



Economic Development Services Report

2ND QUARTER 2026: APRIL 1, 2026 TO JUNE 30, 2026



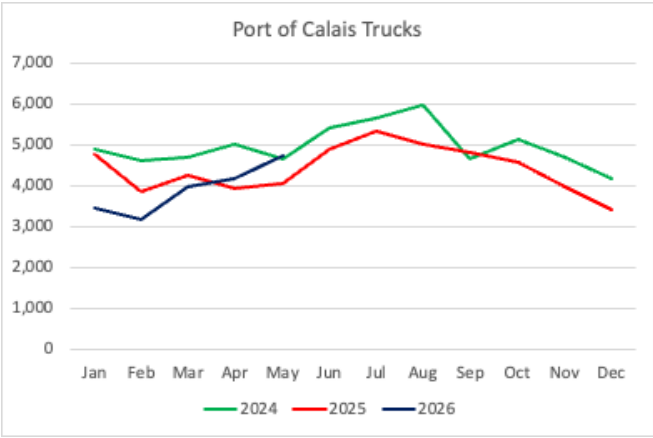
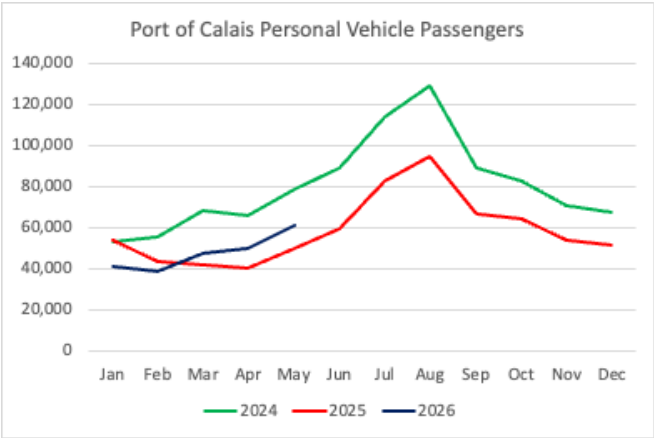
Prepared on July 7, 2026 for Washington County Government

Submitted by Sunrise County Economic Council

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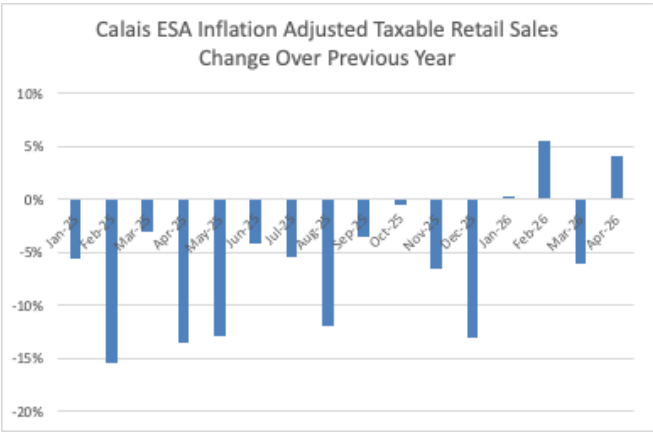
INTRODUCTION

So far this year, the number of border crossings from Canada through Calais appear to have stabilized with year-over-year increases since March. The border crossing entry data from the U.S. Department of Transportation show that just over 61,000 people crossed into Calais from New Brunswick in May. This represents a 23% increase over May 2025, although still over 20% less than the 79,000 who crossed into Calais in May 2024. The number of trucks crossing into Calais showed a stronger rebound, with just over 4,700 in May 2026 representing a 17% gain over the 4,064 that entered in May 2025. Just under 4,700 trucks entered into Calais in May 2024.



The impact on the restaurants, hotels, gas stations, and stores in greater Calais is less clear, but improved from the significant decreases in taxable sales seen last year. There were just over \$10.5 million in taxable retail sales in April 2026 in the greater Calais area. When adjusted for inflation, this represented a 4% gain over the same month in 2025. Although year-over-year results in January were essentially flat, February 2026 showed a roughly 6% gain year-over-year, while March 2026 showed a 6% loss relative to March 2025. These mixed results are a significant improvement over last year when double-digit decreases in inflation-adjusted taxable retail sales in greater Calais were common. Hopefully, this indicates a stabilization of cross-border traffic and sales.

