

ECONOMIC FRAMEWORK AND ASSESSMENT HAMPDEN, ME

Prepared By:
W-ZHA, LLC

February, 2017

Definitions

Hampden, Hampden's Region and Peer Places

Hampden

Census Designated Place

37.94 Square Miles (Land)

7,554 People in 2016

Population Density 199 People /Sq Mi

1,816 Jobs (2014)

Attractive Residential Location- quality of life, good schools, wealthy, central but has “room to breath”

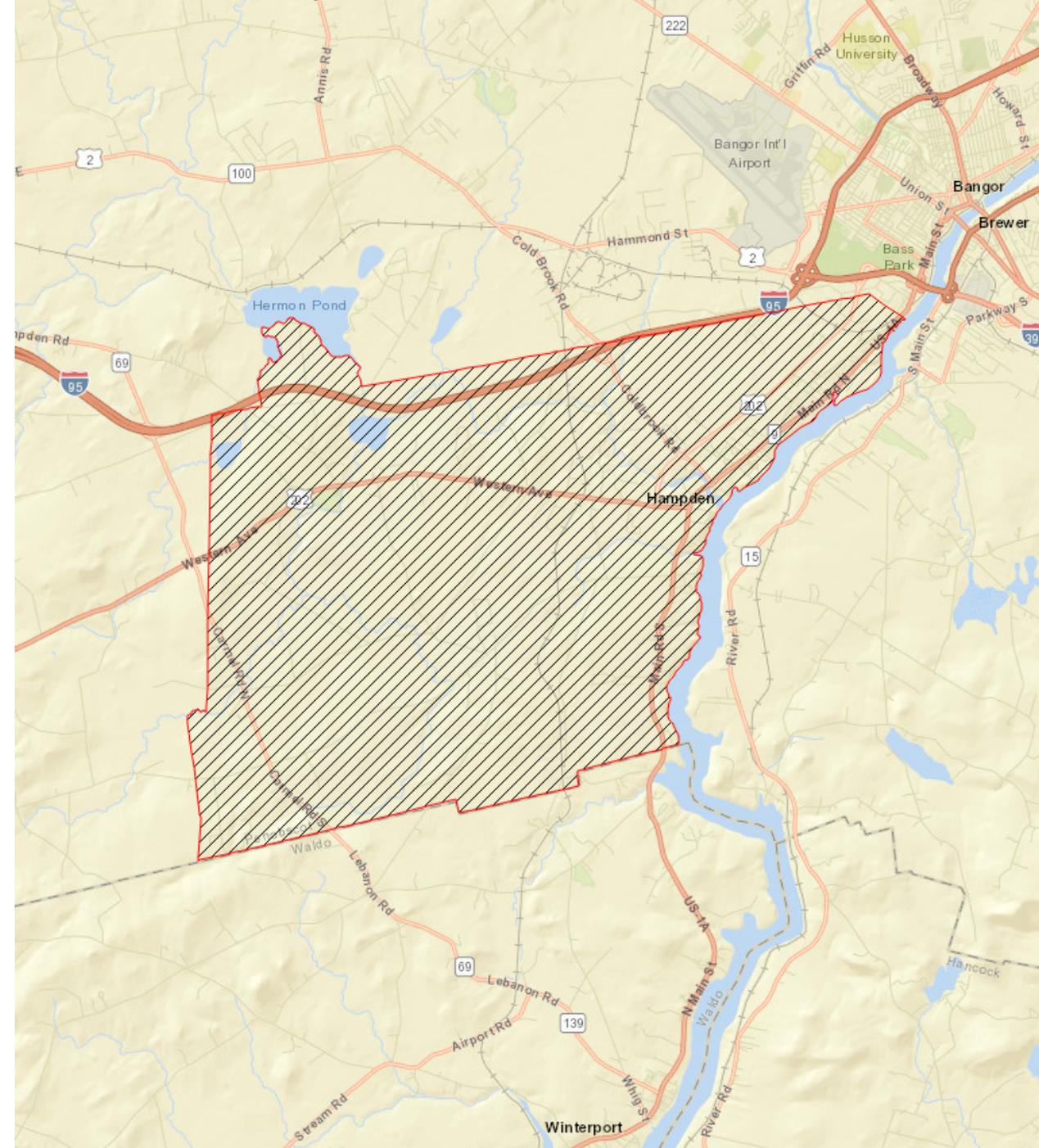
Central location with strong road access

Waterfront – “some of the nicest sites on the River are in Hampden”

Developable land

Relatively high property taxes

Reputation as not business friendly



Bangor Metropolitan Area

The geographic area of the Bangor Metro Area and Penobscot County are the same

3,397 Square Miles (Land)

157,655 People in 2016

2nd Largest MSA in Maine behind Portland-South Portland MSA

Population Density 46 People/Sq Mi

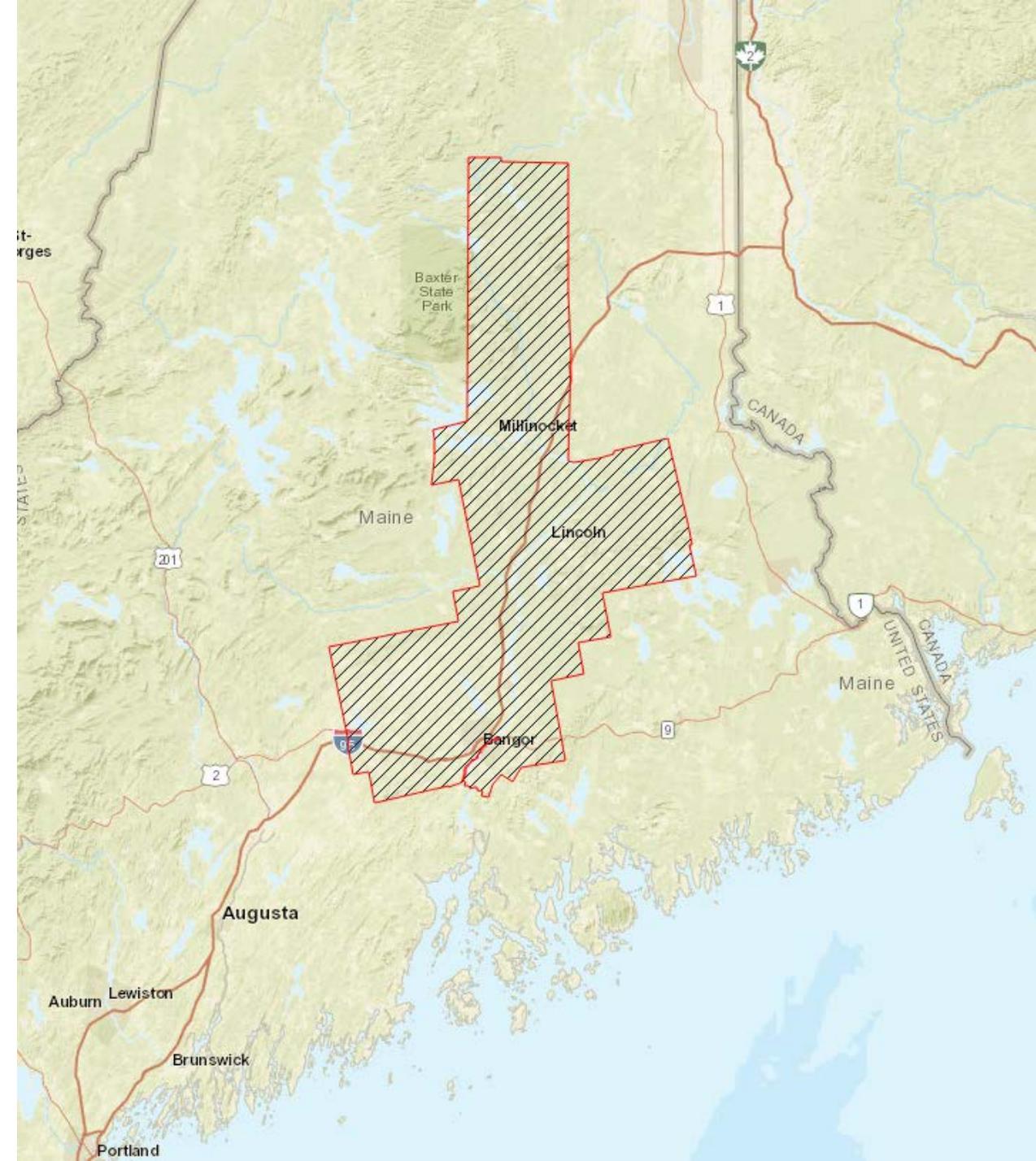
72,380 Jobs (2016)

Relatively small Metro Area – In 2015, ranked 268th of 382 U.S. Metros in terms of population

Slow growth region

Downtown Bangor is revitalizing

Restaurants and waterfront are bringing people Downtown



Peer City: Brewer

City of Brewer

15.23 Square Miles

9,588 People in 2016

Population Density 630 People/Sq Mi

5,576 Jobs (2014)

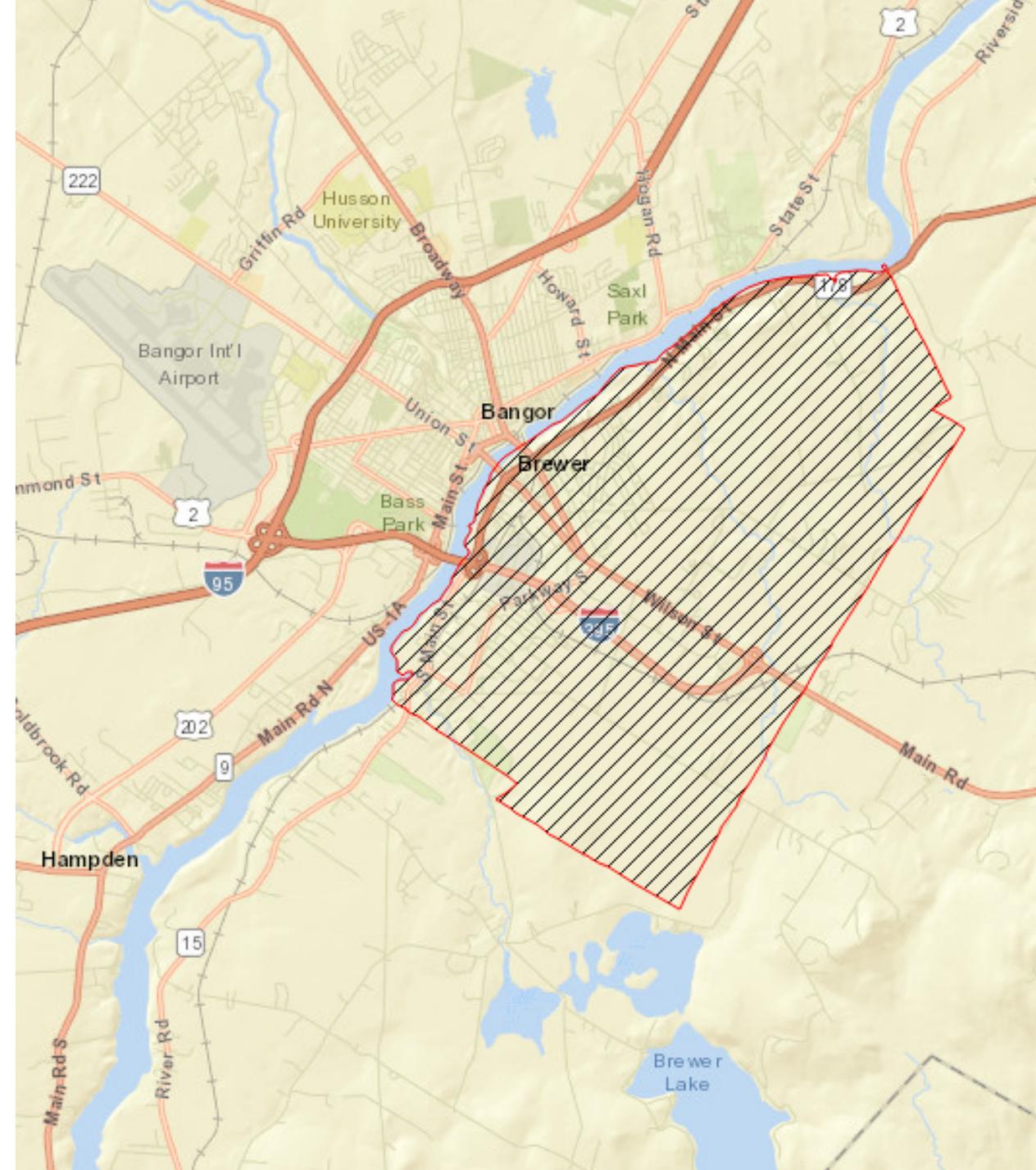
More commercial and industrial than Hampden

Has 77-acres available for medical and professional office development

Limited land available for industrial development

Has waterfront, but industrial in character

*Emerging waterfront restaurants and amenities
(Mason's, Tiller & Rye, river walk)*



Peer Town: Hermon

Census Designated Place

35.87 Square Miles

5,829 People in 2016

Population Density 163 People/Sq Mi

2,642 Jobs (2014)

Central location and good road access

Has a Bangor zip code (Hampden does not)

