

**Testimony on Behalf of the Moosehead Region Futures Committee
Regarding Plum Creek Rezoning Application ZP-707**

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Topic(s) of Testimony: Nature Tourism, Regional Economy

Qualifications of Witness:

- 38 years of experience in the tourism industry from Boothbay to Bethel to Greenville, Maine as well as Salt Lake City, Utah
- Manager & Marketing Director, Eastern River Expeditions, 1980-1995
- Co-owner and operator of Sandy Bay Camps (sporting camps) 1981-1989
- Licensed Whitewater Guide, 1981-1998
- Outreach Coordinator & Policy Analyst, Maine Audubon Society, 1993-1999
- Author of "Valuing The Nature of Maine," and "Watching Out For Maine's Wildlife," reports detailing connections between Maine's economy and its outdoor resources
- Director, Maine Conservation School
- Governor's appointee to the Northern Forest Sustainability Initiative Steering Committee (2006-7)
- Appointee, Public Advisory Committee assisting Bureau of Parks and Lands (DOC) with creation of a management plan for public lands
- Member, Wildlife Subcommittee, Maine legislative Natural Resources Committee tourism planning process
- Dept. of Inland Fisheries & Wildlife, Becoming an Outdoors Woman program
- Governor's appointee, Maine Economic Growth Council
- Governor's appointee to "Property Rights, Public Health, Welfare and Safety Task Force"
- Governor's appointee to the Citizen's Advisory Committee to the Northern Forest Lands Council
- Moosehead Region Chamber of Commerce, volunteer
- Volunteer Ski Patrol, Squaw Mt Ski Area

TESTIMONY:

NATURE TOURISM AND WILDLIFE RECREATION

Demonstrated Need of Real Estate and Resort Economic Contribution Not Proved

Adverse Impact of Sprawl, Inappropriate Development and Industrial Forest Easements Jeopardize Region's Economic Capacity to Deliver Unique 'Brand' of Experiences Demanded by Tourists

“The most likely impacts on the values of these regions are incremental effects on scenic values and water quality, and reductions in the overall quality of recreational opportunities, particularly on high value lakes. ... The fiscal benefits of seasonal housing can therefore be limited or fleeting, particularly second home development in more remote areas.” (CLUP)

Hard choices are going to define the future of Maine's north woods and its forest dependent, gateway communities. The good news is that if LURC enforces its mission “to maintain the forest resource in a way that preserves its important values, including large-scale commercial forestry, ecological diversity, and recreation in a remote setting” (2007 CLUP, preliminary draft) it will also secure the region's number one economic activity, nature based tourism and wildlife recreation. LURC already knows the threats: “The most likely impacts on the values of these regions [e.g., Rangeley and Greenville] are incremental effects on scenic values and water quality, and reductions in the overall quality of recreational opportunities, particularly on high value lakes.” (CLUP p. 120) “...seasonal housing has increasingly been constructed as permanent second homes geared to multi-season use and possible conversion. The fiscal benefits of seasonal housing can therefore be limited or fleeting, particularly second home development in more remote areas.” (CLUP p. 118)

In June of 2001, a respected Maine economist (“Rangeley Region's Economy,” The Irland Group) found that the leading four economic sectors for Rangeley were, in order of importance and revenues: tourism (including wildlife recreation), wood products, government, and finally, seasonal residents. This report is the only site specific analysis of a forest gateway community in Maine, conducted in a region remarkably similar to the Moosehead Region. (LURC and the CLUP usually reference these areas together.) The report found that while the real estate and construction industry is an important part of the economic mix of the area, tourism was the economic engine. Charles Colgan's report (Estimated Economic Impacts of Implementing the Proposed Plum Creek Rezoning Plan in the Moosehead Lake Area”, C. Colgan) for Plum Creek makes the same point: “Construction-related employment will dominate the employment effects in the first 10 years... Tourism and recreation jobs... will generate the largest employment effects in the long term.” (p. 7)

Colgan's voice is part of a large, well informed chorus of voices warning of the economic dangers faced by sacrificing “place” to transforming development.

“...preserving what’s special about America’s communities and landscapes doesn’t have to jeopardize local economic well-being. Study after study shows that communities that preserve their character and natural values consistently outperform the economics of those that don’t.” (Balancing Nature and Commerce in Gateway Communities, p. 7)

“We have to know that those very things that draw us to a particular area will ultimately be the primary forces that allow it to survive and prosper; they are the community’s real economic base.” (Lost Landscapes and Failed Economies, p. 56)

“Sprawl is impinging on the countryside....None of that bodes well for industries that depend utterly on Maine’s fame as a distinctive place...” (“Charting Maine’s Future,” Brookings Institution p. 67)

The Moosehead Region Futures Committee (MRFC) has incorporated public comments and concerns (from LURC’s “scoping hearings” and repeated regional meetings) about essential area values and economies into a planning document, “Citizen Solutions.” The public record from LURC’s “scoping hearings” (2005) shows that area residents and businesses overwhelmingly have the same concerns as the Brookings Institution and other economic analysts. Because the Plum Creek Plan does not genuinely address these concerns: development near communities, permanent conservation, guaranteed access, the conservation of rivers, ponds and habitat, the need for intact forest lands, trail planning, professional planning and research, or the protection of nature tourism experience, the Plan creates an adverse impact on the region’s current and future nature tourism economy.

Before examining Nature Tourism, we first need to address project revenue and real estate data that are being used to justify the location and scope of development that might degrade and displace the values and needs of the Nature Tourism industry.

LURC AS ECONOMIC DEVELOPMENT AGENCY?

LURC now finds itself the arbiter of an economic debate about the merits of intense and transforming real estate development versus protection of jurisdiction lands.

Plum Creek has signaled its intention to qualify its project on the economic “demonstrated need” of the region.

LURC’s primary mission is to secure the “economic value ...of a working forestdiverse and abundant recreational opportunities, particularly for primitive pursuits,diverse, abundant and unique high-value natural resources and features, including lakes, rivers and other water resources[and] natural character values, which include the uniqueness of a vast forested area that is largely undeveloped and remote from population centers.” (CLUP p. 114)

However, because Plum Creek has chosen to make its most important project “vision ...to maintain the economy and future well being of the existing service centers of Greenville, Jackman, ...the village of Rockwood, Beaver Cove and Kokadjo that are the primary centers of the region”, it has signaled it intends to qualify its project on the economic “demonstrated need” of the region.

LURC now finds itself the arbiter of an economic debate about the merits of intense and transforming real estate development versus protection of jurisdiction lands (and what might be threats to the current primary economy), and it will be asked to make an economic choice based on need criteria that allow an applicant to create a “need” argument outside of market demand for houses. MRFC asks you to carefully evaluate the case Plum Creek makes for real estate ascendancy over jurisdiction values.

Please note that Plum Creek has purposefully added Beaver Cove and Kokadjo as “primary centers of the region” so it may make the case that intense development in these areas is adjacent to a service center. The only state recognized service center in the Plan area is Greenville. If every cluster of sporting camps and cabins could claim itself as a service center, the CLUP’s fears about continuing jurisdiction losses would be realized for this region: “Other development has ...leapfrogged along shorelines, or appeared conspicuously on hillsides overlooking scenic lakes.” (CLUP p. 120) If every applicant could claim settlement as a “primary center”, every cluster of habitation might be allowed to host transforming development.