SCEC is working with federal, state, and Canadian partners to convene a summit in the fall to discuss border and trade issues and their impact on Washington County’s economy. With the transition to annual review of the United States-Mexico-Canada Agreement and the recent shifts in cross-border crossings and trade, it will be helpful to focus discussion on the local economic impacts of these larger trends. We expect to send out a save-the-date in early August.



WORKFORCE

Working Communities Challenge (WCC)

The Working Communities Challenge (WCC) is in the final stages of its fourth year. The end of July marks the final month of support from the Federal Reserve Bank of Boston.

In April, the WCC Partnership Director traveled to Buffalo, New York, to participate in the Rural Impact Summit. During the lunch plenary session, the Partnership Director participated in a one-on-one on-stage interview alongside representatives from several organizations leading youth-focused initiatives in rural communities across the country.

The WCC partnership held its quarterly meeting in May at the MaineStreet Business Building, focusing on strategies for the work of the core group as it transitions beyond Federal Reserve Bank funding. In June, planning began for a July celebration recognizing the work accomplished over the past four years with support from the Federal Reserve Bank of Boston, while also identifying next steps for the partnership moving forward.

Family Futures Downeast (FFD) / Start Up Downeast

Many current participants and alumni of Family Futures Downeast (FFD) and Start Up Downeast (SUDE) were among the May graduates at Washington County Community College (WCCC) and the University of Maine at Machias (UMM). Four student-parents completed bachelor's degrees at UMM in Psychology, Community Studies, and Education. Two students earned associate degrees from WCCC in Human Services/Substance Use Disorder and from UMM in Liberal Studies. Seven parents also completed the Certificate in Family Studies at UMM, and all are continuing their education toward a degree. One FFD participant also completed a bachelor's degree in Education through Western Governors University.

FFD's goals extend beyond college persistence and completion and positively impact the Washington County workforce. As FFD celebrates its 10th year, program alumni are now employed in education, healthcare, nonprofit organizations, tribal government, manufacturing, retail, and the seafood industry throughout the county.

FFD and Start Up Downeast participants and alumni have also launched small businesses throughout Washington County and neighboring Hancock County, including Divine Ink & Beauty, Downtown Attire, iOK Film Productions, Mis Primeros Posos, Branded by Brittany Ink, Theater of Dice, and Cupcake Momma.

Start Up Downeast is currently developing new programming for fathers in Washington County that will support their entrepreneurial goals while also offering programming for their children. This expansion of the FFD two-generation (2Gen) model is supported through the Jobs for the Future "Rising Futures Maine" initiative and the John T. Gorman Foundation.

Scholarships

No Sunrise Scholarships were awarded during the second quarter.

ENTREPRENEURSHIP

MaineStreet Business Building (MSBB) / Small Business & Entrepreneurship (SB/E)

During the second quarter of 2026, the Small Business & Entrepreneurship (SB/E) team served more than 30 active clients across Washington County and delivered 78 hours of direct business support to businesses spanning marine industries, farming, hospitality, skilled trades, outdoor recreation, retail, wellness, pet services, and product development.

Beyond one-on-one advising, the SB/E team advanced regional partnerships, entrepreneurial ecosystem development, and event support throughout the county.

In April, the SB/E team supported the Maine International Trade Center (MITC) three-day Washington County Sector Spotlight focused on Maine's blue economy and working waterfront by coordinating local business tours and event logistics. The tour connected economic development, trade, port, research, manufacturing, and finance stakeholders with local businesses and marine assets. Highlights included a Machias-area business meet-and-greet near MSBB, site visits to Cooke Aquaculture, Eastport waterfront businesses, a Lubec-area salmon farm, and Downeast Institute, as well as community networking at West Branch Farms Public House.

