

Testimony to the Joint Standing Committees on Appropriations & Financial Affairs and Housing & Economic Development

In Support of Funding in L.D. 210: FY26-FY27 "Biennial Budget Bill" for the Maine Development Foundation & the Maine Economic Growth Council (in DECD)

February 5, 2025

Honorable Chairs and Members,

The Maine Development Foundation (MDF) offers testimony, via our CEO Yellow Light Breen of Holden, Maine, in support of the proposed appropriation of \$58,444 annually to the Maine Development Foundation (p. A-180) and \$90,395 annually to the Maine Economic Growth Council (served by DECD as fiscal agent) (p. A-194).

In addition, we ask the Committees to support an additional \$500,000 per year to restore public matching investment in the public-private partnership that is MDF. This will be before you this session in LR 992.

MDF is a statewide non-profit, non-partisan membership organization uniquely established by the Legislature and the Governor in 1977 to work across the business, government, and education sectors to provide an objective, respected, long-range vision and strategies for growing Maine's economy. We do this through our trusted economic research, leadership programs, and several signature public-private partnerships.

We operate approximately a dozen programs, but only 3 of them receive General Fund support.

In support of funding the Maine Development Foundation at \$58,444 annually (page A-180) The proposed budget currently supports two programs at MDF.

Realize Maine Network:

First, the budget bill amount includes \$33,444 annually for the Realize Maine Network, as it has since FY2008. The Realize Maine Network is a coalition of local and statewide organizations working together to retain and attract young people to Maine, empower them to reach their greatest career and civic potential, and create opportunities to keep them living, working, and thriving in our state. The driving force behind the Network is its 9 affiliated regional groups, each of which is autonomous and unique to a different place in Maine. Groups work independently and collaboratively to create opportunities for young people to network, build their communities, and pursue their aspirations.

The generous support of the Maine Legislature funds two important activities. A portion of the money is used by MDF to provide organizational and technical support to the Network and its members throughout the year. Services include coordinating the Network steering committee, sharing best practices, fiscal management, and representation of the program across Maine, to name just a few.

Money also funds a competitive grant program (administered by MDF) awarded directly to the regional groups to implement projects in their communities. Both MDF and the Network continue to use the State's investment to leverage additional multiples of private and philanthropic funds to support these activities.

The Network is supported by a dedicated steering committee led by a chair, marketing chair, and secretary. The Network is currently re-energized with the recent addition of two new member groups (AGC's Emerging



Contractors Group and Educate Maine's Maine Career Catalyst program, which are both statewide). The additions are a result of the steering committee's continued focus on raising visibility/awareness of RMN, helping member groups market themselves and their events, and recruiting new affiliate representation.

Examples of recent successful member group activities included:

- Cynergy held a quarterly educational event to help members understand retirement savings, build their presentation skills, have a professional social media presence, and effectively run meetings.
- FUSION:Bangor held their second annual Fusion Summit, which focused on entrepreneurship and innovation and explored how to identify opportunities and create value.

RMN continues to devote some funds to scholarships for younger leaders to access MDF's statewide leadership development opportunities such as Leadership Maine and the Institute for Civic Leadership.

In each of the past two years, member groups have hosted *Magnetize Maine*, a statewide event bringing together members of all Realize Maine Network groups and other community and business leaders to tackle issues important to young professionals across the state. In 2023, Momentum Aroostook hosted the event in at the University of Maine Presque Isle, bringing together panels of speakers on important topics like Maine's economy, workforce recruitment, and innovations in agriculture, and creating networking opportunities for attendees. In 2024, Uplift LA hosted Magnetize in Downtown Lewiston and at Central Maine Community College. Both events attracted over 100 participants and sparked excitement from one of the newer member groups to host Magnetize in 2025.