While we acknowledge that Plum Creek has framed its vision to appeal to area economic “needs,” we want to be clear that Plum Creek’s proper duty as a REIT (Real Estate Investment Trust) is to its shareholders and we assume its core vision is return on investment. (“Timber firm Plum Creek Timber Co. helped spark the trend in 1999 when it converted from a limited partnership to a REIT....REITs typically pay out hefty dividends because they are required to pass 90% of their earnings to shareholders....dividends are taxed at a lower rate....Since converting to a REIT in 1999, Plum Creek’s net income more than quadrupled to \$362 million in 2004.”) (Wall Street Journal article, Exhibit 1)

We know that LURC has ruled that “rezoning is not an entitlement”, and we are hopeful that despite Plum Creek’s decision to become a Real Estate Investment Trust, LURC will uphold the values of the jurisdiction rather than harness its decision to the corporate requirements of this newly configured company. When Plum Creek purchased Maine lands, it was only a timber company. Its current REIT status and need to deliver increased real estate sales value to shareholders should be not be a determining factor in this decision.

DATA PROVING RESORT INCOME IS FLAWED

Plum Creek's case is built on proving that resorts, in any size and location, offer up compelling economic reasons that should secure and justify their chosen site locations and unit densities.

The amount of total economic benefits, which includes this flawed and deceptive use figure, is now used in Plum Creek's case before LURC and its public relations and outreach communications.

We encourage LURC staff and commissioners to bring close scrutiny to original data layers and assumptions in several of Plum Creek's supporting documents and reports. Because Plum Creek has built much of its case for meeting the "demonstrated need" criteria on how the Plan's development will improve the local economy, all underlying economic data and assumptions need to be thoroughly reviewed.

We feel this is an important issue for planning generally and specifically as it relates to the value of Nature Tourism for the region. The case Plum Creek makes for the economic value of real estate development often seems like an attempt to eclipse or overshadow any discussion of the economic value of nature tourism, which is based on securing natural resource assets even if it means some development cannot be located where it would degrade essential experiential values that define the Moosehead "brand" of remote, high quality experiences. Plum Creek's case is built on proving that resorts, in any size and location, offer up compelling economic reasons that should secure their chosen site locations and unit densities. The pressure to site a resort at Lily Bay, for example, might be greater if it seemed to offer up significant economic value and fill a demonstrated need for a more prosperous regional economy.

We have found several cases where reports have been built on flawed or inappropriately "assumed" data and then used the data to deliver definitive comments that are simply just not accurate or well researched. Reports build on the weak assumptions or conclusions of previous reports and each time an economic figure is repeated, it assumes more credibility even though original data sets may be flawed or based on assumptions.

For example, Charles Colgan (2005 report) estimated the resorts would result in an increased 250,000 user days. (It is not clear how he arrived at this figure because, as he says, "...there are no measures in Maine of the number of visitors to the region, nor is there any current data on the spending patterns.....In fact, the general field of recreational use and spending is very poorly understood in most of Maine.")

Eastern Maine Development Corporation, (EMDC) later (after publication of Colgan's report) published a report with an "aggressive estimate" of 533,813 user days, using resort occupancy figures higher than other resorts in Maine (see discussion below). It said it needed to do this to assess the "impact" of the resorts on area "facilities and services," much like a 1,000 year flood scenario to analyze the worst case scenario. The "aggressive" user days figure is translated into an economic value and later comes to define the definitive economic potential of the resorts.

The EMDC report contradicts Colgan's 2005 report figures of 250,000 increased user days.

Charles Colgan then revises his report (March 2006) now adding the high EMDC figure (but he quotes the figure as 535,000 user days). He is not comfortable with using that EMDC figure for analysis, even though he adds it to his report, saying his original figure "the baseline (lower) scenario is more appropriate for comparison..." (p. 19)

This "peak tourism scenario" (a euphemism for the higher, aggressive user day figure) subtly migrates into Colgan's revised table of "total economic benefits" of the Plan. (Colgan p. 23) The figure of total economic benefits, including this flawed and deceptive user figure, is now used in Plum Creek's public relations and outreach communications.

Later reports use this published "peak tourism scenario" to calculate state sales tax figures on the aggressive figure of 535,000 user days. That economic value becomes part of the assumed benefit of the Plan.

Daigle's report later builds on this figure's credibility by citing the recreational and economic value of the 535,000 increase in user days figure when he praises the project's potential (even though Colgan was not comfortable with using that higher figure for "analysis"....and says so.)

The ERA report also uses these inflated economic figures to praise the economic potential of the Plan. (p. 17)

Readers and decision makers may be unaware that EMDC said it was creating an unusually high resort user day figure to study possible "impacts to services."

How did EMDC arrive at that figure?

EMDC created an aggressive estimate of the increased tourist traffic from resorts. It "created" increased user days (533,813) based on 65% occupancy estimates (even though it cites Maine's 2005 occupancy rates at 59%). Its table also has a more conservative estimate, based on a 60% occupancy rate that is labeled "current regional occupancy rates." EMDC, in the same section, says that Moosehead occupancy rates are 40%. ("Based on information from many lodge owners ..., 40 percent occupancy year round is a reasonably optimistic figure.") If 40% is "optimistic," 65% occupancy rates must be dramatic wishful thinking.

This is an important figure as the economic benefits of the project's resorts, the state sales tax figures, and benefits to the local and state economy all depend on occupancy projections. Which is it, 65% (higher than current successful state resort occupancy rates), 60% (the source for that is not given except to say "regional"), or 40%, which is information from Moosehead area businesses? (EMDC, table 3-2, pp. 72-73)

When EMDC created an "aggressive" occupancy rate (unlike any other resort property currently in Maine) and turned that into "user days", it compromised the entire economic analysis of the resorts' values and affected calculations for the total economic value of the Plan.

DEMAND FOR UNITS USES INADEQUATE DATA ASSUMPTIONS

ERA's report fails to document "demand" for units in this region.

An informed market survey that defined buyer motivations might have been very helpful in documenting the very values we need to protect the area's unique brand (for buyers and sellers as well as the nature tourism industry)...ERA's market research is flawed (or unhelpful) in that it is merely a statistical calculation of a percentage of bodies that might buy something in Maine. Understanding area values that motivate both buyers and tourists to choose the region would have given LURC more information to guide the applicant's choice of development locations and densities.

It is unclear if ERA uses estimated job figures from a sawmill ...we suggest that LURC delete this proposed job benefit from any calculations of project income, demand for housing, and sales tax calculations, as it inaccurately inflates the value of the project and demand for housing (we would add that plans for a sawmill have twice failed to materialize).

The MRFC was hopeful that this review process would generate a genuine market research analysis that was region specific and based on area values that actually drive buyers' choices.

However, ERA's market research is flawed (or unhelpful) in that it is merely a statistical calculation of a percentage of bodies that might buy something in Maine and then in this region. It also includes unrealistic market segments that have no proven history of real estate purchases in the area. Given the travel challenges of owning property in this area when buyers can more easily locate on lakes and mountains closer to population centers, an informed market survey that defines buyer motivations might have been very helpful in documenting the very values we need to protect the area's unique brand (for buyers and sellers as well as the nature tourism industry). Understanding the area values that motivate both buyers and tourists to choose the region would have given LURC more information to guide the applicant's choice of development locations.

