

Economy

Outstanding Questions/Comments:

- More information related to Home Occupations in Freeport is needed.
- Does Town/FEDC have specific # of total employers? Want to make sure we have the correct top employers before highlighting those businesses? Any important businesses that should be noted *not* based on # of employees?
- FEDC Outstanding Specific:
 - Workforce Development
 - Business Development Resources
 - Business Attraction Methodology
 - Anything else?
- Town Staff / FEDC:
 - TIF Updates
 - Recent Development Projects related to economic development
 - Downtown Investment (other than Downtown Vision Plan)
 - Infrastructure (Route 1, Main St, South Freeport, etc.)
 - Other: Committees, Boards (listed in doc)
 - Any Transit-Oriented Development Planning
 - Other Economic Development Plans not included?
- Any noted economic development opportunities? May not need to be included in inventory.

Highlights:

- Freeport's labor force is generally consistent with Cumberland County and the State of Maine (64.3% employed, 2.9% unemployed, 35.7% not in labor force)
- Freeport residents' occupations have shifted more toward management, business, science, and arts as well as sales and office occupations over the last decade.
- Most jobs in Freeport are concentrated along Main Street and some of the top employers are retailers (LL Bean, Gap, Old Navy)
- Retail and Transportation/Warehousing are the top jobs in Freeport followed closely by professional/scientific/technical services and management roles.

Historic Conditions and Trends

Freeport maintains a diversified economy with a strong focus on retail, tourism, and outdoor recreation. The Town is just north of Portland and part of the Greater Portland economic area with natural features including the Harraseeket River and significant coastline. The Town of Freeport, through collaborations with the Freeport Economic Development Corporation, Town Council, business owners, community organizations, and volunteers, continues to facilitate economic growth while supporting the existing, vibrant economy. Freeport's economic goals include capital planning and investments in supporting infrastructure, attracting and maintaining businesses, supporting employees, and expanding economic opportunities throughout the Town. Freeport's economy reflects its rich heritage as a maritime town and its evolution into a vibrant business and tourist destination.

Historical Economic Overview

The area that we know today as Freeport, Maine is in the homeland of the Abenaki Nation, part of the Wabanaki Confederacy, and has long been valued by Wabanaki Communities for its natural features, and rich natural resources offered by the river and ocean. The land's natural resources and unique coastal geography attracted the early European colonizers and permanent European settlements took root in the 1600s. Originally part of North Yarmouth in

the Massachusetts Bay colony, Freeport's initial settlements popped up along the Harraseeket River, connecting the natural resources to a wider maritime trade network.

In the 1800s, Freeport continued to grow as a primarily maritime town, benefiting from its location on the coast of Maine. Shipbuilding and maritime trade were significant contributors to the local economy. The town's access to the sea facilitated trade with other coastal towns and beyond. Freeport's first industries included lumber mills, tanneries, and gristmills, which thrived due to the region's natural resources. South Freeport served as a hub for economic development sustaining most of the shipyards and workforce; Porter's Landing was Freeport's primary port. Inland, Freeport Corner started expanding as the Maine Central Railroad reached Freeport in 1849. Shoe factories, saw mills, and other businesses (supported by early investors including EB Mallett, Jr.) diversified Freeport's economy and were important in diversifying Freeport's maritime-based economy. In 1917, Leon Leonwood Bean opened his flagship store selling quality outdoor gear including the famous hunting boots. L.L. Bean's success drew attention to Freeport as a shopping destination, attracting tourists and shoppers from the surrounding area.

The transition away from a maritime- and industrial-based economy began in the mid-20th century. Freeport started to shed its economic roots (maritime and industrial) and move towards a retail and tourism-based economy. Significant transportation infrastructure, such as the expansion of railways and highways, made it easier for visitors to access Freeport. The post-World War II economic boom and the rise of automobile culture in the United States bolstered the tourism industry; Freeport's proximity to major cities in New England, including Portland and Boston, made it an accessible destination for day trips and weekend getaways.