Similar to Hampden in terms of population

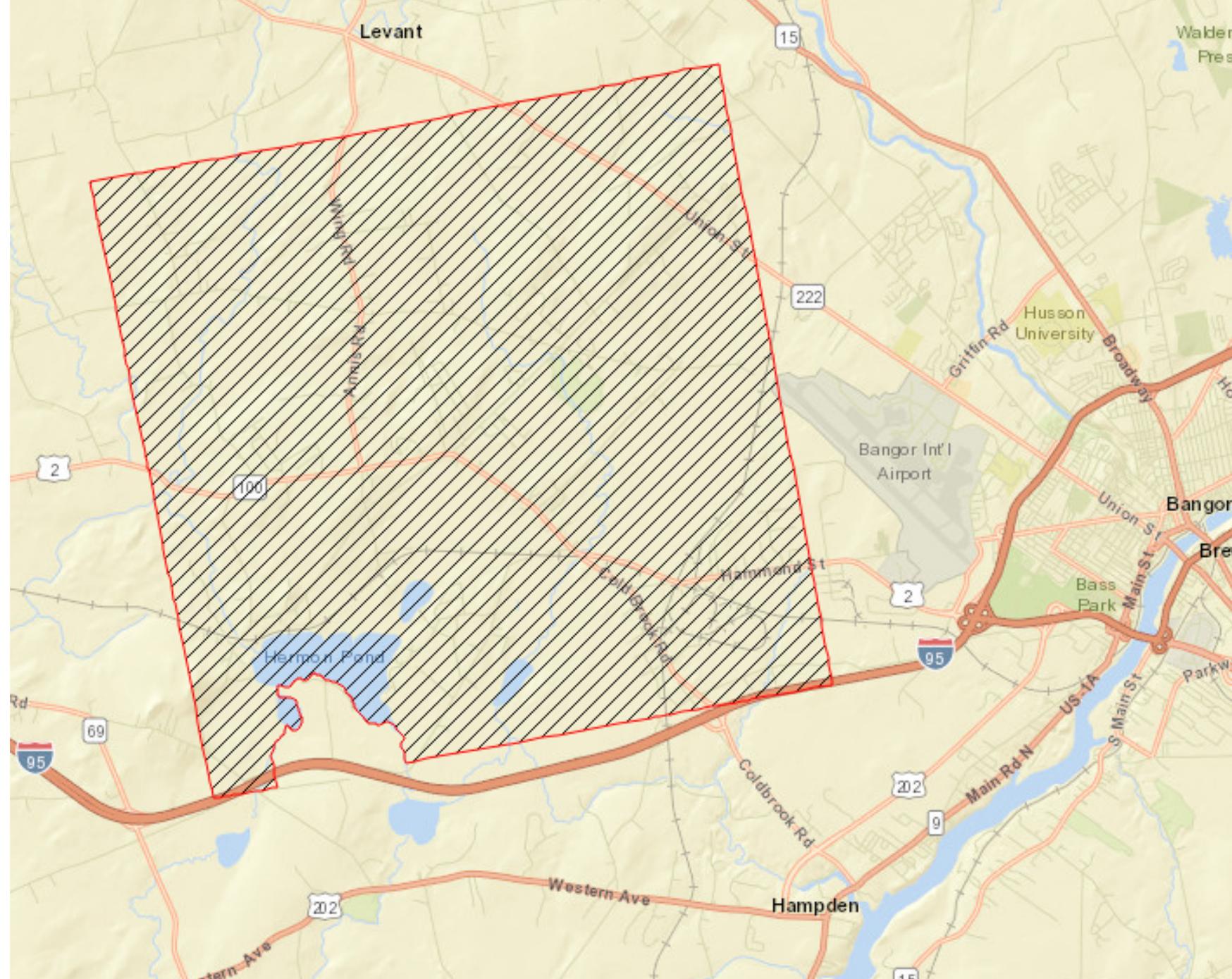
More industry in Hermon than in Hampden

Has natural gas (Hampden does not)

Lower tax rate than Hampden

Track record in leveraging tax increment financing

Reputation as business friendly



Peer City: Belfast

City of Belfast in Waldo County

34.04 Square Miles

6,848 People in 2016

Population Density 201 People/Sq Mi

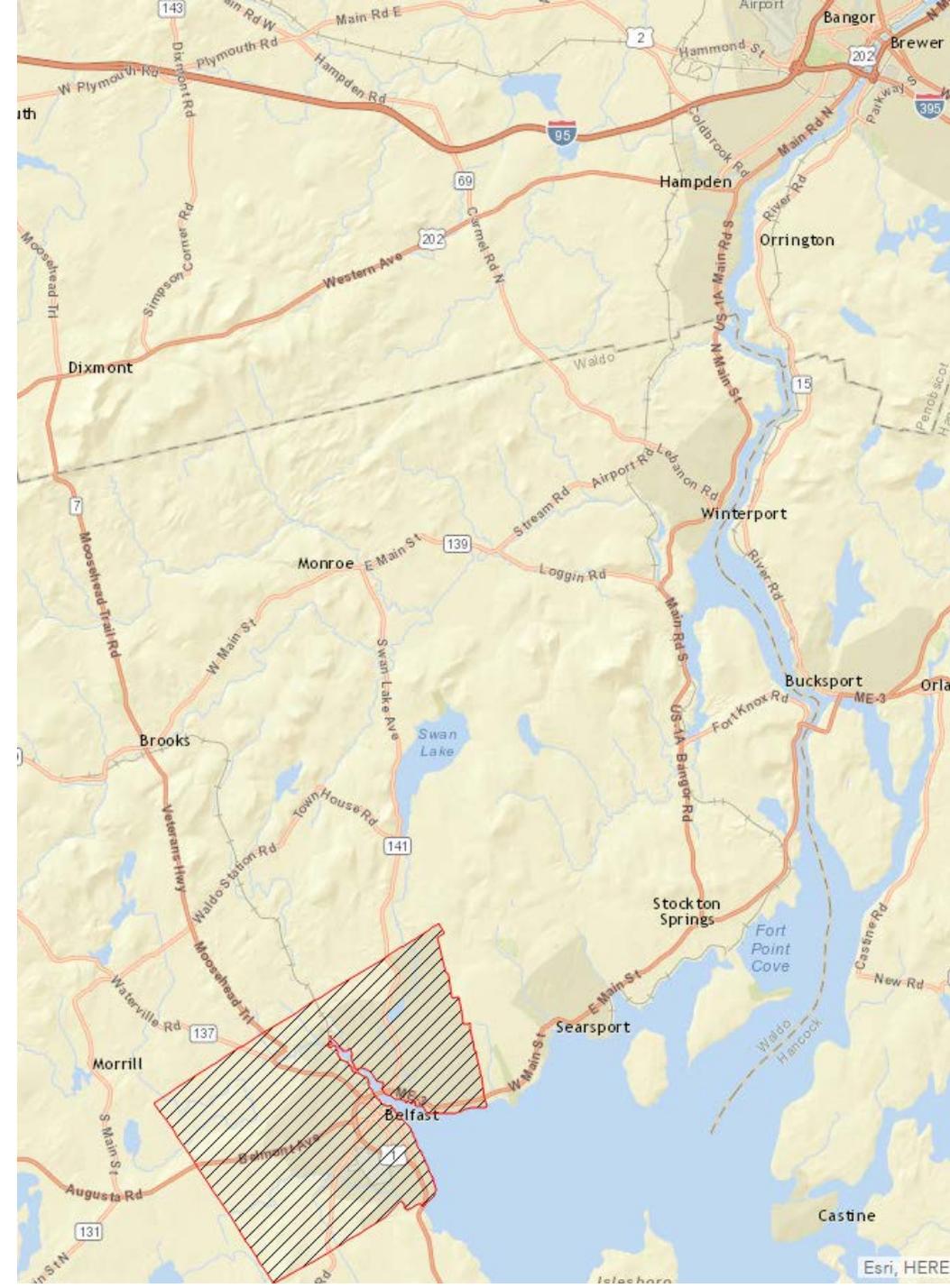
6,231 Jobs (2014)

Seaport city

Intact Downtown mixed-use district

University presence

Waldo County's central city



Peer County: Waldo County

Waldo County

730 Square Miles

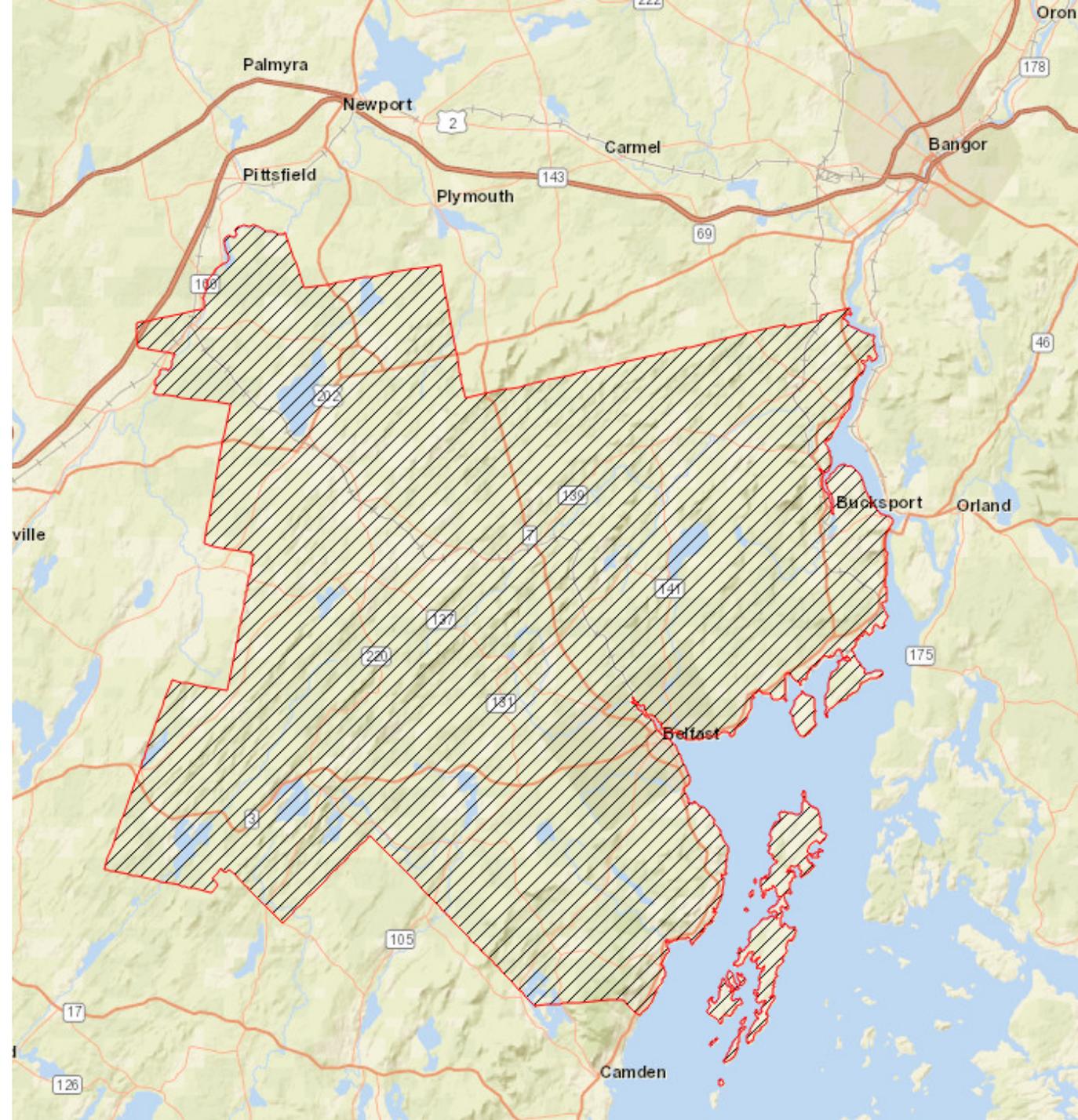
40,292 People in 2016

Population Density 55 People/Sq Mi

11,700 Jobs (2016)

Rural county

Coastal communities benefit from tourism



Economic Framework

Bangor Metropolitan Area/Penobscot County

Population Trends

Between 2010 and 2016, the Bangor Metropolitan Area grew slower than the State of Maine and the Portland-South Portland MSA.

The Portland-South Portland MSA accounted for almost half of the State's growth during this period. The Bangor MSA accounted for less the 10% of the State's growth.

Bangor was the only major city in a Maine MSA to lose population between 2010 and 2016.

Hampden grew by almost 300 people between 2010 and 2016.

Population Trends				
Maine, Portland-South Portland MSA, Lewiston-Auburn MSA, Bangor MSA				
2010 - 2016				
	2010	2016	Change	
			#	CAGR
State of Maine	1,328,361	1,367,696	39,335	0.5%
Portland-South Portland MSA	514,098	534,083	19,985	0.6%
Lewiston-Auburn MSA	107,702	110,314	2,612	0.4%
Bangor MSA	153,923	157,655	3,732	0.4%
Hampden	7,257	7,554	297	0.7%

Source: ESRI; W-ZHA

Population Trends				
Cities of Portland, South Portland, Lewiston, Auburn and Bangor				
2010 - 2016				
City	2010	2016	Change	
			#	CAGR
Portland	66,194	67,887	1,693	0.4%
South Portland	25,002	25,583	581	0.4%
Lewiston	36,592	37,108	516	0.2%
Auburn	23,055	23,583	528	0.4%
Bangor	33,039	32,941	-98	0.0%
Hampden	7,257	7,554	297	0.7%

Source: ESRI; W-ZHA

Population Projections

The Bangor MSA is projected to grow at a slower rate than the State.

