

THE FUTURE OF CAMDEN'S WORKING WATERFRONT

A Report to the community by the
CAMDEN AREA FUTURES GROUP



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*This report has been produced
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I. EXECUTIVE SUMMARY

The Camden Area Futures Group (CAFG) was formed in 2006 as a private, non-profit group of volunteers. Its mission is to spotlight important community issues and to build consensus for solutions that will promote a vibrant and viable year round community.

This report is intended to inform Camden's Select Board, Planning Board and the Camden community at large as to CAFG's activities during its 18 months in existence.

The first project that CAFG has tackled is to find a community consensus on "The Future of Camden's Working Waterfront." In order to identify the critical issues underlying this project CAFG retained an expert on consensus building techniques, Professor Jack Kartez of the University of Southern Maine. Dr. Kartez conducted 12 confidential interviews of waterfront stakeholders and his report highlighted a considerable divergence of interests.

Beginning in November 2006 CAFG convened a series of seven public forums attended in total by more than 300 individuals. Although the initial focus was on broad waterfront issues, the principal interest soon narrowed to Wayfarer Marine and its future.

Wayfarer presented its business plan for an internationally competitive, debt free boatyard business, focused on the repair, maintenance and storage of sail and power yachts, up to 100' in length. Over a long period present facilities would be completely rebuilt or expanded (from approximately 82,000 square feet to 142,000 square

feet), and physically located on both its current waterfront site and the Laite construction site off Route 1 north of Camden. To fund the estimated \$12 to \$15 million cost Wayfarer proposes to extract capital from some of its Camden waterfront property by developing residential condominiums in the Bean Yard and inner harbor.

The company's capital extraction plan requires two potentially controversial zoning changes: converting the Bean Yard from 'Harbor Business District' to 'Coastal Residential', and changing permitted uses at the Laite construction site to allow boat maintenance and repair. Further, although a zoning change is not required for the company's residential plans within the inner harbor, concerned citizens expressed great sensitivity to increased residential development there.

After the completion of seven consensus building forums it was clear to CAFG that concerned citizens attending these forums had several critical issues that in many individuals' minds had not yet been adequately resolved. Believing that these concerns were representative of a substantial portion of the community, CAFG's board voted to transition from a convening role to a mediating role -- a change that Professor Kartez anticipated might be necessary in his report. CAFG's objective in adopting this changed role was to seek ways to close gaps in critical issues between the community's concerned citizens and the owners of Wayfarer Marine.

CAFG's directors decided that if as a result of its mediation efforts the board could agree unanimously that a 'meeting of the minds' had effectively been reached between the community's concerned citizens and Wayfarer Marine's owners, the board would both support the company's modified plans and promote them to the community.

Important to the CAFG board's decision were two facts: it is a diverse group drawn from across the community's spectrum and no one on the board has any vested interest in Wayfarer's development plans.

CAFG's board recognizes both the enormous future economic risk to the town if Wayfarer Marine cannot remain economically viable in Camden and the magnitude of zoning changes requested from the community by Wayfarer. After more than a dozen meetings and many more communications, an agreement has been reached which CAFG now unanimously supports.

CAFG is pleased to report its board unanimously agrees that all of the concerned citizens' critical issues, as expressed in the seven forums, have been reasonably addressed within the ability of Wayfarer Marine to satisfy such concerns.

2 |

II. OVERVIEW

The Camden Area Futures Group (CAFG) was formed in January 2006 to bring together business, research, workforce and community leaders to spotlight important issues, build consensus and work towards innovative solutions that promote vibrant and viable year round communities in the Camden area. CAFG operates through multi-disciplinary project teams of citizens and organizations that focus on issues of importance to the town.

The first issue CAFG tackled was: "The Future of Camden's Working Waterfront." To fund a consensus building process the Town of Camden contributed \$5,000, Wayfarer Marine contributed \$5,000

and CAFG raised \$5,515 in contributions and grants. The process of identifying the most critical issues began during the summer of 2006 with a series of twelve confidential interviews of waterfront stakeholders conducted by Prof. Jack Kartez of the University of Southern Maine, an academic expert on consensus building techniques. The "Kartez Report" suggested that, given the divergence of interests expressed in the stakeholder interviews, CAFG might ultimately need to consider transitioning from the role of convening a consensus building process to a mediating role. This suggestion proved to be prescient.

In this document it is CAFG's intent to report back to the citizens of Camden, the Camden Select Board and Planning Board, Wayfarer Marine and other stakeholders the results of CAFG's information gathering, its public consensus building process, and the results of its mediation efforts between concerned citizens and Wayfarer Marine.

Beginning in November 2006, CAFG initiated a series of seven public forums moderated by a professional facilitator, John Bird, to receive input on a variety of working waterfront issues. Approximately 300 interested individuals participated in one or more of these forums that focused on both broad issues and the specific issue of Wayfarer's future. During this process Wayfarer Marine proposed a business expansion plan that would convert some of its historic working waterfront property into mixed commercial maritime and high-end condominium uses in order to free capital for reinvestment into modern, efficient boatyard operating facilities and to reduce property taxes. After the second forum Wayfarer's proposed plans became the focal point of public discussion, dominating events thereafter, and the majority of this report.

If there is a desire by the town and stakeholders to continue this consensus building process, CAFG is committed to pursuing other working waterfront issues, including zoning matters outlined below in the “Existing Zoning” section (III, p. 16.)

III. HISTORY OF BOATYARD ACTIVITIES AT WAYFARER MARINE

Wayfarer acquired the assets of the Camden Shipyard and Marine Railway Co. after the latter’s bankruptcy in 1963. Prior to Wayfarer’s ownership, various shipyards had operated on the property since 1792, when the first coastal vessel was launched from there. The eastern side of Camden’s waterfront has been the town’s most commercially valuable asset because the property fronts on deep water off its outermost section where it is protected from the most destructive northeasterly and southeasterly gales and is in close proximity to town roads and supporting commercial enterprises.

At the turn of the 20th century, the Charleton Henry family, which summered on Beauchamp Point in Rockport, acquired the high value, deepwater inner harbor portion of the property where Wayfarer’s Lower Yard is currently located. In 1902, the family established Camden Yacht and Marine Railway Company, which became a service and repair yard for the increasingly large and exquisite yachts that were attracted to Camden and Rockport harbors. A total of approximately seven Red Sheds were built at the head of the harbor early in the 20th century to provide winter storage for the most storied of these yachts. Only two sheds remain.

To the east of the Camden Yacht and Marine Railway Company property, just beyond the old Eastern Steamship Landing that is currently the town’s boat ramp, was a separate shipyard operated by Holly Bean and his son, Robert between 1875 and 1920. The Bean Yard was famous not only along the coast of Maine, but throughout maritime communities world wide for the quality of its (three, four, five and ultimately a six-masted) schooners that were launched from there. Following the end of World War I the yard went bankrupt when demand for its coal schooners collapsed almost overnight.