The SB/E team continued partnering with Machias Savings Bank and Jobs for Maine's Graduates (JMG) on the Money Maker Showdown, a high school entrepreneurship competition. Staff mentored students on business planning, financial modeling, and pitch development, culminating in nine student business pitches for cash prizes.

The SB/E team also partnered with the Maine Aquaculture Innovation Center to support the Fintastic Shell-ebration, a community event highlighting marine innovation, safety, aquaculture awareness, and local industry collaboration. Activities included Fishermen Yoga with FishAbility, water safety innovation presentations by Green & White Hope, tours of Downeast Institute and Three Islands Oyster Farm, and marine-focused educational presentations.

The SB/E team's advising and outreach extended into Machias, Lubec, Eastport, and Trescott Township. Team members also participated in the Washington Academy Career Fair alongside representatives from colleges, local organizations, and businesses. The team provided strategic and logistical support for the SCEC 2026 Housing Summit and the Destination DownEast Tourism Conference, including planning, setup coordination, panel facilitation, and breakout session management. Team members also participated in community outreach events, trainings, and resource-sharing opportunities throughout the county. MSBB continued to maintain office and coworking memberships and welcomed drop-in use of its facilities.

Partners in Entrepreneurial Pathways

Partners in Entrepreneurial Pathways is an accredited entrepreneurship education and business development initiative delivered by SCEC in partnership with Washington County Community College (WCCC).

The program is currently between sessions. The most recent cohort, Pathways 2.0: Beyond the Business Plan, ran from February 12 through April 23, 2026, offering 21 live-streamed workshops on topics ranging from branding and

e-commerce to financial health and business transitions. Outreach for the next cohort, Pathways 1.0: Venture Exploration, begins in August.

Since Fall 2020, Partners in Entrepreneurial Pathways has delivered 12 accredited cohorts and served 616 participants, including entrepreneurs, business owners, students, and business support professionals. The program has provided 378 hours of entrepreneurship instruction and developed an ecosystem of more than 30 public, private, nonprofit, and educational partners. Participants have joined from across the state, with 48% residing in Washington County and 52% from elsewhere in Maine and beyond. The program has also served 106 justice-involved participants, expanding access to entrepreneurship for populations historically underrepresented in business ownership.

Washington County Recovery Friendly Workplace Network

The Washington County Recovery Friendly Workplace (RFW) Network supports workplaces in creating healthy, supportive workplace cultures while strengthening workforce participation and retention. The network currently includes 28 designated workplaces representing more than 1,500 employees across Washington County.

In June, the Network partnered with Downeast Restorative Justice to host a Restorative Practices training that brought together representatives from 12 employer and community partner organizations to learn practical strategies for strengthening workplace relationships, improving communication, and responding constructively to conflict.

APEX Accelerator

The APEX Counselor works with businesses in Washington County to sell their goods and services to local, state, and federal government agencies through government contracts. Government contracting can seem daunting, and the APEX Counselor helps businesses navigate the government purchasing process. Assistance is also available to help municipalities register on SAM.gov in order to obtain a Unique Entity Identifier.

The APEX Counselor and the SB/E team have participated in various outreach events throughout Washington County to meet businesses where they are located. Services include assistance with local contracting opportunities, marketing, understanding solicitations, one-on-one counseling, certifications and registrations, bid match services, bid and proposal assistance, and more.

In April, Maine APEX wrapped up its Fiscal Program Year 2025. During the year, Maine APEX clients located in Washington County were awarded more than \$19 million in federal contract opportunities.

In June, Maine APEX hosted the Northeast Regional Council Training and Matchmaker event in Portland, Maine. The event brought together representatives from government agencies, prime contractors, and small businesses from across New England and New York, with more than 250 attendees participating over the two-day event.

DownEast Acadia Regional Tourism (DART)

This spring, DownEast Acadia Regional Tourism (DART) secured renewal of its annual Maine Tourism Marketing Partnership Program (MTMPP) grant through the Maine Office of Tourism for Fiscal Year 2027, beginning July 1, 2026. The grant will support content development, four-season promotion, website optimization, inclusive marketing, and enhanced community outreach through in-field stakeholder engagement by the DART Grant Manager.

