CHAPTER 3: THE LOCAL ECONOMY

Waterville has long served as the service, retail, and cultural core for its surrounding region. Although formerly also an industrial center, the City now retains only one of its traditional industries, paper product manufacturing at the Huhtamaki (formerly Keyes Fibre and later Chinet) factory on College Avenue.

While broadening its economic base has made the City less vulnerable to economic fluctuations in any single industry or product, recent retail development in Augusta has diminished Waterville's prominence as a retail center. Nevertheless, Waterville's central location in the State and its excellent transportation, medical, and educational facilities place the City in a good competitive position to expand its service center role.

LABOR FORCE

Labor Force 1970 and 2010

Table 3-1 shows differences between the Waterville labor force in 1970 and 2010. The increase in percentage of females in the labor force reflects both the economic necessity for women to work and changes in the types of jobs available in the area.

TABLE 3-1

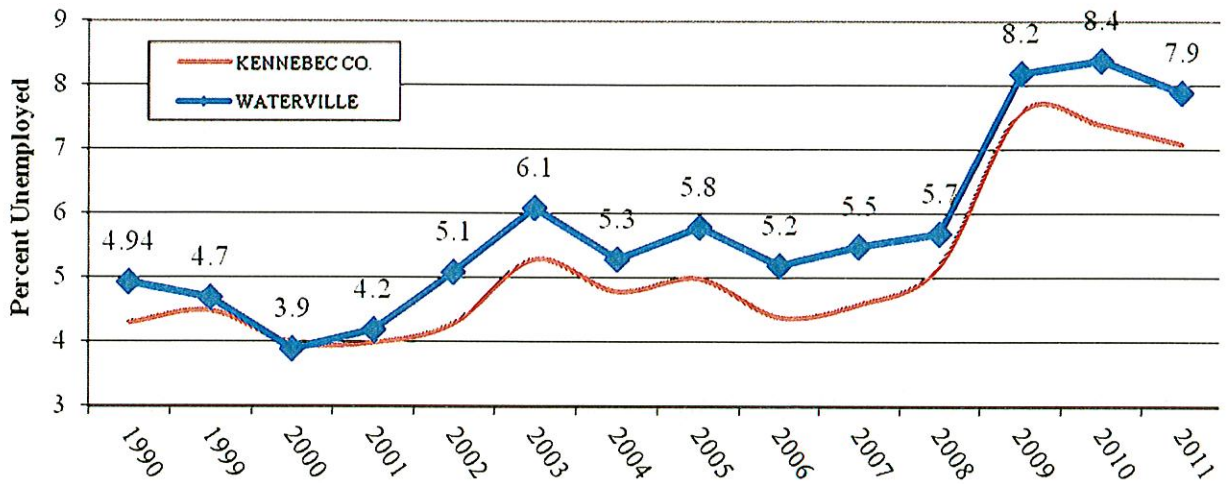
WATERVILLE LABOR FORCE 1970 AND 2010

	1970 LABOR FORCE	2010 LABOR FORCE
Waterville residents in the labor force	7,383	7,758
% of Persons 16 years of age or older in workforce	55.5% of the 13,287 persons 16 years old or older	57.8% of the 13,420 persons 16 years old or older
Percent of total population in the labor force	40.5% of the total population of 18,192	49.3% of the total population of 15,722
Females in the labor force	3,190	3,795
Percent of labor force female	43.2%	48.9%
Persons in the labor force per household	1.34 (7,383 persons in the labor force/5,516 households)	1.22 (7,758 persons in the labor force/ 6,370 households)

Source: US Census and 2006-2010 American Community Survey 5-Year Estimates.

Unemployment

The Maine Department of Labor (DOL) estimated unemployment in the Waterville Micro (see page 3-6 for a list of the towns in the Micro) to be 8.9% in July 2010, as compared to 7.9% for the State, and 9.7% for the United States as a whole. Note that those persons over age 16 who were actively seeking employment were considered to be in the labor force. KVCOG provided the graph below comparing percent unemployment in Waterville with percent unemployment in Kennebec County between 1990 and 2011.



Source: KVCOG.

Employment by Occupation

Table 3-2 contains an occupational breakdown for residents of Waterville, Kennebec County, and the State as a whole, as reflected in the 2010 Census. The highest percentage of Waterville residents is employed as managers and professionals (37.2%), which compares favorably with both the County and the State. The second highest category is sales and office occupations (23.6%), and the third is service occupations (19.4%). The order is the same for both the County and the State.

Employment by Industry

Table 3-3 contains a breakdown of the labor force by industry reported for residents of Waterville, Kennebec County, and the State of Maine as reflected in the 2006-2010 American Community Survey 5-Year Estimates. By far, the highest percentage of Waterville residents is employed in the category of educational, health care, and social assistance services (38.5%), as compared with only 27.4% of Kennebec County workers and 26.1% of workers in the State as a whole. The second highest percentage of Waterville residents works in retail trade (14.0%). That percentage is the same for the County (14.0%) and very close to the State level (13.6%). The third largest employment category in Waterville is arts, entertainment, recreation, accommodation, and food services (8.2%), almost tied by professional, scientific, management, administrative, and waste management services (8.1%). Agriculture, forestry, fishing, hunting, and mining employs only 37 residents.

TABLE 3-2

EMPLOYMENT BY OCCUPATION,

REPORTED BY RESIDENTS OF

WATERVILLE, KENNEBEC COUNTY, STATE

2010

Occupation	Waterville		Kennebec County		State	
	#	%	#	%	#	%
Management, professional, & related occupations	2,598	37.2	20,624	34.6	224,966	34.2
Service occupations	1,355	19.4	10,023	16.8	115,271	17.5
Sales & office occupations	1,650	23.6	15,262	25.6	160,970	24.4
Farming, fishing, & forestry	55	.7	424	.7	10,367	1.5
Construction, extraction, & maintenance occupations	609	8.7	5,894	9.8	66,058	10.0
Production, transportation, & material moving	752	10.7	7,368	12.3	79,924	12.1
TOTAL	**6,974**	100	**59,595**	100	**657,556**	100

Source: 2006-2010 American Community Survey 5-Year Estimates.

