the top panel of Table 2 indicate that the total impacts, including multiplier effects, of year 1 construction activities are \$7.34 million in economic output, 77 full- and part-time jobs, and \$2.47 million in wages and salaries. The ratio of total output (\$7.34 million) to direct construction spending (\$5.51 million) translates into an output multiplier of 1.33, which suggests that each dollar of construction spending

³ Employment in the input-output model is based on a "headcount" at a single point in time, so no distinction is made between full- and part-time jobs. The employment figures estimated by the input-output model are similar to those provided by the Maine Department of Transportation.

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generates \$1.33 in total economic activity in the Hancock County region.⁴ Looking at the rest of Table 2, we see that the annual employment and income impacts range from 19 to 77 jobs, and \$606,501 to \$2.47 million in wages and salaries over the seven years of the proposed facility's construction.⁵ The total regional output and personal income generated by the seven-year construction project are \$38.1 million and \$12.4 million, respectively.⁶

Table 3 presents information on the annual operating and maintenance costs (as of 2016) of the proposed Acadia Gateway Center, once it is completed and open to visitors. These figures are from the 2006 *Acadia Gateway Center Business Plan*, developed by the Maine Department of Transportation and Federal Transit Administration. The \$447,900 in annual costs covers the use, occupancy and maintenance of the bus facility, intermodal transportation center, the National Park Service welcome center, and the National Park Service theaters. As stressed in the plan, this estimate does not include “[t]he costs of materials and staffing for the programmatic activities that would take place within these facilities – from repair of buses to NPS park entrance pass sales to distribution of regional tourism materials.”

Similarly, this figure does not account for the entire annual operations of the Island Explorer Transit System, which has an estimated service cost of \$1.82 million (as of 2016) according to the 2006 *Acadia Gateway Center Business Plan*. Information

⁴ The low magnitude of this multiplier and others generated by the Hancock County IMPLAN model reflects the relatively small size of the economy. Multipliers tend to be low in rural areas because a sizable proportion of goods and services are purchased from elsewhere, which decreases the extent to which expenditures circulate through the economy.

⁵ The multipliers are different for each of the construction phases because of differences in the nature of the work. For example, spending on roads and parking lots generates a different economic impact than spending on commercial buildings.

⁶ Table 2 does not report a total employment impact for the seven-year period because jobs “come and go” over the duration of the project.

provided by Downeast Transportation indicates that the company employs 13 full- and part-time workers on a year-round basis, and that employment increases to 88 workers during the summertime peak season. These jobs are currently based in Ellsworth and Bar Harbor, and would be relocated to the Acadia Gateway Center.

Table 4 shows the estimated annual economic impacts related to the use, occupancy and maintenance of the proposed Acadia Gateway Center. In this analysis, the direct impact is the spending required to cover the facility's operations and maintenance, as outlined in Table 3.⁷ It should be noted that, since the IMPLAN model uses data measured annually to estimate employment figures, the model systematically under counts seasonal employment. To the extent that some of the facility's activities are expected to be seasonal in nature (e.g., Island Explorer operations, busway, etc.), the direct employment figure of seven jobs should be interpreted as a conservative estimate of the facility's employment during the "peak" summer season.⁸ Subject to this caveat, the total economic impacts of the facility's annual operations are \$604,255 in economic output, nine full- and part-time jobs, and \$258,688 in wages and salaries. Workers employed by Downeast Transportation (13 year-round, increasing to 88 during the peak season) would be in addition to the estimate of nine full- and part-time jobs.

3. IMPACTS ON LOCAL BUSINESS ACTIVITY

The second part of the study examines the impacts of the proposed Acadia Gateway Center on new and existing business activity in the Trenton area. This analysis

⁷ Similar to the previous analysis, the direct employment and income figures are estimated, using information on output and annual wages per worker in the relevant sectors of the economy.

⁸ Likewise, as mentioned above, the direct employment figure of seven jobs does not count, for example, National Park Service workers involved in activities offered at the welcome center and bus drivers who park their cars and begin their shifts at the facility.

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will evaluate five business impact scenarios outlined in Figure 1, ranging from a *Substantial Positive Impact* (Scenario A) to a *Substantial Negative Impact* (Scenario E). Assessment of the likelihood of these scenarios is informed by past research on the impacts of transit in and around U.S. National Parks, including Acadia, and an analysis of taxable retail sales data for Trenton, Ellsworth, Bar Harbor and other towns located in the region. Unlike the economic impact analysis presented above, which generated numerical estimates for output, employment and income, the business impact scenarios are more qualitative in nature.

