

Chapter C: Economy

1. Purpose

An understanding of past, current and future potential trends in the local and regional economy is essential for assessing the town's future needs. Employment patterns will change due to factors such as the following: increasing numbers of at-home workers and telecommuters; changes in the region's employment opportunities; and changes in location and composition of retail service centers. As a result of these changes, transportation, telecommunication, and energy infrastructure will all be impacted and require adequate planning. This chapter will do the following:

- a) Describe employment trends in Gouldsboro;
- b) Describe the local and regional economy; and
- c) Discuss the likely future economic activity and market changes that may impact Gouldsboro.

2. Key Findings & Issues

Self-employment continues to be an important part of Gouldsboro, representing approximately 31% of the labor force in 2021, a percentage that has steadily increased over the past decade. Gouldsboro has a higher proportion of self-employed residents and persons employed in natural resource-based jobs than the county as a whole. Unemployment rates have been rising in recent years and are consistently higher than both the town of Winter Harbor and Hancock County. Most workers other than those who are self employed and in local natural resource based jobs must travel outside of Gouldsboro for employment as Gouldsboro's business facilities that hire for employment are approximately 12 to 15 businesses.

Agriculture & Fisheries make up a larger share of Gouldsboro's workforce than that of Hancock County's workforce. Gouldsboro has been pursuing broadband capabilities to compete for new residents who can work from home and might choose to reside in Gouldsboro because of its abundant natural beauty, lifestyle, and ecosystem benefits.

3. Key Findings & Issues from the 2005 Plan

Gouldsboro had a higher proportion of persons employed in natural resource-based jobs than the county as a whole but the percentage was declining probably due to a decline in the fishing industry at that time.

Unemployment rates had increased since the closure of the Navy facilities in 2002 and were higher than both the county and Town of Winter Harbor averages. Self-employment was an

important part of the economy with about 25% of the labor force being self-employed.

4. 2022 Public Opinion Survey Results

The 2022 public opinion survey shows strong support for trade, service, and retail businesses as well as light industry and inns, bed & breakfast businesses, hotels, and restaurants.

The topic of local jobs is one of the top priorities for many residents, with 89% of survey respondents believing it is important to keep established business and industry in Gouldsboro. This same percentage (89%) of respondents think it is important to promote a strong economy that enhances quality of life in Gouldsboro, while 76% think Gouldsboro should create quality employment and opportunities for business ownership and 60% think that Gouldsboro should attract new business.

Regarding the type of development residents would like to see during the next 10 years, 62.61% think the town should work to keep established businesses in town; 43.1% think the town should promote a strong economy that enhances quality of life; only 24.27% think the town needs to attract new businesses to town, and only 32.09% support any kind of development. Of these, the top three types of development that survey respondents chose were restaurants (85.15 %), medical (81.70%) and agriculture/forestry (79.07%). Gas stations, heavy industry, and large-scale aquaculture were not well supported.

When questioned as to whether the town should consider town wide zoning to help achieve these goals, respondents were split. 50% said yes, 40 % said no, and 10% had “other” views, which, when studied, primarily expressed views on limitations to zoning that they thought should be considered.

5. Recent Employment Trends

Employment & Unemployment:

Gouldsboro’s total civilian labor force has declined from 824 in 2000 to 787 in 2010 and to 681 in 2022, a decrease of roughly 17% since 2000. This represents a much more substantial decrease than Hancock County as a whole, which saw an approximate 1.5% decrease between this same time period; the Town’s 2022 count is comparable to the 1990 total civilian labor force (i.e., 680 employed persons over 16 years of age). Gouldsboro’s unemployment rate in 2022 was slightly higher than that of Hancock County and consistent with most of the other towns in the same geographical area.