TABLE 3-3

EMPLOYMENT BY INDUSTRY

WATERVILLE, KENNEBEC COUNTY, STATE

2010

	Waterville		Kennebec County		State	
	#	%	#	%	#	%
Agriculture, forestry, fishing & hunting, and mining	37	.5	883	1.5	16,245	2.5
Construction	377	5.4	4,705	7.9	50,617	7.7
Manufacturing	425	6.1	4,782	8.0	66,406	10.1
Wholesale trade	188	2.7	1,688	2.8	17,734	2.7
Retail Trade	**977**	**14.0**	**8,327**	**14.0**	**89,202**	**13.6**
Transportation & warehousing, and utilities	242	3.5	2,835	4.8	26,200	4.0
Information	193	2.8	1,456	2.4	13,702	2.1
Finance, insurance, real estate, and rental & leasing	106	1.5	2,716	4.6	40,370	6.1
Professional, scientific, management, administrative, and waste management services	**563**	**8.1**	**4,703**	**7.9**	**54,851**	**8.3**
Educational, health care and social assistance services	**2,686**	**38.5**	**16,317**	**27.4**	**171,491**	**26.1**
Arts, entertainment, recreation, accommodation and food services	**575**	**8.2**	**3,692**	**6.2**	**53,495**	**8.1**
Other services (except public administration)	367	5.3	2,954	5.0	29,699	4.5
Public Administration	238	3.4	4,537	7.6	27,544	4.2
TOTAL Civilian employed population 16 years and over	**6,974**	100	**59,595**	100	**657,556**	100

2006-2010 American Community Survey 5-Year Estimates.

Commuter Patterns 2000 and 2010
It is important to note that, although Waterville is an employment center, between 2000 and 2010 the percentage of Waterville residents in the labor force who worked in Waterville may have dropped dramatically or increased, depending upon the source used.

Place of Work of Waterville Residents
Of Waterville's 6,863 residents in the workforce in 2000, 3,997 workers or 58.2% stayed in Waterville to work. The remaining 41.8% commuted out of town, most to nearby communities such as Augusta (789 workers or 11.4%), Winslow (330 workers or 4.8%), Fairfield (297 workers or 4.3%), and Oakland (253 workers or 3.6%).

According to figures provided by the U.S. Census Bureau Center for Economic Studies, of Waterville's 6,974 residents in the workforce in 2010, only 1,918 workers or 27.5% stayed in Waterville to work. The remaining 5,056 workers or 72.5% commuted out of town to work. If these numbers are correct, between 2000 and 2010, the number of Waterville residents in the workforce who stayed in Waterville to work decreased by 2,079 workers, far more than the 1,356 jobs lost in Waterville over that decade.

However, an alternative source, the U.S. Census Bureau 2006-2010 American Community Survey, used a lower number of workers in the labor force and provided a very different estimate of commuters for 2010. Those numbers indicate that of 6,782 Waterville residents in the workforce, 4,643 or 68.5% worked in Waterville and only 2,139 or 31.5% commuted out of town for work.

Place of Residence of People Who Work in Waterville
In 2000, of the 12,251 jobs in Waterville, a total of 3,997, or 32.6%, were filled by Waterville residents, while the remaining 8,254 were filled by workers from other communities. Many jobs in Waterville were filled by residents of immediately surrounding communities, especially Winslow (1,288 workers or 10.5%), Fairfield (1,104 workers or 9.0%), Oakland (839 workers or 6.8%), Clinton (500 workers or 4.0%), and Vassalboro (467 workers or 3.8%).

Ten years later, in 2010, the U.S. Census Bureau Center for Economic Studies reported that the number of jobs in Waterville had decreased to 10,895 jobs, and only 1,918 or 17.6% were held by Waterville residents. Winslow residents filled 987 jobs or 9.1% of the jobs. Again, this number of Waterville jobs held by Waterville residents is very different from the estimate provided by the American Community Survey.

Commute Time
The average commute time for Waterville residents in 2010 was 16.7 minutes, lower than the average for the County (22.4 minutes) and the State (22.8 minutes).

Workers commuting in and out of Waterville has implications for transportation planning. See Chapter 5: Transportation.

REGIONAL ECONOMY

The Maine Department of Labor defines a micropolitan area as "having at least one urban cluster of at least 10,000 but less than 50,000 population, plus adjacent territory that has a high degree of social and economic integration with the core as measured by commuting ties". Within this "economically integrated" grouping of communities "workers may readily change jobs without changing their place of residence."

The Waterville Micropolitan Area consists of Albion, Benton, Clinton, Fairfield, Oakland, Unity Unorganized (Township), Waterville, and Winslow. These towns are located in 3 counties: Kennebec, Somerset, and Waldo.

The Augusta Micropolitan Area consists of Augusta, Belgrade, Chelsea, China, Farmingdale, Gardiner, Hallowell, Litchfield, Manchester, Mount Vernon, Palermo, Pittston, Randolph, Readfield, Rome, Sidney, Somerville, Vassalboro, Wayne, West Gardiner, Whitefield, Windsor, and Winthrop.

Augusta-Waterville Micropolitan Area

The Augusta-Waterville Micropolitan Area has Maine's third largest workforce (66,800), behind Portland-South Portland and Bangor-Brewer and, at approximately $1.4 billion, the third highest level of retail sales.

The driving forces behind the regional and local economies of the Augusta-Waterville Micropolitan Area are the central location of the area in the State, the area's multimodal transportation network, the medical centers, and the colleges. Augusta-Waterville's central location in the region drives its retail sector, with tourism contributing to retail trade as well. The aging population supports the health care industry.