Just prior to the outbreak of World War II, Cary Bok, the younger son of Edward and Mary Louise Curtis Bok bought the Camden Yacht and Marine Railway Co. with two partners and renamed it the Camden Shipyard and Marine Railway Company. Later this group also bought the Bean Yard and the Red Sheds at the head of the harbor, all of which were operated under the name of the Camden Shipyard and Marine Railway Company. The shipyard immediately began to gear up to meet the increasing demand for military and merchant shipping that the war effort required. Between 1940 and 1945 the Camden Shipyard launched 28 minesweepers, ocean tugs, submarine chasers and personnel carriers. In 1943 employment peaked at 1,500. At the war’s end employment at the yard had dropped to 100 and then to about 50 craftsmen as the business refocused on building custom designed sail and power yachts under master builder Malcom Brewer.

In 1963, Wayfarer Marine, which at that point was a yacht repair business owned by Mac McMullen, bought the assets of Camden Shipyard and Marine Railway, including the Bean Yard and the three Red Sheds, Wayfarer partners, Dick and Tom Watson, David Mont-

gomery and Mac McMullen, decided to concentrate on yacht storage, repair and maintenance rather than on new boat construction because of the financially disastrous experience of previous owners. In 1973, Wayfarer announced plans to raze the Red Sheds on the grounds they were too expensive to maintain and not central to their business. Wayfarer burned the middle shed, but after a local outcry the other two were spared.

Tom Watson eventually bought out the other partners' interests and in 1983 sold Wayfarer Marine to yachtsman Harvey Picker for approximately \$186,000. Mac McMullen continued to run the operation for Picker until he retired in 1993. In 1991, Wayfarer appealed to the town for a zoning change to increase the height limit in the Harbor Business District from 28 feet to 32 feet to enable it to build a new shed in order to remain competitive as the size of yachts again began to increase. After a rancorous process town residents approved the zoning change by a 4 to 1 vote. A Sea Street abutter appealed the decision, but ultimately lost his case in court.

In 1997 Harvey Picker sold Wayfarer Marine to three local businessmen, including Parker Laite and Jack Sanford who later bought out the third partner. According to their testimony at one of the forums, they paid Picker \$2.5 million for the property and business. On two occasions, the owners asked voters to permit Wayfarer to store and maintain boats at a non-waterfront location overlooking Route 1 on land owned by Parker Laite's construction business and close to the boundary of Camden Hills State Park. On both occasions, residents voted against the requested change in use at the Laite property. After the second vote, Wayfarer proposed in 2003 to develop a large, 40-foot high shed at the Bean Yard to increase its

indoor storage and maintenance facilities, and to sell off the parcel's frontage for the construction of three to four condominiums to pay for the expansion and to reduce property taxes. The Camden Planning Board approved the plan, but a neighbor appealed the approval. The town and Wayfarer prevailed, but during the multi-year litigation period conditions in the industry had changed before the matter was settled. According to Wayfarer, the plan no longer made economic sense.

IV. STATUS OF BOATYARD DEVELOPMENT IN MAINE

This past year the state of Maine has collaborated with a group of private companies to determine the economic impact of the marine trades and their prospects for growth in the future. This collaborative effort, called the Northstar Alliance, recently produced the following summary of employment and wages in Maine between 2000 and 2006.

It is clear from the data summarized above that Maine's marine trades have generally experienced a period of rapid growth during the past six years. The number of companies in marine trades businesses has grown by almost 50 percent, although employment actually declined by 6 percent. Employment declines were concentrated in composites businesses and other supporting businesses that include shipbuilding and repair, notably at Bath Iron Works and perhaps at other boat repair and maintenance businesses that are lumped in the "other" category. Boat building, boat dealers and marina enterprises, however, all created more jobs.

Total wages increased by over \$72 million, a relatively modest increase of 14 percent. Wages were flat in the composites part of the industry, but increased in all other marine trades sectors. Overall average wages per employee increased from \$36,000 in 2000 to \$43,500 in 2006, a relatively high annual wage commensurate with the skilled workers required for most marine trade jobs.

The Maine Marine Trades Association (MMTA) conducted a much more focused survey of boat repair and maintenance businesses on behalf of CAFG to address the following questions:

1. The current state of Maine’s boatbuilding, repair and maintenance industry (increasing, stable, declining)?
2. Type of business: boatbuilding, repair and/or maintenance?
3. Approximate number of employees?
4. Of these boatyards how many are completely located on the waterfront?
5. For those with off the waterfront facilities when did the business acquire them?

6. Reasons for acquiring off-site facilities (e.g. lack of expansion room, waterfront taxes, efficiency of operations, etc.)?

Of the six companies surveyed, all are primarily in the boat storage, repair and maintenance ends of the industry, with some having limited boatbuilding activities. The companies ranged in employee count from 20 on the smaller end to 250 on the upper end. One business reported that its operations were increasing, three reported they were stable, and two were experiencing declines. The companies whose operations were declining cited similar reasons for the falloff: the higher costs of doing business on the waterfront, the need to pass along those costs to customers by raising fees, and the resulting decrease in people getting into boating.

Of the six companies in the MMTA survey, two businesses operated exclusively on waterfront property (although one of the two reported it had looked for an off-site location because they were short on room for storage). The other four companies already had offsite facilities and cited a lack of room for expansion as the primary reason, al-

EMPLOYMENT & WAGES IN THE MARINE TRADES IN MAINE, 2000 AND 2006

CATEGORY	Company Count		Average Annual Employment		Total Annual Wages	
	2000	2006	2000	2006	2000	2006
Boat Building	57	88	1,296	1,607	\$41,250,826	\$60,256,960
Boat Dealers	53	69	394	508	\$10,052,112	\$14,039,891
Composites	34	54	2,641	2,246	\$86,137,181	\$86,720,049
Marinas	79	104	705	868	\$18,846,294	\$28,875,880
Other *(includes B.I.W)	96	155	9,974	8,873	\$384,651,013	\$423,726,237
Total	319	470	15,010	14,102	\$540,937,426	\$613,619,017

Chart by Henry Renski, Northstar Alliance, 2007

though one company did report receiving a tax break for expanding in the next town inland.

V. BROAD THEMES FROM THE PUBLIC FORUMS

The first two forums focused on broad themes, asking what residents value about Camden’s working waterfront. The responses included: accessibility, diversity, aesthetics, working jobs and locally owned businesses.

The concerns that residents have about the working waterfront’s future include aesthetics – i.e., loss of cape-style roof lines, the future of Wayfarer, loss of jobs, rezoning issues, loss of the shipyard history, loss of public access, loss of business space, access to the harbor, and any changes to property tax structure.