The City of Bangor is not projected to grow significantly over the next 5 years.

Hampden is projected to grow by 204 people between 2016 and 2021. The City of Bangor is projected to grow by 62 people over the same timeframe.

Population Projections Maine, Portland-South Portland MSA, Lewiston-Auburn MSA, Bangor MSA 2016 - 2021				
	2016	2021	Change	
			#	CAGR
State of Maine	1,367,696	1,398,166	30,470	0.4%
Portland-South Portland MSA	534,083	551,561	17,478	0.6%
Lewiston-Auburn MSA	110,314	112,184	1,870	0.3%
Bangor MSA	157,655	160,422	2,767	0.3%

Source: ESRI; W-ZHA

Population Projections Cities of Portland, South Portland, Lewiston, Auburn and Bangor 2016-2021				
City	2016	2021	Change	
			#	CAGR
Portland	67,887	69,467	1,580	0.5%
South Portland	25,583	26,147	564	0.4%
Lewiston	37,108	37,452	344	0.2%
Auburn	23,583	23,990	407	0.3%
Bangor	32,941	33,003	62	0.0%
Hampden	7,554	7,758	204	0.5%

Source: ESRI; W-ZHA

Social Indicators

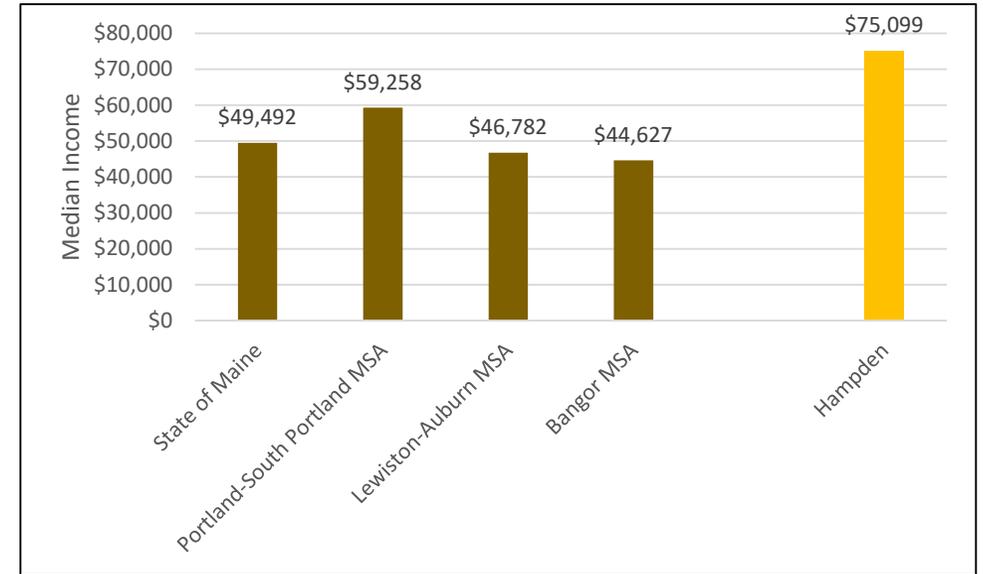
Bangor MSA's median income of \$44,630 is below the State average (\$49,490) and well below the national average of \$54,000.

The median income among Hampden households is well above the State and MSA average at \$75,000.

The Bangor Metropolitan Area's overall cost of living is slightly higher than the Nation's.

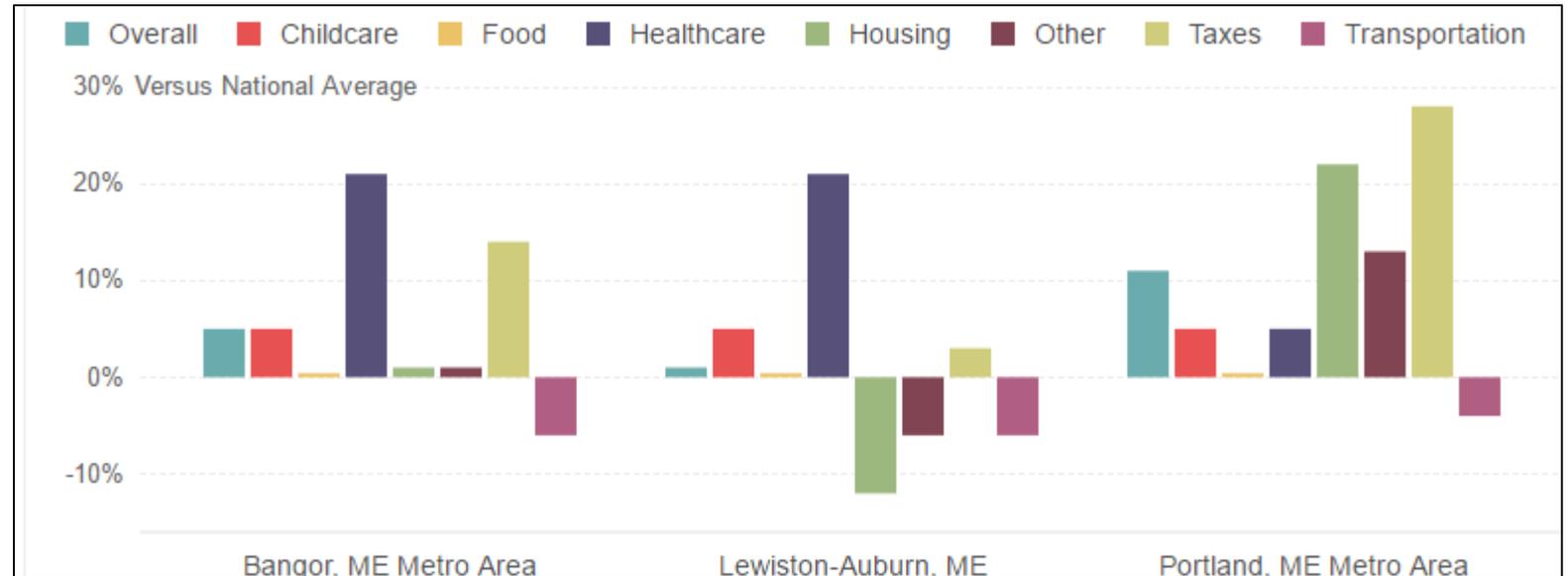
Healthcare is considerably more expensive in the Bangor Metro Area as compared to the U.S. average and the Portland-South Portland MSA.

Median Income - 2016



Source: ESRI; W-ZHA

Cost of Living Compared to National Averages



Source: Cost-of-LivingCareertrends.com

Social Indicators

Maine is the oldest State in the U.S. The U.S. median age is 38 years old.

The Bangor MSA population is younger than the State and the Portland-South Portland MSA population.

Hampden's population is older than the Bangor MSA average.

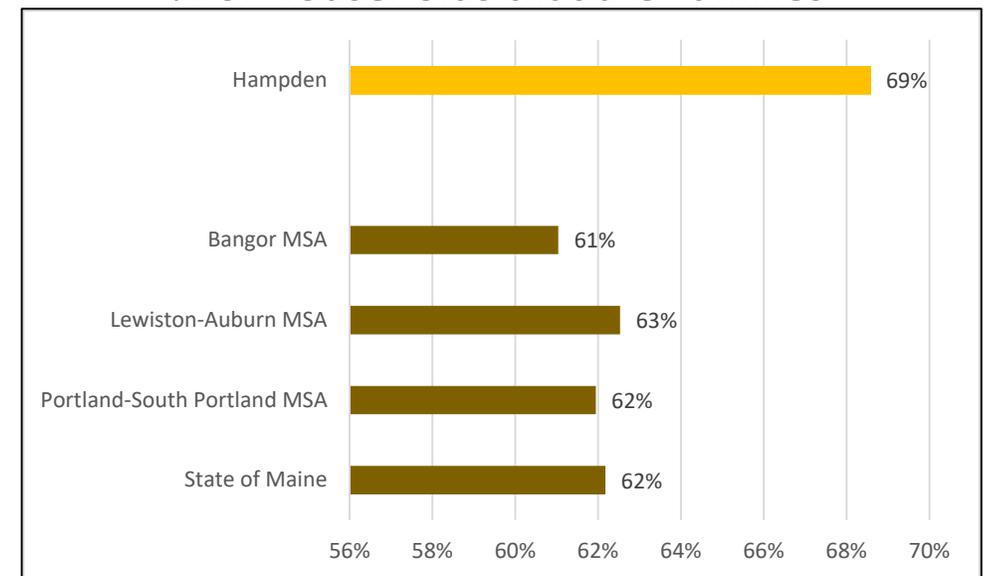
Families make up a smaller share of total households in the Bangor MSA as compared to other MSA's. The average for the U.S. is 66%.

Hampden's households, on the other hand, are about 70% families.

Median Age Select Areas 2016	
	Median Age
State of Maine	44.2
Portland-South Portland MSA	43.4
Lewiston-Auburn MSA	40.8
Bangor MSA	41.0
Hampden	42.2

Source: ESRI; W-ZHA

% of Households that are Families



Source: ESRI; W-ZHA

Social Indicators

The State of Maine’s educational attainment is consistent with the Nation with approximately 30% of the population over 25 years old having a Bachelor’s degree or higher.

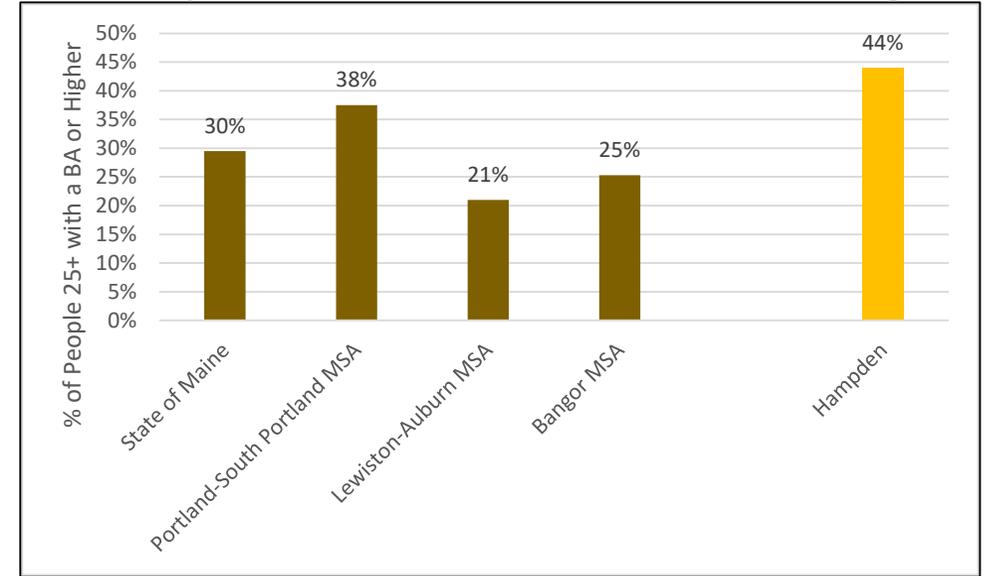
Educational attainment in the Bangor MSA is below the State and National average at 25% of persons attaining a Bachelor’s degree or higher.

44% of Hampden’s population over 25 has at least a Bachelor’s degree.

The Bangor MSA is consistent with the State in terms of the percent of workers in white collar occupations.

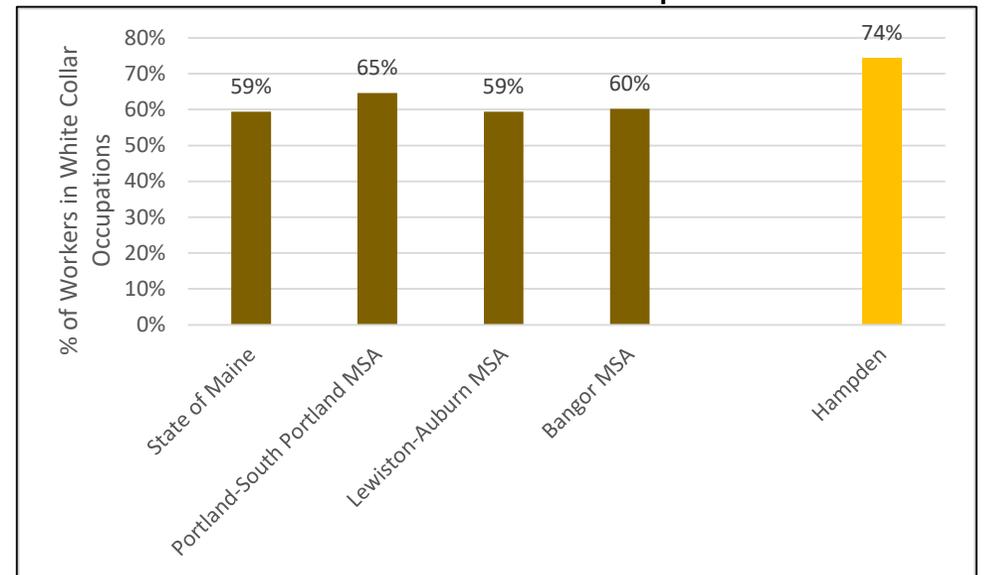
Almost three-quarters of Hampden’s residents that work occupy white-collar positions.