Waterville as an Employment Center

Waterville is the employment center for the Waterville Micropolitan Area with 10,895 jobs in 2010. (Source: the U.S. Census Bureau Center for Economic Studies.) Earlier, in 2000, two-thirds of people employed in Kennebec County worked in either Waterville or Augusta. (Source: 2011 Multi-modal Corridor Management Plan for the Lower Kennebec Corridor, KVCOG.)

Major Employers

Major employers (100 or more employees) in Waterville are listed in Table 3-4. This list accounts for only a very few of the 572 businesses in Waterville. [Source: Personal property bills the City Assessor sent to businesses in 2010.] MaineGeneral Health (MGH), with some 3,800 employees in the Augusta-Waterville Micropolitan Area, is the largest employer and a major economic force in the region.

Table 3-5 lists the major employers in towns abutting Waterville, within the Waterville Micropolitan Area. T-Mobile, located in FirstPark in Oakland, is by far the largest.

Education, Health Care, and Social Services
Education, health care, and social services is by far the largest employment sector in Waterville, employing 2,686 Waterville residents. [See Table 3-2, Employment by Industry.] Employers include MaineGeneral Health, Inland Hospital, Colby College, Thomas College, and KVCAP.

Retail
The retail sector provides employment to 977 Waterville residents. Retail is the second largest employment category in Waterville.

Waterville plays an important retail role in its region. Retail sales in the Waterville Economic Summary Area (ESA) totaled $610,951,000 in 2007. The Waterville ESA includes the Waterville Micropolitan Area [Albion, Benton, Clinton, Fairfield, Oakland, Unity Unorganized (Township), Waterville, and Winslow] plus 14 additional towns [Belgrade, China, Freedom, Hinckley, Palermo, Rome, Shawmut, Sidney, Smithfield, Thorndike, Troy, Unity, Vassalboro, and Weeks Mills], a total of 22 towns. The Waterville ESA had 32% of retail sales in the Kennebec Economic Summary District [$1,901,155,000]. Although this is a significant percentage of sales, it is substantially less than the share of the Augusta ESA, which had sales of $962,242,000 or 50% of retail sales in the District.

In addition to the leakage of sales to malls in Augusta, increasingly, Waterville's retail base has expanded out of its Downtown to shopping centers on upper Main Street and Kennedy Memorial Drive (KMD). In spite of this 40-year development trend, the Downtown seems to be holding its own, replacing some of its lost department stores with specialty retailers, professional offices, a variety of services, and financial, insurance, and real estate uses. (See Commercial Centers below.)

Arts, Entertainment, Recreation, Accommodation, and Food Services
The third largest employment sector in Waterville, arts, entertainment, recreation, accommodation, and food services, employs 575 residents or 8.2% of Waterville resident workers. Although Waterville is not yet among the top tourist destinations in the State, it does attract visitors.

Waterville provides lodging primarily for tourists traveling north and south on Interstate-95. Waterville also provides lodging for heritage tourists and for persons visiting Colby College, the Colby College Museum of Art, and Thomas College, as well as patients at the hospitals, among others.

Waterville also offers food and entertainment for both residents of and visitors to the City and surrounding towns. Art and entertainment venues include the Maine International Film Festival (MIFF), the Waterville Opera House, the Colby College Museum of Art (on the Art Museum Trail), and two movie theaters.

Professional, Scientific, Management, Administrative, and Waste Management Services
Professional, scientific, management, administrative, and waste management services is the fourth largest employment category, employing 563 Waterville residents.

TABLE 3-4:

MAJOR EMPLOYERS IN WATERVILLE

EMPLOYER	APPROXIMATE NUMBER OF EMPLOYEES	TYPE OF BUSINESS	NOTES
MaineGeneral Health	3,800 including part-time and per diem employees	Hospital, Rehabilitation, Nursing Care, Retirement Community	Includes jobs in Augusta, 43 at Jackman Regional Health Center, 56 at Granite Hill Estates, 270 at HealthReach Network
Colby College	719		500-999 (DOL)
Inland Hospital	650		
Waterville School Dept.	542 as of June 2009	Pre-AOS 92	(Source: City Finance Dept.)
Huhtamaki	432	Paper Products	500-999(DOL)
Wal-Mart Super Center	251-500		100-249 (DOL)
Mid-State Machine Products, Inc.	55 at the Wyandotte Mill on Trafton Road	Precision Machining	Plus 160 employees in Winslow
City of Waterville	110 full-time + 140 part-time & seasonal employees		Includes call fire fighters, election workers, and board members, but not library employees.
Hannaford	100-249 Elm Plaza 100-249 JFK Mall		(DOL)
Shaw's	100-249 (DOL)		
Pan Am Railways	101-250	Railroad	Formerly Guilford Transportation, Maine Central Railroad
Kennebec Behavioral Health	100-249 (DOL) 340 at 4 sites	Mental Health	*Sites in Waterville, Augusta, Skowhegan, Winthrop
Care & Comfort	121		87 production staff + 34 admin staff/clinicians
Home Depot	100-249 (DOL)		
TD Bank	101-250	Banking & Insurance	Waterville, Winslow, Oakland, Fairfield
Lakewood Continuing Care	100-249 (DOL)		
Oak Grove Living & Rehab	100-249 (DOL)		27 Cool Street
KVCAP	100-249	Social Services	Water Street
Thomas College	92 full-time + 56 part-time		

Sources: Maine DOL Labor Market Analysis and businesses contacted . January 2012.