ERA's report contains assumptions not supported by any research data. All of the following statements have no supporting documentation:

"Such housing will be a critical component of the Moosehead Region's efforts to retool its tourism economy. The plan's implementation is projected to favorably impact the regional economy by increasing population, adding jobs and providing a more diverse housing stock."

The "plan is compatible with the historic character of the region, as it provides additional housing and vacation property in a harmonious development that is connected to nature based activities."

The "plan...will primarily appeal to households purchasing vacation or retirement homes."

Actually all ERA does is calculate “capture” rates based on large generic statistics. The report fails to document “demand” for units in this region. For example, “If 3-5% of total households [in ME, MA, NH] purchase vacation/retirement homes in rural Maine, this translates to a potential market of 26,000-43,000 buyers. If 3-4% of these buyers purchase properties at Plum Creek, demand from the source equals 770-1,700 units.” The use of “if” is no substitute for genuine analysis of the existing Moosehead Region real estate market.

ERA continues these “capture” calculations for NY, NJ, southern New England and most unrealistically, Quebec and New Brunswick: if 0.5% of total Quebec and NB households purchase in rural Maine that would be a market of 4,470-8935 buyers. “If 1-2%” buy Plum Creek lots, that would “equal 45-179 units.”

ERA even suggests that the “fly in market” would capture 246 units. There is no history of regional owners using area airports to access their properties (aside from Greenville’s own airport, which is not mentioned in the report).

ERA also attempts to calculate the amount of residential units from jobs created by the project, estimating that 165 units will be purchased by the “project related workforce.” While ERA attempts to translate estimated job figures into household figures, their conversion is based on no research or evidence and is contradicted by Colgan’s (and EMDC’s) analysis that most of the project construction workforce will be local or commuting.

It is unclear if ERA uses estimated job figures from a sawmill location that Plum Creek says will provide jobs (200 to build, 200 to maintain) to create household and worker unit demand and “capture” rates. Since area, regional and Canadian sawmills have been closing frequently in the past decade and Greenville has tried unsuccessfully on at least two occasions to attract such a facility (even with TIF inducements), we suggest that LURC delete this proposed job benefit from any calculations of project income, demand for housing, and sales tax calculations, as it inaccurately inflates the value of the project.

PERMANENT JOBS, COMPARISON OF CONSTRUCTION OF PLAN REAL ESTATE TO TOURISM ECONOMIC ACTIVITY, ECONOMIC WARNINGS

MRFC documents the transitory nature of both jobs and construction revenue and documents that Plum Creek’s Plan cannot offer the permanent jobs necessary to demonstrate “need.”

A careful evaluation of the Plan’s job and revenue figures reveals that short term benefits and short-lived construction jobs may disappear in less than a life time of a child who may grow up in this community.

A careful evaluation of the Plan’s job and revenue figures reveals that the short term benefits and short-lived construction jobs may disappear in less than a life time of a child who may grow up in this community. LURC criteria on “need” are clear: “consideration is given to whether the proposal improves the economic well being of a community....such as projects that provide for

the creation of permanent jobs.” (Clarifying the Rezoning Criterion of “Demonstrated Need,” LURC 2004)

Exhibit 2 (“Plan Construction Jobs Compared to Harvesting Jobs and Tourism Jobs for Similar Region) and Exhibit 3 (“Plan Construction Economic Activity Compared to Tourism Economic Activity”) document the boom and bust nature of the construction phase of the project. They document the transitory nature of both jobs and construction revenue and document that Plum Creek’s Plan cannot offer the permanent jobs necessary to demonstrate “need.” By charting out impacts over 50 years, our documentation makes the point that the region deserves a “generational” planning view where our children and grandchildren are offered a sustainable rural economy.

Because construction build out is expected to be complete by 2020-2024, when income from construction drops down to \$1 million and construction jobs to 129 (Colgan p. 14), it is clear that altering the resource assets that create tourism experiences compared to a fifty year benefit (and beyond) of billions of dollars is not an acceptable trade-off. The MRFC has been consistently clear that development near existing communities that does not affect or degrade resource assets will enhance the area’s economy. The region can sustain real estate development and nature tourism, but only if careful planning by all concerned economic sectors creates a workable strategy. The current version of Plum Creek’s plan risks the assets and experiences that drive our nature based economy.

If we allow inappropriate development and densities, not heeding the warnings of LURC’S own planning document (CLUP) (and numerous economists, planners and recreation specialists), sprawl and degradation of tourist assets will affect and reduce the viability of the current and future tourism economy. The MRFC urges LURC to deny the Plan until such time as the location and densities of development are not a threat to the tourist economy and until such a time as the Plan easements are redrafted to enhance, not ignore or degrade, tourism opportunity on lands that are supposed to be conservation mitigation providing quality recreational assets, locations, and experiences. *(Please see additional MRFC testimony by James Glavine, Suzanne Auclair and Bob Guethlen with regard to these issues).*

We need to heed these economic warnings:

“Development which commits land irrevocably to other uses and detracts from the forest resource will be directed to locations where it will not significantly affect this valuable economic and recreational resource.” (CLUP p. 49)

“Continued sub-division of the Maine Woods ...would give thousands of affluent flatlanders from coastal Maine and from away private pieces of paradise. But it would increasingly squeeze local residents and traditional recreational users out of landscapes....And after the construction phase, a private playground built around second home development would generate far less economic activity and support far fewer quality jobs than would otherwise occur.” (“Health Care and Tourism, A Lead Sector Strategy for Rural Maine,” Maine Center for Economic Policy, Vail & Pohlmann, Ed. p 104)

“Sprawl is impinging on the countryside.....None of that bodes well for industries that depend utterly on Maine’s fame as a distinctive place...” (“Charting Maine’s Future”, Brookings Institution p. 67)

“Without well-designed and publicly supported strategies to preserve their character and surroundings, gateway communities risk undermining the assets responsible for their economic vitality and future potential.” (“Balancing Nature and Commerce...” p. 15)

“The fastest growing part of the market [i.e.: tourism] is in adventure recreation, ecotourism, and cultural tourism...travelers want to make contact with the landscapes, communities, and cultures they visit...Tourist facilities that undermine that which is unique about an area may well be destroying their own market.” (“Lost Landscapes,” p.229)

“By spreading its proposed development throughout the region, Plum Creek is greatly reducing the opportunity to encounter remoteness.” (Palmer and Buscher, LURC consultant reports)

“... it is clear to us that the current pattern of alternating stretches of development and conservation easements is increasing sprawl in the region.” (Palmer and Buscher, LURC consultant reports)

“...the way Maine is growing – and the poor management of the demand that Maine’s attractions prompts – also threatens to degrade exactly the quality of place that prompted the demand in the first place.” (“Charting Maine’s Future”, Brookings Institution p.67)

MOOSEHEAD’S TOURISM ‘BRAND’

The Moosehead ‘brand’ of tourism: genuine, authentic, remote-feeling, northwoods experiences that are accessible (usually within an easy drive from area accommodations), is essential to its ability to attract current and future tourist dollars.

... tourists’ preferences for trails (of all kinds), shorelines, views and elevations that are both remote feeling but close to town is the current ‘brand’ formula that sustains and will grow this economy.