% of Population Over 25 w/ a Bachelor’s Degree



Source: ESRI; W-ZHA

% Workers in White Collar Occupations- 2016



Source: ESRI; W-ZHA



Job Trends and Industry Mix

Jobs in the Bangor Metropolitan Area have grown at a faster rate than the State of Maine.

Job growth in the Portland-South Portland MSA accounts for 63% of the State's growth. Job growth in the Bangor MSA accounts for 15% of the State's growth.

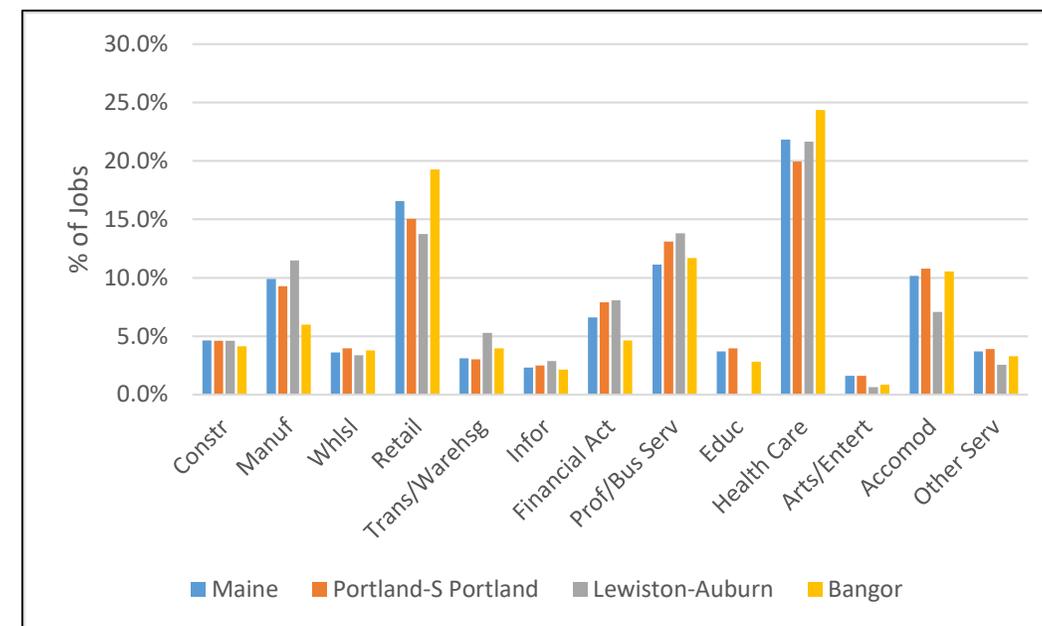
The Bangor MSA has a higher percentage of non-government jobs in retail and health care as compared to the State and other MSAs.

This job data excludes government jobs.

Job Trends				
Maine, Portland-South Portland MSA, Lewiston-Auburn MSA, Bangor MSA				
March 2010 - March 2015				
	000's		Change (000's)	
	2010	2015	#	CAGR
State of Maine	593.4	608.6	15.2	0.5%
Portland-South Portland MSA	187.0	196.6	9.6	1.0%
Lewiston-Auburn MSA	48.8	50.4	1.6	0.6%
Bangor MSA	63.7	66.0	2.3	0.7%

Source: Bureau of Labor Statistics; W-ZHA

Non-Government Jobs by Industry - 2015



Source: Bureau of Labor Statistics; W-ZHA

Job Trends – Bangor MSA

With 1,259 new jobs, the greatest job growth occurred in the education and health services industries between 2010 and 2015 .

The professional and business services industries grew quickly and added over 850 jobs over this same timeframe.

The manufacturing and government industries each lost about 1,000 jobs between 2010 and 2015.

Job Trends by Industry Penobscot County/Bangor MSA 2010, 2015						
	2010		2015		Change	
	#	CAGR	#	CAGR	#	CAGR
Natural Resources & Mining	356	0.5%	319	0.4%	(37)	-2.2%
Construction	2,449	3.4%	2,998	4.2%	549	4.1%
Manufacturing	4,017	5.7%	2,987	4.1%	(1,030)	-5.8%
Wholesale Trade	2,557	3.6%	2,497	3.5%	(60)	-0.5%
Retail Trade	11,073	15.6%	10,985	15.2%	(88)	-0.2%
Transportation, Warehousing, & Utilities	2,917	4.1%	3,104	4.3%	187	1.3%
Information	1,151	1.6%	1,091	1.5%	(60)	-1.1%
Financial Activities	2,438	3.4%	2,403	3.3%	(34)	-0.3%
Professional & Business Services	6,262	8.8%	7,117	9.9%	855	2.6%
Education & Health Services	15,520	21.8%	16,779	23.2%	1,259	1.6%
Leisure & Hospitality	6,243	8.8%	6,890	9.5%	647	2.0%
Other Services (except Public Administration)	2,175	3.1%	2,191	3.0%	16	0.2%
Government	13,900	19.6%	12,847	17.8%	(1,053)	-1.6%
Total Non-Farm	71,055	100.0%	72,207	100.0%	1,152	0.3%

Source: Moody's Analytics; W-ZHA

Job Projections- Bangor MSA

Over the next 5 years the Bangor MSA is projected to grow jobs faster than the prior 5 years.

According to projections prepared by Moody's Analytics*, the Metro Area will add 2,560 jobs between now and 2021. This is more than double the growth between 2010 and 2015.

The industries with the greatest job gains are education and health services; professional and business services; and, leisure and hospitality.

Because Hampden is recognized as a desirable place to live, this job growth will put pressure on Hampden's housing market.

Job Projections by Industry Penobscot County/Bangor MSA 2016, 2021						
	2016		2021		Change	
	#	CAGR	#	CAGR	#	CAGR
Natural Resources & Mining	297	0.4%	302	0.4%	6	0.4%
Construction	2,904	4.0%	3,002	4.0%	98	0.7%
Manufacturing	3,021	4.2%	2,891	3.9%	(130)	-0.9%
Wholesale Trade	2,492	3.4%	2,601	3.5%	109	0.9%
Retail Trade	11,057	15.3%	11,331	15.1%	274	0.5%
Transportation, Warehousing, & Utilities	3,076	4.2%	3,077	4.1%	1	0.0%
Information	1,067	1.5%	1,081	1.4%	14	0.3%
Financial Activities	2,423	3.3%	2,462	3.3%	38	0.3%
Professional & Business Services	7,117	9.8%	7,726	10.3%	610	1.7%
Education & Health Services	17,019	23.5%	17,904	23.9%	885	1.0%
Leisure & Hospitality	7,028	9.7%	7,542	10.1%	514	1.4%
Other Services (except Public Administration)	2,200	3.0%	2,236	3.0%	36	0.3%
Government	12,676	17.5%	12,783	17.1%	106	0.2%
Total Non-Farm	72,376	100.0%	74,937	100.0%	2,560	0.7%

Source: Moody's Analytics; W-ZHA

* Moody's Analytics is a company that offers key insight, analysis and forecasts of national and regional economies. Moody's is recognized by numerous sources including MarketWatch, the Wall Street Journal and more.

Job Trend Comparisons – Waldo County

Where Penobscot County jobs grew by 1,152 between 2010 and 2016, Waldo County's jobs grew by 617.

Job Trends by Industry Waldo County 2010, 2016						
	2010		2016		Change	
	#	CAGR	#	CAGR	#	CAGR
Natural Resources & Mining	52	0.5%	32	0.3%	(20)	-7.8%
Construction	439	4.0%	464	4.0%	25	0.9%
Manufacturing	1,191	10.8%	1,146	9.8%	(45)	-0.6%
Wholesale Trade	189	1.7%	252	2.2%	63	4.9%
Retail Trade	1,387	12.5%	1,483	12.7%	96	1.1%
Transportation, Warehousing, & Utilities	330	3.0%	361	3.1%	31	1.5%
Information	101	0.9%	83	0.7%	(18)	-3.2%
Financial Activities	1,363	12.3%	988	8.4%	(375)	-5.2%
Professional & Business Services	862	7.8%	1,496	12.8%	634	9.6%
Education & Health Services	2,032	18.3%	2,131	18.2%	98	0.8%
Leisure & Hospitality	948	8.6%	1,133	9.7%	185	3.0%
Other Services (except Public Administration)	414	3.7%	526	4.5%	112	4.1%
Government	1,770	16.0%	1,600	13.7%	(169)	-1.7%
Total Non-Farm	11,079	100.0%	11,696	100.0%	617	0.9%

Source: Moody's Analytics; W-ZHA

Job Trend Comparisons – Waldo County

Penobscot County is projected to add 2,560 jobs over the next 5 years, more than double the growth experienced over the last 5 years.

Waldo County is projected to grow by 615 jobs, essentially the same growth as the prior 5 years.

Job Projections by Industry Waldo County 2016, 2021						
	2016		2021		Change	
	#	CAGR	#	CAGR	#	CAGR
Natural Resources & Mining	32	0.3%	33	0.3%	1	0.8%
Construction	464	4.0%	489	4.0%	25	1.1%
Manufacturing	1,146	9.8%	1,118	9.1%	(28)	-0.5%
Wholesale Trade	252	2.2%	268	2.2%	16	1.3%
Retail Trade	1,483	12.7%	1,550	12.6%	67	0.9%
Transportation, Warehousing, & Utilities	361	3.1%	368	3.0%	7	0.4%
Information	83	0.7%	86	0.7%	3	0.7%
Financial Activities	988	8.4%	1,024	8.3%	36	0.7%
Professional & Business Services	1,496	12.8%	1,656	13.5%	160	2.1%
Education & Health Services	2,131	18.2%	2,286	18.6%	155	1.4%
Leisure & Hospitality	1,133	9.7%	1,240	10.1%	107	1.8%
Other Services (except Public Administration)	526	4.5%	545	4.4%	19	0.7%
Government	1,600	13.7%	1,645	13.4%	45	0.6%
Total Non-Farm	11,696	100.0%	12,310	100.0%	615	1.0%

Source: Moody's Analytics; W-ZHA

Economic Framework Conclusions

- The Metropolitan Area is growing modestly, while the center city, Bangor, has not experienced growth like many U.S. cities have over the last 5 years.
- The Bangor economy is driven by health care. It is a regional service center for a large geographic area.
- The median income among Bangor Metropolitan Area households is below the State and National average.

What We Know About Hampden

And How It Is Similar or Different From Peer Communities

Population

In 2010, Hampden was the 5th largest County subdivision in Penobscot County. It is smaller than Brewer (ranked #3), but larger than Hermon (ranked #6).

Hampden has more residents than Belfast City.

Population Trends Selected Areas 2016	
City of Brewer	9,588
Belfast City	6,848
Hermon	5,829
Hampden Town	7,554

Source: ESRI; W-ZHA

Population & Household Trends

Hampden grew by approximately 300 people over the last six years, which represents a compound average growth rate of 0.7% per year.

Hermon added over 400 residents over this same period. Hermon's rate of growth was faster than Hampden's.

Hampden grew by more people and faster than both Brewer and Belfast.

Belfast is smaller than Hampden in terms of number of people, but Belfast has more households. Belfast's growth was largely driven by household growth.

Population Trends City of Brewer, Belfast City, Hermon and Hampden 2010 - 2016				
	2010	2016	Change	
			#	CAGR
City of Brewer	9,482	9,588	106	0.2%
Belfast City	6,668	6,848	180	0.4%
Hermon	5,416	5,829	413	1.2%
Hampden Town	7,257	7,554	297	0.7%

Source: ESRI; W-ZHA

Household Trends City of Brewer, Belfast City, Hermon and Hampden 2010-2016				
	2010	2016	#	CAGR
City of Brewer	4,163	4,230	67	0.3%
Belfast City	3,049	3,177	128	0.7%
Hermon	2,075	2,254	179	1.4%
Hampden	2,862	2,994	132	0.8%

Source: ESRI; W-ZHA

Social Indicators

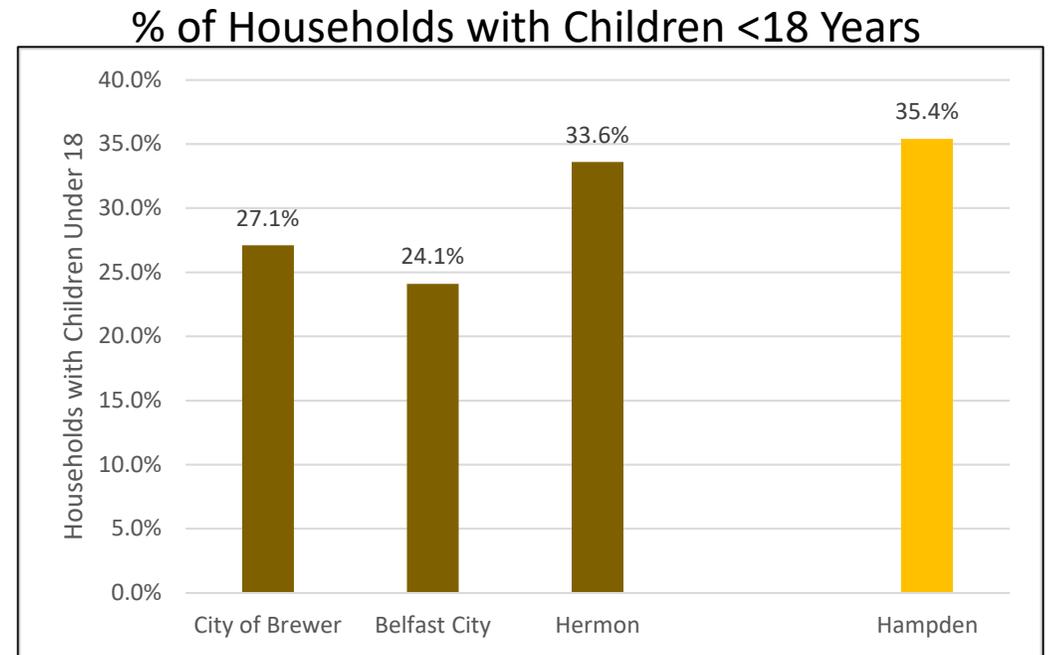
The two cities of Brewer and Belfast have smaller households on average.