Acadia National Park is a major driver of the economies of Bar Harbor and its surrounding areas. A 2003 study commissioned by the National Park Service found that, based on an estimated 2.5 million recreation visits in 2001, Acadia National Park generated a total regional economic impact (including multiplier effects) of \$56.7 million in personal income and 3,381 jobs (Stynes and Sun 2003). Economic impacts in 2001 are from a year in which the Island Explorer Transit System experienced a total ridership of 239,000, including local residents and visitors who used the buses for purposes not related to the park (Dunning 2005).

A 2005 study of transit in and around U.S. National Parks, based on data collected in 2001, suggests that the Island Explorer “helps reach the goal of reducing local traffic in certain concentrated areas” (Dunning 2005, p. 133). Specifically, an analysis of traffic counts conducted by the Maine Department of Transportation found that vehicle traffic around Acadia grew by only 1.5 percent between 1996 and 2001, compared to 15 to 20 percent increases elsewhere on Mount Desert Island (Dunning 2005). As of 2001, when

the study was conducted, local economic impacts of the Island Explorer bus service appeared to be modest.

Businesses around Acadia reported that they felt no direct economic impact from the Island Explorer. The prevailing sentiment in stakeholder interviews also held that traffic levels had not improved with the operation of the shuttle. Several people said that with traffic at the same level, the shuttle has merely increased the capacity of the town to handle tourists (Dunning 2005, p. 134).

Table 5 shows information on the sources of 2008 taxable consumer retail sales in Trenton and Hancock County. We see that the key sources of consumer retail sales in Trenton are auto-related (55 percent of total) and general merchandise sales (19 percent of total). Compared to the county as a whole, tourism-related retail sales appear to be of relatively low importance. Restaurant and lodging sales account for 5.2 percent and 6.1 percent of total taxable retail sales in Trenton, compared to corresponding countywide figures of 15.8 percent and 12.5 percent. The consumer retail sales that took place in Trenton accounted for about 2.6 percent of the Hancock County total in 2008.

Trenton is part of the larger Ellsworth Economic Summary Area (ESA), a regional definition used by Maine Revenue Services to collect and disseminate (through the Maine State Planning Office) taxable retail sales data. Other towns included in this region are Ellsworth (of course), Bucksport, Gouldsboro and Hancock. Also relevant to our analysis is the Bar Harbor Economic Summary Area, which includes towns located near Trenton on Mount Desert Island. Some of the places in the Bar Harbor ESA include Mount Desert, Southwest Harbor and Tremont.

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Table 6 shows information on the 10 municipalities with the highest total taxable retail sales among those in the Ellsworth or Bar Harbor Economic Summary Areas.⁹ It shows that Trenton ranks seventh in sales among places located in its surrounding area. Between 2003 and 2008, total taxable retail sales grew by over 20 percent in Trenton. By this measure (i.e., 2003 to 2008 growth rate), Trenton ranks third among its group of 10 “peer” cities and towns. The actual level of growth (i.e., 2003 to 2008 change in sales) that occurred in Trenton, however, was far less than the growth that occurred in Bar Harbor and other places in the region. Retail sales grew by \$17.5 million in Bar Harbor compared to \$2.9 million in Trenton.

Finally, Table 7 shows 2008 monthly total taxable retail sales figures for the Ellsworth and Bar Harbor Economic Summary Areas. They reveal very strong patterns of seasonality in Bar Harbor; 56 percent of retail sales took place during the 3-month period of July, August and September. In comparison, about 31 percent of annual retail sales in the Ellsworth Economic Summary Area occurred over this period. Although the Bar Harbor Economic Summary Area experiences a bump in retail sales between November and December (\$6.0 million to \$9.2 million), presumably attributed to holiday-related sales, total sales in December are substantially lower than the peak sales that occurred in August (\$51.7 million). The Ellsworth Economic Summary Area also experiences an increase in retail sales between November and December (\$28.0 million to \$36.2 million); however, December sales are within 20 percent of the August peak.

So, what does all of this mean in terms of how businesses in Trenton might be impacted by the proposed Acadia Gateway Center? Taxable retail sales data suggest that

⁹ Total taxable retail sales are generally higher than consumer sales (shown in Table 5) because they include certain sales to businesses for which the tax is paid by the buyer.