“In fact, the general field of recreational use and spending is very poorly understood in most of Maine...” (Colgan, p.12)

“Tourism is a global market. [Guests] are not fooled by ‘relative wilderness’” (Comment from Mapping Collaborative Map 16).

Moosehead Region tourism economy activity is at least \$39 million per year with at least 700-800 jobs.¹ A report from a similar Maine forest community (“Rangeley Region Tourism”) provides the only region specific study of a Maine forest dependent community’s nature tourism economy. This report found that most tourist activity takes place in what Irland (in the report) calls the “setting,’ close to town.

It also finds that most of the revenue will be spent in the central service center town. That is important, as Plum Creek’s proposed multiuse residential resort zoning would create significant business competition for the small entrepreneurial businesses located in the service centers of Greenville and Rockwood. Local service centers might only remain viable and grow if retail business development in an adjacent resort was not duplicative and competitive.

One of the disturbing elements of the Plum Creek Plan discussion is the lack of understanding of the region’s actual nature based economy and the importance of the Moosehead ‘brand’ to it. Various town governments, selectmen, county economic development organizations, county commissioners and even the Maine Tourism Association may testify that the Plan, as proposed, will be a significant economic boon to the area and tourism.

In many cases leaders and membership of these groups have not taken the opportunity to fully read and study the Plan and supporting documents or LURC’s consultant reports and analysis, hearing only marketing presentations from the applicant itself. Their lack of familiarity with the economics of tourism as the primary economic engine of this region as well as the need to secure the unique experiences responsible for its success is really a local symptom of a much larger research and awareness gap. The larger problem is that the state’s largest employment sector and its asset based needs and defining experiences are so poorly understood.

Surprisingly, there is little good information on the region’s and Maine’s largest employment sector, tourism. We need to heed Colgan’s and Vail’s comments as these two professionals have been for many years the state’s research experts on tourism (at the State Planning Office and Bowdoin College respectively).

“... there are no measures in Maine of the number of visitors to the region, nor is there any current data on the spending patterns....In fact, the general field of

¹Footnote: “Rangeley Region’s Economy” evaluates a similar region: an incorporated service center town, other villages surrounded by unincorporated LURC managed lands, waters and habitat essential to the region’s and the town’s economy.

In Rangeley, tourism provides \$32 million in revenues and an estimate of 711 full time equivalent jobs. I have updated that figure for the Moosehead region by including ATV revenues, not included in the Rangeley report. I used Greenville’s 4% of state tourism figures applied to yearly state ATV revenues of \$200 million, giving the region \$7-8 million in ATV generated revenue, arriving at the \$39 million nature based tourism estimate for the Moosehead region. The actual yearly tourism economic figure is probably much higher (as noted in comprehensive state figures in Exhibit 3), as we have yet to factor in new data such as USF&W’s wildlife watching Maine survey data. Greenville’s portion of the state’s wildlife watching income (\$345 million per year, US Fish and Wildlife survey) would be \$10 million per year, for example.

recreational use and spending is very poorly understood in most of Maine....there is sparse baseline data in Maine on user levels or expenditures ...” (Colgan, p.12)

Vail cautions, “after the construction phase ...second home development would generate far less economic activity and support far fewer quality jobs than would otherwise occur.” (“Health Care and Tourism...”)

Even Plum Creek’s recreational analysis (conducted by John Daigle) is clear: “As noted by Colgan, the economic benefits resulting from implementation of the Concept Plan to the surrounding communities and the region are not associated with the sale of residential house lots or the sale of the resort property but gained through tourists, residents, and in-state visitors coming to the area who are attracted to the recreation opportunities.” (“Impact of Plum Creek’s Petition for Rezoning and Concept Plan on Recreation Resources in the Plan Area,” John Daigle, p.3)

The Moosehead “brand” of tourism: genuine, authentic northwoods experiences that are accessible is essential to its ability to attract current and future tourist dollars. The Brookings Institution report explains the value of brand.

“Talk about ‘brand’ is not just fancy language. As the mobility of Americans continues to increase, states more and more need a brand—a distinct, captivating appeal ...a competitive promise as they vie for their share of scarce visitors, talent, and income....a major problem for Maine ...the way the state is growing is slowly degrading key elements of Maine’s vivid and unifying sense of place.” (“Charting Maine’s Future”, Brookings Institution p.65)

When the Friends of Moosehead created their “Conservation Proposal for Plum Creek Land” in 2002, they identified regional areas needed to “maintain ...the undeveloped forested character of the region....the strong outdoor heritage and access ...for hunting, camping, fishing, hiking, snowmobiling and skiing, and the shorelines of Moosehead Lake, Brassua Lake, Moose River and the region’s remote ponds....and...wildlife habitat.” (Exhibits 4 & 5: “Friends of Moosehead Map”)

A dedicated group of business owners and residents created this vision long before Plum Creek submitted its Plan, so it represents a clear-eyed, unpressured view of assets vital to the region’s identity. They identified the resources that define Moosehead’s unique character, the lands, waters and wildlife habitat that should not be available for development. They identified the assets of the Moosehead “brand.”

The “Friends” map of lands that should remain undeveloped supports recent extensive mapping of tourist use and related values. The Moosehead Mapping Collaborative’s work to document the nature tourism economy’s location for business owners and planners supports the original vision of the Friends of Moosehead. Dark shades of red on these maps (and all Mapping Collaborative maps) indicate current areas where tourists are seeking and finding remote feeling, primitive feeling, “authentic” (re: Fermata) northwoods experiences. Working from extensive interviews with nature tourism providers that represented every type of experience, mapping partners

converted map survey results to GIS maps. LURC staff asked for and received this data. (Exhibit 6: Moosehead Participatory GIS & Community Values Mapping, Composite – All Responses)

The most lucrative areas for tourist income are to be found close to town (what Irland called the “setting”), where tourists may find nearby outdoor recreation opportunities, but be close enough to return to the town for services, food, shopping, etc. That creates a challenge to secure and manage areas close-in for relative wildness and remoteness. Mark Anderson (“Issues to be Considered in Estimating the Effects on Primitive Recreation of the Plum Creek Concept Plan,” LURC consultant 2007) offers a planning model that defines various user locations (Exhibit 7). He notes that “there are increasingly more potential participants as you move outward” toward his rings of sightseers and day use tourists. He is saying there are more day users and touring sightseeing users than there are remote and wilderness recreationists. Guests who are close by support restaurants, shops, lodging businesses, and outfitters for a variety of trip options and rentals.

This map also demonstrates that much of Plum Creek’s proposed development is in conflict with the most numerous (according to both Irland and Anderson) group of recreational spenders. The MRFC has used Anderson’s ‘rings’ of tourism use and superimposed it on the GIS map depicting high value and current tourism use. The boundaries of the ‘rings’ are approximate, but the map and circles clearly show that sightseeing, day use, as well as multi-day experiences conflict with intensive transforming development that degrades the preferred Moosehead “brand” of remote-feeling wildness. (Exhibit 8: “Anderson Model Adapted to Analyze Moosehead Region,” MRFC 2007)

The Moosehead Brand is based on authentic experiences that are clearly described by tourism providers and tourists themselves.

“Tourism is a global market. [Guests] are not fooled by ‘relative wilderness’”
(Comment from Mapping Collaborative, Map 16).