Hermon has the highest average household size, slightly above Hampden.

35% of Hampden's households have children under the age of 18. This is a higher share of households with kids than any of the Peer places.

Average Household Size Select Areas 2016	
	Avg Size
City of Brewer	2.24
Belfast City	2.11
Hermon	2.58
Hampden	2.52

Source: ESRI; W-ZHA



Source: ESRI; W-ZHA

Social Indicators

The Peer places in Penobscot County all have median household incomes above the County average.

Belfast's median household income is essentially the same as its County average.

With the exception of Hampden, the median household incomes in the Peer places are all below the national average.

Because of small household sizes (fewer children), the per capita income in the City of Brewer is higher than all of the Peers at \$30,540.

Hampden's median household income is impressive at \$75,000. Hampden's per capita income is in-line with the national average -- \$29,500.

Median Household Income Select Areas 2016	
Penobscot County	\$44,196
City of Brewer	\$46,809
Hermon	\$54,361
Waldo County	\$42,872
Belfast City	\$42,001
Hampden	\$75,099

Source: ESRI; W-ZHA

Per Capita Income Select Areas 2016	
Penobscot County	\$25,381
City of Brewer	\$30,542
Hermon	\$25,756
Waldo County	\$24,404
Belfast City	\$27,278
Hampden	\$29,472

Source: ESRI; W-ZHA

Social Indicators

Hampden is very different from its peers when it comes to income distribution.

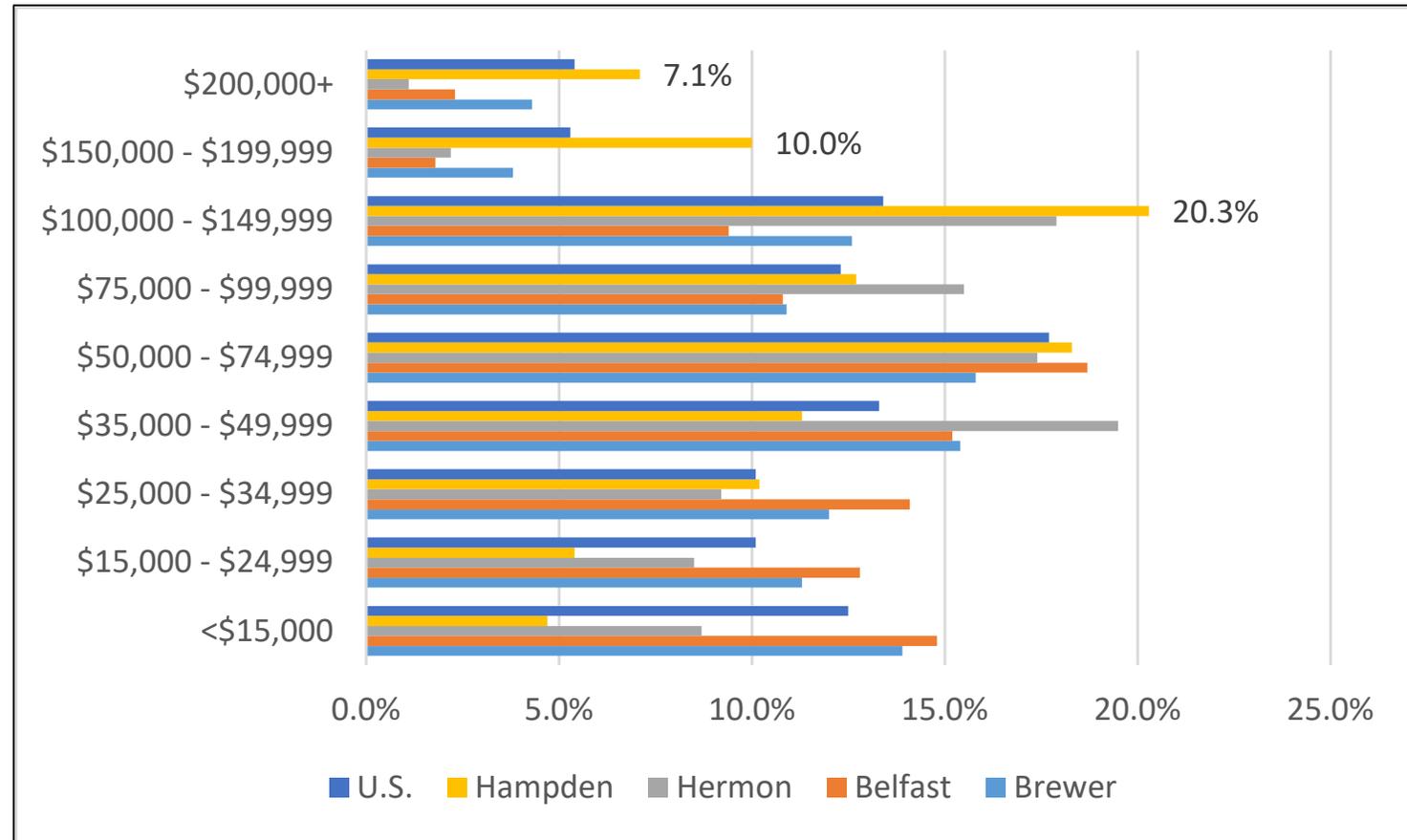
Approximately 37% of the households in Hampden have incomes in excess of \$100K.

Hermon has a higher percentage of households with incomes between \$35,000 and \$100,000.

The income distribution in Brewer is like the U.S, but with lower shares of households making over \$150K.

Belfast has a higher share of its households with incomes less than \$35K.

Income Distribution - 2016



Source: ESRI; W-ZHA

Social Indicators

About 70% of the households in Brewer and Belfast are 1- and 2-person households.

Like the U.S., 60% of Hampden’s households are 1- and 2-person.

Hampden and Hermon have very high homeownership rates (at 79% and 83%, respectively). These rates are above the average for the Peers and the U.S. (55%).

Most homes in Hampden are single-family detached units. A very small share of the residential units in Hampden and Hermon are in buildings with 5 or more units.

One- and Two-Person Households Select Areas 2010	
	% of Total
City of Brewer	68.6%
Belfast City	72.5%
Hermon	59.5%
Hampden Town	59.4%

Source: ESRI; W-ZHA

% Households Who Own Homes Select Areas 2010	
	Own
City of Brewer	60.5%
Belfast City	61.4%
Hermon	82.7%
Hampden Town	78.7%

Source: ESRI; W-ZHA

Housing Supply Units by Structure Belfast, Hermon, Brewer, Hampden 2010 - 2014 American Community Survey						
Unit Type	Penobscot County	Brewer	Hermon	Waldo County	Belfast	Hampden
1, Detached	64.1%	61.8%	73.9%	74.5%	52.9%	86.3%
5+	16.8%	10.5%	3.4%	4.8%	17.5%	3.1%

Source: ESRI; W-ZHA

Social Indicators

The median age in Hampden is 42.2 years old which is similar to Hermon.

The two cities, Brewer and Belfast are older, particularly Belfast. Over one-fifth of Belfast's population is over 65 years old.

Note that Hermon and Hampden have higher shares of people under the age of 18 and a lower share of people over 65.

Population by Age Brewer, Belfast, Hermon and Hampden 2016				
Age	Brewer	Belfast	Hermon	Hampden
<15	15.5%	15.3%	17.9%	18.5%
15-24	11.4%	10.0%	11.4%	11.2%
25-34	13.7%	10.5%	11.9%	11.4%
35-54	26.5%	24.9%	29.0%	28.3%
55-64	13.7%	16.5%	15.1%	15.3%
65+	19.2%	21.9%	14.7%	15.2%
Median Age	42.7	49.1	42.1	42.2

Source: ESRI; W-ZHA

Social Indicators

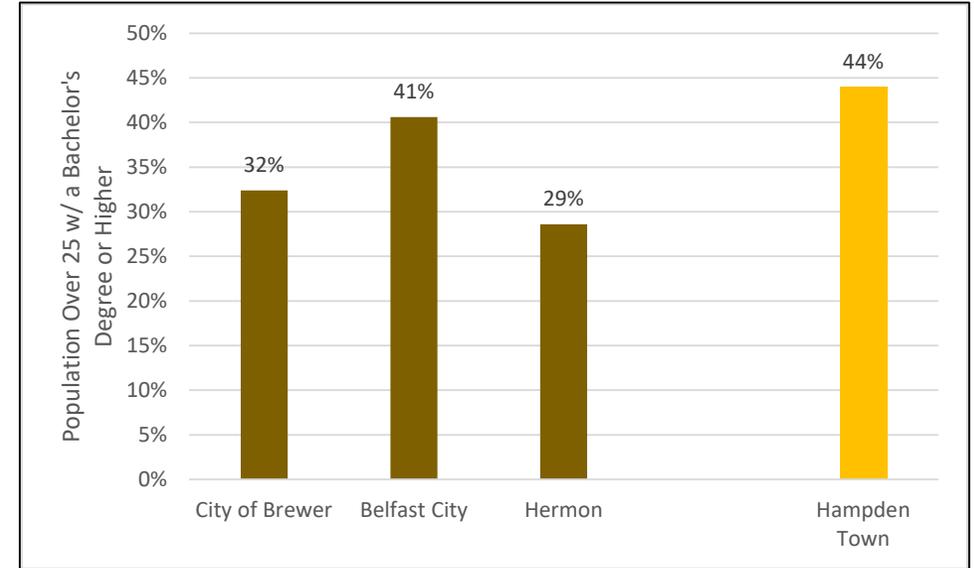
Hampden's population over 25 years old has high educational attainment.

Almost three-quarters of Hampden's employed population have white collar positions. Only 8% of Hampden's working population occupy blue collar jobs.

Belfast's population also has high educational attainment. As compared to the Peers, a relatively small share of Belfast's employed residents occupy white collar jobs, however.

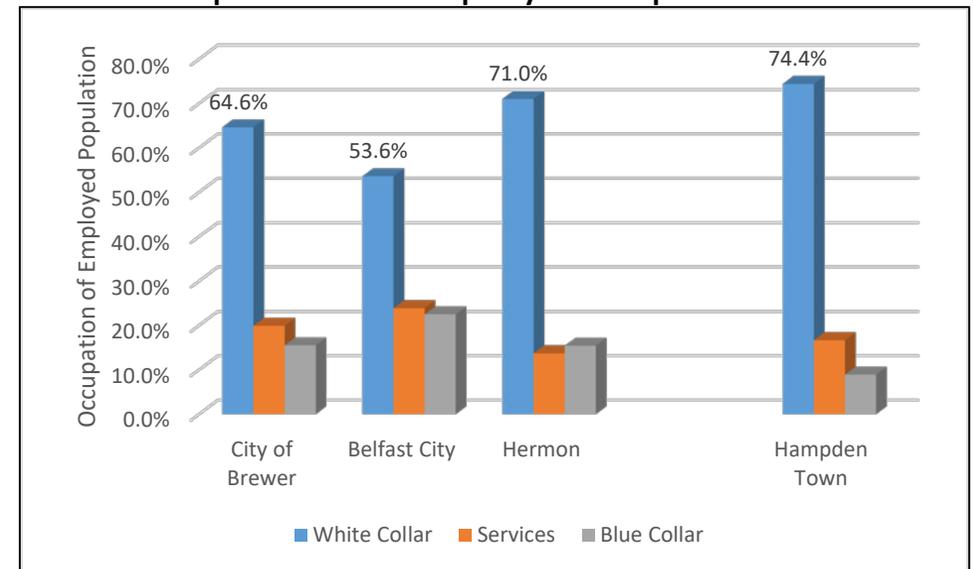
Even with educational attainment below the national average, over 70% of Hermon's residents have white collar jobs.