The initial forum also asked what the future of the town’s three major waterfront properties - Town Landing, Harbor Park and Wayfarer Marine - should be. Broad response themes included:

- Additional parking
- Additional green space
- A bridge to connect Town Landing and Harbor Park
- Additional public access to water, including a public walkway around the harbor
- History should be on view
- Access for smaller cruise ships
- Additional information from Wayfarer about its future plans.

Participants also provided direction/suggestions to CAFG for going forward, including the following themes:

- Have a common vision
- Build credibility; be objective and fair-minded
- Provide information
- All points of view deserve to be heard
- Focus on jobs and economic development
- Protection and balance
- Determine zoning.

At a second forum in December 2006, the focus shifted to a discussion of Wayfarer’s needs versus Town of Camden needs. With respect to Wayfarer’s property and the company’s need to expand, public concerns and comments centered on:

- Zoning issues
- Preservation of a view corridor along the waterfront
- Tax assessments
- Tax burdens
- Wayfarer’s desire to tie condos to slips in the marina
- Public access
- Regional comparisons
- Creation of incentives
- Town vs. public interests vs. needs of local businesses.

VI. WAYFARER MARINE FORUMS

The final five forums were held approximately once per month between January 2007 and the end of May 2007. These forums focused

on Wayfarer’s proposed development plans: in January, a series of development options; then in March, as presented by a new Wayfarer partner, Shane Flynn, a specific conceptual plan. The plan, which emerged during the following meetings, was designed to unfold over a 30-50 year time period. It would make Wayfarer competitive in the international market, and debt free. Key elements of their conceptual plan (See Appendix A) call for the following:

- Doubling indoor, large boat shed area in the Lower Yard by rebuilding Building 1 and adding a new Building 2 to accommodate four large, modern paint bays, carpentry and machine shops, and a large staging platform for boats entering or leaving the bays
- Building several new indoor storage shed(s) at the Laite Yard — requires a zoning change to permitted uses in the current zone
- Converting the Bean Yard into 14 duplexes or condominiums to release capital and reduce property taxes — requires a zoning change from Harbor Business District to Traditional Village District
- Converting the second floor of an existing spar storage building into five condominiums with commercial parking and/or other commercial storage uses on the first floor to release additional capital and reduce taxes — requires no zoning change
- Converting second floors of the remaining two Red Sheds at the head of the harbor into 3-4 condominiums and developing water dependent commercial space on the first floors to release capital and reduce Wayfarer’s taxes — requires no zoning change
- Donating its waterfront property and facilities into a working waterfront easement, including 1100 linear feet of harbor

frontage and its marine railway, thereby prohibiting residential uses in the easement area in perpetuity.

The net effect of this plan is that Wayfarer intends to invest between \$12 and \$15 million into its marine operations over an extended period, increasing the company’s indoor work shed area from approximately 82,000 square feet to 142,000 square feet. Wayfarer also expects to double its employment as this plan unfolds.

Reaction to the plan was mixed. Those who expressed support cited the following:

- A person can make a good living working for Wayfarer and receive health insurance
- Development of the Bean Yard into residential usage would increase Camden’s property tax base and be more attractive than the existing usage
- Supporting Wayfarer supports Camden’s maritime heritage
- Supporting Wayfarer would create many 12 month versus 3 month summer jobs
- Wayfarer and its workforce are very committed to this community
- A permanent easement of 1100 feet of working waterfront frontage, plus the marine railway, where there could be no further residential development on that land.

Those who expressed concern or opposition cited the following:

- If the boatbuilding industry is one of the most thriving industries in Maine, why can’t Wayfarer make money on its existing property?

EXHIBIT 1A | Wayfarer Lower Yard - Looking East - Existing Conditions. | *Rendering courtesy of Blaine Buck/Buck Associates.*



EXHIBIT 1B | Proposed Town Homes & Wayfarer Operations - Lower Yard - Looking East. | *Rendering courtesy of Blaine Buck/Buck Associates.*



EXHIBIT 2A | Wayfarer Bean Yard - Looking North - Existing Conditions. | *Rendering courtesy of Blaine Buck/Buck Associates.*



EXHIBIT 2B | Proposed Town Homes - Bean Yard - Looking North. | *Rendering courtesy of Blaine Buck/Buck Associates.*



EXHIBIT 3A | Wayfarer Head of Harbor - Looking North - Existing Conditions. | *Rendering courtesy of Blaine Buck/Buck Associates.*



EXHIBIT 3B | Proposed Town Homes - Looking North. | *Rendering courtesy of Blaine Buck/Buck Associates.*



EXHIBIT 4A | Wayfarer Option Property - Looking North - Existing Conditions. | *Rendering courtesy of Blaine Buck/Buck Associates.*



EXHIBIT 4B | Proposed Wayfarer Operations - Option Property. | *Rendering courtesy of Blaine Buck/Buck Associates.*



- Camden is at risk of becoming a retirement community and having a working waterfront is crucial to having more young working families
- The conversion of working waterfront to a large number of condos
- The “trust” issue — i.e., can we believe that Wayfarer presented us with a way to enhance an operating business or is this a ‘real estate play?’ When we change the zoning, we don’t change it for the person, we change it for betterment of the community
- Preserving the history of the Bean Yard is important.

VII. EXISTING ZONING

16 |

As the forums began to focus on specifics of the Wayfarer proposal, the impact of Camden’s Zoning Ordinance on these plans became pertinent to the discussions. Wayfarer’s plans for development of its property involve three different zoning districts within the town and would require the Town to approve two amendments to its Zoning Ordinance. Additionally, concern about a portion of the Wayfarer proposal generated a third (“Lookner/Dodge”) zoning amendment proposal, initiated by a group of Camden residents.

1. Bean Yard — These 4 acres are zoned Harbor Business (B-H) and situated on the outer harbor. Space and bulk standards allow boat sheds to be built to a height of 40 feet on the outer harbor. Wayfarer received approval for such a facility in December, 2003. However, those plans were abandoned due to a lengthy appeal by abutters (ultimately won by the Town and Wayfarer). Since residential uses are