One guest describes the experience this way: “it feels like you’ve entered a lost world” and “in two minutes it felt like you were a thousand miles away.”
(Mapping Collaborative, Maps 29, 3)

Maine has commissioned recent and badly needed research into tourism preferences. Fermata’s report (“A Strategic Plan for Implementing the Maine Nature Tourism Initiative,” Sept. 2005) emphasizes that area attractions must remain assessable and authentic: “authenticity is a primary theme when examining travelers wants and needs.”

“Greater Greenville is an established tourist destination....An advantage to Greenville is that a visitor can enjoy comforts and amenities that the village provides then in a short drive be out in the wilds of Maine.” (Fermata p. 10) A successful B& B owner in Greenville told an MRFC member that her guests “need to be on-site for their activities between 30-45 minutes after leaving her door.”

Anderson discusses various interpretations of “primitive” (a LURC term to describe experiences the CLUP is supposed to protect) and analyzes systems that attempt to define this kind of use: “in determining whether recreation is primitive or not, it is necessary to consider the situation factors of the landscape, the specific recreation pursuit, and the experiences of the user.” Again, referring to Anderson’s model, Moosehead tourists want the experiences of remoteness and wildness as part of their “Day Use” and “Touring/Sightseeing” experiences as well as for multi-day experiences.

In this case accepting “displacement” of tourists from sites where they now have these experiences is just not an option. (Daigle suggests campers will seek “alternative facilities” if Lily Bay loses its appeal from adjacent Plum Creek resorts and development.) With current demand clearly focused on accessible day trips, the trend to more and more family use, and the average region stay of 3.8 days (Maine Office of Tourism, cited in Fermata) large numbers of tourists are not going to use areas that are geographically remote to Greenville and Rockwood. However, if they are given intensive development in the backcountry at Lily Bay and Brassua, for example, then thousands of people will be able to degrade the two outer rings of Anderson’s model; other wilderness, multi-day trips and remote camping. Inappropriate use will sprawl across our most highly valued backcountry woods, waters, and wildlife habitat from these intensely developed “sending areas.”

The Moosehead Region needs a full complement of diverse experiences to extract every single tourist dollar and areas that may host these thousands of users from Lily Bay or Brassua are also very important as lands that define “vastness” (surround the region with a genuine vast forest feeling) as well as lands that buffer day use traffic from multi-day experiences.

What Daigle and many others do not understand, but the Mapping Collaborative maps and survey comments clearly reveal, is that that intensive, poorly sited developed that causes “displacement” or even what Anderson calls “invasion and succession (just another form of tourist dollars going to other destinations) spells the arrival of what all LURC and other planning experts have warned us of: “tourist facilities that undermine that which is unique about an area may well be destroying their own market.” (“Lost Landscapes”, p. 229)

Daigle writes: “The Plum Creek Plan will change the nature of the recreation experience and opportunities near the developed zone of the Plan area...the resorts and other residential housing will no longer make it suitable for primitive and traditional recreation activities such as hunting presently conducted in the area.” (p. 22) Even more troubling for the area’s traditional economy is this prediction, “the historical pattern of hunting and trapping will likely be contested...research shows increased posting of lands ...as people move to rural locales with different values and beliefs.” (“Impact of PC Petition for Rezoning and Concept Plan on Recreation Resources in the Plan Area”, John Daigle report commissioned by Plum Creek, 2007, p.32)

ANALYSIS ASSUMPTIONS INCORRECT

Several concepts that prevent a clear understanding of the Plan's adverse impacts are the "with or without" discussion, the value of the conservation easements to absorb tourist demand "displaced" by development, and the comments of some consultants on declining use of resources. Both Anderson and Daigle say that even without the plan there would be degradations and losses from development, so they imply that we should just accept that loss as inevitable. The implication is that LURC (and the rest of us) should just accept what is inevitable and accept Plum Creek's current Plan because "with or without" the Plan, this kind of loss of "recreation experience and opportunity" (Daigle) will happen anyway. While there will be some loss from the effects of building and use on non-Plum Creek lands, we must stress that the Plan covers 29 townships and involves 90% of the (Moosehead Lake) watershed so LURC has the ability to control this loss in ways that make a "with or without" (put up with the loss) scenario an unreasonable concept. Plum Creek's ownership of most of the watershed is an opportunity because either we have it zoned for forest use or we could have it rezoned to accommodate a world class ecotourism development and conservation plan, which the Plum Creek plan unfortunately fails to provide. The MRFC supports either of those scenarios.

The correct planning scenario is "before and after" where we inventory the assets and experiences now used to define the brand and deliver the tourist income, assess what might happen if they are enhanced or compromised and plan a solution where the "after" accommodates development that leaves our assets the same as "before." That is exactly what is meant by 'sustainable' tourism." The smart use of this comparison would assure the perpetual support of the region's Nature Tourism economy.

We cannot agree with Daigle's premise that the Plan easements as written will meet the demand for remote recreation. "There is no question that the development will shift some recreational use elsewhere....these opportunities will be permanently secured by the permanent conservation of undeveloped land in or adjacent to the Plan area." (Daigle p. 27) In the first place, many of the Conservation Framework lands are outside of current use patterns (see Mapping Collaborative map) for good reasons; either the travel distance is too great for day trips or these are interior lands that work for forestry but not the profile of our current tourist.

And secondly, we cannot agree with his assessment that the "Principal characteristic of the area [easements], vast tracks of undeveloped working forest, will be protected." As we have testified, these "working forest" easements lack the management of multi-use recreation and conservation lands and Plum Creek has reserved the right to manage these lands exclusively for wood harvest operations. In fact the easements are so deficient as compensating recreation and conservation areas that Bureau of Parks and Lands staff recommended that Maine refuse both the hiking and snowmobile easements. ("Consolidated BPL Staff Comments on Plum Creek Proposal")

"Unfortunately, the proposed easement is so weak that I would recommend that BPL decline to accept it as a gift let alone as mitigation for expanded development." (Steve Spencer, BPL)

“The Bureau of Parks and Lands (BPL) would recommend declining acceptance of the draft easement as written in the plan since it has numerous flaws and does not guarantee that there would be any snowmobile trails permanently available and protected.” (David Rodriques, BPL)

We won't comment in detail on some consultants' analysis that growth and demand may be declining. Yes, baby boomers want to sleep on beds rather than the ground, but growth in this tourism sector is profound. (North Maine Woods numbers are affected by the amount of fees they charge; they now charge per person rather than by car and multi-day trips with a group may cost many hundreds of dollars. Baxter State Park is not a customer oriented venue; recently it was working on removing camps just when the demand for camp rentals in Parks is soaring.)

“TIA [Travel Industry of America] identified ‘ecotourism/soft adventure’ as one of the ‘most likely to grow in the USA...’ (Fermata) At the National Ecotourism Conference (Sept. 2005, Bar Harbor) we learned that nature based travel (ecotourism, adventure tourism, wildlife recreation, etc.) is the largest tourism growth sector with 8-10% per year growth. Nature tourism is the top choice of travelers. The top 10 world destinations are outdoor locations; the top 8 are natural environments. And most importantly, nature tourism expands more rapidly around natural areas.