Outlet shopping gained popularity in the 1970s and 1980s, and Freeport capitalized on this trend. L.L. Bean expanded its offerings, and other retail outlets began to establish themselves in the area. The development of outlet shopping centers and the expansion of existing retail establishments along Freeport's Main Street further solidified the town's reputation as a retail hub. More recently, Freeport's mix of outlet stores, boutiques, restaurants, and outdoor recreational activities continue to attract visitors. Investments in advertising, campaigns, and events helped strengthen Freeport's appeal as a tourist destination. The construction of new hotels and accommodations provided for overnight and multiple-day stays.

While retail and tourism are significant drivers of Freeport's economy, other industries have established businesses and employment opportunities in the town. Freeport's modern economic development extends beyond its renowned retail and tourism sectors. Outdoor recreation businesses and education programs, such as L.L. Bean's Outdoor Discovery School has seen substantial growth in recent years. Healthcare facilities and wellness centers serve local residents, surrounding towns, and visitors. The vibrant arts and cultural scene contribute to the community's identity and provide new tourism opportunities. Additionally, agriculture highlights the communities roots and commitment to sustainability and environmental causes. Although Freeport is known for retail and tourism, the Town has cultivated a healthy and diverse economy.

COVID-19 Economic Impact

While The COVID-19 pandemic profoundly impacted towns with significant brick-and-mortar retail, reshaping economic trends in several key ways. Lockdown measures and social distancing guidelines prompted a swift shift towards online shopping, diminishing foot traffic and sales for traditional retailers. Small businesses faced heightened financial strain, reduced

operation capacity, closures, and job loss. Additionally, supply chain disruptions further complicated matters, causing inventory shortages and delays in restocking shelves, particularly challenging for smaller retailers with limited resources.

Despite these challenges, Freeport and other communities have seen the mergence of innovative responses. Some retailers pivoted to online platforms, while others diversified their offerings or focus on enhancing in-store experiences. Community revitalization efforts, including grants and marketing campaigns, aimed to support local businesses and preserve commercial districts. However, the long-term structural changes in consumer behavior towards online shopping may continue to challenge traditional retail models, necessitating ongoing adaptation and support to ensure resilience and vitality in Freeport.

