

Proposal: Vinalhaven Community Development Corporation

A fund for building community resilience

Motivated by the 2019 Vinalhaven Downtown Master Plan, which recommends the creation of a fund for sustainable economic development, the Town is exploring the potential creation of a quasi-municipal funding entity.

This exploration includes

- Sharing information with the community about local development corporations
- Conversing with key stakeholders—potential borrowers and funders, business owners from all sectors of the economy, non-profit and community group leaders, and others—to gauge interest and political will for the creation of a Vinalhaven community development funding entity.

If the community is receptive to the concept of a Vinalhaven quasi-municipal funding organization, the Select Board may consider pursuing the creation of such an entity during the 2021 fiscal year.

What is a Quasi-Municipal Development Corporation?

Maine statute (Title 30-A, Chapter 120) provides that a town can establish a quasi-municipal corporation or agency for the purpose of fostering community and economic development. These entities can seek and administer investor and grant funds, provide low interest loans, and can purchase properties and arrange for their redevelopment.

How is a Quasi-Municipal Corporation structured?

A quasi-municipal community development corporation operates as an independent entity, but its volunteer board is comprised of members recommended by committee and appointed by the Town Select Board on the basis of the skills they have to offer. Board members must not have conflicts of interest, nor receive personal gain or compensation.

What kinds of development would be supported?

Many Maine communities—Gorham, Windham, Kennebunk, Islesboro—have established community development corporations to help revitalize their downtowns, provide support for affordable housing, and encourage additional investment in the community.

The mission of a proposed Vinalhaven community development corporation would align with the community's goals for sustainable development and all investments would be mission-driven.

The entity would be funded entirely **without** tax-dollars. Monies used for loans and grants distributed by the entity would be funded by tax-exempt donations from individuals and foundations, as well as state and federal grants and loans.

Who would receive support from the corporation?

Recipients of the services offered by a Vinalhaven community development funding entity include but are not limited to, businesses, entrepreneurs, non-profits, and community organizations.

How can I learn more or become involved in this effort?

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