Table C-1: Gouldsboro and Hancock County Employment Trends, 2022

	Gouldsboro	Hancock County
<i>Civilian Labor Force</i>	681	28,408
<i>Employed</i>	654	27,417
<i>Unemployed</i>	27	991
<i>Unemployment Rate</i>	4.0%	3.5%

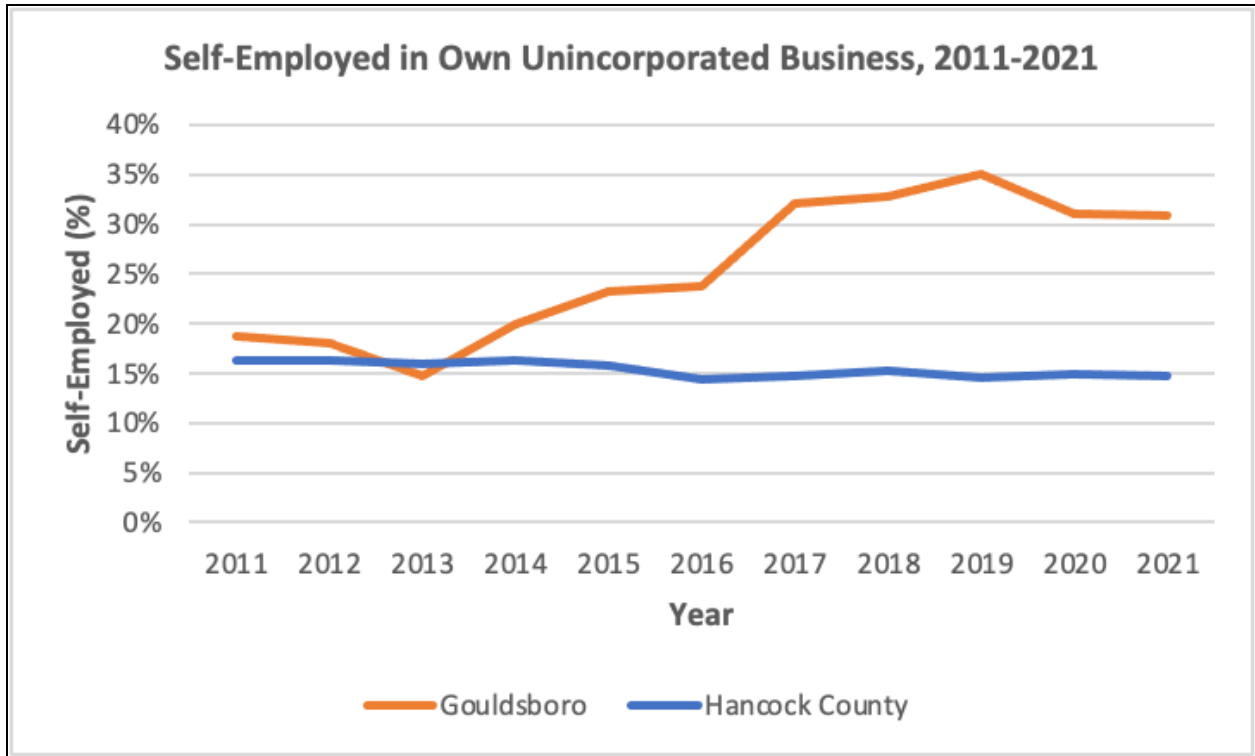
Source: Maine Department of Labor, Center for Workforce Research and Information 2022

Employment Trends of Towns in Surrounding Area, 2022

	<i>Winter Harbor</i>	<i>Sullivan</i>	<i>Sorrento</i>
<i>Civilian Labor Force</i>	231	619	121
<i>Employed</i>	221	593	118
<i>Unemployed</i>	10	26	3
<i>Unemployment Rate</i>	4.3%	4.2%	2.5%

Source: Maine Department of Labor, Center for Workforce Research and Information 2022

Gouldsboro has historically had a high percentage of self-employed residents compared to Hancock County as a whole, and this has only become more obvious in the recent data. According to the 2021 American Community Survey 5-Year Estimates, 30.9% of Gouldsboro’s civilian workforce was self-employed in their own unincorporated business, in contrast with 14.7% in all of Hancock County. There has been a noticeable increase in self-employed individuals in Gouldsboro in the last decade, as displayed in **graph C-1**. This is a reflection of the importance of self-employed individuals in fishing, construction, and small (and often home-based) businesses to the local economy. This high-level of initiative in the local labor force should be recognized in any economic development strategies. It should also be noted that in 1980, 31% of the labor force was self-employed in Gouldsboro. There was speculation that the decline in interceding decades might have been due to the decline in the fishing industry; the resurgence of a higher proportion of self-employed residents may indicate ties to rebounding fisheries, COVID, retirees, or something else entirely. It may also be a reference to the statewide trend of service based economies where skilled tradespeople provide services specifically to the most affluent members of the community in construction, groundskeeping or other skilled trades.