% of Population Over 25 w/ a Bachelor's Degree



Source: ESRI; W-ZHA

Occupation of Employed Population



Source: ESRI; W-ZHA

Social Indicators

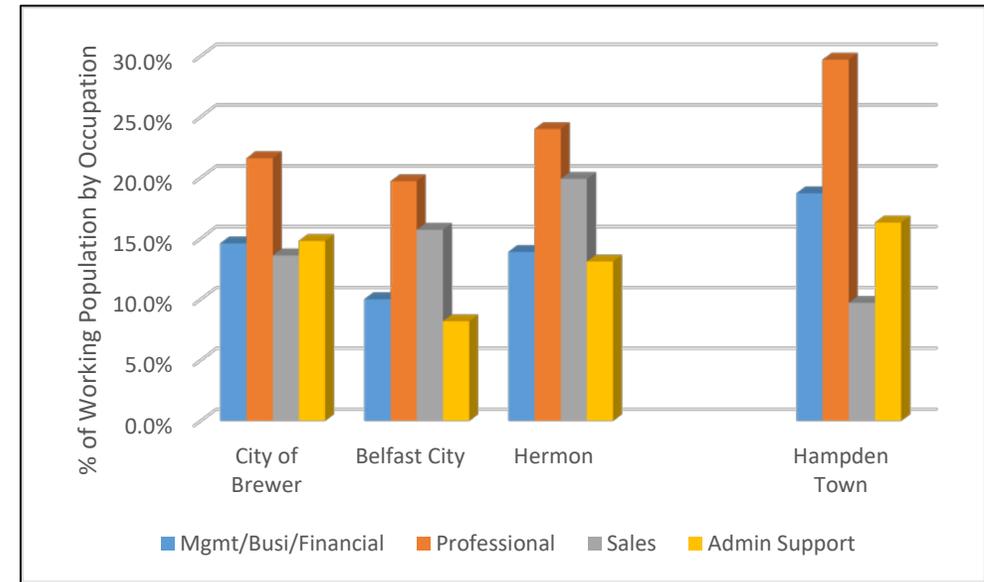
Hampden has a much higher percentage of its white collar residents in the Management/Business/ Financial and Professional occupations than the Peer group.

Hampden’s white collar residents are less likely to be in sales.

Hampden’s employed residents mostly travel to Bangor to work. 8% of employed Hampden residents work in Hampden.

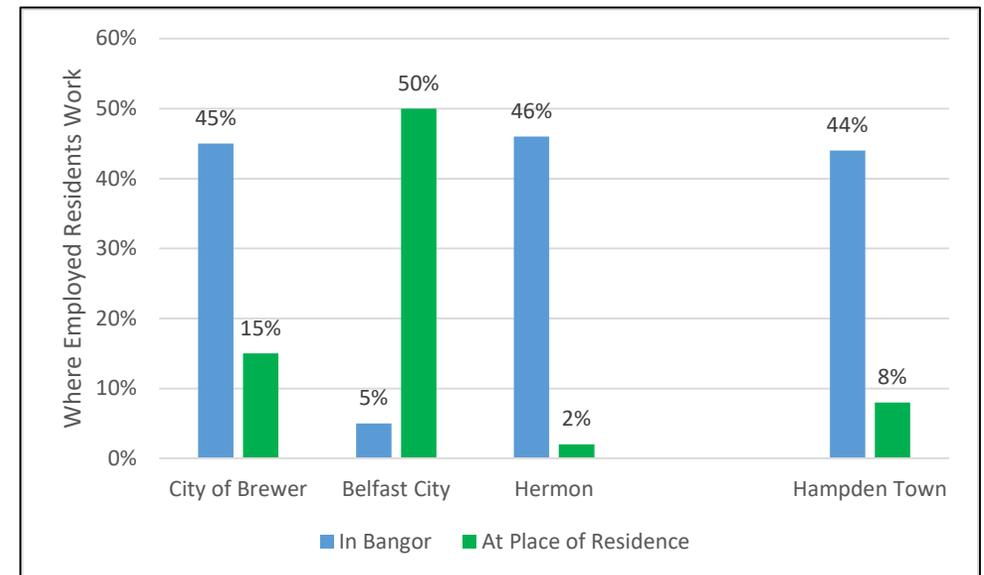
Belfast City is not a bedroom community like the other Peer places. Belfast is an employment center – half the people that live there also work there.

White Collar Occupations of the Employed Population



Source: ESRI; W-ZHA

Where Residents Work



Source: ESRI; W-ZHA

Lifestyle

Brewer

32% Hshlds - "Set to Impress"

- Urban and suburban
- Apartment dwellers
- Young, single and most non-family households
- Wealth index very low: 36
- Bike or walk to work

20%: "The Great Outdoors"

- Rural
- Empty nester households, modest income
- Entertainment is hunting, tv
- Domestic travel

15%: "Comfortable Empty Nesters"

- Suburbs where they grew up
- Baby boomer, married couples, home owners
- Value health and financial well-being
- Gov't, healthcare, manufacturing jobs
- Wealthy (Index 147)
- Watch sports, physically active

Belfast

24% Hshlds - "Retirement Communities"

- Retirees who rent
- No kids at home
- Lower middle income (Wealth Index 62)
- Like to travel, book clubs, dept stores

23%: "Old and Newcomers"

- City dwellers, mostly renters
- Singles lifestyle on a budget
- Tend to be young, food is about convenience
- Wealth Index low at 60

20%: "Heartland Communities"

- Enjoy the country
- Kids left, but no intent to move
- Conservative, patriotic
- Domestic driving travelers
- Wealth Index low at 63

Hermon

40% Hshlds-"Middleburg"

- Suburban, Conservative & family oriented
- Tech savvy
- Kids at home
- Middle income (Wealth Index 89)
- Entertainment at home

36%: "Green Acres"

- Rural living, home-oriented, conservative
- Wealthy (Index 142)
- Physical fitness important
- Active in community
- Entertainment outdoors

Hampden

55% Hshlds-"In Style"

- Urbane and Mobile
- Tech Savvy
- Professional, Mostly w/out kids at home
- Wealthy (Index 125)
- Arts, entertainment, and travel

26%: "Soccer Moms"

- Suburban Families with Kids at Home
- Younger Households, Mostly Homeowners
- Wealthy (Index 157)
- Outdoor Recreation

19%: "Green Acres"

- Rural living, home-oriented, conservative
- Wealthy (Index 142)
- Entertainment outdoors

Lifestyle

Hampden has a high concentration (55%) of wealthy urbane households, most of which do not have children at home. These households enjoy getting out to enjoy arts and cultural activities, restaurants, and travel.

Over a quarter of Hampden's households are wealthy Soccer Mom families with younger children at home. Entertainment is all about the children for these households.

One-fifth of Hampden's households are rural in character and conservative. Entertainment is found at home and they recreate in the great outdoors.

Hampden households are more urban-inclined than Hermon households.

Hermon households are more suburban in character.

Brewer and Belfast households are more diverse in terms of households types and income. There are more renters in these cities.

Hampden

55% Hshlds-"In Style"

Urbane and Mobile

Tech Savvy

Professional, Mostly w/out kids at home

Wealthy (Index 125)

Arts, entertainment, and travel

26%: "Soccer Moms"

Suburban Families with Kids at Home

Younger Households, Mostly Homeowners

Wealthy (Index 157)

Outdoor Recreation

19%: "Green Acres"

Rural living, home-oriented, conservative

Wealthy (Index 142)

Entertainment outdoors

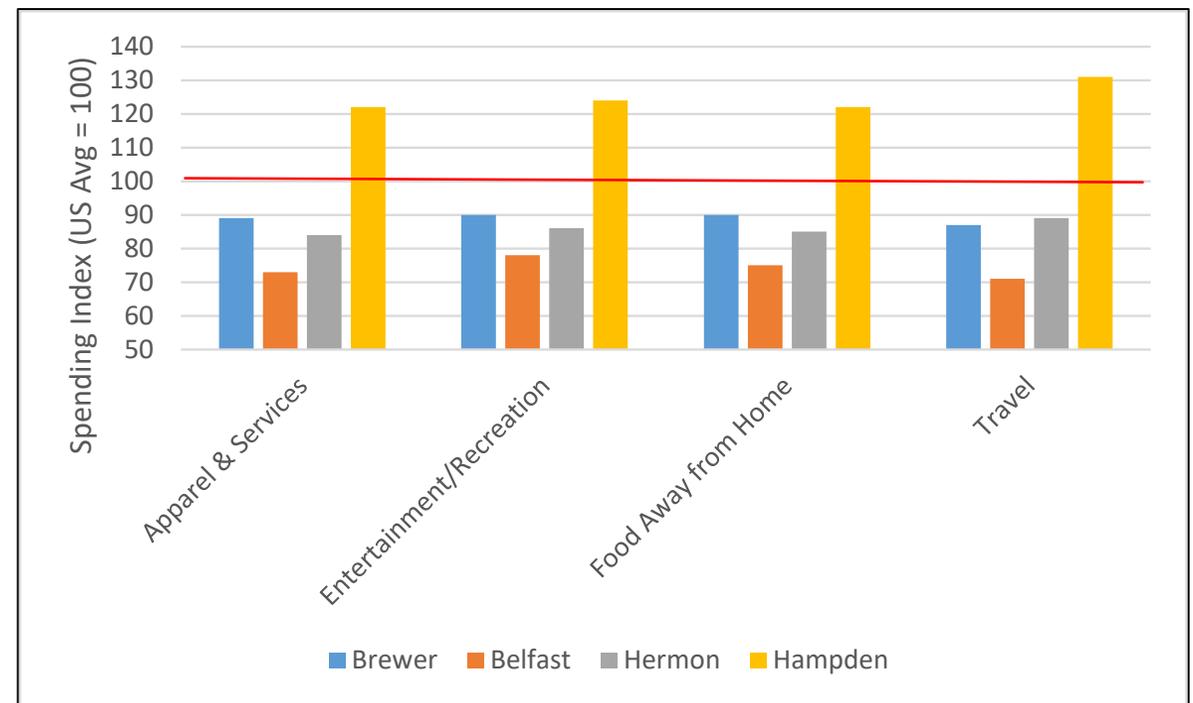
Social Indicators

Hampden's households spend 31% more on travel than the average United States household.

Hampden's households spend well over the U.S. average on apparel and services, entertainment and recreation, and eating and drinking outside of the home.

Hampden's households have high discretionary income and, in this way, are quite different from the households in the Peer places.

Spending Index (100 = US Average)



Source: ESRI; W-ZHA

Jobs

This data is from the U.S. Census. “Jobs” reflect the number of people employed in businesses that are located in the place.

Hampden has the fewest number of jobs of all the Peer places.

Belfast City has the most jobs among the Peers.

Hampden’s jobs-to-population ratio is lowest at .24 jobs per person.

Hampden is a bedroom community.

Population, Jobs, Jobs-to-Population City of Brewer, Belfast City, Hermon and Hampden 2016 Population and 2014 Jobs			
	Population	Jobs	Jobs-to-Population
City of Brewer	9,588	5,576	0.58
Belfast City	6,848	6,231	0.91
Hermon	5,829	2,642	0.45
Hampden	7,554	1,816	0.24

Source: U.S. Census Bureau On the Map; W-ZHA

Jobs

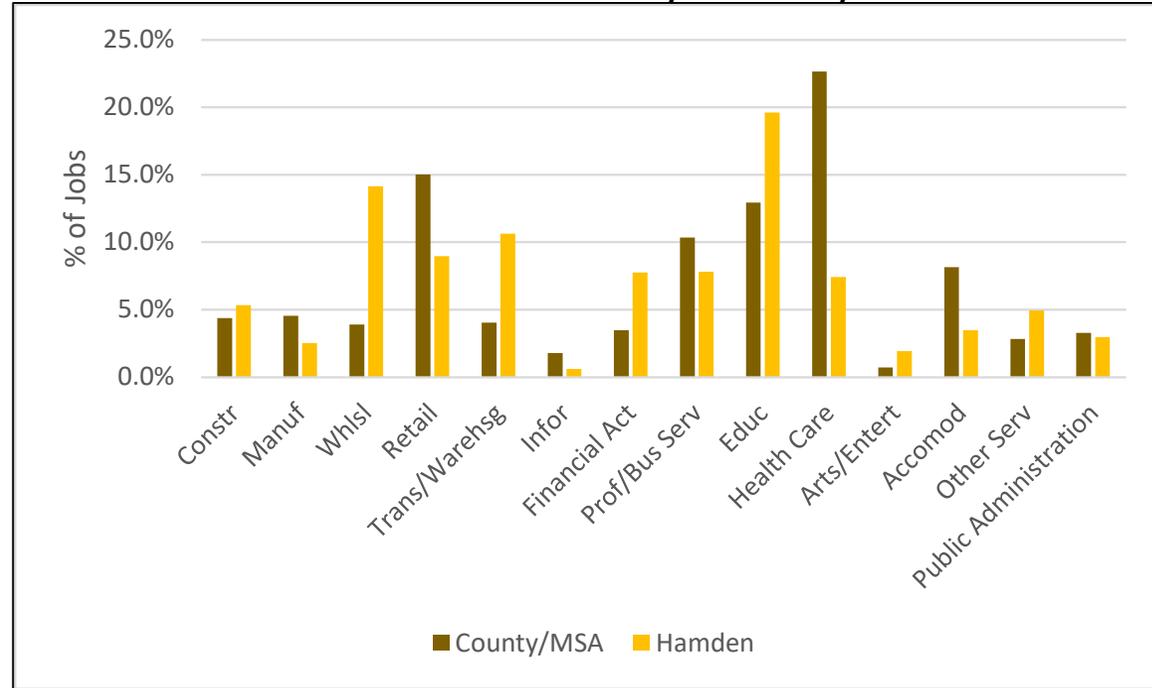
The Census collects at-place employment for smaller jurisdictions.