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business impact scenarios A (i.e., *Substantial Positive Impact*) and E (i.e., *Substantial Negative Impact*) appear to be highly unlikely. Information shown in Table 5 suggests that, despite its location at the entrance to Mount Desert Island, Trenton appears to serve a “local” market as opposed to tourists visiting Bar Harbor and Acadia. Compared to Hancock County as a whole, Trenton’s reliance on restaurant and lodging sales is very low.

As noted above, auto-related sales accounted for over one-half of 2008 taxable consumer retail sales in Trenton. Much of this activity presumably took place at dealerships located just inside the Ellsworth-Trenton town line, which is far from the location of the proposed Acadia Gateway Center. Monthly retail sales data presented in Table 7 provide additional evidence suggesting that Trenton’s retail sector does not rely heavily on tourists. The Ellsworth Economic Summary Area, of which Trenton is a part, experiences considerably less pronounced seasonal fluctuations in retail sales activity as compared to the sharp seasonal spikes felt in the Bar Harbor Economic Summary Area.

Having suggested that the two most extreme business impact scenarios are unlikely, it is very difficult to speculate on what might occur among scenarios B (i.e., *Modest Positive Impact*), C (i.e., *No Impact*) and D (i.e., *Modest Negative Impact*). Early research on the impacts of the Island Explorer suggests that, as it relates to the extension of bus service into Trenton, the impacts should be minimal. To repeat a quote cited above, as of 2001, “Businesses around Acadia reported that they felt no direct economic impact from the Island Explorer” (Dunning 2005, p. 134).

With this in mind, the expanded Island Explorer service is only one component of the proposed Acadia Gateway Center project. The Acadia National Park welcome center

and National Park Service theaters will attract thousands of daily visitors during the summer months, which will provide Trenton and its local businesses an enhanced visibility to tourists. If businesses in Trenton are permitted to distribute and display brochures and other marketing materials to welcome center visitors, local companies might be able to attract a higher proportion of Acadia-bound tourists. Given the vast number of people who visit Acadia each year and the low amounts of tourism-related sales that currently take place in Trenton, a local marketing campaign of even moderate success could lead to a modest positive impact on business activity.

4. FISCAL IMPACT ANALYSIS

The third and final part of the study considers the potential changes in local taxes and government spending (i.e., fiscal impacts) that might occur as a result of the proposed Acadia Gateway Center's construction and operations. Changes in local taxes would occur as the property itself becomes tax exempt, but this reduction could be offset somewhat by higher taxes paid on other properties if the facility contributes to a modest increase in local business activity (and a corresponding increase in property values). Changes in local government spending would take place if the facility's construction and operations lead to an increase in the demand for public services.

Impacts on Local Taxes

According to information reported in 2006 and 2007 by the Acadia Gateway Center Partnership, the Crippens Creek property generates about \$1,600 annually in local property taxes. As noted above, this amount would be lost if the project goes forward

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and the property becomes tax exempt. The actual long-term loss in local property taxes could exceed the \$1,600 estimated at present if, at some future time, the property were to be developed in a manner that generates higher value than its current state.

It is impossible to predict, with any certainty, exactly how this parcel of land would be used if the Acadia Gateway Center is not built. However, the following considerations make it unlikely that, within the near future, the site would attract a major development that would pay substantial property taxes. First, the current economic downturn has decreased the amount of industrial development occurring everywhere. Second, the large critical mass of retailers present in Ellsworth will act as a magnet for future commercial development in the area. Third, as noted above, the majority of Trenton's current retail activity is in auto sales, which are concentrated at a few places located just inside the Ellsworth-Trenton border. This type of development is not likely to spillover to the area of the proposed Acadia Gateway Center.

Impacts on Local Government Spending

As a general rule, a municipality's single largest budgetary item is K-12 education. Since the annual operations of the proposed Acadia Gateway Center will have a small employment impact (see Table 4), it is unlikely to result in residential development that would lead to an increase in local education spending.¹⁰ Beyond its negligible impact on K-12 spending, the proposed facility might require a minimal amount of other municipal services. Information reported by the Acadia Gateway Partnership in 2007 summarizes the facility's potential impacts on local public services.

¹⁰ If it did, the new residential development itself would increase the property tax base to contribute to the additional costs of K-12 education.