Source: American Community Survey 5-Year Estimates, 2011-2021

Employment by Sector:

Table C-2 compares employment by industry sector for Gouldsboro and Hancock County, using data from the 2021 American Community Survey 5-Year Estimates. There is a significantly higher proportion of persons employed in agriculture, forestry, and fisheries than in Hancock County as a whole (23.4% compared to 6.5%, respectively). This is indicative of the importance of natural resource-based employment to the local economy. In 1980, 22% of the Gouldsboro labor force was employed in this sector. This represents a resurgence in the past decade, which again may be tied to rebounding fisheries. It also represents a notable change from the 2005 plan, when 2000 Census data reflected education, health care, and social services jobs as the category with the highest single proportion of any jobs (22%) in Gouldsboro; 2021 ACS 5-Year Estimates show that this sector now comprises the second highest percentage of the Town’s workforce (13.4%). It was noted at the time that local school consolidation (due to the decrease in enrollment resulting from the Navy base closure) may drive down the number of education-related jobs. This appears to have some merit.

There is also a higher proportion of persons employed in manufacturing (about 10% in Gouldsboro compared to nearly 5.6% of Hancock County). Since there are relatively few manufacturing jobs in town, most people working in these jobs probably commute out of town.

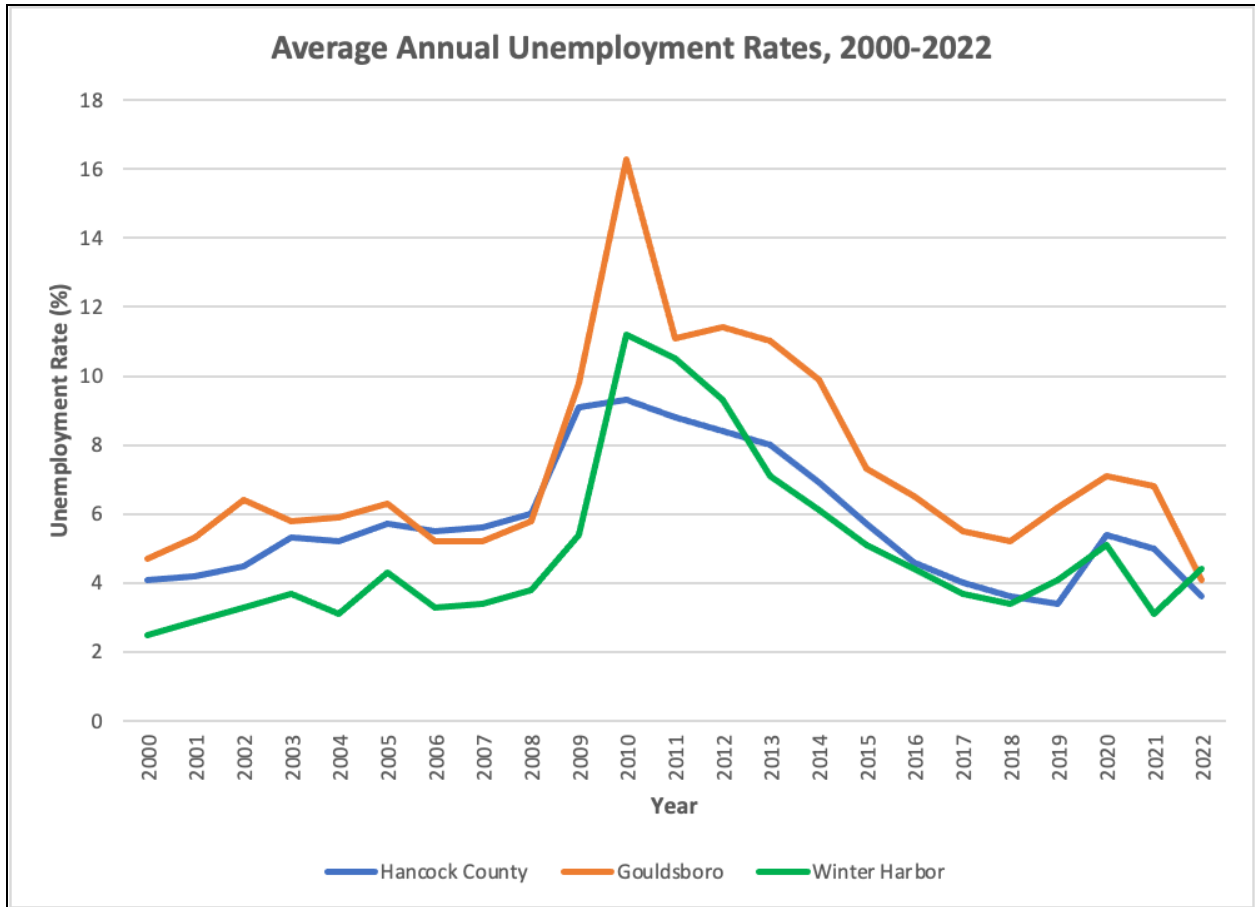
Table C-2: Employment by Sector and Category