A major highlight of the quarter was the inaugural Destination DownEast Tourism Conference, hosted by DART on June 12, 2026, at the University of Maine at Machias (UMM). The event welcomed more than 100 attendees, received 102 pre-registrations, and received positive feedback from state, regional, and local participants.

The conference featured four panel discussions focused on seasonal hospitality in Downeast Maine, outdoor experiences that draw visitors, telling the Downeast story online, and leveraging economic resources for destination development. The day also included a keynote address by the DART Grant Manager, 15 panelists representing organizations from Maine and New Hampshire, four moderators, and support from six Washington County vendors.

First-year sponsorship was provided by the Greater East Grand Economic Council, The Crocker House Country Inn, and Down East Magazine. The conference was organized and supported by the SB/E team and DART's social media manager.

Early survey results indicate strong momentum for future conferences, with 97% of attendees planning to return for next year's conference, scheduled for June 10, 2027, at Woodlawn in Ellsworth.

Attendee feedback included:

"For the first year, I have to say that the organizers knocked it out of the park."

"Thank you for hosting the conference! It was very informative, and the networking opportunities were very beneficial."

Downeast Maine National Heritage Area

The Downeast Maine National Heritage Area steering committee attended a team retreat in Eastport in April. During the retreat, the planning team drafted a five-year work plan for implementation as part of the required Management Plan, based on the outcomes of the subcommittee planning process. The three subcommittees have continued meeting monthly with the National Park Service technical support team to develop action steps for three focus areas: interpretation, recreation, and engagement. New outreach materials were developed and distributed across the region, and National Heritage Area branding is also being developed.

In June, four public community conversations were held to provide residents and partners across the region with opportunities to learn more about the National Heritage Area program, Downeast Maine's designation, and management planning and program development to date. Participants also had the opportunity to comment on the proposed action items and share additional ideas. These conversations focused on community priorities for heritage preservation, and the input received will help guide implementation of the Downeast Maine National Heritage Area program.

The meetings were held in Sullivan, Calais, Ellsworth, and Machias. A total of 40 people attended, representing 30 organizations, including several businesses. Of those attending, at least 15 participated in a Downeast Maine National Heritage Area conversation for the first time.

More detailed information from these conversations will be posted to the website in July at DowneastMaineNHA.org. A comprehensive collection of information about the Downeast Maine National Heritage Area and the planning process is currently available on the website. Draft chapters of the Management Plan will begin to be posted in late July.

INFRASTRUCTURE

Upper Machias Bay Master Plan

The Upper Machias Bay Master Plan was completed this quarter following 18 months of collaborative work. The final report, available on the project website and in print upon request, includes summaries of the Leadership Committee's deliberations, public input, 39 consensus recommendations, and one non-consensus recommendation.

The recommendations address:

- Community engagement
- Stormwater infrastructure and management
- Wastewater infrastructure and management
- Support for individual property and business owners
- Large-scale solutions to tidewater flooding
- Emergency management and planning
- The capped Machias landfill
- The dike replacement project

On May 4, an event was held at the University of Maine at Machias to present and discuss the plan with area leaders, legislators, and state and federal officials. The next phase of the project will focus on supporting communities as they plan for and seek resources to implement the recommendations.

Working Waterfront

This quarter, SCEC conducted a statewide survey of working waterfront owners, users (e.g., harvesters, aquaculturists, and others), and fisheries cooperatives to better understand concerns, needs, and priorities for the future of Maine's working waterfront.

Approximately half of the respondents expressed concern or uncertainty about the future of the working waterfront access and infrastructure they depend on. The survey found that private wharves and piers are critical to the Downeast region's seafood economy, but many private operators are struggling to remain viable because of rising costs, declining numbers of lobster harvesters, and challenges associated with repairing and maintaining infrastructure, particularly following the 2024 storms.

Survey respondents also identified a variety of ways SCEC and its partners can help secure long-term access to working waterfronts and sustain critical infrastructure. The survey results are already helping guide future efforts to support working waterfronts across the region.