TABLE 3-5

MAJOR EMPLOYERS IN WATERVILLE MICROPOLITAN AREA, BUT NOT IN WATERVILLE

EMPLOYER	APPROXIMATE NUMBER OF EMPLOYEES	TYPE OF BUSINESS	LOCATION	NOTES
T-Mobile	420	Call Center	Oakland	
Mid-State Machine Products, Inc.	160 in Winslow	Value-Added Precision Machining Services	Winslow and Waterville	50 at the Wyandotte in Waterville
MSAD 47/Oakland School Dept.	251-500 prior to consolidation	Public Schools	Oakland	
Sheridan Corp	101-250	Construction/ Engineering	Fairfield	
Northeast Labs	50-99 (DOL)	Laboratory	Winslow	
Johnny's Selected Seeds	100-249 (DOL)	Seed Distributor	Winslow	Includes a call center for sales
MSAD 49/Fairfield School Dept.	101-250 prior to consolidation	Public Schools	Fairfield	
KVCC	100 full-time plus 50 part-time	Community College	Fairfield	2/7/11
Backyard Tomatoes	200		Madison	
Alcom, Inc.	100	Aluminum Trailers	Winslow	Plan to add 30 employees by the end of 2011

Sources: DOL web site under Labor Market Analysis, provided by "*info*USA", and businesses contacted as of January 2012.

Manufacturing
Despite the fact that the Waterville Micropolitan Area has lost several manufacturers over the past decade, the manufacturing sector remains important to the region and to Waterville. Table 3-2 shows that manufacturing employs 425 Waterville residents. Huhtamaki and Mid-State Machine continue to be major employers. (See Tables 3-4 and 3-5 for major employers and Table 3-6 for major manufacturers lost over the past decade.)

TABLE 3-6

MAJOR MANUFACTURING EMPLOYERS LOST FROM THE WATERVILLE MICROPOLITAN AREA WITHIN THE PAST DECADE

EMPLOYER	APPROX. NO. OF EMPLOYEES	PRODUCT	LOCATION
CF Hathaway/ Warnaco	700	Shirts	Waterville
Scott Paper Company	500	Paper	Winslow
Avian Farms International	300	Chicken Processing	Waterville

Transportation
Although transportation, warehousing, and utilities make-up a small (3.5%) proportion of the area's employment base, they play an important role in Waterville's economy. Pan Am Railways, parent company of Maine Central Railroad, employs more than 100 in Waterville, where its Springfield Yard is located. The Springfield Terminal Line connects the Waterville area with Quebec and New Brunswick. Its primary customers are the paper companies.

Finance, Insurance, Real Estate, and Rental & Leasing
Waterville's relatively low employment numbers in the sectors of finance, insurance, real estate, and rental & leasing suggest that Waterville does not play a central role in financial services. These figures (see Table 3-2) mask the concentration of financial institutions (four banks) in Downtown Waterville.

Municipal Service Employment
Municipal service jobs re-circulate money that is already in the region and do not bring a significant amount of money into the area. However, if we combined all of the jobs at the Waterville School Department (542), the City (110), the Public Library (approximately 12 full-time-equivalents), Kennebec Water District (28), Waterville Sewerage District (9), and the Kennebec Sanitary Treatment District (14), those municipal service jobs (715) would rival the number of workers at Colby College (719), the second largest employer in the City.

COMMERCIAL CENTERS

Waterville has three major, thriving commercial centers: Downtown, Kennedy Memorial Drive (KMD), and Upper Main Street. A fourth commercial center, College Avenue, is in decline.

Potential Development

Beyond anticipated future development in the major commercial centers described below, potential for additional commercial development exists in other areas of the City. Those include Airport Road, Trafton Road, and Seton Unit of MaineGeneral Medical Center. There also are vacant properties such as the old Harris Bakery and the old Boys and Girls Club that present opportunities for redevelopment.

Recent Development

Chapter 10: Existing Land Use contains a list of all development reviewed by the Planning Board under the Site Plan Review Ordinance and constructed between 1996 and 2012. Also in that chapter, Map 10-2 shows the location of development that occurred between 2000 and 2012.

Upper Main Street/I-95 Exit 130

In the past 15 years, the Upper Main Street commercial center has grown substantially. Among recent projects are the Waterville Commons shopping center (including Wal-Mart, Home Depot, Staples, Ruby Tuesday restaurant, and a mini-mall), Bangor Savings Bank, Tim Horton's, and People's United Bank.

Off of Upper Main Street, there are very large blocks of undeveloped land zoned for commercial development with close proximity to water and sewer lines. However, traffic management will have to be enhanced before the Maine Department of Transportation (MDOT) and the City, through its Site Plan Review regulations, will allow additional development to occur. Bottlenecks and safety concerns include the constricted area under the I-95 overpass, the entrance to Waterville Commons, and the intersections of Main Street with Armory Road, High Street, and Eustis Parkway.

KMD

Kennedy Memorial Drive (KMD), which runs east/west from the Oakland town line, under I-95, to the Messalonskee Stream, bisecting the City, has seen significant change in recent years. In the past 15 years, commercial development on KMD has included Dunkin' Donuts, McDonald's, Hampton Inn, Applebee's, AutoZone, Flagship Cinema, J&S Oil, KMD Plaza (includes Dairy Queen), CVS, Taco Bell/KFC, and Adams Speech Therapy. In addition, there have been expansions of existing commercial and institutional properties, such as the JFK Mall and Inland Hospital, and conversions of former residences to office and commercial uses. After a new, larger Wal-Mart was constructed off of Upper Main Street at Waterville Commons, in 2005 the old Wal-Mart on KMD became Marden's.

Just off of KMD, on Washington Street, a veterinary hospital, a doctor's office, an office subdivision, and KFS bank were constructed, taking advantage of close proximity to KMD.

On Grove Street near the easterly end of KMD, Uncle Dean's grocery store and Maine State Credit Union replaced residential structures.

Although FirstPark is in Oakland, the entrance to that business park is in Waterville on KMD. The City is one of 24 towns that are owners of the park.

The KMD area is poised for further development and redevelopment, but some constraints exist. KMD has both vacant land with water and sewer lines and commercial zoning and old residential properties zoned for limited commercial use. Zoning restrictions on properties on the north side of KMD between First Rangeway and Cool Street could be removed, if politically acceptable. To date, neighbors on Merryfield Avenue have opposed rezoning.

Traffic issues also constrain development along some parts of KMD. Those include a federally-imposed control of access on vacant land west of I-95 and left-turning traffic, especially traveling onto KMD from Carver Street and Airport Road.

