



MEMORANDUM

To: Town Council

From: Nathan Poore, Town Manager
Amanda Stearns, Community Development Director
Theo Holtwijk, Director of Long-Range Planning

Date: January 7, 2009

**Re: FALMOUTH COMMERCIAL PROPERTY DATABASE
+ ECONOMIC DEVELOPMENT POLICY/COMPREHENSIVE PLAN UPDATE**

Staff met with Councilor Armitage in November 2008 to discuss development of a commercial property database for the purpose to facilitate matching available Falmouth properties with interested buyers or tenants who desire to locate in Falmouth. This project is identified in the Council 2008-9 Work Plan as Objective J, Action 10.b¹.

Staff did some research and prepared a draft memo. The group met again in January to discuss and finalize this report for the Council.

Commercial Property Database Examples

Staff located three websites that provide commercial property information - Scarborough, Freeport, and Maine and Company – and contacted each of these organizations to learn more from their experiences.

1. For the past ten years the Scarborough Economic Development Corporation puts out a 4-page newsletter three or so times a year that contains a summarized list with six data fields, organized by realtor. The newsletter also highlights three or four properties or developments of interest with an illustration.
<http://www.sedco.scarborough.me.us/sites/2008/siteswinter2008.pdf>
<http://www.sedco.scarborough.me.us/sites/2007/sitesfall2007.pdf>
<http://www.sedco.scarborough.me.us/sites/2007/sitesspring2007.pdf>
<http://www.sedco.scarborough.me.us/sites/2006/fall/sitesfall2006.pdf>
2. For the past five years or so the Freeport Economic Development Corporation publishes a list on its website with eight data fields. This list is organized by geographic area.
<http://www.freeportecon.com/PropertySearch.html>
3. Maine & Company (www.maineeco.org), a private, non-profit corporation whose staff provides free services to companies locating to or growing in Maine, hosts a property database maintained by the Maine Commercial Association of Realtors, titled the Maine

¹ Action 10.b states: “Develop a real estate fair/forum identifying areas suitable for commercial development and properties that are “for sale”.”

Commercial Property Exchange. One can key in “Falmouth” to get the local listings it contains.

http://www.mainecepe.com/cdx_search_me.asp

Falmouth Database Considerations

Staff recommendations for each section are italicized.

1. Goals of the database

- a. The main goal would be to assist interested buyers or tenants with identifying suitable, available commercial property in Falmouth by providing a comprehensive list of properties and contact information.
- b. A secondary goal was voiced by Scarborough, which distributes its property list as a way for the organization (SEDCO) to remind its audience (businesses, bankers, lawyers, etc.) of the various services it offers to facilitate development projects.
- c. A third goal could be to use the database not just as a promotional and facilitating tool, but as an analytical and planning tool to understand the dynamics of the Falmouth market (for instance, who uses what space for what purpose?), which in turn may help to establish and direct local economic development policy (for instance, what are the best uses for commercial space/land in Falmouth? Is there enough commercial space/land?).

Staff Recommendation:

- *The Falmouth database could fulfill all of these goals.*

2. Usefulness of the database

- a. Scarborough states that the success rate of actually matching properties and interested parties is not known as its main distribution channel is the newsletter.
- b. Freeport reports that its database is consulted on a very regular basis, as evidenced through web hit counts and frequent in-office consultations with prospective retail tenants.
- c. Maine and Company does not see a Falmouth database as a very useful effort as the space data is already available through other means (i.e. broker websites). Maine and Company believes that establishing clear economic development goals may be a much more useful approach.

Staff Recommendation:

- *Falmouth should not develop a property database in isolation, but should do so in the context of development of an economic development policy. That way the database's effectiveness will be maximized. This issue is further discussed below.*

3. Data gathering

- a. Even though commercial brokers benefit from the additional, free exposure of their listed properties, both Scarborough's and Freeport's experience is that they are the ones that need to take the initiative to obtain the data from the brokers.

- b. Data gathering in Freeport consists of commercial broker website review, field inspection of for sale/lease signs, and word of mouth.

Staff Recommendations:

- *A Falmouth database should be comprehensive for it to offer value over data from existing brokers or other inventories.*
- *Only properties that have been listed for sale or lease should be considered for inclusion. Vacant or underutilized land may not necessarily be for sale. The privacy of property owners needs to be respected.*
- *Only properties located in commercial zoning districts or properly zoned for commercial use should be considered for inclusion.*

4. Data Updates

- a. Freeport updates its data once a month or more frequent, as the need arises. Scarborough updates 3 or 4 times a year.
- b. Freeport's time investment to produce an update is about five hours of staff time per month.

Staff Recommendation:

- *A semi-annual update to start out with seems a reasonable goal for Falmouth.*

5. Data format

- a. Freeport and Scarborough track this data in Excel spreadsheet format.