Local agencies met in May 2006, to discuss emergency services. The group determined that existing municipal services had the capacity to provide coverage for the proposed facility. The Trenton Fire Department would provide primary services and County Ambulance would provide ambulance service. Basic safety, security, snow removal, solid waste removal, and recycling services would be provided by the facility's occupants. (Acadia Gateway Center Partnership 2007, p. 3)

Since the facility is unlikely to generate demands for public services beyond the municipality's current capacity, its impact on local government spending is expected to be modest.

5. SUMMARY AND CONCLUSIONS

The purpose of this study was to investigate the economic and fiscal impacts of the proposed Acadia Gateway Center. Using information on construction costs from sources involved with the project and an input-output model of the Hancock County economy, we found that over an anticipated seven-year construction project the annual employment and income impacts would range from 19 to 77 jobs, and \$606,501 to \$2.47 million in wages and salaries. The total seven-year impact of the facility's construction would be an estimated \$38.1 million in countywide economic activity, and \$12.4 million in wages and salaries. Once the facility is completed, its annual operations (i.e., use, occupancy and maintenance) would support an estimated nine jobs that provide \$258,688 in annual wages and salaries. Workers employed by Downeast Transportation (13 year-round, increasing to 88 during the peak season) would be in addition to the nine full- and part-time jobs estimated in the study.

The facility would likely have a modest impact on new and existing business activity in the Trenton area. Past research from 2001 revealed "no direct economic

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impact from the Island Explorer,” and 2008 retail sales data for Trenton suggest that the town has a low reliance on tourism-related sales. However, if the facility is built, local businesses could enhance their marketing efforts to capitalize on the thousands of summer tourists who might visit the Acadia Gateway Center.

Potential impacts on local taxes and government spending also appear to be low. The town would lose about \$1,600 in annual property taxes as the site would become tax exempt; however, a modest increase in surrounding economic activity and property values could offset this reduction. Since the facility is unlikely to generate demands for public services beyond the municipality’s current capacity, its impact on local government spending is expected to be modest.

To conclude, the proposed Acadia Gateway Center would impact the community in a variety of ways. This report focused on its impact on economic activity, employment and income (i.e., economic impacts); new and existing local businesses; and local taxes and government spending (i.e., fiscal impacts). This information and other factors should be used to determine whether the project would be “good” or “bad” for Trenton and its surrounding areas.

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Table 1. Acadia Gateway Center Construction Schedule

Year	Phase	Activities in Phase	Cost Estimate 1	Cost Estimate 2	Average of Cost Estimates
1	1	Bus Maintenance Facility,	\$6,060,000	\$4,950,000	\$5,505,000
2	1	Roadway, Utilities	\$6,060,000	\$4,950,000	\$5,505,000
		Phase subtotal:	\$12,120,000	\$9,900,000	\$11,010,000
3	2	Intermodal Center,	\$4,840,000	\$4,400,000	\$4,620,000
4	2	Busway, Restrooms	\$4,840,000	\$4,400,000	\$4,620,000
		Phase subtotal:	\$9,680,000	\$8,800,000	\$9,240,000
5	3	National Park Service	\$1,590,000	\$1,300,000	\$1,445,000
6	3	Welcome Center	\$1,590,000	\$1,300,000	\$1,445,000
		Phase subtotal:	\$3,180,000	\$2,600,000	\$2,890,000
7	4	National Park Service Theaters	\$4,760,000	\$6,000,000	\$5,380,000
		Phase subtotal:	\$4,760,000	\$6,000,000	\$5,380,000
		Total	\$29,740,000	\$27,300,000	\$28,520,000

Sources: *Acadia Gateway Center Business Plan*, Maine Department of Transportation and Federal Transit Administration, 2006; *Preliminary Design Report: Acadia Gateway Facility Visitor Information Center and Bus Maintenance Facility*, Maine Department of Transportation (and other authors), 2007.