Airport Road

After the City adopted its last comprehensive plan in 1997, new businesses on Airport Road have included a solid waste transfer station, Waterville Self-Storage, Clark & Company plumbing supply and, more recently, a Spring Brook bulk propane storage facility and expansions to the Central Maine Auto Group dealerships.

There is great potential for development on Airport Road. In addition to vacant City- and privately-owned land with utilities and commercial zoning in or abutting the Airport Industrial Park, in 2012 the City purchased a 64-acre parcel of land at the end of Airport Road. That land does not yet have utilities, but it is zoned for both industrial and commercial uses and is in a federally designated foreign trade zone.

Owning that parcel will allow the City to build or facilitate the construction of the extension of Airport Road across that land to Mitchell Road which, in turn, connects to Webb Road. The construction of a road connecting KMD to Webb Road west of the airport has been a development strategy proposed in Waterville comprehensive plans for over forty years.

The extension of Airport Road will spur development of both Airport Road and KMD. Furthermore, it has the potential to relieve traffic congestion on the easterly end of KMD, as it will provide an alternate route to I-95.

Constraints to development include the cost of utility and roadway construction and a traffic light at the intersection of Airport Road and KMD.

Trafton Road

A very substantial amount of land abutting Trafton Road on both sides of I-95 is zoned for commercial development and owned by a Rhode Island developer. In addition, the company owns a large parcel of land zoned Rural Residential (a mixed use zone) on Eight Rod Road, an

industrial building on Trafton Road, and land in Sidney. In fact, the company owns 500 acres of land in Waterville and many more than that in Sidney.

The company has petitioned the Maine Department of Transportation (MDOT) for an I-95 interchange at Trafton Road. Although constructing the interchange would not be a City expense, the City would be required to reconstruct Trafton Road to meet State standards. A further constraint on development is that no Kennebec Water District (KWD) lines extend down Trafton Road and no Waterville Sewerage District (WSD) lines extend down West River Road beyond Punky Meadows Mobile Home Park.

Seton Unit of MaineGeneral Medical Center

The Seton Unit property off of First Rangeway and Chase Avenue is for sale. It consists of two parcels, one 37-acre parcel of vacant land zoned for residential use and one 44.5-acre parcel zoned for institutional use. The institutional parcel, the site of the former Seton Hospital, a clinic, and several other out buildings, is only partially developed.

Constraints on development are the possibility that no new use will be found to be economically feasible for the massive hospital building and possibly the zoning of the property, depending upon what new uses are proposed for the property. MaineGeneral has prohibited medical re-use of the property.

One strength of the Seton Unit property is that it potentially could be accessed from the Shaw's Plaza entrance road on KMD, if authorized by the owners of the Plaza. That entrance already has a traffic light.

College Avenue

College Avenue is in decline. Over the past few years, College Avenue lost a car dealership, off-track betting, and the ever-popular Marden's to the KMD area. Another car dealership, a carwash, John Martin's Manor restaurant, and several other businesses closed. Traffic has decreased, further reducing the commercial appeal of properties on College Avenue. Over the past 15 years, the only new building constructed on College Avenue was the new Burger King which replaced the old one that was demolished on the same site.

DOWNTOWN WATERVILLE

Downtown is an attractive historic commercial district of classic scale: principally two, three, and four-story blocks of buildings, many of them brick, pulled tightly to the sidewalks. Waterville's core Downtown is compact and walkable and roughly bounded by Elm Street, Spring Street, the Kennebec River, and Union Street. The Old Post Office, at the intersection of Elm Street, Main Street, and College Avenue, marks the entry to the Downtown. While Main Street and the Concourse are the center of activity, numerous short side streets connecting to Main Street offer similar uses. Downtown is a walkable distance from a notable residential base and it has a riverfront with recreational and mixed-use development potential.

Role of Downtown
Downtown continues to play an important role as a community center. Downtown's mix of uses is typical of community centers: ground floor storefronts, offices, service establishments, City Hall, and restaurants, with upper floor spaces primarily used for offices and apartments. In recent years, Downtown has attracted several new businesses and medical offices and seen the renovation of the beautiful Waterville Opera House.

Waterville Main Street maintains an up to date list of all Downtown businesses and administers a micro-loan program. The Downtown Forgivable Loan Program provides loans ranging from $15,000 to $50,000 to new businesses and established businesses seeking to expand Downtown. Loans may be used for physical improvements, including façade work and interior renovations, and equipment.

Redefining Downtown
Downtown has the potential to grow, especially if the area is redefined to include Colby Street and Chaplin Street to the north and Sherwin Street to the south, areas which are physically separated from Downtown proper. The Hathaway Creative Center at the southerly edge is separated from the rest of Downtown by the over-built intersection of Spring Street, Front Street, and Main Street. (See Figure 1: Study Area from the 2009 "Pedestrian Connector Feasibility Study" prepared for the City by WilburSmith Associates. That study is posted on the City's web page.) The northerly edge, anchored by the courthouse, social security office, and the new police station (as of 2013), is isolated by the over-built intersection of Front Street, College Avenue, Colby Street, and Chaplin Street.

Additional land could be made available for development by simplifying those two major intersections. That could be accomplished by removing slip lanes and combining islands of vacant land into buildable parcels. Adding pedestrian-friendly traffic calming features would increase the appeal of those areas and draw pedestrians into Downtown. Traffic enhancements such as making Front Street two-way and connecting it directly to Chaplin Street (eliminating the necessity to use the Colby Street loop to reach Railroad Square and Main Street) would encourage development by improving traffic flow.

Constraining development is the cost of rebuilding the roadways and installing the necessary traffic lights. However, the State could recoup some of its costs by selling excess right of way to developers, and the City could capture its share of costs over time through property taxes collected on that newly redeveloped land.