According to the US Census, there were 1,816 jobs in Hampden in 2014 (the most recent year for which there is data).

Hampden's jobs are concentrated in the education, wholesale and transportation industries.

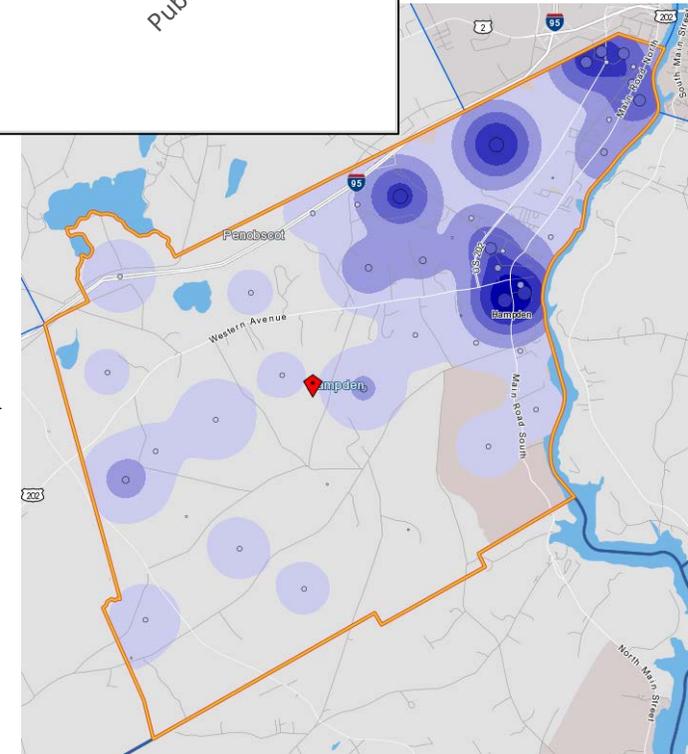
Hampden's jobs are concentrated in the industrial/business parks, the Town Center and along 1A.

Job Distribution by Industry



Source: U.S. Census; W-ZHA

Job Concentrations →



Job Trends

According to the at-place-of-employment from the US Census, the number of jobs in Hampden remained essentially the same between 2002 and 2014.

During this same timeframe, Brewer gained over 530 jobs and Hermon over 610.

Brewer's growth occurred between 2002 and 2010.

Hermon grew throughout the term and had the highest job growth rate among the Peers.

Waldo County and Belfast City lost jobs between 2002 and 2010. Both places have had strong job growth since 2010.

Belfast City accounts for 60% of the County's jobs, it is Waldo County's urban center.

Job Trends									
Penobscot County, City of Brewer, Hermon, Waldo County, Belfast City, and Hampden									
2002, 2010, 2014									
	2002	2010	2014	2002-2010		2010-2014		2002-2014	
				#	CAGR	#	CAGR	#	CAGR
Penobscot	64,967	63,176	63,980	(1,791)	-0.3%	804	0.3%	(987)	-0.1%
City of Brewer	5,044	5,866	5,576	822	1.9%	(290)	-1.3%	532	0.8%
Hermon	2,030	2,333	2,642	303	1.8%	309	2.1%	612	2.2%
Waldo County	9,891	9,244	10,299	(647)	-0.8%	1,055	2.7%	408	0.3%
Belfast City	6,181	5,612	6,258	(569)	-1.2%	646	2.8%	77	0.1%
Hampden	1,859	1,819	1,816	(40)	-0.3%	(3)	0.0%	(43)	-0.2%

Source: ESRI; W-ZHA

Industry Mix of At-Place Jobs

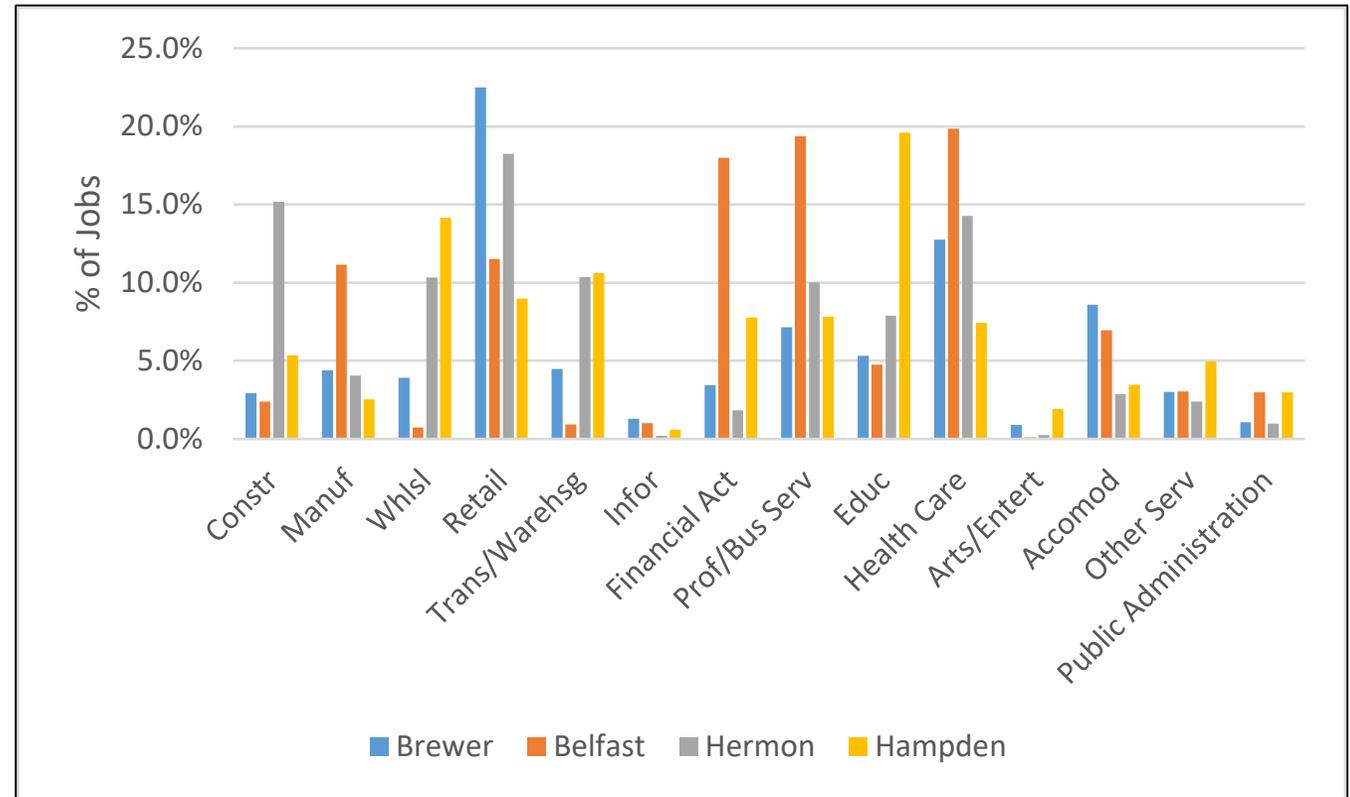
Hampden has a higher concentration of its jobs in the education, wholesale, and transportation and warehousing industries as compared to the Peer group.

Brewer has a high concentration of retail and accommodations/food service jobs.

Hermon has a high concentration of construction jobs.

Belfast's job profile suggests that it is a central city with a concentration of finance and professional/business service industries.

Job Distribution by Industry



Source: U.S. Census; W-ZHA

Hampden's Social & Economic Profile

- Hampden is a bedroom community that is mostly residential in character. There are comparatively few jobs in Hampden and that has not changed much over the last decade.
- Like the nation, Hampden households are predominantly without children under 18 at home. 60% of Hampden households are 1- and 2-person households.
- As compared to the Peer group, however, Hampden has a high share (35%) of households with children under 18.
- Hampden residents are well educated and three-quarters of workers occupy white collar jobs, mostly in financial activities or professional/business services.
- Over half of Hampden's households are urbane and active empty nesters. These households patronize the arts and enjoy going out. One-quarter of Hampden's households are wealthy families with children at home. One-out-of-five households in Hampden are rural in character.

Market Considerations

Housing

Retail

Office

Recreation

Housing Market

Households are projected to grow.

Older buildings are being rehabbed into luxury apartments in Downtown Bangor.

- 28 Broad Street – 1 bedrms @ \$1,400 to \$1,600 /Mo
- Merchants Bldg – 1,400 SF unit @ \$1,800/Mo

Rentals in Hampden rent for less than \$1.00 per square foot per month. Rents are too low to support new rental apartment construction.

The market for Downtown Bangor units is reportedly visiting doctors and students looking for a walkable environment.

The depth of the market at the high-end of the rental range is a question.

There has been no new multi-family construction in Downtown Bangor.

There has not been waterfront residential construction nearby.

There appear to be no new mixed-use projects oriented to both professional and empty nest retiree market.

Villa condominium development has been successful in Hampden (Chickadee Lane).

Hampden's median home value is comparable to Hermon even though the housing stock is older.

Household Growth Rate Selected Areas 2016 - 2021				
	2016	2021	#	CAGR
Penobscot County	64,875	66,234	1,359	0.42%
City of Brewer	4,230	4,285	55	0.3%
Hermon	2,254	2,366	112	1.0%
Waldo County	17,321	17,898	577	0.66%
Belfast City	3,177	3,258	81	0.5%
Hampden	2,994	3,082	88	0.58%

Source: ESRI

Median Home Value and Median Yr Built City of Brewer, Belfast City, Hermon and Hampden		
	Median Value	Median Yr Built
Brewer City	\$168,750	1959
Belfast City	\$207,950	1967
Hermon Town	\$196,628	1985
Hampden Town	\$192,227	1979

Source: ESRI; W-ZHA

Housing Market: Hampden's Advantages/Disadvantages

Advantages

- Convenient location to Central City
- “Home” for existing residents – age in place potential
- Wealthy resident market
- Good schools
- Good amenities for children
- 15-minute drive to retail hub
- Hampden has Riverfront land

Disadvantages

- No “there-there ” – no walkable, mixed-use center (a place to linger)
- Limited housing product-options
- Limited amenities for older, urbane households (“third places”, trails, fitness center, restaurants/ cafes)

Brookings Institute: Third Place refers to a place where people spend time between home ('first' place) and work ('second' place). Third places are where we exchange ideas, have a good time, build relationships. These places are community-building assets.

Residential Market Opportunities

- **Housing products oriented to the family will continue to be successful in Hampden due to schools and reputation.**
- **Hampden's wealthy baby-boom households need more housing options such as condo villas and/or condo apartments. These products are designed for those households that want to be in Hampden, but do not want the big house and yard and/or want the flexibility to travel.**
- **Hampden's central location, wealth and older demographic align well with assisted living and continuing care retirement products.**
- **Hampden's Waterfront is a unique location that may support a broader mix of uses including housing.**

Retail Market

Bangor Mall area is a major shopping destination.

Brewer has shopping centers and major chains like Walmart and Lowe's.

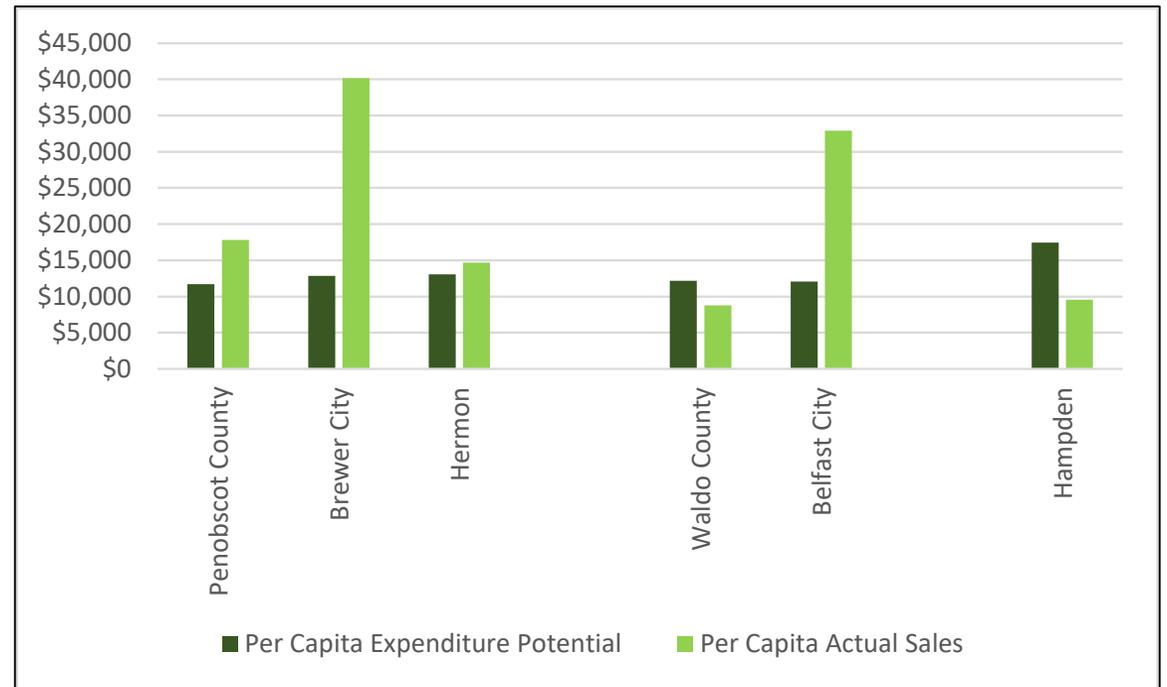
With the exception of Waldo County and Hampden, all of the Peer places experienced retail sales in excess of what residents would typically spend.