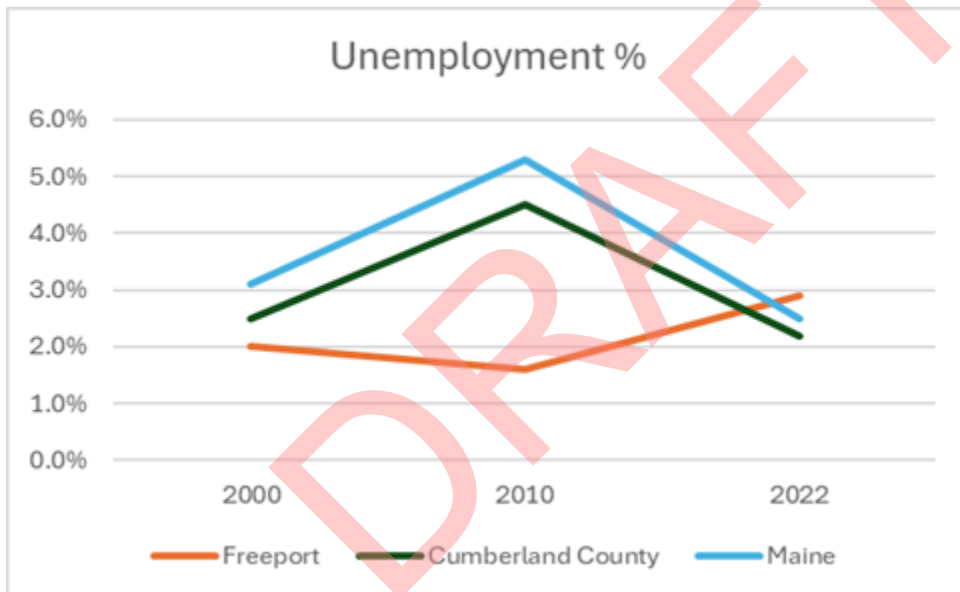
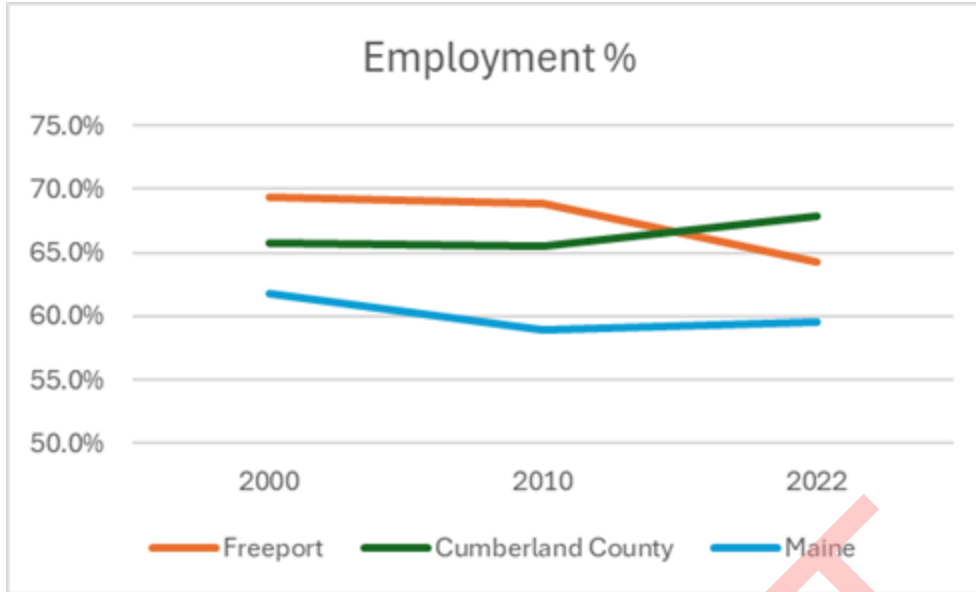
Freeport Work Overview

Labor Force

The US Census Bureau defines ‘labor force’ as residents aged 16 and over who are civilians and not institutionalized, including anyone who has a job or is actively looking for work. All others, including individuals without a job who are not looking for work, are not measured as a part of the labor force. Active-duty military members are considered part of the labor force but are not counted as part of the employed population. According to 2022 ACS 5-Year Estimates, Freeport’s labor force has 4,610 residents. There are 2,558 Freeport residents who are not part of the labor force (retired, stay-at-home parenting, disabled, etc.). Freeport’s labor force participation is 64.3%, which is lower than Cumberland County’s at 67.9%, and higher than the State of Maine at 59.5%.

Labor Force Overview, 2022

	Freeport		Cumberland County		Maine	
	#	%	#	%	#	%
Total:	7,168	100.0%	254,892	100.0%	1,147,922	100.0%
Employed	4,610	64.3%	172,958	67.9%	683,370	59.5%
Unemployed	207	2.9%	5,594	2.2%	28,762	2.5%
Not in Labor Force	2,558	35.7%	81,325	31.9%	433,589	37.8%



Employment

Since 2000, Freeport has seen a general decline in employment which is generally consistent with trends seen around Maine. The employment rate in Freeport dropped from 69.4% in 2000 to 64.3% in 2022. Cumberland County has seen a slight uptick in employment despite the decline in Freeport. However, Freeport has seen a rather significant increase in the number of residents not included in the labor force. Between 2000 and 2022, the number of Freeport residents not included in the labor force went from 1,729 to 2,558 (28.4% to 35.7%) which may correlate with an increase in Freeport residents retiring.

Median HH Income, Mean HH Income chart

Unemployment

The unemployment rate in Freeport has fluctuated over the years, but there's a noticeable

increase from 1.6% in 2010 to 2.9% in 2022. Following the 2008 recession, Cumberland County and Maine had a substantial increase in the unemployment rate (4.5% and 5.3% respectively) while Freeport managed to hover around 1.6%. Yet, Freeport aligned with regional and state trends during the COVID-19 pandemic in 2020. As the community, county, and state recovered from the pandemic, the unemployment rates dropped. As of 2022, Freeport had a 2.9% unemployment rate compared to 2.2% for Cumberland County and 2.5% across Maine.