The most telling comments are in BPL comments to LURC as they consistently comment on how the applicant has not provided discussion or planning for the increased amount of use and pressure their adjacent development will place on currently used sites and area public lands. “Recreation facilities for drive-to or even remote access camping (Moosehead campsites) on existing lands would not be sufficient to meet the demands resulting from the nearly 1,000 camps/homes and tourism opportunities proposed in the plan.” (BPL)

PLAN ADVERSE IMPACTS TO THE MOOSEHEAD BRAND OF NATURE TOURISM: SITE SPECIFIC AND EASEMENT

In fact, Plum Creek's creation of a resort and development in the middle of so many public ownerships and areas managed by BPL brings up an important issue. The public will be subsidizing the viability and marketability of adjacent resorts and residential areas through its suite of public lands and shoreline, even as we suffer the degradation of these landscapes from possible overuse and loss of access

Planning for growth and increased carrying capacity within the Plan area is essential and Plum Creek has failed to identify areas and opportunities to grow the Moosehead “brand” of nature tourism experiences.

The following issues and maps address specific adverse impacts to the region's Nature Tourism industry.

Conservation protection land acreage includes areas already protected or not able to be developed. BPL staff are clear about this problem, “These proposed conserved lands include

shorelines around a number of presently undeveloped and relatively inaccessible small ponds.” Staff continue to ask about conservation acreage in existing Fish and Wildlife Protection zones or wetlands, shoreland conservation areas undevelopable due to the railroad line occupying the shoreline or limiting access to the shoreline, and “relatively small fragments (a quarter mile or less) that are effectively part of a developed shoreline (viewed by the public as too close to residences, and difficult to distinguish as public recreation lands)”. They are aware that conservation acreage traded for intense development lands is being calculated on lands and waters that could not be developed anyway.

The MRFC considers it an adverse impact that development will not be balanced with more genuine conservation lands and riparian area (especially shoreline) acreage that might be developed. Mapping Collaborative data clearly show that shorelines, views, and riparian areas are essential area tourism assets. Calculating conservation land that could not be developed as compensation is not an acceptable conservation strategy.

Plum Creek’s use of the Saratoga visibility survey to show optimum screening of camps is not an adequate safeguard against the transforming degradation of shorelines and the experiences of undeveloped shores. Even if the correct size, height and color of houses could be guaranteed, there is no guarantee that contractors or owners will comply with LURC clearing regulations. (There’s a documented history of non-compliance in the jurisdiction and homeowner associations have never been able to police lawlessness regarding excessive lot clearing or other compliance issues that might affect themselves or neighbors.)

Exhibits 9, 10, and 11 demonstrate that even if a camp owner follows LURC clearing standards (and many of the Saratoga images show those standards protect views only from great distances), waterfront use will transform and degrade remote shoreline views and experiences. Exhibit 9 is the original Saratoga camp simulation. Exhibit 10 shows how one cabin’s worth of docks, moored floats, recreational inflatable toys, and boats will affect both the shorelines and scenic views. Certainly all the activity that would go with the waterfront will affect the experience. (We cannot here replicate the boom boxes’ music, fire crackers that disturb loons, barking dogs, the roar of jetskis racing and circling near shore, ATVs using lot roads, screaming happy children and partying parents that might also be on this property.) Exhibit 11 shows what happens when many camps are sited on remote lake shores.

In reality, we need an area survey that will delineate areas that are appropriate for shoreline camps and shore areas where we need to offer undeveloped experiences. Screening, even if it did work, and it does not, can never safeguard the essential northwoods experiences and Moosehead “brand” desired by tourists in many locations. Attempts to sprawl development on remote shorelines, views, and landscapes is one of the Plan’s most serious adverse impacts.

Easements cannot be considered high quality recreation lands (or even useful) if trails can be moved or discontinued and they lack buffers or professional planning that sites them (and connector trails in the case of snowmobiles) in areas that respond to recreation needs and tourists’ demands. Winter trails that prohibit multiuse (skiing, snow shoeing), when survey business respondents testified to the need for such trails, is a missed opportunity. Our testimony already covers problematic easement language but it is important to note how easement

deficiencies preclude them from being genuine nature tourism enhancements. The Peak to Peak trail has not been designed in a collaborative process designed to enhance the region's tourism needs and requirements. Looping trails that support day use, trails that maximize access to water as well as views (totally missing in this region except for a short hike at Lily Bay), trails designed for winter non-motorized use (requested frequently by business owners), and trails for various user groups need to be part of the trail easement design process.

Because current easement language reserves all management rights to Plum Creek with the goal of having these areas managed for harvesting, their ability to support and enhance the area's demand for authentic northwoods landscapes, quiet and remote recreation, and effective motorized and non-motorized trail systems seems unlikely. "Having additional areas available through the Moosehead Legacy Conservation Easement for hunting, fishing, and hiking will not add meaningfully to the supply of opportunities if the land continues to be managed strictly as an industrial forest." (BPL)

Forest operations have already affected the region's deer herd. In fact, Plum Creek's SFI certified operations have resulted in a significant loss of winter shelter. "To date Plum Creek has harvested timber in this area on several occasions against our recommendations including a shelter on the north side of the river...and now again on the south side....It's clear that these deer populations are far below the goal and objectives identified for our deer management system....During the 7 or 8 years Plum Creek has been in the area, we have accomplished nothing in terms of conserving shelter of wintering deer on their ownership....we continue to lose what little DWA [deer wintering area] shelter is left on their ownership." (Doug Kane, IF&W 2006) (Exhibit 12 & 13: Plum Creek harvest in East Outlet Deer Wintering Area)

Even though Plum Creek has renegotiated a new voluntary agreement, it continues harvesting some Deer Wintering Units despite IF&W requests. A Plum Creek letter, dated Feb 5, 2007, states it will continue to harvest in a DWU (deer wintering unit) "despite Doug Kane's concerns" saying "we feel this harvest operation will not compromise the objective of the Agreement." In other words the "agreement" allows Plum Creek to continue to harvest critical winter shelter needed for habitat and our local hunting/wildlife watching economy. (Other species also need these mature areas to thrive.) One business owner said that there is "lots of indiscriminate cutting of deer wintering areas" affecting "trail systems and hunting" (Comment from Mapping Collaborative, Map 8).

The problems created with Plum Creek's management of deer wintering areas raises concerns throughout the Plan area for various species, habitat needs, and quality hunting, fishing, and viewing experiences. Wildlife recreation (watching, hunting, fishing) on easement and balance lands is critical to the state's and region's nature tourism economy. Maine's wildlife industry is currently at least \$900 million in direct wildlife related revenues (USF&W) and the region's portion of that might be as high as \$30 million dollars (using this region's 4% portion of tourism figures from the Maine Office of Tourism.) Current Plan easement language, fragmentation of habitat from both development and forest operations as well as road mortality and the lack of acceptable certification practices on Plum Creek's lands currently has and will have negative consequences and adverse impacts to this essential tourism revenue sector.

