

Economic Impact Study Bolsters IHT's Mission

The work that Island Housing Trust engages in to achieve its mission of preserving year-round community on Mount Desert Island is not only challenging, but also measured. By that I mean that we use deliberative processes to create the housing opportunities for MDI's year-round workforce that quite frankly take time. Unlike some other nonprofits where it is easy to measure outcomes and impacts on the community, IHT's efforts to create homeownership opportunities for moderate income working individuals and families cannot be measured simply by counting the number of qualified applicants we have placed in homeownership situations.

Toward this end, IHT asked Professors Todd Gabe and Jim McConnon of the University of Maine's School of Economics to look at the economic impact of year-round residents living on Mount Desert Island. Their report, which can be found on the department's website (<http://www.umaine.edu/soe/files/2009/06/Final-Report-Year-Round-Households-MDI.pdf>), shows that each year-round household on MDI accounts for more than \$16,700 in sales revenue and supports an additional .2 local jobs providing nearly \$4,400 in annual income. Thus 10 year-round households would generate an estimated \$167,700 in economic activity and support two local jobs providing \$43,700 in wages and salaries.

Gabe and McConnon also found that year-round business and residents located on MDI share estimates benefits ranging from \$8,500 to nearly \$19,000 per year, by "avoiding a work-related commute to Ellsworth or Bangor or from not having to pay higher wages to attract a worker from outside of the area."

We at IHT have long held that one of the important outcomes of our efforts to create housing opportunities affordable to the year-round workforce on MDI is a more vibrant community. Part of that vibrancy is the increase in economic activity that comes from families living in our towns and villages year round. While two full time local jobs and \$167,000 in additional economic activity that would come from 10 new year-round households might not sound like the answer to all of our challenges, these estimates provided by Professors Gabe and McConnon underscore the critical importance of keeping working folks living and spending on MDI twelve months of the year. Imagine the economic impact of 50 or 100 new year-round households. Imagine not only the increase in economic activity, but also more children in our classrooms, more volunteers in our non-profit organizations and churches, fewer gallons of gasoline consumed getting people to and from work, and more quality time with friends and family. Viewed in this way, the impact of IHT's work over time is neither minor nor insignificant for the future of the Island.