Category	Gouldsboro		Hancock County	
	Number	Percent	Number	Percent
Agriculture, Forestry, Fisheries & Mining	162	23.4%	1,806	6.5%
Construction	77	11.2%	2,438	8.7%
Manufacturing	67	9.8%	1,554	5.6%
Wholesale trade	13	1.9%	560	2.0%
Retail trade	40	5.8%	3,362	12.0%
Transportation, Warehousing & Utilities	31	4.5%	1,152	4.1%
Information	0	0.0%	328	1.2%
Finance, Insurance & Real Estate	46	6.7%	1,374	4.9%
Professional, Scientific, Management, Administrative and Waste Management services	61	8.9%	3,734	13.4%
Educational Services, Healthcare & Social Assistance	92	13.4%	6,952	24.9%
Arts, Entertainment, Recreation, Accommodation & Food Services	36	5.2%	2,171	7.8%
Other Services, except Public Administration	42	6.1%	1,499	5.4%
Public Administration	19	2.8%	980	3.5%
Total	686	100%	27,910	100%

source: American Community Survey - 5 year estimates 2021

Average unemployment rates are shown in **Graph C-2:** for Gouldsboro, Winter Harbor and Hancock County as a whole. These data illustrate a gradual decline in the unemployment rate following the recession in the late 2000s until the rate increases towards the end of the 2010s, evident even before the employment effects of the COVID-19 pandemic. They also show that Gouldsboro maintains a consistently higher unemployment rate than Winter Harbor and Hancock County as a whole.

Graph C-1: Average Annual Unemployment Rate: Gouldsboro, Winter Harbor and Hancock County, 2000-2022



Source: Maine Department of Labor, Center for Workforce Research and Information

Graph B.4: compares seasonal unemployment rates for Maine, Hancock County and Gouldsboro from August 2018 to August 2023. Overall, unemployment typically rises in the winter and falls during the summer. For most months during these years, Gouldsboro had a higher unemployment rate than the State or the County; however, with such a small number of people in Gouldsboro, any significant change in seasonal employment will have a greater impact on the overall unemployment rate.

National: The seasonally-adjusted national unemployment rate is measured on a monthly basis in the United States. In August 2023, the national unemployment rate was at 3.8 percent. Seasonal adjustment is a statistical method of removing the seasonal component of a time series that is used when analyzing non-seasonal trends.