All the above types of activities are made possible in part by the funded sub-grant program. The grant program includes small planning grants designed to help groups explore the viability of a project idea; larger project grants up to \$5,000 designed to help groups start or significantly expand "best practice" events or programs that can be easily duplicated in any region; and seed funds to help approved and accepted new regional groups with start-up expenses so they can build their own sustainable funding base through partnerships, grants, sponsorships, small event fees, and/or membership fees.

Realize Maine plays an important role in addressing Maine's demographic challenges by actively engaging young people in leading solutions for their community and economy. Partnerships are critical to the Network's success. Efforts like Live + Work in Maine and Maine Career Catalyst build a funnel of talent and Realize Maine works to make the local connections sticky and lasting!

Maine Downtown Center:

Second, the budget bill continues to include \$25,000 annually to the Maine Downtown Center (MDC), as the Maine Legislature has provided since FY2012. The MDC was established in state law in 1999 as a public-private partnership based at MDF. MDC serves as the state coordinator for the National Main Street Center, utilizing the 45-year-old Main Street Four-Point Approach which has earned a reputation as one of the most powerful local economic development tools in the nation focusing on design, organization, economic vitality, and promotions. The MDC's mission is to advance preservation-based economic development in downtowns across Maine, resulting in business growth, job creation, building rehabilitation, cultural enhancement, and organizational leadership. The MDC and its 15-member professional Advisory Council serves as a clearinghouse and technical assistance resource for all Maine communities interested in undertaking downtown revitalization projects.



The Center currently has 28 communities in its formal program -- 11 nationally accredited Main Street programs and 13 state-designated Maine Downtown Affiliates, 4 Municipal Programs -- and serves dozens more with programming and assistance.

In 2023 MDC provided technical assistance to 88 unique communities statewide.

Reinvestment statistics from 2002 to 2023 from our 10 Nationally designated Main Street Communities included:

- o 376.699 volunteer hours
- o 667 net new businesses
- o over 2500 new jobs
- o 1271 building rehabilitations
- A total reinvestment of \$498 million a reinvestment ratio of \$23.54 for every \$1 spent by the local community

In 2024, The Maine Downtown Center brought back the statewide Downtown Conference which had not been held in 8 years. Over 160 people attend the two-day event in Biddeford and Saco which included the CEO of the National Main Street Center, Erin Barnes, as the keynote speaker.

MDC is a busy, efficient operation including three full-time staff devoted to the Maine Downtown Center. In 2025, MDC will hold numerous trainings; numerous cohort gatherings for economic development directors, board leaders of our downtown organizations, and a gathering for our all-volunteer organizations; as well as numerous site visits, public presentations, and individual community trainings.

We are very appreciative of your support to keep the "public" in this successful public-private partnership. The leverage obtained from this General Fund support (less than 3% of the MDC's total budget) is exponential. In 2019, 2021 and again in 2024 MDC was awarded a total of \$2.25 million from the National Park Service through the Historic Preservation Fund for a bricks and mortar sub-grant program for historic downtown buildings that drive economic development -- the largest amount in the country. We were able to sub- grant to 10 projects in Augusta, Ellsworth, Norway, Eastport, Gardiner, Machias, Rumford, Skowhegan, Bath and Dover-Foxcroft. Applications will be available for the most recent round in March of 2025. We also just wrapped up a \$747,000 congressional earmark for entrepreneurship in 10 communities across Maine.

Seeking Additional Funding to Fulfill Commitments, Leverage Opportunities, Maintain Services

We also respectfully ask you to consider increasing the level of state General Fund investment in MDF overall by \$500,000 each year to enable MDF's essential core activities in economic development, workforce development, and downtown revitalization to continue to meet critical increased need, particularly for communities, industries, and individuals that are most-often underserved, economically distressed, and in many cases more rural. This would achieve in part the long-neglected promise of the State dating back to 1977 (PL77 c548) to match the first \$250,000 of private sector contributions (in 1977 dollars -- let alone with decades of inflation, which would be approximately \$1.3 million in today's dollars!). Without matching investment, MDF is heavily dependent on limited-period, limited-purpose competitive federal grants – and as demand for our services has grown our ability to deliver is subject to this volatility. Just last week, one



already awarded \$1.5 million federal grant to serve economically distressed rural Maine was arbitrarily terminated. We pledge we would match any additional funding at least an additional 1:1 (and likely much more) even though currently MDF has already leveraged state General Fund investments by 20:1.