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Table 2. Economic Impacts of Acadia Gateway Center Construction

Year 1	Output	Employment	Income
Direct Impact	\$5,505,000	58	\$1,865,743
Multiplier Effects	\$1,838,620	19	\$607,687
Total	\$7,343,620	77	\$2,473,430
Year 2	Output	Employment	Income
Direct Impact	\$5,505,000	58	\$1,865,743
Multiplier Effects	\$1,838,620	19	\$607,687
Total	\$7,343,620	77	\$2,473,430
Year 3	Output	Employment	Income
Direct Impact	\$4,620,000	45	\$1,479,173
Multiplier Effects	\$1,586,906	17	\$530,837
Total	\$6,206,906	62	\$2,010,010
Year 4	Output	Employment	Income
Direct Impact	\$4,620,000	45	\$1,479,173
Multiplier Effects	\$1,586,906	17	\$530,837
Total	\$6,206,906	62	\$2,010,010
Year 5	Output	Employment	Income
Direct Impact	\$1,445,000	14	\$448,139
Multiplier Effects	\$475,527	5	\$158,362
Total	\$1,920,527	19	\$606,501
Year 6	Output	Employment	Income
Direct Impact	\$1,445,000	14	\$448,139
Multiplier Effects	\$475,527	5	\$158,362
Total	\$1,920,527	19	\$606,501
Year 7	Output	Employment	Income
Direct Impact	\$5,380,000	55	\$1,619,535
Multiplier Effects	\$1,728,608	18	\$574,663
Total	\$7,108,608	73	\$2,194,198
Years 1 to 7	Output	Employment	Income
Direct Impact	\$28,520,000	NA	\$9,205,645
Multiplier Effects	\$9,530,714	NA	\$3,168,435
Total	\$38,050,714	NA	\$12,374,080

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Table 3. Acadia Gateway Center Annual Operating Costs

Component	Amount
<i>Bus Maintenance Facility</i>	
Buildings and lots	\$162,951
Roadway	\$17,774
subtotal	\$180,725
<i>Acadia Gateway Center Building Costs</i>	
Intermodal Center	\$110,281
National Park Service Welcome Center	\$54,273
National Park Service Theaters	\$48,242
subtotal	\$212,796
<i>Acadia Gateway Center Common Costs</i>	
Caretaker/manager	\$37,028
Landscaping/ground work	\$8,464
Septic system	\$8,887
subtotal	\$54,379
Total	\$447,900

Source: *Acadia Gateway Center Business Plan*, Maine Department of Transportation and Federal Transit Administration, 2006.

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Table 4. Economic Impacts of Acadia Gateway Center Annual Operations

	Output	Employment	Income
Direct Impact	\$447,900	7	\$205,616
Multiplier Effects	\$156,355	2	\$53,072
Total	\$604,255	9	\$258,688

Note: As explained in the report, these figures capture the impacts related to the use, occupancy and maintenance of the bus maintenance facility, intermodal transportation center, the National Park Service welcome center, and the National Park Service theaters. They do not account for the impacts associated with the programmatic activities (e.g., sales of Acadia entrance passes, purchases of motor oil for buses) that might take place in these facilities. In addition, the impacts reported above do not account for the entire annual operations of the Island Explorer Transit System.

Figure 1. Business Impact Scenarios

Scenario A – <i>Substantial Positive Impact</i>	This scenario is characterized by a large increase in business activity, with the addition of several new local businesses and a substantial increase in sales at existing businesses.
Scenario B – <i>Modest Positive Impact</i>	This scenario is characterized by a small increase in business activity, with the addition of a few (or no) new local businesses and a slight increase in sales at existing businesses.
Scenario C – <i>No Impact</i>	This scenario is characterized by no change in local business activity.
Scenario D – <i>Modest Negative Impact</i>	This scenario is characterized by a small decrease in business activity, with the closure of a few (or no) local businesses and a slight decrease in sales at existing businesses.
Scenario E – <i>Substantial Negative Impact</i>	This scenario is characterized by a large decrease in business activity, with the closure of several local businesses and a substantial decrease in sales at existing businesses.

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Table 5. Taxable Consumer Retail Sales (2008) in Trenton and Hancock County

Retail Sector	Description	Sales in Trenton	% of Total	Sales in Hancock Co.	% of Total	% of County Sales in Trenton
Building Supply	Durable Equipment Sales, Contractors' Sales, Hardware Stores and Lumber Yards	\$788,600	4.53%	\$127,705,800	18.67%	0.62%
Food Stores	All food stores from large supermarkets to small corner stores. The values here are snacks and non-food items only, since food intended for home consumption is not taxed	\$920,100	5.28%	\$77,497,400	11.33%	1.19%
General Merchandise	In this sales group are stores carrying product lines generally carried in large department stores. It includes clothing, furniture, shoes, radio – t.v., household durable goods, home furnishings, etc.	\$3,324,400	19.09%	\$99,983,800	14.61%	3.32%

Table is continued on the following page.