Head of Falls
On the east side of Downtown, the City-owned Head of Falls is separated from Downtown by both fast-moving one-way traffic on Front Street and the railroad tracks. This area is largely underutilized, having been cleared by the federal Urban Renewal program in the late 1960s. In repeated attempts to redevelop the Head of Falls, the City has commissioned several plans and market studies, installed utilities and an attractive plaza, and established the Waterville Development Corporation (WDC) to help sell the northerly portion. Over the years, the public

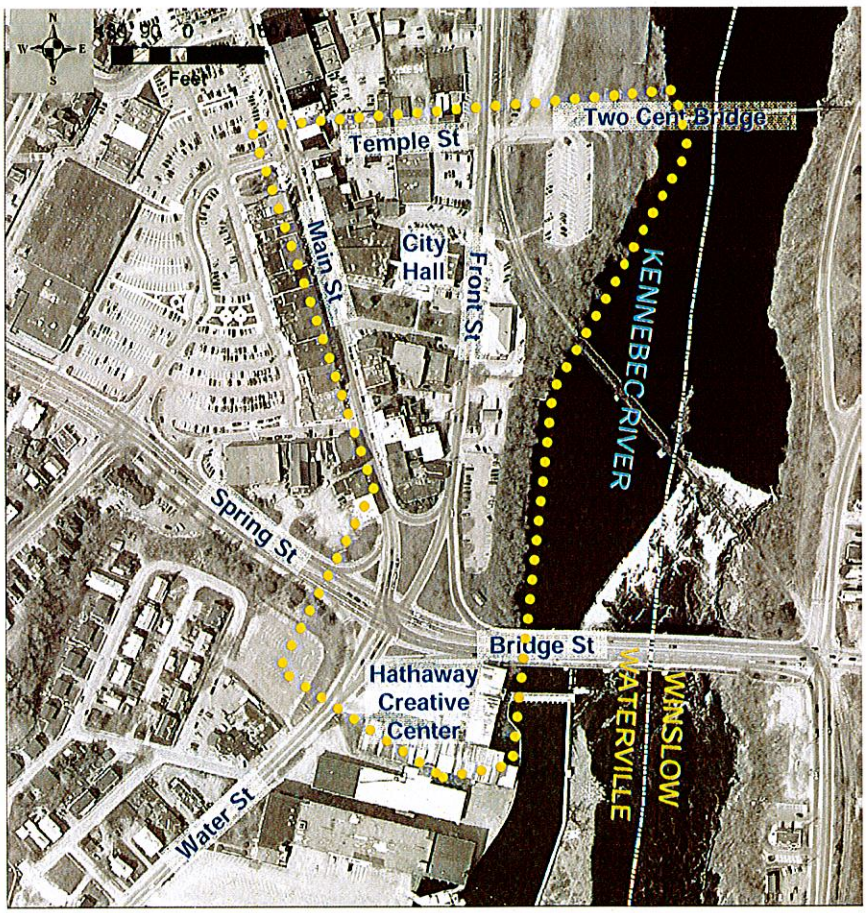


Figure 1: Study Area

Pedestrian Connector Feasibility Study
City of Waterville, Maine

WilburSmith ASSOCIATES

has expressed strong support for retaining the southerly portion for open space, festivals, and parking.

Elm Street
Elm Street forms the westerly edge of Downtown. Businesses on Elm Street are isolated from Downtown by the heavy volume of traffic on Elm Street and by the back of the Concourse. Many properties on Elm Street have insufficient parking, constraining the expansion of existing businesses and discouraging redevelopment of those properties by new businesses.

The Catholic Church plans to construct a 58-unit apartment building for low-income senior citizens on the current site of St. Francis Church. That project can be expected to increase pedestrian traffic Downtown and make pedestrian safety there even more of a concern for the City.

Front Street
The area north of Appleton Street between Front Street and Main Street/College Avenue is zoned for commercial development although much of the land currently is in residential use. Several buildings in that area could be removed to make way for commercial development, especially if lots were combined. One property in particular, the American Legion, has a relatively large site that, were it not for the hulking building, the difficulty of making left turns out onto College Avenue, and the one-way traffic flow on Front Street, might have more commercial appeal.

INDUSTRIAL CENTERS

The City Council has zoned land for industrial use in various locations throughout Waterville. Those industrial zones, General Industrial, Industrial Park, Airport Industrial, and Downtown Industrial, are described in the Zoning Ordinance which is posted on the City's web page. Note that industrial zones allow both industrial and commercial uses and the Downtown Industrial Zone also allows residential use. The Hathaway Center and the other two properties in that complex are zoned Downtown Industrial. In fact, the City established that new zone to facilitate the redevelopment of those old mill buildings.

Industrial properties are shown on the zoning map which can be found both on the City's web page where it can be enlarged and in Chapter 10: Existing Land Use on Map 10-3.

Historically, industrial areas were located primarily on the Kennebec River and the Messalonskee Stream where hydro-electric power could be produced. Manufacturers also chose sites where they easily could transport goods. Industrial areas were established where steamships used to dock (on Water Street), along the railroad tracks (including the railroad yard off of College Avenue, the old Harris Bakery, and off of County Road and Marston Road), near the Upper Main Street I-95 interchange (off of Armory Road and Drummond Avenue), and near LaFleur Airport and the KMD I-95 interchange (on Airport Road).

In 1971, the City zoned a large area of farm land on Trafton Road for industrial use. The City created the Industrial Park Zone there and the Kennebec Water District extended the water line down West River Road anticipating industrial development that for the most part never occurred. To date, over forty years later, only one industrial building, the former Wyandotte woolen mill, has been constructed there.

Today, the owner of the remaining Industrial Park land continues to attempt to obtain State and federal approval to build an I-95 interchange at Trafton Road to spur development. Most of the company's land, however, is zoned for commercial, not industrial, use. See Trafton Road under Commercial Centers in this chapter.

TOURISM

Tourism in Waterville has the potential to become a much more significant sector of the economy, especially if a concerted effort is made to direct tourists visiting each attraction on to the next. Most impressive is the Colby College Museum of Art, which will become the largest art museum in the State when the $100 million Lunder collection opens in the summer of 2013. Although perhaps less well known nationally than the Colby museum, the Waterville Opera House, the Maine International Film Festival, the Redington Museum, surrounding lakes, and (more so in the future) the Quarry Road Recreation Area also attract tourists to Waterville.

