

Nuclear Plant Closes, Life Goes On

Small Town Resilience in Lincoln County, Maine

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COASTAL ENTERPRISES INC.

When a major employer leaves town, the importance of a diversified economic base becomes more apparent.

“When one door closes, another opens.” That expresses the experience of Maine’s Lincoln County after a nuclear plant closed in 1997. The resilience of the rural county’s 35,000 people, the town of Wiscasset, and Maine’s midcoast region overall—their ability to deal with a dramatic change and bounce back—was severely tested but has emerged stronger than ever. The key? Being able to recognize the “other doors” and collaborate to open them.

The Backstory

The Maine Yankee nuclear plant, which for 24 years produced electricity and shipped it out of state, provided jobs for 600 area residents, and about \$6 million in taxes to the town—90 percent of the local tax revenue in its last year of operation. The decision to close the area’s only large employer was based on safety and economic concerns but was nevertheless a shock.

The county is not wealthy. The official poverty rate in Wiscasset, for example, is 13.6 percent of the 3,700 residents. With the exception of the nuclear plant, Lincoln County’s economy has been mainly a small business economy, well known for fisheries, boat building, and tourism. Understandably, the loss of such a large employer in Wiscasset was felt throughout the region.

Although the town and county no longer have the level of tax revenue that supported the schools, the recreation center, and other community and infrastructure projects, residents are reminded daily of Maine Yankee’s residual effects as they pass signs for evacuation routes. They have to be prepared if an accident occurs with the remaining low-level radioactive waste. The company pays taxes on that waste, but the lack of expected federal waste storage has posed a redevelopment hurdle for the community.

Downsizings and closings are not new for Maine. In the Millinocket region, which once employed 5,000 people in pulp and paper jobs, the wood-products industry is now down to a few hundred workers. And the 2011 closing of the Brunswick Naval Air Base saw the loss of 2,700 active-duty military positions and the loss or relocation of roughly 700 civilian workers (and additional workers outside the base).¹ The closure of Maine Yankee occurred in that context.

Infrastructure for Economic Vitality

The announcement that Maine Yankee would be closed came in 1995 and alarmed residents, businesses, and local organizations. But

as sometimes happens in a case like this, the various parties began to zero in on economic studies and local development initiatives that might otherwise have been overlooked.

With the leadership of Lincoln County’s economic development office, which had been emphasizing public-private partnerships since the early 2000s (leveraging federal resources, attracting new businesses to diversify the economy, and helping existing businesses move toward sustainable economic growth), an innovative partnership emerged.

In 2003, the Wiscasset Regional Development Corporation (WRDC) brought together the Town of Wiscasset, the Lincoln County Commissioners, the Chewonki Foundation, and Coastal Enterprises Inc. (CEI), all based in Wiscasset. With the help of both federal and private dollars, the group created a development plan and strategy to begin the long trek toward economic revitalization.²



photo Rick Scanlan

Among other constructive moves, Wiscasset adopted a town-manager form of government in 2002 and brought in a new town planner and economic development staff a couple years after. And in 2003, the first federally recognized economic development district was authorized for midcoast Maine, based in nearby Damariscotta.³

CEI has actually been working for decades to diversify the economic base—and since 2003, it has done so with the backing of WRDC. Over time, the organization has mobilized \$40 million in loans and investment for 190 small businesses, child care, and affordable housing projects, which together have created or sustained more than 3,800 jobs. And since the plant closing, an increasing number of people are recognizing why that diversification is important.

Diversification efforts have included a robust revitalization of waterfront and tourist facilities, agriculture and small farm projects, aquaculture, lobster and fin fisheries, light manufacturing, and a world-class sailing and motor-yacht-building operation in Boothbay.⁴ The coming together of 20 fishermen to create the North End Lobster Co-op almost on the day that Maine Yankee closed was a small but hopeful sign that new doors can open and that it is possible to create jobs that won't leave town. With 90 percent of the county's business establishments employing fewer than 20 people each, a vibrant small business sector continues to be essential.