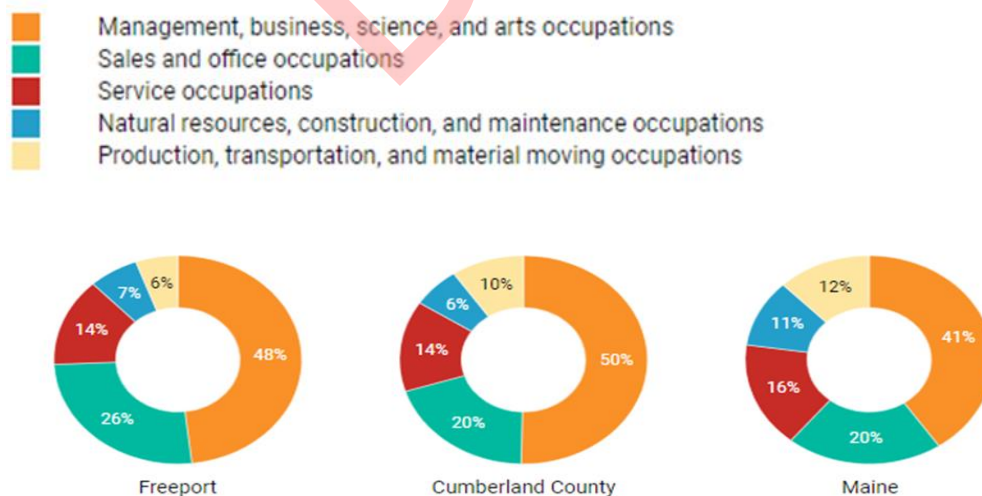
Type of Employment

The occupations of Freeport residents have changed between 2010 and 2022. More Freeport residents work in management, business, science, and arts as well as sales and office positions. However, there are declines in the other three categories of jobs noted below: 1) Natural resources, construction, and maintenance occupations; 2) Production, transportation, and material moving occupations; and 3) Service occupations. These changes in occupations' composition also reflect and influence increases seen in household income and costs of living.

Occupation	2010	2022	% Change
Management, business, science, and arts occupations	2,012	2,124	5.6%
Service occupations	618	603	-2.4%
Sales and office occupations	1,092	1,149	5.2%
Natural resources, construction, and maintenance occupations	345	284	-17.7%
Production, transportation, and material moving occupations	277	243	-12.3%

There are slight variations when comparing Freeport residents' occupational composition when compared to Cumberland County and the entire state of Maine. Freeport generally mirrors Cumberland County which both have a higher concentration of management, business, sciences, and arts occupations, however, Freeport does have a higher concentration of sales and office jobs – potentially related to the concentration of retail stores in the community. Compared to Cumberland County and the rest of the state, Freeport's economy appears to be less reliant on service-oriented, natural resources, construction, maintenance, and production-related jobs.