The Future of Our Fishing Communities

Washington County's fishing industry and fishing-dependent communities continue to face a wide range of challenges, and a new round of rulemaking will begin this fall to consider additional regulations to protect the critically endangered North Atlantic right whale.

This quarter, the Sustainable Prosperity team began conducting community conversations with fishing-dependent communities in Washington County with support from the National Fish and Wildlife Foundation. Discussions focused on the challenges these communities and businesses are facing, their hopes and concerns regarding proposed whale regulations, and the support they need as they navigate change. During the quarter, conversations were held in Steuben, Machias, and Jonesport, with additional sessions planned in Milbridge, Eastport, and Sipayik.

Participants generally understood the need for whale conservation but expressed concern about how regulations are developed and implemented. They viewed proposed whale regulations not as an isolated issue, but as an additional burden layered onto existing challenges, including profitability, workforce recruitment, housing, waterfront access, infrastructure, community resilience, and the long-term sustainability of coastal economies.

Participants also expressed skepticism about ropeless, or on-demand, lobster gear. Across all three conversations, recurring themes included economic viability, practicality, trust in the regulatory process, and the need for better science. Participants consistently favored management approaches based on current data, targeted protections, and meaningful consideration of community and economic impacts alongside conservation objectives.

Downeast Fisheries Partnership (DFP)

Partners met in person for the quarterly Downeast Fisheries Partnership (DFP) meeting to review collaborative progress and identify additional opportunities to support sea-run fish restoration, fisheries diversification, and workforce development.

The Partnership continues to make progress on the Downeast Trail Revitalization Project. With Phase I trail sign evaluations complete, partners are now focused on Phase II, collecting updated content and images to redesign signs along the trail.

Energy Technology Innovation Partnership Project (ETIPP)

SCEC staff partnered with the College of the Atlantic last quarter to develop fact sheets for the Energy Technology Innovation Partnership Project (ETIPP), which SCEC coordinates. ETIPP focuses on the community impacts of energy issues and, in partnership with Versant Power, is helping empower residents and municipal leaders to better understand and participate in efforts to reduce the number and duration of power outages while increasing public safety and disaster preparedness.

SCEC worked with College of the Atlantic students to develop fact sheets that communicate safety and preparedness information to three audiences: youth, adult community members, and municipal leaders. During May and June, the fact sheets were professionally finalized and prepared for print. They will be distributed throughout Washington County at public and municipal buildings and community events.

SCEC staff will also share the information with municipal officials and public works crews to help communities identify actions they can take to increase electrical system reliability and safety. This outreach complements Versant Power's stakeholder engagement efforts by providing educational materials and creating opportunities for two-way communication about local energy priorities. Additional meetings with public works departments, road commissioners, and other agencies are also planned.

Loans & Grants

The second quarter reflected continued momentum within SCEC's loan program, with strong borrower interest and a growing pipeline of financing opportunities across Washington County. During the quarter, the program closed a \$10,000 loan to support inventory purchases for a new marine supply business, strengthening access to essential goods and services for the local working waterfront. Staff also worked closely with an existing fisherman borrower to modify loan terms, establishing a more sustainable repayment structure that supports the long-term success of both the borrower and the loan portfolio.

The Loan Committee approved three additional loans totaling \$417,439 during the quarter, all of which are scheduled to close in the third quarter. These investments include financing to support commercial fishing vessel ownership for a local sternman, equipment purchases to enhance hatchery operations, and, through the Washington County UTTIF Loan Program, a solar energy project for a nonprofit organization in Trescott.

Interest in small business financing remained strong throughout the quarter, with prospective borrowers seeking capital for business start-ups, expansions, equipment purchases, and working capital needs. Program staff continued to provide individualized technical assistance, helping applicants evaluate financing options and partner with other lending agencies to make projects financially feasible.

Beyond direct lending activities, staff continued strengthening internal loan program operations through portfolio management and preparation for an active third quarter of loan closings. With several significant projects advancing toward funding and continued demand for flexible capital, the loan program remains well positioned to support economic opportunity and business resilience throughout the region, only limited by the availability of funds for parts of the county outside the UT.