Economic and Fiscal Impacts of the Proposed Acadia Gateway Center

Table 5. Taxable Consumer Retail Sales (2008) in Trenton and Hancock County, continued

Retail Sector	Description	Sales in Trenton	% of Total	Sales in Hancock Co.	% of Total	% of County Sales in Trenton
Other Retail	This group includes a wide selection of taxable sales not covered elsewhere. Examples are dry goods stores, drug stores, jewelry stores, sporting goods stores, antique dealers, morticians, book stores, photo supply stores, gift shops, etc.	\$854,100	4.91%	\$73,489,000	10.74%	1.16%
Auto	This sales group includes all transportation related retail outlets. Included are auto dealers, auto parts, aircraft dealers, motorboat dealers, automobile rental, etc.	\$9,545,100	54.82%	\$111,734,000	16.33%	8.54%
Restaurant	All stores selling food for immediate consumption.	\$910,500	5.23%	\$108,359,200	15.84%	0.84%

Table is continued on the following page.

Economic and Fiscal Impacts of the Proposed Acadia Gateway Center

Table 5. Taxable Consumer Retail Sales (2008) in Trenton and Hancock County, continued

Retail Sector	Description	Sales in Trenton	% of Total	Sales in Hancock Co.	% of Total	% of County Sales in Trenton
Lodging	The lodging group includes only rentals tax.	\$1,070,000	6.14%	\$85,413,100	12.48%	1.25%
Total Consumer Retail Sales		\$17,412,800		\$684,182,300		2.55%

Source: Maine Revenue Services, distributed by the Maine State Planning Office. Retail sector descriptions are from the Maine State Planning Office.

Economic and Fiscal Impacts of the Proposed Acadia Gateway Center

Table 6. Total Taxable Retail Sales in Trenton and Surrounding Areas, 2003 and 2008.

City/Town	Economic Summary Area	2008 Total Retail Sales	2003 Total Retail Sales	2003 to 2008 Change in Sales	2003 to 2008 Growth Rate
Ellsworth	Ellsworth	300,463,500	300,904,600	-441,100	-0.15%
Bar Harbor	Bar Harbor	155,445,400	137,981,600	17,463,800	12.66%
Southwest Harbor	Bar Harbor	43,566,600	39,291,900	4,274,700	10.88%
Bucksport	Ellsworth	34,882,700	30,150,700	4,732,000	15.69%
Mount Desert	Bar Harbor	28,359,300	25,526,600	2,832,700	11.10%
Hancock	Ellsworth	23,115,900	16,312,400	6,803,500	41.71%
Trenton	Ellsworth	17,465,800	14,546,300	2,919,500	20.07%
Tremont	Bar Harbor	8,293,300	8,183,200	110,100	1.35%
Gouldsboro	Ellsworth	5,000,900	3,480,300	1,520,600	43.69%
Sullivan	Ellsworth	3,352,100	4,954,300	-1,602,200	-32.34%

Source: Maine Revenue Services, distributed by the Maine State Planning Office.

Economic and Fiscal Impacts of the Proposed Acadia Gateway Center

Table 7. Monthly Total Taxable Retail Sales in Ellsworth and Bar Harbor Economic Summary Areas, 2008.

Month	Ellsworth ESA	% of Annual Sales	Bar Harbor ESA	% of Annual Sales
January	\$25,805,500	6.4%	\$5,498,600	2.3%
February	\$24,223,000	6.0%	\$5,110,300	2.1%
March	\$27,737,800	6.8%	\$6,460,100	2.7%
April	\$29,947,000	7.4%	\$6,508,500	2.7%
May	\$35,946,900	8.9%	\$15,006,300	6.3%
June	\$40,597,700	10.0%	\$30,195,200	12.6%
July	\$42,496,100	10.5%	\$47,612,300	19.9%
August	\$42,802,300	10.5%	\$51,698,800	21.6%
September	\$39,360,900	9.7%	\$34,676,600	14.5%
October	\$32,610,400	8.0%	\$20,912,500	8.8%
November	\$28,000,600	6.9%	\$6,027,700	2.5%
December	\$36,244,400	8.9%	\$9,173,800	3.8%
Total	\$405,772,600		\$238,880,700	

Source: Maine Revenue Services, distributed by the Maine State Planning Office.