The town of Greenville itself is an important tourism asset; retaining its “charming” character is also an element of the Moosehead brand of tourism. During a recent Maine Department of Transportation hearing in Greenville, much testimony documented area concerns that increased construction and residential traffic would degrade the village character of Greenville. The Brookings Institution was clear that retaining the sense of “place” was essential to future economic growth and success. “The highest-rated Maine attributes in a recent survey of visitors all revolve around its abundance of scenic vistas, the high quality of its recreational opportunities, and its charming small towns.” (“Charting Maine’s Future”, Brookings Institution p. 67) Having an ice cream cone in Thoreau Park and trying to shop the small stores on Pritham Avenue with construction vehicles lined up past the high school idling exhaust, noise and fumes is not a scenario conducive to small town “charm.” The “downtown sets the town character” and with “idling trucking and traffic right at the base of the lake...the lake front and downtown character both need protecting” (Comment from Mapping Collaborative, map 5).

Current specific locations of some Plum Creek proposed development will create an adverse impact on current nature tourism experiences as well as the value of Balance Lands offered as mitigation.

East and West Outlets and Indian Pond: (Exhibit 14: Moosehead Participatory & Community Values Mapping, Indian Pond/ East & West Outlets). This area demonstrated the most intense tourism presence and use in the region. Its combination of remote feeling boating and camping, whitewater and quick water rivers, protected islands and coves, wetlands, views on the Moose Mt. range, diverse wildlife, boating, and fishing opportunities demand that development associated with a proposed Moose Mt. resort carefully avoid and reduce impact on this most prized area asset. One business owner describes the West Outlet as a “wilderness river trip near town for beginning paddlers” (Comment from Mapping Collaborative, Map 1).

Intense development that bisects essential deer wintering areas to the west and north of Burnham Pond is unacceptable as is any development on the north end of Indian Pond itself. Palmer and Buscher recommend that Plum Creek’s intensive development on Indian Pond is inconsistent with current use and viewshed needs. They recommend only campsites or cabins if anything. BPL staff has stronger reservations: “Plum Creek does not appear to have the right to have a boat launch on Indian Pond; and there is risk that by developing lots adjacent to a lake where additional docks are prohibited (only existing leases may have them), there will inevitably be enforcement and compliance issues. It would seem far better to dedicate this area as shoreline protection conservation easement lands.” (BPL)

The MRFC has concerns that roadside development to accommodate resort access near Burnham Pond will degrade the experience of traveling to this site and that club house and shore development will destroy the most valuable, close-in, wild feeling suite of experiences in the region. If possible, future use of Indian Pond should be protected with limitations on the size and speed of motors.

Lily Bay: Intense development in this location will have numerous and serious adverse impacts. (*Please see MRFC Testimony by Bob Guethlen*) BPL staff are clear that development here will spill over into more remote sites and place great pressures on the West Branch corridor, Roach

River, First Roach Pond, and adjacent public lands near the site as well as public lands at Sugar Island, Lily Bay State Park and Spencer Bay. “The biggest concern I have is that the public perception of Lily Bay State Park, that of a remote, destination campground, may change with development.” (BPL staff) ...

“It is possible that development of these areas will have the following impacts:

* **Increased traffic.** We suggest that vehicle traffic past the gates of Lily Bay State Park will increase significantly with development in this area.

* **Development on approach to the park.** Although there is currently development along the Lily Bay Road approaching the park, the plan proposes development of road front properties adjacent to and immediately south of the park gates. This may change the perception of Lily Bay State Park as an isolated, destination park in a remote setting as one approaches.

* **Visual impacts.** In many areas of the park, the waterfront view of Moosehead Lake shoreline shows a generally uninterrupted forest. Development of the Lily Bay Resort will have a visual impact from the waterfront, including several waterfront campsites. It is quite likely that structures from the Lily Bay Resort and associated developments will be plainly visible.

* **Increased day use.** Beach areas are not common along most of Moosehead Lake’s shoreline. Increased development in this area is likely to increase day use at Lily Bay State Park, as new residents and visitors seek swimming opportunities. In addition, Lily Bay State park affords excellent boat launching opportunities, and demand for boat launching will most likely increase. Winter use may also increase with the development of residential and resort areas in the Plum Creek plan.”

(“Consolidated BPL Staff Comments on Plum Creek”)

Thousands of potential power boat users from Plum Creek’s Lily Bay resort and residential areas can only pressure boat traffic in an already congested water corridor. The only eastern route on Moosehead Lake, located in Lily Bay, is defined by buoys for a one boat-wide passage that invites congestion. Large scale resort development and intense residential development at Lily Bay will cause destruction of viewsheds, increased traffic and nearby degradation of important pond and riparian areas used for moose watching and wildlife watching expeditions. An extensive logging road network on the peninsula will deposit thousands of users on the remote shores and campsites of Spencer Bay, crowding the public campsites and boat launch areas at the Jewett Cove access and probably displacing current use there and in the remote campsites and undeveloped waters of Spencer Bay.

The map of Lily Bay (Exhibit 15) clearly shows how the value of Balance Conservation Lands as intact, unfragmented landscapes and habitat, is damaged by the location of development as it bisects the landscape. (The Lily Bay road does travel through this corridor but the road will not have the same effect as hundreds of acres of lots, houses, driveways, and ever increasing traffic.) Clearly thousands of people will pour out of this development and degrade the already intensively used (and fished) Roach River (a premier landlocked salmon river managed by Maine’s IF&W), as well as the Roach Ponds and numerous smaller ponds that are currently

hosting high quality moose and wildlife safaris for area outfitters, ponds that are essential commercial assets to the watchable wildlife economy.

In fact, Plum Creek's creation of a resort and development in the middle of so many public ownerships and areas managed by BPL brings up an important issue. This is especially true at Lily Bay (and Indian Pond). The public will be subsidizing the viability and marketability of adjacent resorts and residential areas through its suite of public lands and shorelines even as we suffer the degradation of these landscapes from possible overuse and loss of access. (Florida Power and Light's conservation easement around Indian Pond creates the same kind of public subsidy for Plum Creek's planned resort "clubhouse.") Plum Creek is already using natural area attractions and locations to market its proposal and upcoming development. While current area tourism owners use these same areas and marketing strategies, the dramatic increase in housing units and numbers of users from large resorts and very large subdivisions now boosted to "sending areas" close to remote-feeling locations "will shift some recreational use elsewhere". (Daigle p. 27)

The map (Exhibit 16) revealing the development's proximity to northern public lands and recreation lands also highlights the problem of creating populated "sending areas" and sprawl further out into the region's backcountry by developing Lily Bay. Plum Creek's Concept Plan for First Roach Pond and its unfortunate effects on both the pond and the roads and landscapes near it have yet to be assessed, but adding thousands more residents and users to this area will only increase the pressures caused by development on First Roach Pond. (*Please see Joan Wisher's testimony.*) [Please note that the map (Exhibit 16) has been reoriented differently—west is at the top—to offer perspective on how thousands of people will now have easy access to the public areas of the Spencer Mountains, Lobster Lake, the entire West Branch of the Penobscot River and even the Seboomook Lake area; all may suffer inappropriate pressures. (BPL comments also discuss this effect on the entire West Branch lands and corridor.)]

Dark shades of red on these maps (and all Mapping Collaborative maps) indicate current areas where tourists are seeking and finding remote feeling, primitive feeling, "authentic" (re: Fermata) northwoods experiences. Even public lands and recreation experiences to the east of Lily Bay are at risk. "From reviewing Plum Creek's plan, I would guess that recreational use of the Nahmakanta Unit would significantly increase with the development proceeding...increased use may outstrip BP&L's abilities to provide sanitation and maintenance services to such use. Our ability to increase capacity for such camping is limited, and not necessarily desirable from our other management objective." (BPL) Development that affects these essential tourist locations and experiences is not appropriate at Lily Bay.