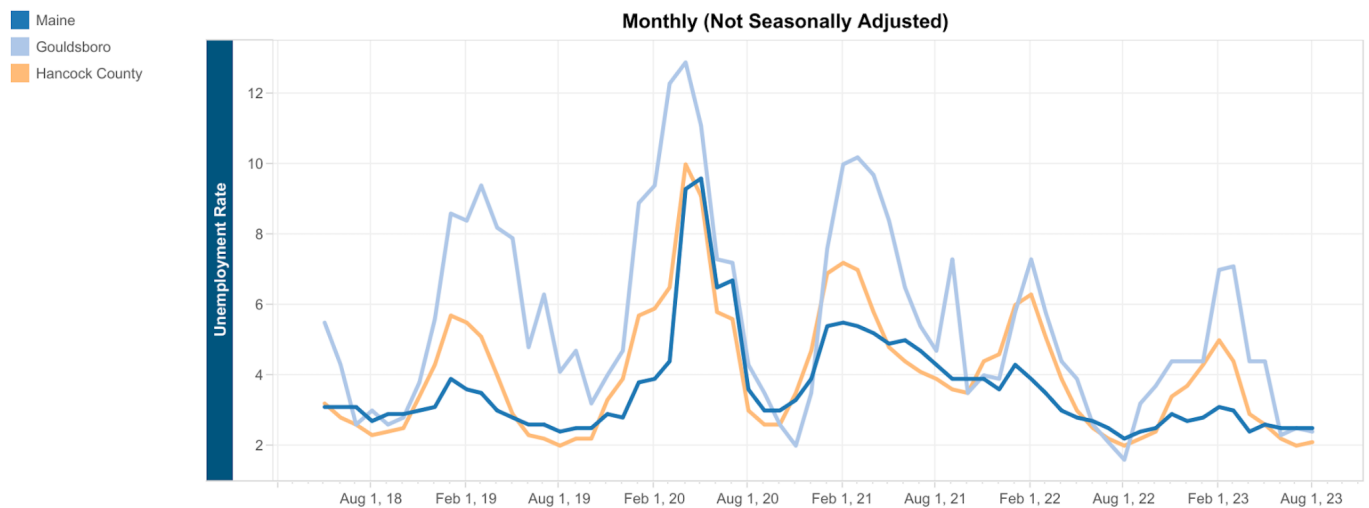
State: The unemployment rate was 2.5 percent in August 2023, after a record-low 2.4 percent for four consecutive months. Unemployment has been below four percent for 20 consecutive months, the third longest period of such low rates. Labor force participation and employment to population rates continued to trend higher in July.

Three month averages generally provide a better indication of workforce conditions as they

smooth some of the variability in sample-based estimates and they reflect revisions for previous months. The 2.4 percent average unemployment rate from May to July is down from 2.6 percent for the three months of February to April. In that period average labor force participation and employment to population rates increased.

The unemployment rate for Maine was below the National and New England rates for July 2023, which were 3.5 and 2.7 percent, respectively.

Hancock County: Hancock County showed the lowest (not seasonally adjusted) unemployment rate for July 2023, at 2%. County unemployment trends tend to mirror those of Gouldsboro, albeit at lower percentages.



Source: Seasonal Unemployment Rates for U.S, Maine, Hancock County, State of Maine Dept. of Labor, 2023

The Schoodic Peninsula's geographic location brings advantages and disadvantages, but isolation makes it difficult for the area to compete. Geographically the locale offers protection and a distinct identity, but the peninsula's remoteness causes the area to experience a seasonal fluctuation in employment. One third of the jobs are seasonal summer jobs that are lost during other parts of the year.

Commuting Patterns:

There is substantial commuting by Gouldsboro residents. U.S. Census data indicated that the mean travel time for the journey to work increased from 23.7 minutes in 2000, to 34.4 minutes in 2021, according to 2021 ACS 5-Year Estimates. An estimated 16.8% of workers traveled 60 or more minutes to work. The mean 2021 travel time was 10 minutes longer than the 24.5 minutes for Hancock County as a whole. The 2005 Comprehensive Plan predated the full closing of the Navy facilities and it was assumed at that time that residents would be commuting in the future unless the Town were to undertake an aggressive economic development policy. The data suggests that there has

been a significant increase in commute time since the Navy facilities closure and a factor that Gouldsboro is the furthest town in Hancock County from the larger hiring economy town of Ellsworth.

Gouldsboro Commuter Inflow/Outflow, 2020



Source: U.S. Census OnTheMap, 2020

Gouldsboro is a rural community and this requires that many residents commute to get to work. Commuting may either be to a local town pier for lobster fishing, to a small local business or to larger towns or cities. 2020 U.S. Census OnTheMap data indicate that 72.9% of those employed in Gouldsboro live outside of town limits. It also states that only 13.1% of residents stay in town for work, while remaining working residents commute to areas outside of Gouldsboro for employment.