In support of funding the Maine Economic Growth Council at \$90,395 annually (page A-194)

MDF administers the work of the Maine Economic Growth Council, an independent body created in statute in 1993 to develop and assess our progress toward a long-term vision for Maine's economic growth. DECD is the Council's fiscal agent. Council members are jointly appointed by the Governor, Speaker of the House, and President of the Senate, and represent a broad and diverse cross-section of leaders across Maine's key constituencies, including the public, private, and non-profit sectors.

The Council's annual *Measures of Growth* report ("MOG") is an objective, data-driven, and trusted assessment of Maine's progress toward the Council's vision of "a high quality of life for all Maine people". *Measures of Growth* includes key indicators and benchmarks that support a vibrant and sustainable economy, thriving communities, and a healthy environment. The 30th *Measures of Growth* report was released in November 2024.

The Council and MDF make every effort to provide a product that helps policymakers focus their efforts and understand the connections between and among the major issues affecting the economy and the well-being of Maine people. The indicators included give context to Maine's <u>long-term</u> performance by comparing to U.S., New England, and EPSCoR averages. The MOG helped provide the situational analysis for Maine's 10-Year Economic Development Strategy (2019), assists DECD in tracking progress towards the plan's goals, and informed the 2024 Refresh.

Constant refinement occurs to better reflect current circumstances: since 2019 Measures of Growth has added four new measures: Racial/Ethnic Income Equity, Prekindergarten Education, Greenhouse Gas Emissions, and Mental & Behavioral Health. We have also adjusted the methodology to improve the utility of several metrics, including Broadband Connectivity to track access to high-speed service; Postsecondary Degrees & Credentials to now include valuable non-degree certifications; Entrepreneurship now measures how/if startups outpace closures; and Labor Force Participation better tracks Mainers working – or leaving. The MOG presentation was reorganized so that MOG can more readily be used to track the progress of the 10-Year Economic Development Strategy. Importantly, MOG has become a vastly improved tool for public usage and understanding with the addition of a mobile-optimized and enhanced digital presentation in 2021.

We encourage you to support full funding for the Council. We look forward to continuing to work with the Council to provide a valuable and trusted perspective for Maine leaders.

Thank you for this opportunity to update you on our efforts and seek your continued co-investment in MDF.

Respectfully submitted, Yellow Light Breen, President & CEO

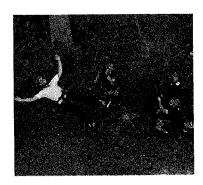
yellow@mdf.org; 207.478.3633

PO Box 3, Augusta, ME 04332

Yellow K

T: 207.622.6345 | E: mdf@mdf.org | www.mdf.org







MDF is a non-partisan, statewide driver of equitable, inclusive, and sustainable economic growth in Maine. We connect people, decision makers, and communities though trusted research, leadership development, and creative partnerships to stimulate new ideas, solve problems, and improve lives.



Trusted Research

Our multi-sector, non-partisan methods of collecting data, testing its validity with our cross-sector partners, and sharing it widely across our network are why we are one of the most trusted sources of economic data in Maine.

MDF manages or is a lead partner in key research initiatives and reports used by policymakers, businesses, educators and individuals: Maine Economic Growth Council Measures of Growth Making Maine Work



Leadership Development

Our leadership development programs provide training and experiential learning opportunities to ensure decision makers of every type and from every sector have access to the training and resources they need to be effective catalysts and conveners in their businesses and communities.

MDF is proud to offer programs for business, non-profit, policymaking and emerging leaders:

Leadership Maine Institute for Civic Leadership Policy Leaders Academy Realize Maine Network



Creative Partnerships

MDF is here to connect you with the people, research, and resources you need to solve problems and implement innovative approaches that make visions of a more vibrant community the reality.