Hampden has the highest retail expenditure potential per capita and the lowest sales capture at 54%.

As a small place, it is not unusual to have outflow spending on things like furniture, electronics, apparel. Hampden is particularly weak on general merchandise, however. (The new Dollar General will likely fill some of this gap.)

On convenience retail like food-at-home and health-related spending, Hampden is in-line with Hermon.

Resident Retail Expenditure Potential versus Actual Sales



Source: ESRI; W-ZHA

Eat/Drink Market

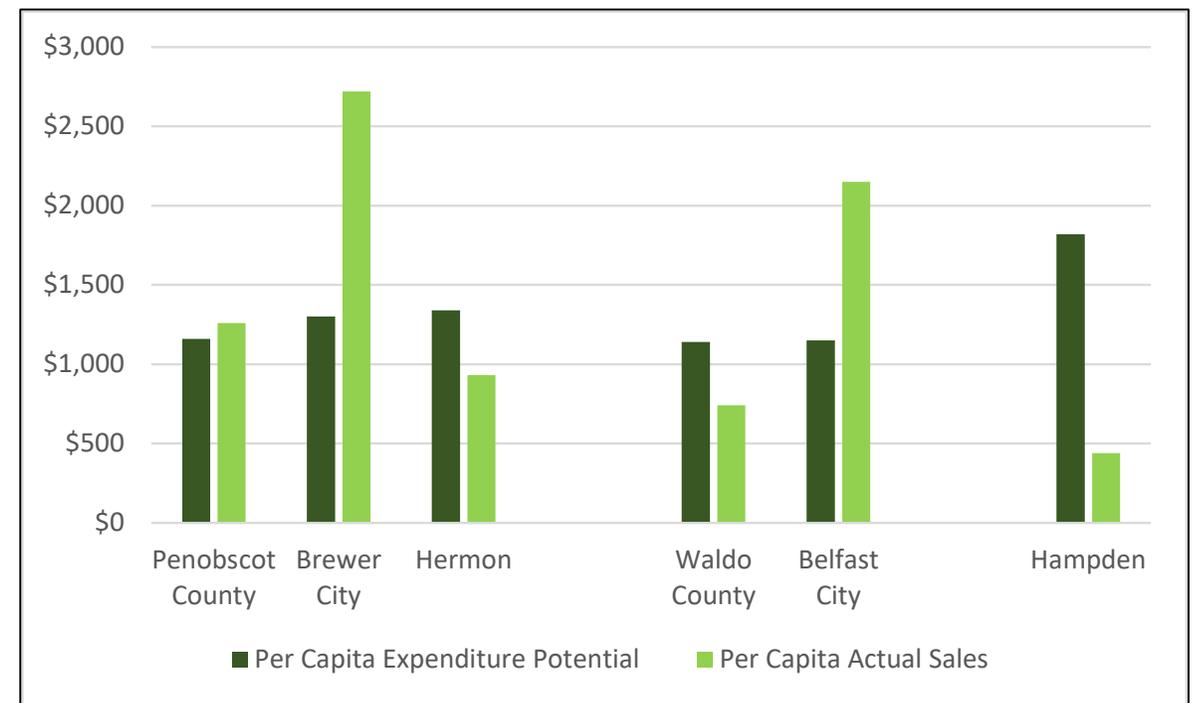
The Bangor Mall area and Downtown Bangor are eating and drinking destinations.

Like retail, Hampden has the highest eat/drink expenditure potential and the lowest sales capture (24%).

Smaller towns like Hermon and Hampden often lose eat/drink spending because they are not of sufficient size to support a critical mass of eating and drinking establishments.

Hampden residents alone have the spending potential to support over 30,000 square feet of eat/drink space (assuming a limited service restaurant sales volume).

Resident Eat/Drink Expenditure Potential versus Actual Sales



Source: ESRI; W-ZHA

Retail and Eat/Drink Market: Hampden's Advantages/Disadvantages

Advantages

- Very high spending potential on retail and eat/drink
- Over half the households in Hampden are urbane in character and are particularly inclined to go out for entertainment/recreation

Disadvantages

- Local market is small, thus risky
- No “there-there” – no walkable, mixed-use center (no place to cluster uses in walkable setting)
- For retail, in particular, convenient competitive locations
- Hampden's food market and pharmacy are located on single sites, not in a center configuration. This forces the market to drive to other complementary retail and eat/drink destinations. This weakens the potential for agglomeration – the critical mass necessary to generate market synergy.
- For eating & drinking places, Downtown Bangor, an eat/drink hub, is close by.

Retail and Eat/Drink Market Opportunities

- **While there is a considerable amount of resident retail spending leaving Hampden, it is unlikely that a significant share of this spending can be captured in Hampden. Hampden is not big enough to draw larger retailers and many already have a presence in the Bangor market.**
- **Hampden's capture of eating and drinking potential is particularly low.**
- **If Hampden's waterfront evolves into a mixed-use destination, eating and drinking will likely be a part of it.**
- **Stand alone eat/drink investment could be challenging unless implemented by a recognized regional or national outlet.**

Office Market

Jobs in office-inclined industries are projected to grow in the MSA over the next 5 years. Applying an industry rule-of-thumb of 150 square feet per employee, new growth will generate demand for 99,000 square feet of space.

Office rents are low in Downtown Bangor at \$12.50 to \$13.50 per square foot. Rents in the suburbs range from \$10 to \$13 per square foot. Multi-tenant Class A office development is not feasible with such rent (need about \$20 /square foot).

New office development will likely be build-to-suit (meaning the business builds and owns its building).

Job Projections by Industry Penobscot County/Bangor MSA 2016, 2021

	2016		2021		Change	
	#	CAGR	#	CAGR	#	CAGR
Natural Resources & Mining	297	0.4%	302	0.4%	6	0.4%
Construction	2,904	4.0%	3,002	4.0%	98	0.7%
Manufacturing	3,021	4.2%	2,891	3.9%	(130)	-0.9%
Wholesale Trade	2,492	3.4%	2,601	3.5%	109	0.9%
Retail Trade	11,057	15.3%	11,331	15.1%	274	0.5%
Transportation, Warehousing, & Utilities	3,076	4.2%	3,077	4.1%	1	0.0%
Information	1,067	1.5%	1,081	1.4%	14	0.3%
Financial Activities	2,423	3.3%	2,462	3.3%	38	0.3%
Professional & Business Services	7,117	9.8%	7,726	10.3%	610	1.7%
Education & Health Services	17,019	23.5%	17,904	23.9%	885	1.0%
Leisure & Hospitality	7,028	9.7%	7,542	10.1%	514	1.4%
Other Services (except Public Administration)	2,200	3.0%	2,236	3.0%	36	0.3%
Government	12,676	17.5%	12,783	17.1%	106	0.2%
Total Non-Farm	72,376	100.0%	74,937	100.0%	2,560	0.7%

Source: Moody's Analytics; W-ZHA

 = Industries that typically occupy office space.

Office Market: Hampden's Advantages/Disadvantages

Advantages

- Hampden contains a high concentration of wealthy households that demand services.
- Households are projected to grow in Hampden.
- Hampden has the Business Park, the Town Center and the 1A commercial corridor all of which are convenient to Hampden residents.
- The old high school complex is centrally located and has space that could potentially be adaptively re-used as office space.

Disadvantages

- Local market is small.
- Rents are not high enough to justify new, speculative multi-tenant office construction.

Office Market Opportunities

- **Hampden's office potential is likely limited.**
- **Office users oriented to the local market will likely be health and/or financial/professional service providers.**
- **The Town Center and 1A are the prime locations for smaller build-to-suit office space for businesses serving the local population.**
- **The Business Park is well-located and could be attractive to larger businesses serving the region.**
- **The Old High School building is potentially a resource. Portions of it potentially could be (and have been) adaptively re-used for affordable, centrally located office space.**

Light Industrial Market

Hampden's industry is located off of Route 202.

A new Business Park is being developed in Hampden that will have 37 lots ranging in size from approximately 1 acre to 6 acres. This Business Park is a TIF District.

Industrial land goes for approximately \$50,000 per acre according to a broker in the interviews.

The construction and wholesale industries are projected to grow over the next 5 years.

Jobs are projected to decline in the manufacturing industry and remain constant in the transportation, warehousing, and utilities industries.

Job Projections by Industry Penobscot County/Bangor MSA 2016, 2021						
	2016		2021		Change	
	#	CAGR	#	CAGR	#	CAGR
Natural Resources & Mining	297	0.4%	302	0.4%	6	0.4%
Construction	2,904	4.0%	3,002	4.0%	98	0.7%
Manufacturing	3,021	4.2%	2,891	3.9%	(130)	-0.9%
Wholesale Trade	2,492	3.4%	2,601	3.5%	109	0.9%
Retail Trade	11,057	15.3%	11,331	15.1%	274	0.5%
Transportation, Warehousing, & Utilities	3,076	4.2%	3,077	4.1%	1	0.0%
Information	1,067	1.5%	1,081	1.4%	14	0.3%
Financial Activities	2,423	3.3%	2,462	3.3%	38	0.3%
Professional & Business Services	7,117	9.8%	7,726	10.3%	610	1.7%
Education & Health Services	17,019	23.5%	17,904	23.9%	885	1.0%
Leisure & Hospitality	7,028	9.7%	7,542	10.1%	514	1.4%
Other Services (except Public Administration)	2,200	3.0%	2,236	3.0%	36	0.3%
Government	12,676	17.5%	12,783	17.1%	106	0.2%
Total Non-Farm	72,376	100.0%	74,937	100.0%	2,560	0.7%

Source: Moody's Analytics; W-ZHA

 = Industries that typically occupy light industrial space.

Industrial Market: Hampden's Advantages/Disadvantages

Advantages

- Great central location and road access.
- Hampden has the new Business Park with lots available.

Disadvantages

- Hampden's taxes are relatively high.
- Hampden has a reputation as not being business friendly.
- Hermon can offer a comparable location and Hermon is very aggressive with incentives and is reputed to be business friendly.
- Hermon has the same zip code as Bangor, Hampden does not. Some companies want a Bangor address.

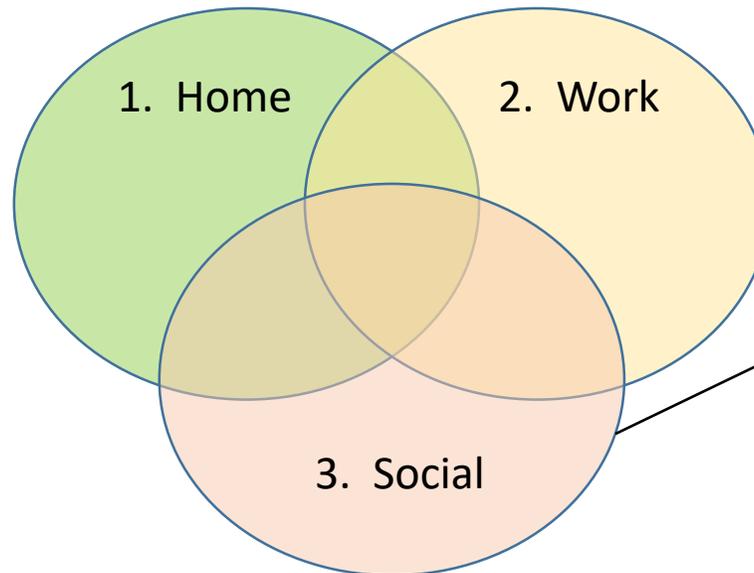
Industrial Opportunities

- **The near term industrial market does not look particularly strong given job projections in the industries that typically occupy light industrial space.**
- **Hampden's higher taxes will make it competitively disadvantaged to other locations.**
- **Hampden will likely capture some industry investment because it can offer a new Business Park setting and Hampden is recognized as a nice place to be. Absorption may be slow due to market and competition.**
- **Hampden will need to continue to work to cast off its reputation as "anti-business".**

Other Thoughts

- Over half of Hampden's residents are empty-nester (or about to be empty-nesters) that have urbane lifestyles. These households desire connection and demand amenities – “third places”.
- 35% of Hampden's households have children at home. These households also desire connection and demand amenities – “third places”.

Third places are becoming increasingly important to the aging Baby Boom market and the Millennial market. Hampden has very few.



Coffee Break Café
Skehan Center
Anglers
Parks/Trails
Etc.

*Waterfront could be a
“third place”
opportunity*

Appendix

Maps