Major Employers:

Maine Department of Labor’s Center for Workforce Research and Information lists the Eleanor Dixon Clinic and West Bay General Store as Gouldsboro’s biggest employer by number of employees (20-49), followed by Elscott Manufacturing, the Mira Monte Inn and Springtide Seaweed (all with 10-19 employees). [Table X-X](#)

Table X-X: Top Employers, Gouldsboro

Employer Name	Employer Size
Eleanor Dixon Clinic	20-49
Elscott Manufacturing	10-19
Springtide Seaweed LLC	10-19
Mc's Market	5-10
Darthia Farm	5-9
Downeast Mexican Takeout	5-9
Maine Coast Rehabilitation Services	5-9
Offshore Fuel	5-9
One Wing Publishing	5-9
Peninsula School	28-32
Seaside	
Weaver Trust	5-9
Young's Market	5-9

Source: Maine Department of Labor's Center for Workforce Research and Information
<https://www.maine.gov/labor/cwri/employers2.html>

There has been some new activity in Gouldsboro such as a new upscale RV Campground on the West Bay Road as well as the HarborSide Cafe/grocery store due to open by early fall 2023 in the post office building, which will need to hire employees. The former Maine Fair Trade property has recently been acquired by local entrepreneurs who are still deciding how best to use the facility. They will be working with the Planning Board to determine the most appropriate and allowable uses within the Shoreland Protection Ordinance guidelines. These types of small businesses are slow to come to town but need to continue to bind our community with local ties. Ben & Me Ice Cream has expanded a bit and continues to be a successful addition as is Seaside Landscaping.

Tourists continue to wander through the villages that make up Gouldsboro, which should help new as well as established businesses along with seasonal rentals, but more small businesses would offer more for the tourists. Elsa's Inn, the Bluff House, Acadia's Oceanside Meadows Inn, the Sunset House Bed & Breakfast, and Corea's Black Duck Inn offer local lodging. Albee's Shorehouse Cottages has been recently purchased and will be doing some renovations. Local

campgrounds offer another means of lodging: these include West Bay Acadia RV Campground, Acadia East Campground and the nearby Schoodic Woods. The impact of increased conversion of private homes to Airbnbstyle short term rentals affects the local economy in terms of increased tourists as well as decreasing the housing available for potential workers. Survey respondents overwhelmingly support the continued development of a variety of short term residences (66.97%), and 62.08% do not think the town needs to enact an ordinance limiting them similar to the ordinance recently passed in Bar Harbor. This impact will need to continue to be monitored particularly in the most popular locations such as in Corea where there are many tourists but few nearby businesses to supply their needs.

Schoodic Arts for All continues to be a needed presence within our community as well. It has grown from a two week summer event to a year round presence and has been reaching out more to the public with workshops, community events and workshops.

The Gouldsboro Community Center has seen increased activity with a new committee hosting more community events such as father-daughter dances, Easter egg hunts, family movie nights, craft fairs, community yard sales, and more.

A growing segment of employment is the “work-from-anywhere” professional who requires only a stable and fast internet connection. Gouldsboro will need to continue its work with Winter Harbor on this project to bring broadband to the area to attract residents in this segment. This growing segment can be a vital component to complement one of Gouldsboro’s long-established mainstays, creative home-based enterprises.

6. Projected Future Employers & Regional Issues

Gouldsboro’s future economy will depend on a range of factors, including both regional and local demographics as well as changes in climate and technology. Local businesses connected to the land and water are likely to succeed. It will be important to support marketing of marine products and help to assure that existing marine-based businesses remain competitive. Retail and other industries that rely on brick-and-mortar storefronts will continue to compete with larger regional centers such as Blue Hill and Ellsworth and will likely not be major employers in the future. Climate change’s impact on fisheries and marine-based industries remains to be seen. This diverse sector, whether shellfish or seaweed harvesting, etc., will be impacted by rising sea temperatures and increasing cycles of extreme weather events. This could pose a major threat to the future of Gouldsboro’s local economy.