MDF is honored to manage statewide initiatives that help individuals and communities achieve their highest potential:

Maine Downtown Center
MaineSpark - Adult Promise
Forest Opportunity Roadmap
SEA Maine (Seafood Economic Accelerator)
Maine Alliance for Health & Prosperity

There's a place at the MDF Table for You

MDF is also a member organization representing individuals, businesses and organizations from all sectors and regions of the state. Members inform our research, partner in our work, and hold us accountable to high standards of impact. With membership rates starting at \$50, a seat at the table is accessible and brings benefits that include: early access to our research, discounts for leadership programs, and opportunities to promote your business to our broad network.

For more information about our programs and how to become a member, visit mdf.org

Membership Structure:		
# of Employees	Non-Profit Rate	Business Rate
1 - 25	\$150	\$250
26 - 50	\$200	\$350
51 - 75	\$250	\$500
76 - 100	\$300	\$750
101 - 125	\$350	\$1,000
126 - 150	\$425	\$1,250
151 - 200	\$500	\$1,500
201 - 300	\$750	\$2,000
301 - 400	\$1,000	\$2,500
401 and above	\$1,500	\$3,000
Library Rate	\$50	
Individual Rate - Retiree	\$50	
Individual Rate - Non-retiree	\$250	

Member Benefits

As an MDF member, you'll receive the following benefits:

- \$500 discount on tuition for Leadership Maine and ICL programs
- Special membership rates for you and your employees at all MDF events including:
 - O Annual Meeting
 - O Annual Maine Downtown Center Conference
 - o Leadership in Action Breakfast Series
- First release of MDF publications and curated information
- Curated opportunities to network with our 5600+ statewide community

Additional Champion Circle member benefits (non-profit \$5,000; business \$10,000)

- Prominent logo recognition and listing on MDF materials
- Special sponsorship opportunities
- Complimentary tickets to select MDF events
- Special recognition at MDF events
- Opportunities to be a featured speaker at MDF events and for panel discussions

Thanks to our Champion Circle Members:





































BOARD OF DIRECTORS

Linda Ball, Chair Central Maine Power Augusta

Catherine Wygant Fossett. Vice Chair Institute for Family-Owned Business Portland

> Rick Leonard, Treasurer Cianbro Pittsfield

> > Theresa Cody, Executive Committee Bangor Savings Bank Bangor

Michael McKernan, Executive Committee The Jackson Laboratory Bar Harbor

Yellow Light Breen President & CEO Maine Development Foundation

> Nellie Albright L.L. Bean Freeport

Dayton Benway Baker Newman Noyes , Retired Portland

Hannah Carter University of Maine UMaine Cooperative Extension Orono

> Kendra Coates MMG Insurance Presque Isle

Trampas Hutches MaineHealth Western Mountain Region

Deborah Johnson Dept. of Economic & Community Development Augusta

> Jenny Kordick Maine Outdoor Brands Portland

Carlos Mello Finance Authority of Maine Augusta

> Adam Shub PretiFlaherty Portland

Lisa Sockabasin Wabanaki Public Health & Wellness Bangor



About the Realize Maine Network:

The Realize Maine Network (RMN) brings together regional group representation united in their work to attract and retain young people in Maine.

RMN strives to promote opportunities for young people to live, work, and thrive in Maine communities. It creates a forum for connecting regional groups to each other, sharing new ideas and lessons learned, and works to develop tangible solutions to attracting and retaining more young people throughout Maine.

First started as an outcome of Governor John Baldacci's Summit on Youth Migration in June 2004, today the network is an autonomous network led by regional and statewide group representatives, funded and guided by legislative support in partnership with Maine Development Foundation.