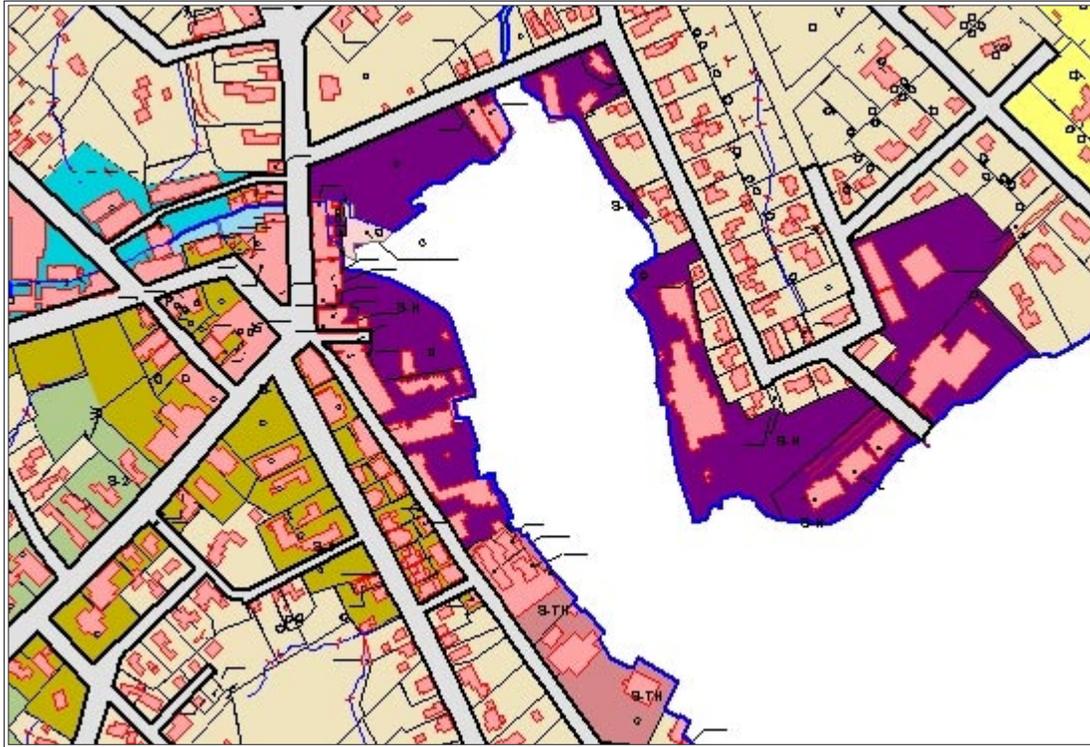
restricted to floors above street level, and Wayfarer’s proposal is for strictly residential use, they have requested a change to the Traditional Village District (V). Concerns about this change have centered on:

- Public access to this section of the outer harbor, including access to the town boat launching ramp, and
- The loss of 4 acres of historic working waterfront.

2. Laite Property — Wayfarer has an option to buy approximately 7 acres of the Laite property on Belfast Road. Their plan is to expand the current boat storage facility to include boat maintenance - in effect, replacing the lost working waterfront acreage of the Bean Yard. Currently zoned Coastal Residential (C-R), only indoor boat storage is allowed, and only on lots of 5 acres or more. Maintenance of boats is not a permitted use within this zone, requiring Wayfarer to seek an amendment to permitted uses in this district. Concerns about this change have centered on:

- The impact on views from the State Park, especially Mt. Battie, and
- The impact on traffic of transporting boats on Sea Street and High Street.

3. Lower Yard and Red Sheds — Located on the inner harbor, this portion of Wayfarer’s property is within the Harbor Business District (B-H). As mentioned in Section VI (above) Wayfarer’s initial plans included building new boat sheds and also converting space currently used for marine-related uses, to residential condominiums and apartments. The B-H zone currently allows residential uses above street level, reserving the street level for commercial, water-



EXISTING ZONING | Harbor Business District shown in red.

Map courtesy of Jeff Nims/Town of Camden.

dependent, industrial, utility and accessory uses. No amendment to the zoning ordinance is required for this type of mixed-use development. However, the proposal for residences in the “Lower Yard” and the “Red Sheds” included leased residential parking within the new buildings.

It is this latter portion of the Wayfarer proposal that led to the so-called “Lookner/Dodge” zoning amendment (now called the Inner Harbor amendments). The interpretation that residential parking within the building qualified as a permitted commercial use raised concerns that approval of such a plan would result in the expansion of residential use (condominiums) around the entire harbor and the

loss of street level commercial and marine uses.

Concerned that these two separate amendment proposals would appear to be in conflict with each other, and be confusing to the voters, CAFG held a series of informal meetings with Wayfarer owners and Lookner/Dodge. As a result of these meetings, Lookner/Dodge requested the Planning Board postpone discussion of the Inner Harbor amendments. This would allow time for CAFG to continue with its review of inner harbor development issues and to address other concerns raised regarding the current Harbor Business zoning ordinance, such as:

- Are the current permitted uses flexible enough to provide for

changes in the nature of marine trades and marine-related technology?

- Is the current ordinance flexible enough to provide for changes in the market place while still protecting the working waterfront?
- Are the west and east sides of the harbor sufficiently different to require or provide for different permitted uses and standards?

(At the time this report was written the Planning Board was still in discussion regarding both the Wayfarer and Inner Harbor ordinance amendments.)



Ron Hawkins speaks at the May 7th forum.

Image courtesy of Holly Anderson/Village Times

VIII. THE MEDIATION PROCESS – AGREEMENTS ON CRITICAL ISSUES

After completion of the seven consensus building forums it was clear to CAFG that concerned citizens attending these forums had several critical issues that in many individuals' minds had not yet been adequately resolved. Believing that these concerns were representative of a substantial portion of the community, CAFG's board voted to transition from a convening role to a mediating role - a change the Kartez Report had anticipated might be necessary, given the divergence and intensity of opinions expressed in his confidential stakeholder interviews. CAFG's objective in adopting this expanded role was to seek ways to close gaps in critical issues expressed by the community's concerned citizens and the owners of Wayfarer Marine.

CAFG's directors decided that if they could unanimously agree their mediation efforts had effectively brought a 'meeting of the minds' between the community's concerned citizens and Wayfarer Marine's owners, then CAFG would both support the company's modified plans and promote them to the community. Important to the CAFG board's decision were two facts: its directors are a diverse group drawn from across the community's spectrum and no one on the board has any vested interest in Wayfarer's development plans.

In preparation for this mediation CAFG carefully defined the mediation process, its own role in the process, and the critical issues expressed by both concerned members of the community and Wayfarer Marine's owners. The results of this analysis are detailed in the first three sections of (See Appendix B).



Blaine Buck and Shane Flynn speak at the March 22nd forum.

Image courtesy of Holly Anderson/Village Times

As part of the mediation process, a team of CAFG's directors reviewed Wayfarer Marine's confidential financial records and concluded, based on their analysis, that Wayfarer's current business model is not economically sustainable. The company must either increase its revenues by substantially expanding and modernizing its operations or relocate its operations to a lower-cost environment with room to expand.

CAFG is pleased to report that its board has unanimously agreed that all concerned citizens' critical issues, as expressed in the seven forums, have been reasonably addressed within the ability of Wayfarer Marine to satisfy such concerns (see "Responses from Wayfarer Marine" contained in Appendix A).

IX. CONSEQUENCES FOR THE FUTURE

CAFG's board recognizes the enormous future economic risk to the town if Wayfarer Marine cannot remain economically viable in Camden. The board also recognizes the enormous commitment the community would make towards Wayfarer Marine's future success by granting the two requested zoning changes

There is a clear series of negotiated trade-offs between the community and Wayfarer Marine in the mediated agreement.