Heritage tourists frequently visit the Waterville Public Library, City Hall, Taconnett Falls Genealogical Society, and Pine Grove and St. Francis cemeteries in search of information about their ancestors. They often ask for old photographs of the homes in which their ancestors lived and stop to see the old neighborhoods. One neighborhood, the South End, which has a Museum in the Streets, has the potential to be designated an historic district.

The City has the 470 steam locomotive and a Lombard tractor that could be attractions of a new museum focusing on our industrial past. Exhibits from the Hathaway Shirt Company and other mills as well as information about early settlers including the Red Paint People, the Abenakis, the Plymouth Proprietors, and Franco- and Lebanese-Americans could draw tourists already visiting other sites in Waterville and those traveling on I-95. The museum also could include exhibits on shipbuilding and horse racing in Waterville and the roles that Waterville residents played in various wars including the Revolutionary War and the Benedict Arnold expedition, the War of 1812, and the Civil War.

In addition to whatever they spend at museums and other venues, tourists spend money on food, lodging, gas, recreation, and shopping, further supporting our economy. The cultural assets of Waterville may encourage some tourists to move here.

See also Chapter 8: Historical and Cultural Resources.

THE ROLE OF THE CITY OF WATERVILLE IN ECONOMIC DEVELOPMENT

The City of Waterville, a regional service center, recognizes the importance of economic development and supports development in several ways. The City:

- Provides financial support to the Kennebec Valley Council of Governments (KVCOG), Central Maine Growth Council, Waterville Development Corporation (WDC) [which the City established], the Mid-Maine Chamber of Commerce, and Waterville Main Street. The City also appoints representatives to serve on the boards of directors of most of those organizations.

- Owns the LaFleur Municipal Airport which has the potential to be a major income producer. See Chapter 5: Transportation.

- Created the Airport Industrial Park, located conveniently near Exit 127 off I-95, to provide developable land for sale to businesses. A Free Trade Zone is located adjacent to the municipal airport on land that the City acquired in 2012 for re-sale and development.

- Has created Tax Increment Financing Districts and, with the assistance of KVCOG, an Airport Pine Tree Zone to encourage new development. See Maps 3-1 and 3-2 provided by the City Assessor and Chapter 4: Fiscal Capacity.

- Is one of 24 towns that own FirstPark in Oakland off of KMD.

- Commissioned numerous studies over the years to assess parking, traffic, and redevelopment potential.

- Created in conjunction with Waterville Main Street and the public a Waterville brand "Converge and Create" in recognition of Waterville's central location in the State and the emerging importance of the arts in Waterville.

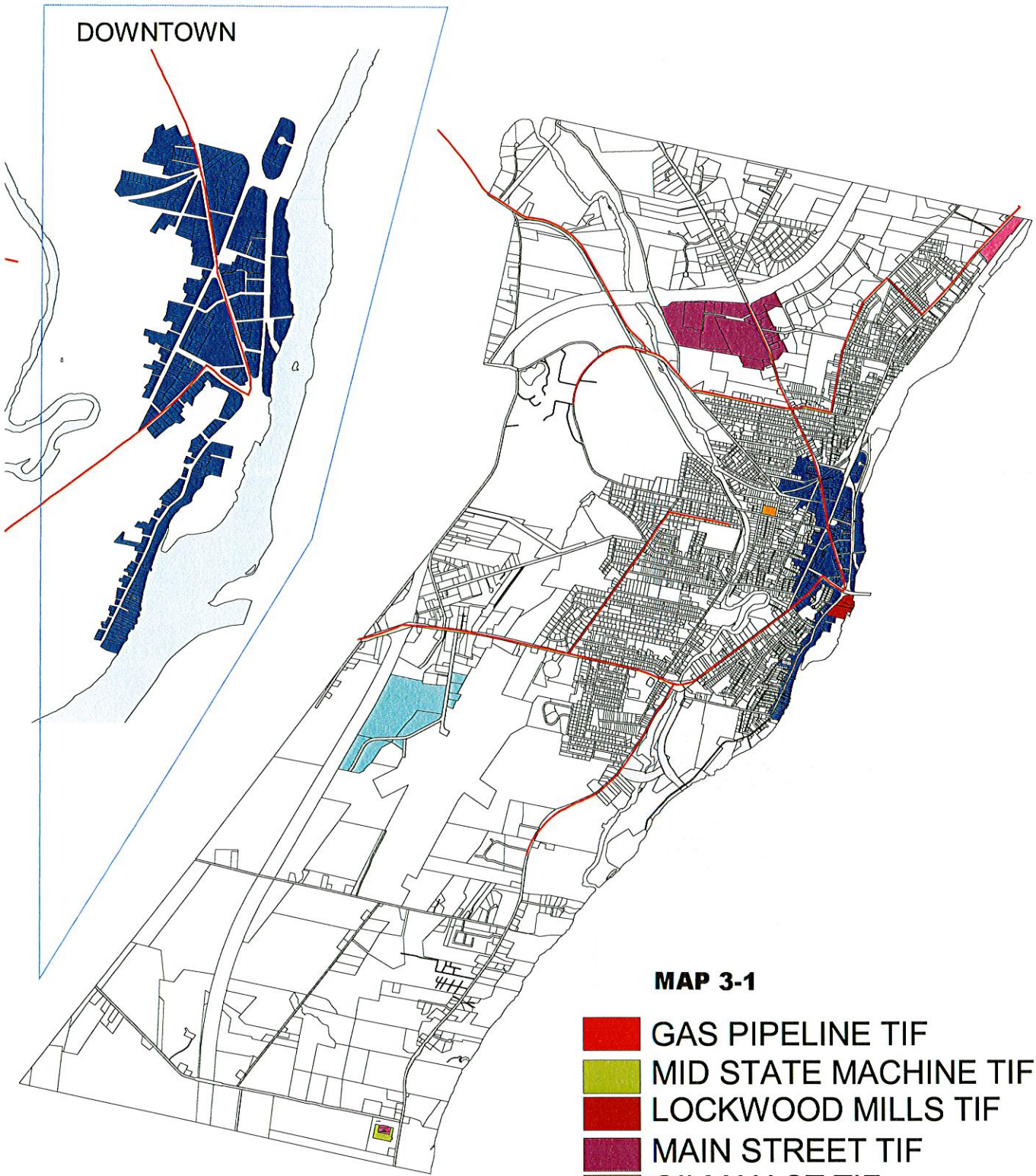
- Has applied for and received countless Community Development Block Grant (CDBG) and economic development grants, despite the fact that the City has no staff member specifically tasked with writing and administering those grants.