An entrepreneurial spirit often abounds in small communities and leads not only to start-ups but to expansion and additional jobs. Consider Rynel Inc., a small, innovative, locally owned manufacturing enterprise making specialty foams for the medical field. Founded in 1989 as Twin Rivers Engineering, Rynel was initially in the coastal village of Boothbay but decided to tap some excess land belonging to Maine Yankee. Now a subsidiary of Swedish firm Mölnlycke Health, Rynel employs 50 workers. And with a recent revision in the town's tax increment finance agreement, the company will expand its facility to house additional manufacturing operations and more space for research and development.

The redevelopment of the Wiscasset and Lincoln County economies is occurring as a result of clear municipal, county, and regional goals, engaged residents, town and county leadership, and the improved capacity of economic development staff to advocate for and reinforce private- and public-sector investment.

In the last several years, Lincoln County has formalized its economic development, land use, and transportation planning efforts in the Lincoln County Regional Planning Commission. Wiscasset's local officials, town manager, and town planner have increasingly focused on major economic development. Recent initiatives link to the area's assets, which include municipally owned piers along the Sheepscot River waterfront, a railroad and airport, and the Wiscasset downtown—a National Historic District since the early 1970s. The community also has updated its comprehensive plan, reinvigorated popular local events, and tightened its spending.

In fact, the town and county have worked with state agencies to tackle many key priorities:

- improving multimodal transit facilities,
- investing local tax dollars in rebuilding the fishery pier,
- teaming up with U.S. Fish and Wildlife Services on projects of mutual interest,
- improving the recreational boating pier,
- working with U.S. Department of Agriculture Rural Development on water- and sewer-infrastructure projects,
- creating a new Chamber of Commerce to promote the area,
- conducting market research to attract a pharmacy,
- developing a guide for doing business in town, and
- completing a land use and transportation plan for the Route 1 commercial area supported by the county's economic development and land use services.

Many communities learn the hard way about dependence on a single, major employer. Diversification is essential. Even though not every enterprising small business idea comes to fruition—and even though one could argue that small businesses lack the replacement value of a new big-ticket industry—local and regional officials and citizens are smart to give heightened attention to diversified development plans that may have more resilience and lasting benefit than a large company. Wiscasset has seen the truth of that and is turning itself around just as Brunswick and Millinocket did.

This is not to say that anyone should ignore the potential benefits of large-scale industry, but having a dual strategy, with a generous measure of grassroots economic development, should not be ignored. As longtime Burlington, Vermont, economic development director and expert on sustainable community development Bruce Seifer has said, local ownership matters.⁵

“From the beginning,” says Seifer when advising communities, “we encouraged local ownership, businesses that would reinvest their profits in the community, businesses that would take root here and not pull out when times got tough.”⁶

Those words could be the mantra for communities that are resilient, communities that learn to identify the door that is opening as another door closes.

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Endnotes

- ¹ See John A. Moore, “Giving a Decommissioned Military Base New Life,” *Communities & Banking* 24, no. 2 (spring 2013): 22.
- ² CEI is a nationally known community development corporation and community development financial institution. The Chewonki Foundation is a nature-based growth-experience and summer camp for young people from around the world.
- ³ The Midcoast Economic Development District includes Lincoln and Sagadahoc counties and the towns of Brunswick and Harpswell in northern Cumberland County.
- ⁴ Hodgdon Yachts, a fifth-generation, two-centuries-old boat-building company.
- ⁵ Rhonda Phillips, Bruce Seifer, and Ed Antczak, *Sustainable Communities: Creating a Durable Local Economy* (Florence, Kentucky: Earthscan/Routledge, 2013).
- ⁶ See <http://www.burlingtonfreepress.com/article/20121010/NEWS02/310100026/Spreading-vision-Bruce-Seifer-share-Burlington-development-model-world>.

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