The community would:

1. Permanently commit the Bean Yard to residential development
2. Accept additional development and boatyard operations at the Laite Yard
3. Accept additional boat hauling traffic to and from the Laite yard
4. Accept limited additional residential development in the Lower Yard in the form of above street level condominiums in the Red Sheds and new, Wayfarer owned above street level rental units within its proposed working waterfront easement.

Wayfarer Marine would:

1. Place 4.1 acres of land under its current inner harbor boatyard operations, including 1100 linear feet of harbor frontage and marine railway, into a working waterfront conservation easement, thereby prohibiting residential uses within the easement

area in perpetuity

2. Change its original plan to develop five new, high end condominiums within the inner harbor (intended to release capital for proposed boatyard operations) instead into the construction of five, above street-level, Wayfarer owned rental units. And inside, street level parking limited to 15% of the related residential space.
3. With respect to the Bean Yard, grant easements to the town sufficient to create a more functional public boat launching ramp plus public access to the shoreline beach area; and grant a conditional public access easement along the shoreline bluff, which would allow the town to complete a public harbor walkway between the Yacht Club and the Eaton Avenue right-of-way over the Bean Yard development at some future date.

20 |

Camden's officials on the Planning Board and the Select Board have the responsibility of carefully reviewing the proposed zoning changes and recommending whether to place these items on the ballot in November 2007. Ultimately it is up to the voters of Camden to determine whether the proposed trade-offs, as outlined above and detailed in Appendix B, are in the long term best interests of the town.

One final risk in supporting the Wayfarer plan which CAFG's board addressed is the issue of the company's ability to execute its business plan and to create a profitable, internationally recognized business within its industry, insuring the health of Camden's working waterfront for generations to come. We believe the company's business plan is sound and is similar to what any experienced boatbuilding management would craft. We are encouraged that Shane Flynn has joined Wayfarer's ownership group and will bring his well recog-

nized management skills to bear at Wayfarer Marine. We are mindful of the enormous personal financial risk that the owners currently have and will incur with any additional financing. Their incentive for success is clear. We believe that the community should work with the current ownership group rather than imagine a different future ownership scenario or different past history. We believe that Camden cannot afford to let Wayfarer Marine fail or move elsewhere.

CAFG's directors, who represent a cross section of opinion among the town's concerned citizens, are of the unanimous opinion that the mediated agreements reached will, on balance, benefit the town over the long run.

APPENDIX A

EXECUTIVE SUMMARY OF WAYFARER MARINE'S BUSINESS PLAN

This business was purchased by Parker Laite, Jack Sanford, et al in 1997, with Shane Flynn buying out Laite in 2007. The business has been unprofitable for a long period of time and dependent on periodic capital infusions from wealthy owners for some 50 years.

There has been a major expansion of the recreational boating industry during the past ten years. During this period the average recreational boat length has increased several feet and vessels have become more complex (electronics, etc.). Maine yards such as Rockport Marine, Lyman-Morse and Hinckley have benefited. Wayfarer has been unable to capitalize on this market growth because expansion proposals have been rejected by Camden voters and litigation with neighbors.

Wayfarer's industry niche is multi-faceted: it is one of the few Maine yards capable of hauling the large vessels (up to 100') that generate substantial billable hours; it has a significant foothold in the midsize vessel market (45' - 65'); and performs substantial work on smaller vessels (under 40') that account for the majority of stored boats. The company has demonstrated expertise working on both power and sailing vessels as well as with wood, fiberglass, aluminum and steel materials. Repeat business is substantial and at minimum growth is expected to mirror recent industry expansion.

The company's facilities are in poor competitive shape with respect

to both operational inefficiency and their state of disrepair. Examples include: the newest building is more than 15 years old; the floor of the only building capable of housing large vessels will not support the new travel lift; "deferred maintenance has reached an alarming level", and no building is water tight.

The following issues requiring remediation have been highlighted by management: (a) revenues are too low, the volume of work is too variable and overhead is too high; (b) infrastructure is highly inefficient and is failing; and (c) operational procedures need revision and computer systems need to be updated.

The company's "plan of attack" is as follows:

- **Completely rebuild the Lower Yard, to include:**

- Remove and replace roof and sheathing on Building #1
- Replace the floor of Building #1 with a structural grade floor
- Build a large storage/workbay building into the hill (Building #2) — this will allow Wayfarer to work on 4 large vessels at one time, doubling the large boat capacity
- Construct a new workshop facility between Building #1 and the new building in the hill
- Build approximately a 15,000 sq ft wharf adjacent to the travel lift pier for use as an outdoor storage/work area, doubling the outdoor space available in the Lower Yard
- Build new Wayfarer office/reception facilities in Building #2 in hill
- Remove and replace current wood office structure with up to date facilities for rental/storage and customer facilities

- Complete soil and subsurface support issues in crane pad area

• **Completely update and rebuild the Laite Construction site, to include:**

- Remove existing obsolete wooden structure on site
- Significantly upgrade existing metal building on site for use as shop/work space
- In three phases, build a total of approximately 67,000 sq. of new buildings for use as heated indoor storage, wooden boat storage, unheated indoor storage, shops and workbays, resulting in a doubling of the capacity of the obsolete and inefficient facilities now in Bean Yard

• **To secure the capital necessary to complete this major expansion, Wayfarer will:**

- Construct 14-16 private residences in the Bean Yard
- Rebuild the red boatshed at the head of the harbor to include 4 private town homes on the second floor with commercial/Wayfarer storage space below
- Build 5 residential units in Lower Yard to be owned by Wayfarer and rented to boat crews and others

In finalizing its business plan Wayfarer has proposed placing most of its inner harbor land into an independently supervised working waterfront easement to insure there will be no future residential development on this site and to preserve a vibrant marine related working waterfront. Wayfarer has also held a series of meetings with the Camden Area Futures Group (CAFG) exploring additional offerings it might make to enhance the community's future.

APPENDIX B

RECONCILING CRITICAL WORKING WATERFRONT ISSUES BETWEEN

WAYFARER MARINE & CONCERNED MEMBERS OF THE CAMDEN COMMUNITY

MEDIATED BY THE CAMDEN AREA FUTURES GROUP (CAFG)

CAFG

1. Make an 'up front' public disclosure of its transition from a convening role to a mediating role.
2. Reach agreement with both Wayfarer and concerned members of the Camden community who oppose parts of Wayfarer's plans as to their respective critical issues.
3. Find ways to have a 'meeting of the minds' between the parties on all critical issues.
4. CAFG's board would unanimously endorse and publicly promote an agreement between Wayfarer and concerned members of the community that all stated critical issues described in this document have been satisfactorily resolved.

Wayfarer Marine

1. Modernize and expand its marine facilities to improve the company's competitive position within its industry and to increase its cash flow.
2. Develop a portion of its proposed marine operating facilities at the Laite construction site (requires a zoning change) to free

up the Bean Yard for residential redevelopment and to reduce the property tax load on operations.