Key Issues and Needs

The major issues and needs related to Waterville's economy include the following:

1. Regional Economic Development Efforts. There is a need to continue to support local and regional organizations that work to improve the economy. KVCOG, for example, offers assistance to start-up companies and gap financing through its revolving loan fund, creates the regional Comprehensive Economic Development Strategy (CEDS) with its member communities, and assists towns with planning, joint purchasing, and issues such as regionalization of services.

City of Waterville Maine

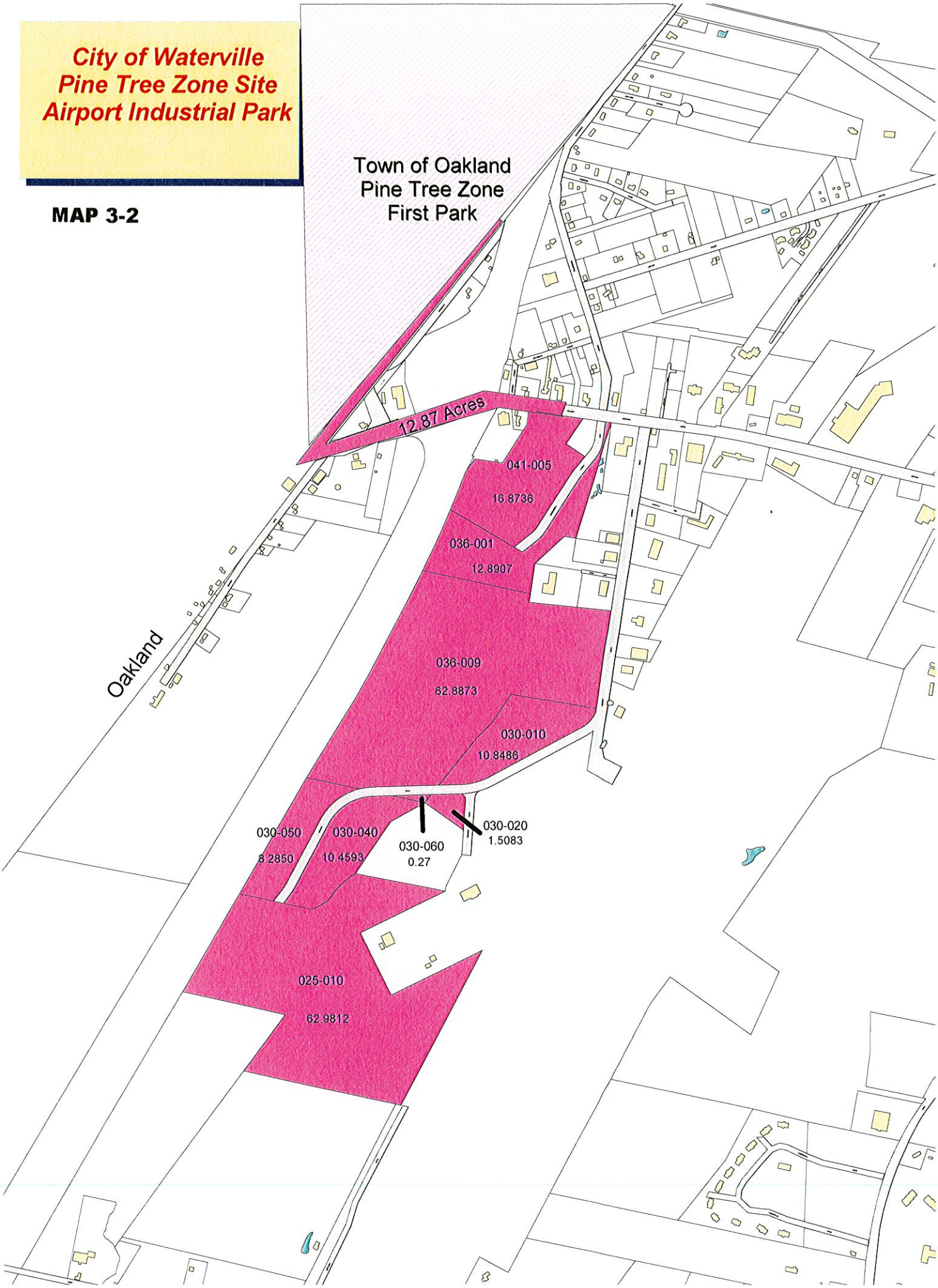


MAP 3-1

- GAS PIPELINE TIF
- MID STATE MACHINE TIF
- LOCKWOOD MILLS TIF
- MAIN STREET TIF
- GILMAN ST TIF
- CHINET TIF
- AIRPORT TIF
- DOWNTOWN TIF

City of Waterville
Pine Tree Zone Site
Airport Industrial Park

MAP 3-2



2. Growth Businesses. There is a need to encourage technology and other growth businesses and industries which strengthen the tax base and provide jobs for area residents.

3. Workforce Development. There is a need to take steps to further develop local skills which match the needs of businesses and industries.

4. Downtown. The City needs to continue to support the efforts of Waterville Main Street to improve the viability of the Downtown.