The town will also be in competition with other towns and regions that have fiber optic internet as telecommuting increases in the internet age. The growth of tourism, especially since the opening of Schoodic Woods, has impacted Gouldsboro in terms of increased visitors and therefore an increased need for goods and services for visitors. While this presents an opportunity for tourist related business, it also strains the town's resources in some ways, including affordable housing for future entrepreneurs and for their employees. Furthermore, the lack of affordable and accessible childcare and early childhood education may also contribute to Gouldsboro’s ability to attract new residents and retain current ones.

7. Goals & Objectives

Goal: Gouldsboro will work to support local economic enterprises and attract new residents to the area so as to retain as much economic capital in the town as possible.			
Objective	Strategies	Responsible Parties	Timeline
Actively pursue equitable access to fiber and broadband Internet for all Gouldsboro residents.	Continue the efforts of the local broadband committee.	Local broadband committee, HCPC	Immediate and ongoing.
Prepare Gouldsboro for climate change impacts to current industries such as fisheries and other natural resource-based operations.	Utilize Shoreland project recommendations and consider a climate change task force as well as make a written plan.	Select Board, the Committee, and HCPC	Immediate – to be completed within one year of plan adoption.
Support current businesses and attract new business opportunities through actively researching and pursuing grants, loans, and other financial support, and identifying appropriate capital investment projects in town.	The Select Board and Town Office will actively pursue Community Development Block Grant, USDA, state and private sources of funding for applicable capital investments and opportunities.	Select Board, Town Manager and Town Planner	Immediate and ongoing.
Encourage small home-based businesses that do not negatively impact the quiet rural character of the town and align with State environmental policies.	Designate a committee to review current land-use ordinances, both local and state, to find a balance between projected development demand and	Select Board, designee(s), HCPC.	Immediate – to be completed within one year of plan adoption.

	Gouldsboro’s natural resources, and then formulate a policy if required.		
Consider Business designated areas/land within use for development or reuse of vacant business sites.	Consider commercial zoning areas, Route 1, etc.	Select Board to task Planning Board with possible options.	Immediate, to be completed within one year of plan adoption.
Regional coordination efforts and collaboration with the Schoodic Area Chamber.	Consider a volunteer committee with the task to bring information.	Planning Board, Town Manager	Immediate, to be completed within two years of plan adoption.
Economic Development Planning and seeking state or federal grants to hire contract grant writers.	Town and/or Select Board to appoint grant manager for hire or volunteer to oversee grant reporting.	Select Board and/or Town Manager	Immediate, to be completed within three years of plan adoption.

Analyses:

- (1) Is the economy experiencing significant change, and how does this, or might this, affect the local population, employment, and municipal tax base?
- (2) Does the community have defined priorities for economic development? Are these priorities reflected in regional economic development plans?
- (3) If there is a traditional downtown or village center(s) in the community? If so, are they deteriorating or thriving?
- (4) Is tourism an important part of the local economy? If so, what steps has the community taken to support this industry?
- (5) Do/should home occupations play a role in the community?
- (6) Are there appropriate areas within the community for industrial or commercial development? If so, are performance standards necessary to assure that industrial and commercial development is compatible with the surrounding land uses and landscape?
- (7) Are public facilities, including sewer, water, broadband access or

three-phase power, needed to support the projected location, type, and amount of economic activity, and what are the issues involved in providing them?

(8) If there are local or regional economic development incentives such as TIF districting, do they encourage development in growth areas?

(9) How can/does the community use its unique assets such as recreational opportunities, historic architecture, civic events, etc. for economic growth?

Conditions and Trends

Minimum data required to address Analysis:

(1) The community's Comprehensive Planning Economic Data Set prepared and provided to the community by the Office or its designee.

(2) A brief historical perspective on how and why the current economy of the community and region developed.

(3) A list of local and regional economic development plans developed over the past five years, which include the community.

(4) Where does the community's population work and where do employees in your community reside? A description of the major employers in the community and labor market area and their outlook for the future.

(5) A description of any economic development incentive districts, such as tax increment financing districts, in the community.