3. Develop the Bean Yard into residential town houses (requires a zoning change) to release capital for its proposed modernization & expansion plans.
4. Release additional capital by developing residential usage in the Red Sheds at the head of the harbor and by building and selling new residential use condominiums in the Lower Yard within existing zoning regulations that permit residential usage above the first floor.

Concerned Citizens of the Camden Community

1. Want to maintain & enhance the harbor's working waterfront for the long term. For purposes of this agreement "working waterfront" shall be defined as boat building, repair, maintenance, and storage, and all other commercial and industrial uses allowed by the Town of Camden's Zoning Ordinance then in effect, and uses supportive of or related to uses described above.
2. Want Wayfarer to provide a comprehensive, written business plan detailing its goals and needs for the long term operational development of its Camden facilities, both on and off the waterfront, including its proposed plans to increase Camden employment.
3. Strongly prefer no residential development in Wayfarer's Lower Yard. Several individuals have proposed a new amendment to the Harbor Business District Zone that would prevent parking garages on the first floor as an accessory use to residential use of the second floor (Lookner/Dodge amendment).
4. Want credible assurance that capital released from redevel-

opment of the Bean Yard and within the Lower Yard will be redeployed to complete all of Wayfarer's proposed marine operations.

5. Want confidential financial disclosure of Wayfarer's operations since its purchase from Harvey Picker.
6. Want enhanced public access to the boat ramp and beach plus reasonable access to the redeveloped Bean Yard's access road(s) and its shorefront bluff.
7. Want a clearer understanding of Wayfarer's proposed waterfront easement.

Responses from Wayfarer Marine

1. Wayfarer will expand its boatyard operations in the Lower Yard by restoring Building 1 and by constructing Building 2, enabling the company to work on 2-4 very large boats at a time, or 6-8 smaller boats, all on a year round basis. Large scale marina operations will continue.
2. Wayfarer has provided CAFG with a confidential executive summary of its business plan, detailing its publicly presented plans to service both internationally based yachts and local customers, and doubling its employment during the course of its expansion. An abbreviated overview of Wayfarer's business plan, prepared by CAFG for public review, appears as Appendix A.
3. Wayfarer has agreed to modify its intended use of the Lower Yard by eliminating the development and sale of 5 private residential condominiums.
 - a. Instead, Wayfarer will build 5 second floor rental units in a new building owned by Wayfarer and rented to visiting yacht crews and others. Subject to lender approv-

al, Wayfarer will also place restrictive covenants on the land in the Lower Yard such that any residential uses in that area of the property outside the limits of the working waterfront easement in the Lower Yard shall remain in common ownership and not be sold as individual units to avoid creating a precedent for other waterfront owners.

b. Wayfarer has agreed to use the 1st floor of its new rental unit building in the Lower Yard for “appropriate” commercial uses, so as to avoid a strained interpretation of the ordinance by including parking on the ground floor of a building as an accessory use to a residential use on the second floor. A commercial parking garage on the first floor will not be proposed. Language will be included in the working waterfront easement that will specify that no more than 15 percent of buildings with residential square footage may be used for indoor parking. The intent of such language is to prevent the primary use of any building in the Lower Yard from being used for parking of motor vehicles.

4. Wayfarer was unwilling to offer any legal assurances that all capital released from proposed residential development in the Bean Yard and the Red Sheds would be reinvested into proposed boatyard operational development. CAFG believes that this is effectively a moot issue. The \$12 to \$15 million of proposed investment necessary to meet the company’s plans to expand and improve its facilities cannot be met except through such capital redeployment plus the possibility of new investor equity. Wayfarer’s commitment to put its waterfront property into a working waterfront conservation easement will limit

its ability to incur new development debt on top of its existing debt. And its commitment not to build the five new inner harbor condominiums will limit the amount of capital it can redeploy into operational development.

5. Wayfarer has submitted confidential financial information to CAFG that has been reviewed by a subcommittee of its directors. The data confirms that Wayfarer’s current business model is not sustainable.

6. Wayfarer has proposed the following in response to the public access issue:

a. Upon completion of all necessary regulatory board approvals for the Bean Yard, Wayfarer will grant to the Town of Camden sufficient land adjacent to Steamboat Landing to make the boat launching ramp more functional, as described in the attached drawing (Appendix C), provided such transfer does not result in any non-conforming uses within the Bean Yard.

b. Upon receiving all necessary regulatory board approvals for any development in the Bean Yard, Wayfarer will provide the Town of Camden a conditional public access easement along the top of the bank in the front of the Bean Yard so as to be the first step in establishing a public harbor walkway from the Yacht Club to Eaton Point. This easement will take effect when and if other easements are obtained in the inner harbor between the Yacht Club and the Eaton Avenue Right-of-Way. Excluded from this walkway will be the area in front of the working waterfront easement. In that area, the public walkway will be limited to non-business hours.

c. Public access to the shoreline beach area in front of the Bean Yard will be guaranteed by an easement provided to the Town of Camden or a conservation entity.

d. Wayfarer will delineate on the final plan submitted to the Camden Planning Board the shoreline beach area easement, the boat ramp access easement (or land donation) and the conditional public access easement area along the shoreline bluff described above and will submit final easement language with its plan submission to the Camden Planning Board.

7. Wayfarer has pledged to work closely with concerned citizens to help craft proposed working waterfront easement language that limits uses of the Lower Yard and the “hill” to those of a working waterfront and that will prohibit any and all additional residential use in the Lower Yard on a 50 foot strip of land beginning at Rum Row to the land where Building 1 and proposed Building 2 sit, around the perimeter of the marine railway to its property boundary and on the hill above the Lower Yard, protecting at least 4.1 acres and 1100 linear feet of inner harbor frontage from future residential development in perpetuity. (Refer to Appendix D).

Response From Concerned Citizens of the Camden Community

1. Concerned citizens of the Camden community have agreed to CAFG’s request that the Planning Board postpone consideration of the Lookner/Dodge zoning amendment proposal until the public decides the fate of Wayfarer’s zoning proposal amendments.

2. CAFG has agreed to publicly support Wayfarer’s proposed zoning amendments.

CAFG DIRECTORS:

- Roger Moody, CAFG Chair
- Jane LaFleur, CAFG Vice Chair
- Mike Nicholson, CAFG Treasurer
- Don Abbott, CAFG Director
- Frank Beane, CAFG Director
- Philip Conkling, CAFG Director
- John Enright, CAFG Director
- Carla Ferguson, CAFG Director
- Bob Shotwell, CAFG Director

WAYFARER OWNERS:

- Shane Flynn, Wayfarer Marine
- John Sanford, Wayfarer Marine

Wayfarer’s owners have reviewed this report and find it to be a fair representation of Wayfarer’s statements and plans.