Broadband

Contracts for broadband infrastructure upgrades have been finalized under the federal Broadband Equity, Access, and Deployment (BEAD) Program. As implementation begins, Washington County will see increased roadside activity as internet service providers install new fiber and related infrastructure to expand high-speed broadband access across the region.

Housing

On May 21, Sunrise County Economic Council (SCEC) hosted Washington County's inaugural Regional Housing Summit at the University of Maine at Machias (UMM). The event brought together attendees from across the state to discuss critical housing challenges. Topics included workforce housing, hidden homelessness, barriers to housing turnover, village center development, the impact of short-term rentals, supportive housing, and developer financing strategies.

Through the Maine Housing Opportunities Program, SCEC researched potential housing development opportunities in nine communities: Milbridge, Machias, Jonesport, Lubec, East Machias, Baileyville, Danforth, Calais, and Eastport. The initiative gathered critical data on local infrastructure and properties, including water and wastewater lines, vacant or dilapidated housing near public services, probate-encumbered properties, tax-acquired properties, and known short-term rentals. To support future housing development, SCEC designed a developer dashboard that will launch on its website (sunrisecounty.org/housing) in the third quarter.

Municipal Assistance & Outreach

SCEC continued comprehensive planning work with Cutler as the town moves toward state review, and continued assisting three additional communities with comprehensive plan updates, including chapter development, data collection, mapping, and committee support.

During the quarter, SCEC distributed seven editions of *Municipal Matters* (formerly *News for Communities*) to every municipal office and other subscribers throughout Washington County. The publication shares training opportunities, grant announcements, technical assistance, and other resources to support local governments. Anyone is welcome to sign up to receive these emails.

SCEC continues to provide staffing and fiscal services to the Washington County Council of Governments Board. The Maine Planning Assistance Program (MPAP) subcontract through the Hancock County Planning Commission continues with funding from both the general MPAP program and coastal funding through the National Oceanic and Atmospheric Administration (NOAA).

Staff continued participating in regional and statewide organizations that support municipalities, including the Moving Maine Network, Calais Branch Rail Use Advisory Council, Maine Community Development Association, Maine Association of Regional Councils, Municipal Planning Assistance Program, Maine Association of Planners, and Maine Municipal Association.

With assistance from its Brownfields Committee, SCEC continues working with its Qualified Environmental Professional (QEP) to update the inventory of potential brownfield sites in Washington County. During the quarter, SCEC submitted the Site-Specific Quality Assurance Project Plan (SSQAPP) for the Princeton Recreation Center, completed Phase II site visits and Hazardous Building Material Surveys for Jonesport and Princeton, and completed Phase I and II assessments for three municipally owned sites in Danforth. A Cherryfield site has advanced to reuse planning, beginning with a septic evaluation to determine needed improvements. SCEC's Brownfields Assessment Program will also assist with a dredge project in Eastport in collaboration with the Eastport Port Authority, the Maine Department of Transportation (MDOT), and MDOT's contractor, Stantec.

SCEC also continues assisting municipalities in securing funding and implementing projects supported through a variety of grant programs. Current projects include the Whiting Mill Pond Dam and Fish Passage Project, Jonesport Working Waterfront, Beals Town Landing, Machias recreation area and trails, Calais trails and riverfront walkway, Pembroke Fire Department, and the Dennysville recreation area.

Rural Energy for America Program

The U.S. Department of Agriculture (USDA) Rural Energy for America Program (REAP) remains on hold while the agency awaits updated program guidance.

Community Resilience Partnership

CRP Regional Coordinator

The Community Resilience Partnership (CRP) Regional Coordinator continues to support the 21 Washington County communities enrolled in the Community Resilience Partnership. Grant requests submitted through the program this quarter totaled more than \$1.1 million. These projects focus on expanding and protecting working waterfronts from

stronger storm events and sea level rise, improving stormwater management, financing municipal solar projects, and protecting bicycle and pedestrian infrastructure.