(Exhibit 15: "Moosehead Participatory & Community Values Mapping," map of "Lily Bay."
Exhibit 16: map of "Public Land and Recreation Areas north of Lily Bay Peninsula.")

Not only are the peninsula and lands around it home to a significant population of a federally listed species (Canada lynx), but recent tracking seminars and wildlife education seminars and programs held in this area by educational groups have demonstrated high interest and demand for recreational and educational options that involve predator populations. Imagine the winter tourist opportunity to track lynx and explore the habitat of an endangered species (responsibly) within an hour of one's B&B. While the region has yet to develop a focused and

well executed watchable wildlife strategy for nature tourists, this kind of development will preclude much of that growth opportunity. (For example, Maine's Birding Trail is in its infancy and it, like other wildlife strategies, will depend on intact landscapes and habitat.) Communities adjacent to rare populations of wolves, bighorn sheep and even specialized butterfly migrations reap the benefits of millions of dollars of dedicated tourism revenue as people seek out these experiences. We are concerned that locating development in this important wildlife habitat (and other plan locations) and fragmenting potential conservation lands is a clear indication of Plum Creek's lack of awareness and/or commitment both to conserving wildlife and enhancing nature tourism experiences. An area biologist's lynx sitings map peppered with observations of lynx demonstrates an exciting opportunity for the region as well as an important responsibility. (Exhibit 17: Map of lynx sitings on Lily Bay and adjacent area, Bill Noble, IF&W, Greenville)

Brassua Lake: Brassua Lake has the potential to offer the same (and as yet, relatively undiscovered) experiences as the suite of resources at the East and West Outlets and Indian Pond: whitewater rapids and drift boat fishing, remote paddling and boating, coves and islands that are secluded and offer protected paddling, rich diverse wildlife habitat, fishing, hunting, remote feeling camping. Hike in fishing at Fletcher Ponds (leaving one's boat tied up to a tree) is only one of the highlights of this location. The Moose River coming down into the pond might also support whitewater rafting and, in lower water, inflatable kayak trips if a viable take-out location could be arranged. (All those take-out locations are on Plum Creek land.)

All this potential will be lost if development on the southern peninsula creates intense shoreline and elevation development that will impact both the scenic and experiential values of this important Brassua site. Palmer and Busher recommend shoreline and viewshed protection of the more remote areas of Brassua (its undeveloped "rooms"). "Brassua needs management for remote character" (comment from Mapping Collaborative, map 18). Shoreline and elevation development on the South Peninsula would degrade the value of Balance Lands and easements in the region as well as the potential of the Moose River and north Brassua corridor to become as significant a tourist destination as the East and West Outlets and Indian Pond. Planning for growth and increased carrying capacity within the Plan area is essential and Plum Creek has failed to identify areas and opportunities to grow the Moosehead "brand" of nature tourism experiences.

The MRFC also has concerns about development at Upper Wilson Pond and we have included a map of this area showing nature tourism demand so that we may discuss these issues further with LURC staff and Commissioners during the hearing process. (Exhibit 18: map of "Upper and Lower Wilson Ponds")

PLAN LACKS INVENTORY AND PLANNING WORK THAT WOULD AVOID ADVERSE IMPACTS

In past requests to the applicant, in Citizen Solutions, and in comments to LURC, the MRFC has requested inventory and planning processes that would allow area residents to support both residential and resort development in locations and at a scale that are appropriate for the region and that enhance but do not degrade our nature tourism assets.

We are joined in this suggestion by a list of respected planners:

“Inventory existing conservation lands and pinpoint the specific attractions and clusters that visitor data and market analysis indicate have the greatest potential to draw more tourists (wildlife watchers, anglers, and sledders for example)” (“Health Care and Tourism: A Lead Sector Strategy for Rural Maine,” Vail and Pohlman, Ed.)

“Framing a large scale, long-term tourism strategy...will require an expert planning team guided by a standing organization that is broadly inclusive of relevant state agencies and stakeholders. The latter include private and conservation landowners, sporting and recreation organizations, tourism and recreation businesses, the tourism regions, counties and towns.” (“Health Care and Tourism: A Lead Sector Strategy for Rural Maine,” Vail and Pohlman, Ed.)

“Formulate a regional recreation management plan

– based on coordination of land-owners, managers, and related businesses etc.

• **Develop cooperative relationships with private, nonconservation land-owners**

• **Develop marketing materials to provide information on-site and off-site**

– regional, coordinated marketing

• **Establish a critical density of attractions and support infrastructure”**

(Evaluating the Potential Regional Economic Impacts of Conservation Lands in the 100-Mile Wilderness Region”, Mark W. Anderson, Kevin J. Boyle, and Kathleen P. Bell, Department of Resource Economics and Policy)

Plan for a Gateway Community’s Economy:

“Not every successful gateway community displays all of the following strategies but most have made use of a few:

1. Develop a widely shared vision [*n.b.: area scoping sessions in the summer of 2005 gathered the raw material for a Moosehead vision*]
2. Create an inventory of local resources
3. Build on local assets
4. Minimize the need for regulations
5. Meet the needs of both landowner and community
6. Team up with public [and private] land managers
7. Recognize the role of NGOs
8. Provide opportunities for leaders to step forward
9. Pay attention to aesthetics

(“Balancing Nature and Commerce...” p. 48)

Citizen Solutions, MRFC

“Professional Planning & Research: In order to assure that these values and guidelines are incorporated into future development and conservation, this region requires the benefits that flow from 3rd party analysis and research. Action: LURC, other state agencies, the University of Maine will convene appropriate research and analysis on (but not limited to) the following: the costs and benefits of development as well as conservation (lost opportunities as well as realized

economic opportunity); the impacts and infrastructure requirements of future development (roads, septic systems, etc); a thorough survey that clearly identifies and quantifies the flora and fauna of the aquatic, avian and terrestrial natural communities in areas might support development or be adjacent to development; water quality assessments; an inventory of high value working forest lands and their current and potential products, and an inventory of nature tourism sites and requirements (experiences, view sheds, trails, access, amenities, information services, etc).”

CONCLUSIONS

Because Plum Creek has not made a credible case for how its Plan would answer an economic need for the region or deliver the permanent jobs LURC “need” criteria recommend, the MRFC cannot support the Plan as currently proposed.

Because the adverse impacts of sprawl, inappropriate development and industrial forest easements jeopardize the region’s economic capacity to deliver a unique “brand” of experiences sought by tourists, the MRFC cannot support the Plan as currently proposed.

Appendix Exhibits:

Exhibits 19 & 20: Excerpts from “Preserving the Moosehead Lake Region Economy and Community” (Friends of Moosehead brochure)

Exhibit 21: Moosehead Mapping Collaborative “Comments from Nature Tourism Business Owners”

OATH

State of Maine

County of _____

I, _____, being first duly sworn on oath, affirm that the foregoing pre-filed testimony is true, accurate, and correct to the best of my knowledge, information, and belief.

Signature

Name (printed)

Sworn to and subscribed before me this ____ day of August, 2007.

Notary Public (signature)

Notary Public (printed name)