Occupation Comparison: Freeport, Cumberland County, and Maine

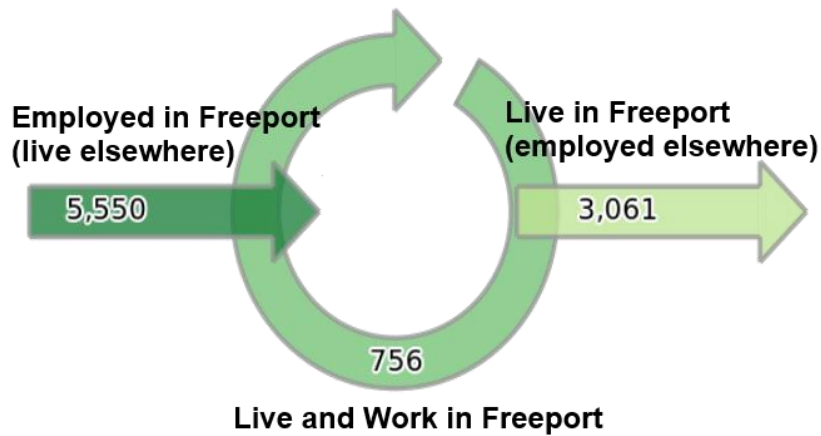


Places of Employment and Commute to Work

The most common place for Freeport residents to commute to work is in Portland (20.9%). This data is taken from the US Census OnTheMap. Below is a list of the most common destinations for work:

	2021	
	Count	Share
Portland	797	20.9%
Freeport	756	19.8%
Brunswick	244	6.4%
South Portland	211	5.5%
Yarmouth	178	4.7%
Lewiston	137	3.6%
Westbrook	134	3.5%
Falmouth	129	3.4%
Scarborough	106	2.8%
Bath	80	2.1%
Augusta	71	1.9%
Auburn	69	1.8%
Cumberland	58	1.5%
Topsham	53	1.4%
Biddeford	47	1.2%
Bangor	43	1.1%
Windham	41	1.1%
Durham	29	0.8%
Saco	28	0.7%
Boston	21	0.6%
New Gloucester	21	0.6%
Cape Elizabeth	16	0.4%
Kennebunk	14	0.4%
Kittery	13	0.3%
Wells	13	0.3%
All Other Locations	508	13.3%