The coordinator is also developing an Erosion Control Workshop, a Live Staking Workshop, and Nature-based Bluff Management training in partnership with state agencies and nonprofit organizations for delivery this autumn.

In addition, the coordinator is working with private and nonprofit partners to develop a cold storage and aggregation node to support local food producers.

CRP Service Provider

SCEC completed its Fall 2024 Track One Service Provider grant by submitting a Community Action Grant (CAG) for East Machias and assisting with an Assistance to Firefighters Grant application for Pembroke.

SCEC continues work on the 2024 Track Two Service Provider grant, supporting community vulnerability assessments for five communities: Machias, Machiasport, Roque Bluffs, Cutler, and East Machias. The assessments are complete, and staff will assist each community with submitting a Community Action Grant (CAG) to support resilience projects.

CDBG/NBRC Technical Assistance

Staff assisted with the Northern Border Regional Commission (NBRC) Catalyst spring application for the City of Calais, which was awarded \$590,580 for the *Calais Waterfront Walkway – Community Recreation Hub* project.

SCEC continues to provide Local Development District (LDD) services, including Catalyst program technical assistance, to Beth Wright Cancer Center, Cherryfield Town Square, GrowSmart Maine, Island Institute, the Town of Beals, Danforth Water District, and the Town of Jonesport.

Maine DOT Regional Planning Services

During April, May, and June 2026, SCEC staff provided regional planning services to Washington County communities. Staff assisted the Eastport Port Authority with a Better Utilizing Investments to Leverage Development (BUILD) application and continued supporting the City of Calais with a Village Partnership Improvement project and planning for the extension of the Downeast Sunrise Trail.

SCEC also continued assisting the City of Calais with development of the Calais Waterfront Walkway as a gateway to the Bold Coast National Scenic Byway. Staff also continued assisting the Town of Cherryfield with development of the Cherryfield Riverwalk as a gateway to the Bold Coast National Scenic Byway and Blackwoods Scenic Byway. The project received a \$10,000 grant from the Maine Community Foundation to complete Phase II.

Planning also began with the towns of Roque Bluffs and Cherryfield, in partnership with the Maine Department of Transportation (MaineDOT), to develop demonstration projects through MaineDOT's Village Improvement Partnership and Active Transportation Partnership programs. Staff also continued comprehensive planning work with the towns of Roque Bluffs and Machias.

ORGANIZATIONS AND INITIATIVES

SCEC undertakes its work in collaboration with the following active partners: Aroostook Mental Health Center, Coastal Enterprises Inc, College of the Atlantic, Community Action in Aroostook, Washington and Hancock Counties, Cooperative Development Institute, Community Caring Collaborative, C.O.R.E, DownEast Acadia Regional Tourism, Downeast Institute, Downeast Public Health Council, Downeast Salmon Federation, Eastern Maine Development Corporation, Eastern Maine Electric Cooperative, Greater East Grand Economic Council, GrowSmart Maine, Healthy Acadia, Hancock County Planning Commission, Island Institute, Machias Savings Bank, Maine Center for Coastal Fisheries, Maine Coast Heritage Trust, Maine Community Foundation, Maine Development Foundation, Maine Office of Community Development, Maine APEX, Maine Seacoast Mission, Maine Sea Grant, Maine Small Business Development Center, Mano en Mano, Manomet, National Digital Equity Center, Northeastern Workforce Development Board, Northern Border Regional Commission, Northern Maine Development Commission, Northern Forest Center, State of Maine, University of Maine at Machias, Wabanaki Aspirations, Washington County Adult and Community Education, Washington County Community College, Washington County Development Authority, and Washington County Government.

The activities in this report are a broad representation of economic development services provided by SCEC on the County's behalf over the past quarter. It is not representative of all ongoing projects, programs, and initiatives previously reported on. This report does not include confidential and/or proprietary information related to work with specific businesses or development projects. SCEC is available to discuss specifics in Executive Session at the discretion of the County Commissioners.

Respectfully submitted by:

A handwritten signature in black ink, appearing to read "Charles J. Rudelitch", written over a thin horizontal line.

Charles J. Rudelitch, Esq.
Executive Director