Together, RMN:

- Creates opportunities for like-minded, Maine-based organizations to share best practices, share resources, and collaborate.
- Celebrates the work and accomplishments of young people in Maine.
- Raises awareness about career, civic, and social opportunities for young people in
- Adds value to other programs and initiatives that benefit young people in Maine.
- Informs policy makers about issues affecting young people in Maine.

Benefits of being a member of RMN include:

- Statewide reach & expanded network relationships RMN provides member groups with access to best practices and resources.
- Grant funds A competitive, annual grants program provides funding for member groups to assist with their projects and planning.
- Leadership Each year RMN provides 1-2 scholarships for group members to participate in leadership training programs.

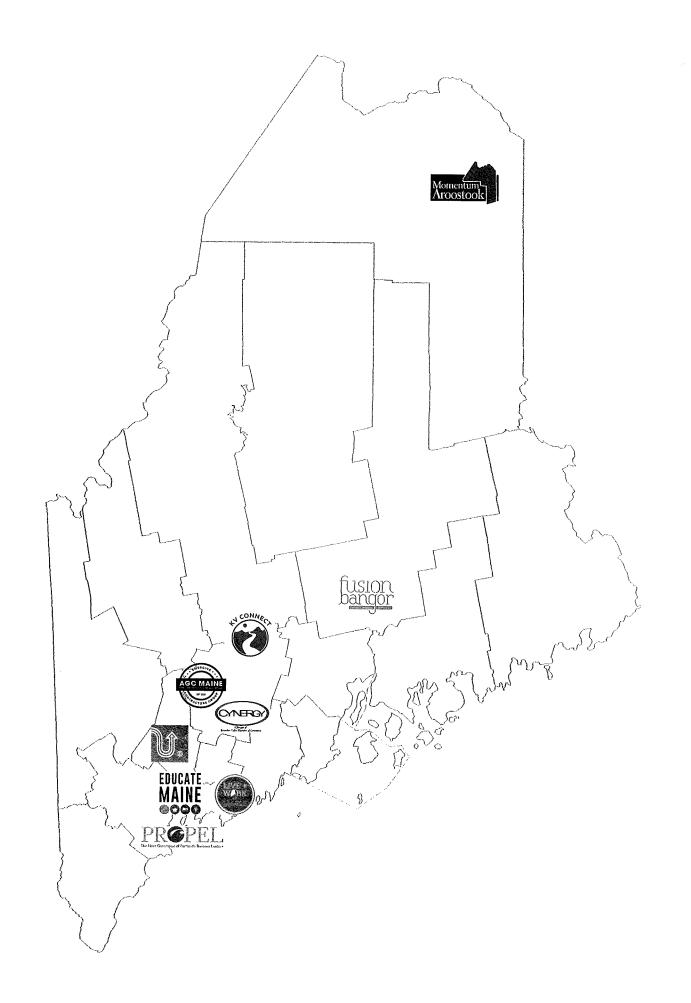
Currently, the network is made up of the following nine regional groups:

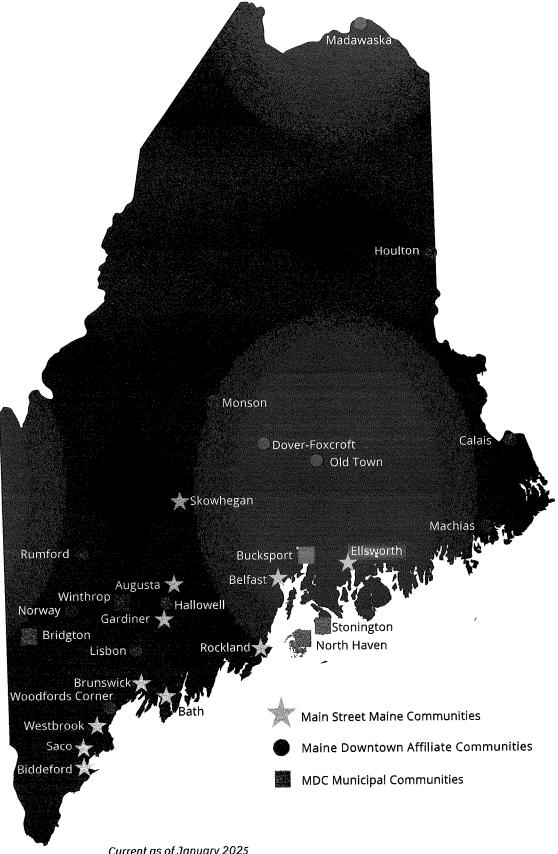
Cynergy (Augusta area), Educate Maine/Career Catalyst (statewide), Emerging Contractors Group (statewide), FUSION:Bangor (Bangor area), KV Connect (Waterville area), Live + Work in Maine (statewide), Momentum Aroostook (Aroostook County), PROPEL (Portland area), and Uplift LA (Lewiston-Auburn area).