Staff Recommendations:

- *Excel is the recommended as the simplest way to maintain data.*
- *An Access database, and tying it to Codepro, GIS, or other Town software, would allow more elaborate data input and extraction in future years.*

6. Distribution

- a. The database contains all published and available data and would be considered a public document. The key question is whether to use it in-house only and make it available on an as-needed basis, or to publish it on the Town's website.

Staff Recommendation:

- *Publication on Falmouth's website is recommended as it will maximize the exposure of property to potentially interested parties and may limit basic, yet potentially time-consuming inquiries for this data.*

7. Data Disclaimer

- a. Freeport uses a disclaimer on its website regarding database accuracy. Its statement reads: "This information placed on the Freeport Economic Development Corporation ("FEDC") web site is intended to provide viewers high-level data on commercial properties for sale or lease in Freeport. It is updated several times a year and may not be current on a day to day basis. Do not depend

on this source for 100% accurate data. You should contact the realtor directly for the most current information on any property you may be interested in."

Staff Recommendation:

- *A disclaimer similar to Freeport's for the Falmouth database is recommended.*

8. Initial Database Development

- a. Both Freeport and Scarborough developed their databases in-house.

Staff Recommendation:

- *In-house development with assistance from a student intern from the Muskie School for Public Service for data collection and data entry is recommended as it will maximize staff resources and assures data accuracy control.*

9. Data to inventory

- a. Scarborough tracks property type, zone, address, land/space available, terms, and realtor.
- b. Freeport tracks property type, address, currently known as, building/lot square footage, available square footage, sale or lease price, terms, and contact.
- c. The Maine Commercial Property Exchange's data fields are very detailed. The publicly available fields (many of which are left blank) are listed in appendix 4.

Staff Recommendation:

- *It is recommended that Falmouth track to start out with:*
 - *property type*
 - *tax map and lot number*
 - *location/address*
 - *zoning district (a link could allow direct access to permitted/conditional uses table)*
 - *land available*
 - *building square feet available*
 - *basic terms (for sale/lease)*
 - *realtor/owner contact*
- *Other aspects, such as current permits or plans approved, use history, price, physical description, detailed terms, and pictures, are not recommended at this time, but may be considered at a later date.*

Falmouth Economic Development Policy and Comprehensive Plan Update

In its 2008-9 Work Plan, Objective I, Action 9.b², the Council expressed an interest to start updating its Comprehensive Plan with special emphasis on a number of topics,

² Action 9.b states: "Start the Comprehensive Planning process to include special attention to the following: compact development (growth areas); overall visions; specific vision areas such as Route 100; transportation planning; natural resources; and economic development."

including economic development. “The Economy” or the “Local Economy” is one of the required chapters of a community’s comprehensive plan. Starting work on the Economy chapter as soon as possible will provide a useful, and some might argue indispensable, context for the commercial property database discussed above. The Council envisioned that an expanded Long-Range Planning Advisory Committee (LPAC+) would take on the task of preparing a Comprehensive Plan Update.³

In contradiction, Council Work Plan item, Objective J, Action 10.d⁴ envisioned the creation of an ad hoc Economic Development Committee to develop the economic development policy. This contradiction in the Work Plan should be fixed.

Staff Recommendations:

- Staff suggests that the Council charge staff with developing a comprehensive, commercial property database for the primary purpose of assisting buyers/lessee assistance in identifying available commercial buildings or land. Target completion date: Spring 2009***
- Staff suggests that the Council fix the contradiction in its work plan between Actions 9.b and 10.d and not create an ad-hoc Economic Development Committee, but instead charge an expanded Long Range Planning Advisory Committee (LPAC+) with updating the 2000 Comprehensive Plan, including an economic development chapter, and preparing a proposed process to accomplish that task. (Note: This does not preclude the creation of an Economic Development Committee that might carry out implementation of any proposed economic development strategies contained in an updated Comprehensive Plan.)***
- Staff recommends that the Council advertise as soon as possible for six (6) nominations for membership to “LPAC+”, the expanded committee that was envisioned to lead the Comprehensive Plan Update effort. LPAC Chair Hugh Smith is in agreement with this recommendation, anticipating a completion of the natural resource projects in March.***

Staff will be happy to answer any questions that the Council may have and assist the Council with any of these tasks. Thank you.

³ Excerpts from Sec.2.70.2 concerning the Long-Range Planning Advisory Committee state:
“(a) (...) The town council shall appoint up to six (6) additional residents to the standing committee on an ad hoc basis to assist with the development or update of the Comprehensive Plan.
(...)
(c) Ad hoc members assisting with the update of the Comprehensive Plan shall serve one (1) three-year term or through completion of the project, whichever comes first. (...)”

⁴ Action 10.d states: “Create ad-hoc Economic Development Committee to develop policy. Committee to first create “charge” with Council approval. Policies developed by this committee should be compatible with the present and future Comprehensive Plan. Policy development could be incorporated into the Comprehensive Plan.”