*sources US Census OnTheMap

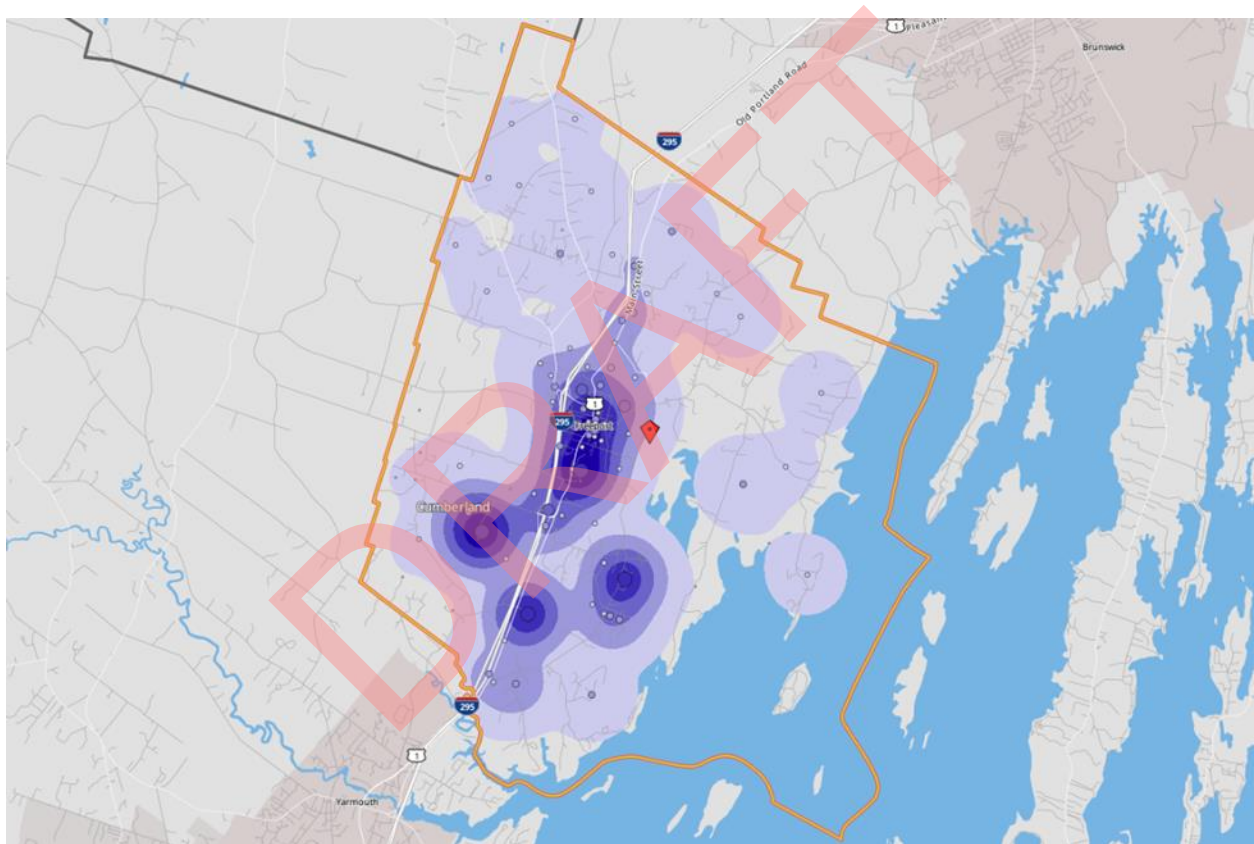


Home Occupations

Freeport Employers

Major Employers and Labor Market

According to data from the US Census OnTheMap – Employment, there were a total of 6,306 jobs in Freeport in 2021. The OnTheMap shows the locations of employers and the amount of employees in Freeport. The areas of highest density correspond with many of the largest employers described in the following section. However, the Main Street / Downtown Core serves as the primary hub for all employment in Freeport. The L.L. Bean Fulfillment Center, the southern portion of Interstate 295, and South Freeport Village also have a significant concentration of employment.



*source US Census Bureau, OnTheMap

Top Employers in Freeport, 2023 Graph

L. L. Bean Inc	500+
Freeport Place	100-499
Gap Factory	100-499
Harraseeket Inn Dining Room	100-449
Hawthorne House	100-499
Old Navy Outlet	100-499
Shaw's Supermarket	100-499

Wayside Publishing	100-499
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[map of top employers]

Overview of Top Employers

Industry Sectors

Freeport’s economy is characterized by a diverse range of industries, with various sectors contributing to employment and economic activity. Generally, Freeport’s economy showcases a more balanced distribution of jobs across multiple sectors. As of 2021, retail trade, professional, scientific, and technical services, management, construction, warehousing, and accommodation and food services are the six largest industries in Freeport. Overall, the number of total jobs has remained stable between 2002 and 2021 (6,390 and 6,306 respectively) with slight fluctuations in between.

The table below shows a breakdown of job count and share of total jobs in Freeport.