> For regional group contact information, go to: https://www.mdf.org/leadership-development/realize-maine-network/.

FMI: Julie Beane jbeane@mdf.org







Current as of January 2025

From:

Reference, Lawlib

To:

Yellow Breen Reference request

Subject: Date:

Tuesday, January 24, 2023 4:35:19 PM

Attachments:

image001.png

Yellow,

Thank you for contacting the Law and Legislative Reference Library, a non-partisan office of the Maine Legislature.

Unallocated language in PL 1977, ch. 548 appears to answer your question:

Sec. 3. Appropriation.

There is appropriated from the General Fund the sum of \$250,000 for the fiscal years 1977-78 and 1978-79 to assist the foundation in its efforts to foster, support and assist economic growth and revitalization in the State. It is provided, however, that no amount of the appropriation shall be provided to the foundation unless the foundation can demonstrate a matching and equal fiscal support from its private and public corporators and members described in Title 10, chapter 107.

If you have further questions please feel free to contact us again.

Ryan Jones Reference Librarian

Maine State Law and Legislative Reference Library email: lawlib.reference@legislature.maine.gov/lawlib

phone: 207 287-1600

Find us on Facebook

Attachment A: Maine Development Foundation

REVENUE	1996	1995	1994	1993	1992	1991	1990	1989	1988	1987
Memberships State Appropriation Contracts	290,017 0 264,553	240,234 0 343,611	172,459 0 260,898	173,800 43,221 29,522	177,246 150,730 126,582	197,455 166,463 105,107	259,171 259,170 136,763	247,314 247,314 264,804	254,826 254,826 363,748	230,473 230,473 456,136
Grants	117,412	226,093	80,293	48,762	209,467	82,820	50,000	0	0	0
Fees	255,901	182,911	121,678	65,072	37,200	45,866	0	0	0	0
Aspirations/Ed.	0	0	360,079	357,523	230,000	224,950	312,141	370,113	18,021	0
Other	51,831	103,155	57,308	28,070	17,816	15,382	16,533	15,535	10,738	0
Total Revenue	979,714	1,096,004	1,052,715	745,970	949,041	838,043	1,033,778	1,145,080	902,159	917,082
EXPENSES										
Salaries/FB	607,483	544,115	561,308	519,974	431,012	426,063	407,842	394,830	354,826	397,307
Consultants	113,068	152,508	143,900	51,565	207,529	159,197	75,479	82,382	78,601	245,910
Program Costs	247,079	272,170	162,464	77,826	197,927	119,645	367,259	547,313	211,625	140,583
Other Expenses	175,526	167,040	164,942	109,629	130,528	124,425	128,710	128,452	236,851	126,144
Total Expenses	1,143,156	1,135,833	1,032,614	758,994	966,996	829,330	979,290	1,152,977	881,903	909,944

Notes

- Information is for calendar year, taken from audited statements.
 Administrative costs average 15-18%, well below the standard for this size organization.
- Audits are not prepared by program category but by function.
 Program costs are direct "out of pocket" expenses, and exclude personnel and consultant expenses, most of which are program-related.