DRAFT

CONSERVATION EASEMENT ON THE LAND AND WHARF

OF WAYFARER PARTNERS, LLC

ON CAMDEN HARBOR, CAMDEN MAINE

TO

WAYFARER PARTNERS, LLC, (hereinafter referred to as the “Grantor,” its’ assigns, and any successors in interest to the Protected Property),

GRANT to _____, a non-profit corporation organized and existing under the laws of the State of Maine, with a mailing address of _____ (hereinafter referred to as the “Holder,” which word shall include the Holder’s successors and/or assigns),

with QUITCLAIM COVENANT, in perpetuity, the following described Conservation Easement on land in the Town of Camden, Knox County, Maine (hereinafter referred to as the “Protected Property,”), which is more particularly described in Exhibit A, and depicted on Exhibit B (“Site Plan”), attached hereto and made a part hereof by reference. The Conservation Easement on the Protected Property is granted exclusively for the following conservation purposes:

PURPOSE

It is the purpose of this grant to preserve the Protected Property for “Working Waterfront Uses”; and to assure the opportunity to preserve and enhance the property with Grantor’s permitted uses, and to prevent all residential uses

The following recitals more particularly describe the conservation and Working Waterfront values of the Protected Property and the significance of this grant.

WHEREAS, the Grantors hold title to a parcel of real property situated on Camden Harbor in the Town of Camden, in Knox County, Maine, consisting of approximately _____ acres of land, and the wharves and piers pertinent thereto, being the same Protected Property conveyed to the Grantors by warranty deed dated _____, and recorded at the Knox County Registry of Deeds at Book _____, Page _____, and more particularly described in Exhibit A and depicted in Exhibit B; and

WHEREAS, the Grantors are the sole owners of the Protected Property which they own and maintain for boat building, repair, maintenance, and storage, and all other commercial and industrial uses allowed by the Town of Camden Zoning Ordinance then in effect, and wish to assure its permanent availability for such uses and other Working Waterfront uses, and to eliminate the threat to available Working Waterfront land by prohibiting private residences, residential condominiums, apartments, hotels, and other residential uses; and

WHEREAS, this conservation easement will permit Grantors to continue to use the protected property for boat building, repair, maintenance, and storage, and all other commercial and industrial uses allowed by the Town of Camden Zoning Ordinance then in effect, and

WHEREAS, it is important to the Camden community that the Protected Property be maintained and made available for Working Waterfront activities; and

WHEREAS, the Town of Camden’s (insert date) _____ Comprehensive Plan identifies several goals that are furthered by this Conservation Easement,); and

WHEREAS, the Grantor and Holder, recognizing Camden Harbor as an important community resource in Camden, have the common purpose of preserving the harbor waterfront for traditional uses such as Working Waterfront ,

NOW, THEREFORE, KNOW ALL PERSONS BY THESE PRESENTS, for and in consideration of the facts above recited and the terms, covenants and restrictions herein contained, the Grantors hereby grant to the Holder, its successors and assigns forever, as a gift, with QUITCLAIM COVENANT, a Conservation Easement, in and to, over and across the Protected Property, consisting of the following affirmative rights, terms, restrictions and covenants which will run with and bind the Protected Property in perpetuity:

COVENANTS AND RESTRICTIONS

1. LAND USE.

The Protected Property may be used only for Working Waterfront Uses, as defined herein. No quarrying, mining or other extractive activities are permitted on the Protected Property. No residential activities are permitted on the Protected Property.

2. WORKING WATERFRONT USES.

For the purposes of this Conservation Easement, “Working Waterfront Uses” shall be defined as boat building, repair, maintenance, and storage, and all other commercial and industrial uses allowed by the Town of Camden Zoning Ordinance then in effect, and uses supportive of or related to uses described above

“Working Waterfront Uses” uses shall not include apartments, residences, condominiums, hotels, or lodging,

4. STRUCTURES

A. Existing Structures: As of the date of this grant, the Protected Property consists of land, buildings, fuel storage facilities, and associated equipment.

i) Wharf System: The wharf system consists of a permanent pier, pilings, and filled land, with ramp and float systems extending therefrom, as depicted on Exhibit B. The pier is an open platform with no structures other than posts and railings,

and lines for power, water and communications running from under the surface of the platform to receptacles and spigots, the purpose of which is the hauling a launching of boats.

ii) Grantors reserve the right to construct, maintain, repair, improve, relocate, and replace other buildings, wharfs, piers and ramps, not for residential use, intended to support Working Waterfront uses, as defined in herein,

5. WASTE DISPOSAL AND WATER PROTECTION.

A. It is forbidden to dispose of or improperly store rubbish, garbage, debris, unserviceable motor vehicles, recreational vehicles, parts thereof, or other abandoned, unsightly, offensive, toxic or hazardous substances, human waste or waste material of any kind anywhere in or on the Protected Property. Trash receptacles may be placed on the Protected Property for the convenience of its users, to be removed at reasonable intervals, subject to all applicable local, state, and federal laws and regulations.

B. The use of chemical herbicides, pesticides, fungicides, fertilizers and other agents that may have an adverse effect on wildlife, waters, and other important conservation interests to be protected by this Conservation Easement, must be limited to prevent any demonstrable adverse impact on the conservation values of the Protected Property and nearby waters. This should not be construed to prohibit ordinary use of such agents in the exercise of Grantor's rights to use the Protected Property for Working Waterfront, as defined in Paragraph 2, and in accordance with manufacturer's instructions and applicable laws and regulations.

C. Overboard discharge or direct discharge of black water waste (sewer waste) into surface waters is strictly prohibited.

6. GENERAL. Nothing herein should be construed to grant the public any rights over the Protected Property nor any standing to bring an action hereunder, nor any rights by adverse possession or otherwise. Holder has the exclusive right to enforce this grant and this Conservation Easement.

Grantors and Holder claim all of the rights and immunities against liability for injury to the public to the fullest extent of the law under Title 14 M.R.S.A. Section 159-A, et seq. as amended and any successor provision thereof (Maine Recreational Use Statute), and under any other applicable provision of law and equity.

7. OTHER AFFIRMATIVE RIGHTS OF HOLDER

A. Holder is hereby granted the right to enforce this Conservation Easement by proceedings at law and in equity, including the right to require the restoration of the Protected Property to a condition in compliance herewith, after providing Grantor with prior notice and reasonable opportunity to cure any breach, except where emergency circumstances require more immediate enforcement action. Holder's remedies for violation of this conservation easement shall not include loss of ownership by Grantor, or transfer of ownership to Holder or to any other person.

B. Holder is hereby granted the right to enter the Protected Property, for inspection and enforcement purposes, at any reasonable time and in any reasonable manner that is consistent with the

conservation purposes hereof.

C. Holder is hereby granted the right to install a small, unlighted sign in a location that will be visible to visitors to the Protected Property informing the public of Holder’s role in its permanent protection. Holder will coordinate signage with that of Grantor.