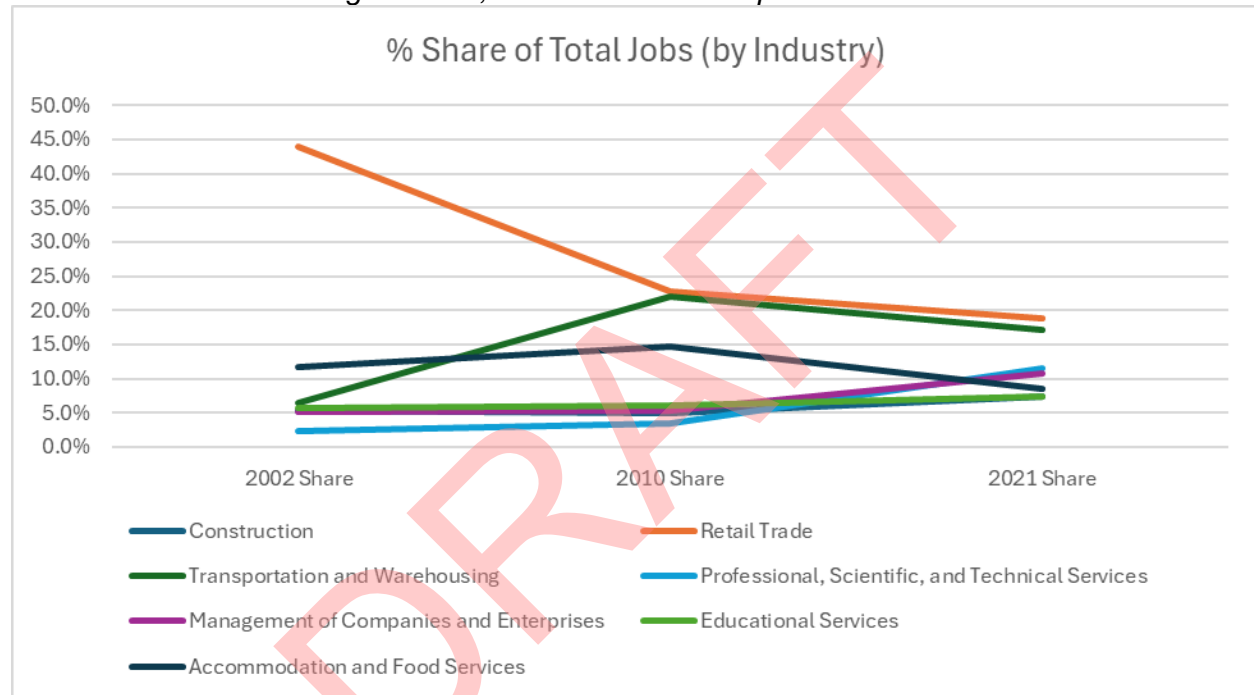
Jobs by Sector

	2002 Count	2002 Share	2010 Count	2010 Share	2021 Count	2021 Share
Total Jobs	6,390	-	5,898	-	6,306	-
Agriculture, Forestry, Fishing and Hunting	25	0.4%	16	0.3%	48	0.8%
Mining, Quarrying, and Oil and Gas Extraction	0	0.0%	0	0.0%	0	0.0%
Utilities	10	0.2%	13	0.2%	4	0.1%
Construction	335	5.2%	291	4.9%	468	7.4%
Manufacturing	73	1.1%	86	1.5%	131	2.1%
Wholesale Trade	197	3.1%	150	2.5%	55	0.9%
Retail Trade	2,804	43.9%	1,342	22.8%	1,183	18.8%
Transportation and Warehousing	408	6.4%	1,295	22.0%	1,082	17.2%
Information	16	0.3%	20	0.3%	79	1.3%
Finance and Insurance	203	3.2%	91	1.5%	56	0.9%
Real Estate and Rental and Leasing	6	0.1%	4	0.1%	32	0.5%
Professional, Scientific, and Technical Services	142	2.2%	201	3.4%	720	11.4%
Management of Companies and Enterprises	325	5.1%	314	5.3%	683	10.8%
Administration & Support, Waste Management and Remediation	303	4.7%	251	4.3%	143	2.3%
Educational Services	359	5.6%	358	6.1%	467	7.4%
Health Care and Social Assistance	278	4.4%	337	5.7%	299	4.7%
Arts, Entertainment, and Recreation	35	0.5%	47	0.8%	54	0.9%
Accommodation and Food Services	751	11.8%	863	14.6%	538	8.5%
Other Services (excluding Public Administration)	59	0.9%	156	2.6%	165	2.6%

Public Administration	61	1.0%	63	1.1%	99	1.6%
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There is noticeable fluctuation in the counts and shares of different sectors between 2002 and 2021. Some sectors have experienced significant changes, while others have remained relatively stable. Most notably, Retail Trade has seen the most significant decline between 2002 (43.9%) and 2021 (18.8%). However, the Transportation and Warehousing sector increased between 2002 (6.4%) and 2010 (22%); Retail Trade decline and Transportation and Warehousing growth could be attributed to L.L. Bean’s shift towards online retail and the growth of their distribution center. Both sectors saw a similar level of decline between 2010 and 2021 of roughly 4.5%. Despite the decline, Retail Trade and Transportation and Warehousing remain the two largest industries in Freeport.

Cumulative Percent Change in Jobs, 2002-2022 Line Graph



The next four largest sectors include: 1) Professional, Scientific, and Technical Services (11.4%); 2) Management of Companies and Enterprises (10.8%); 3) Accommodation and Food Services (8.5%); and 4) Construction + Educational Services (both 7.4%). In 2002, the Accommodation and Food Services sector was the second largest industry in Freeport at 11.8% of the total jobs. The industry saw steady growth between 2002 and 2010. By 2021, the industry lost nearly 300 jobs, mostly after the COVID19 pandemic and a decline in tourism. Freeport’s economy has significantly diversified over the last fifteen years, with an increasing focus on innovation, technology, and specialized services. Where Retail, Warehousing, and Food Services have declined, sectors including professional, scientific, and technical services as well as management of companies and enterprises have shown dynamic growth. The town’s economic landscape has certainly evolved over the years, with shifts in employment patterns reflecting broader economic trends and local developments.

FEDC

Priorities/Goals/Overview

Economic development in Freeport is supported by the Town and the Freeport Economic Development Corporation (FEDC). FEDC’s mission is “to partner with the community to promote sustainable economic growth that strengthens and diversifies the economic base and enhances the quality of life and unique character of Freeport.” In order to accomplish this mission, the FEDC focuses on business diversity and sustainability, business retention, expansion, and attraction, supporting existing business communities, and supporting the Freeport community quality of life. Although the FEDC is primarily economic focused, it recognizes the importance and intersections of the economy with housing, affordability, and development. The FEDC Board consists of local residents, local business owners, Town staff, and current and former Town Council members.

Workforce Development

Business Development Resources

Business Attraction

Other

Land Use/Development

TIFs Update on TIF Planning/Changes

Recent Development Projects

Investment into Downtown

Infrastructure Capacity

Economic Development Plans

Local Studies

Freeport Downtown Vision

A collaboration between the Town of Freeport and FEDC, the Freeport Downtown Vision was a three-phase process to guide the future growth and development of the downtown core. The Freeport Downtown Vision Plan was completed in May of 2022 and reviewed the history, success, and shortcomings of the downtown area while collecting data and public feedback to identify areas for improvement and strategies for economic development in the aftermath of COVID. The plan identified seven guiding principles:

1. Creating a ‘Downtown for All’ including locals and visitors focused on inclusivity and diversity.
2. Maintaining a ‘New England Village Center’ as a place to gather in a friendly small town with human scale and traditional New England architecture.
3. Supporting and growing the ‘Local Small Business Ecosystem’ with a focus on Maine’s creative economy and expanding food options.
4. Securing a ‘Walkable & Bikeable’ community with infrastructure focused on pedestrian safety, accessibility, and multi-use paths.
5. Incorporating ‘Sustainable Growth’ and environmental responsibility while accomplish development goals such as creating a diverse mix of housing.
6. Connect to Freeport’s natural resources and scenic assets while and ‘Embrace the Outdoors’ with partners such as L.L. Bean.

7. Supporting Freeport's 'Arts & Culture' through community events such as plays, shows, art galleries, and live music festivals and events.

Transit-Oriented Development Infrastructure Planning

Other

Regional Studies

Regional Prosperity Plan

The Greater Portland Council of Governments (GPCOG) is tasked with crafting a five-year Comprehensive Economic Development Strategy (CEDS). The 2018 iteration of this strategy adheres to a traditional framework for economic planning, leveraging crucial data to delineate the region's economic trajectory – past, present, and envisioned future over the next 10 to 20 years. The CEDS furnishes GPCOG's municipal constituency with a cohesive regional economic blueprint, directly addressing day-to-day challenges. It aims to bolster economic development by harmonizing job retention and expansion with foundational concerns such as education, public health, and economic equity. The Intent is to foster greater municipal engagement compared to previous iterations. GPCOG updated this plan in 2023.

The updated Regional Prosperity Plan suggests three strategic priorities based on: 1) an innovation-driven economy, meaning one that embraces emerging technology for existing and new employers; 2) an inclusive economy, meaning one that intentionally includes people who have been historically excluded from full economic participation; and 3) a more resilient economy, meaning one that is mindful of the disruptions to come, and planful about meeting them successfully.

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