8. NOTICES.

Any notice to Holder required hereunder must be made by certified mail, return receipt requested, addressed to:

or to such other authorized person hereafter designated in writing by the Holder.

Any notice to Grantor required hereunder must be made by certified mail, return receipt requested, addressed to:

Wayfarer Partners, LLC
59 Sea Street
Camden, Maine 04843

or to such other authorized person hereafter designated in writing by the Grantor.

Any notices to Holder or requests for Holder consent, required or contemplated hereunder, must include, at a minimum, sufficient information to enable Holder to determine whether proposed plans are consistent with the terms of this Conservation Easement and the conservation purposes hereof.

9. RESPONSIBILITIES OF OWNERSHIP.

Grantor acknowledges that Holder has no possessory rights in the Protected Property, nor any responsibility or right to control, maintain, or keep up the Protected Property. Grantor agrees, to the fullest extent permitted by law, to defend, release, relieve, hold harmless and indemnify Holder, its officers, directors, agents, and employees from any costs relating to the ownership, control, operation, maintenance, and upkeep of the Protected Property, and from any claims for damages which arise therefrom, except for harm proximately caused by the negligent act or misconduct of Holder, its employees or agents, arising out of the exercise of its obligations hereunder, or as may arise out of its workers’ compensation obligations. In addition, Grantor is responsible to pay any legally imposed assessments and avoid the imposition of any liens that may impact Holder’s rights hereunder.

10. EASEMENT REQUIREMENTS UNDER MAINE LAW AND U.S. TREASURY REGULATIONS.

A. This Conservation Easement is created pursuant to The Uniform Conservation Easement Act at Title 33, Maine Revised Statutes Annotated, §§ 476 through 479-B, inclusive, as amended, and shall be construed in accordance with the laws of the State of Maine.

B. This Conservation Easement is established exclusively for conservation purposes pursuant to the Internal Revenue Code, as amended (hereinafter referred to as the “Code”) at Title 26, U.S.C.A., §170(h)(1)-(6) and §§2031(c), 2055 and 2522, and un-

der Treasury Regulations at Title 26 C.F.R. §1.170-A-14 et seq., as amended.

C. Holder is qualified to hold conservation easements pursuant to Title 33, Maine Revised Statutes Annotated, §476(2)(B), as amended, and is a Qualified Organizations under Code Section 170(h)3, to wit: publicly funded, non-profit 501(c)(3) organizations operated primarily to accept lands, easements, and buildings for the purpose of preserving and protecting natural, scenic, educational, recreational and open space values of real property, having a commitment to protect the conservation purposes of the donation, and the resources to enforce the restrictions hereof.

D. This Conservation Easement is assignable, after consultation with Grantor and only to an entity that satisfies the requirements of Code Section 170(h)(3), as amended, (or successor provisions thereof) and the requirements of Section 476(2) of Title 33 of the Maine Revised Statutes Annotated, as amended (or successor provisions thereof), and that as a condition of transfer, agrees to uphold the conservation purposes of this grant.

E. Grantor agrees to notify Holder prior to undertaking any activity or exercising any reserved right that may have a material adverse effect on the conservation purposes of this grant.

F. Grantor has the right to use the Protected Property as collateral to secure the repayment of debt, provided that the right of the Holder to enforce the terms, restrictions and covenants created under this easement shall not be extinguished by foreclosure of any mortgage or any publicly or privately placed lien, regardless of

date.

G. This Conservation Easement constitutes a property right owned by the Holder. Notwithstanding that this Conservation Easement is an obligation, and not a financial asset, should it be extinguished, which may be accomplished only by court order, or should all or any interest in the Protected Property be taken by the exercise of the power of eminent domain or acquired by purchase in lieu of condemnation subject to the prior written consent of Holder, Holder is entitled to a share of the proceeds of any sale, exchange or involuntary conversion of the unrestricted property, according to Holder's proportional interest in the Protected Property, as determined and required under Treasury Regulations 1.170-A-14 (g)(6)(ii), or successor provision thereof. Holder's proportional interest is determined as of the date of this grant and will not include value attributable to improvements to the Protected Property made after the date of this grant. Holder will use such proceeds for its conservation purposes.

H. If circumstances arise under which an amendment to or modification of this Conservation Easement would be appropriate, Grantor and Holder are free to jointly amend this Conservation Easement; provided any amendment shall be consistent with the purposes of this Conservation Easement, and that no amendment shall be allowed that will affect the qualification of this Conservation Easement or the status of Holder under any applicable laws, including Title 33, Maine Revised Statutes Annotated, §§ 476 through 479-B, inclusive, as amended, or Section 170(h) of the Internal Revenue Code of 1954, as amended.

11. MISCELLANEOUS.

A. The failure or delay of the Holder, for any reason whatsoever, to enforce this Conservation Easement shall not constitute a waiver of its rights and Grantor hereby waives any defense of laches, prescription or estoppel.

B. An owner's obligation hereunder as Grantor or successor owner will cease, with respect to the Protected Property, if and when such owner ceases to have any present, partial, contingent, collateral or future interest in the Riverfront, but only to the extent that it is in compliance herewith. Responsibility of owner for breaches of this Conservation Easement that occur prior to transfer of title will survive such transfer.

C. Grantor is not responsible for injury to or change in the Riverfront resulting from "acts of God" so called, such as, but not limited to, fire, flood, storm, and earth movement, or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Protected Property resulting from such causes. If a Court (or other decision maker chosen by mutual consent of the parties) determines that this Conservation Easement has been breached, Grantor will reimburse Holder for any reasonable costs of enforcement, including court costs, attorneys' reasonable fees, and any other payments ordered by such Court. If a Court (or other decision maker chosen by mutual consent of the parties as set forth herein) determines that this Conservation Easement has not been breached, Holder will reimburse Grantor for any reasonable costs of defending such action, including court costs, attorneys' reasonable fees, and any other payments ordered by such Court.

D. If any provisions of this Conservation Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Conservation Easement and the application of such provisions to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

E. In making this grant, Grantor has considered the fact that uses prohibited hereby may become greatly more economically valuable than permitted uses, and that neighboring properties may in the future be put entirely to such prohibited uses. It is the intent of both the Grantors and Holder that any such changes not be deemed to be changed conditions permitting termination of this Easement.

TO HAVE AND TO HOLD the said Conservation Easement unto the said Holder and its successors and assigns forever.

AND WE DO COVENANT with the Holder and its successors and assigns that we shall and will WARRANT AND DEFEND the Protected Property to the said Holder and its successors and assigns forever, against the lawful claims and demands of all persons claiming by, through or under us.

IN WITNESS WHEREOF, the Grantor, Wayfarer Partners, LLC, by its duly authorized member, has signed and sealed this document this _____ day of _____, 2007.

Signed, sealed and delivered

in the presence of:

Wayfarer Partners, LLC

Witness _____

By: _____

Witness _____

By: _____

32 |

STATE OF MAINE
COUNTY OF KNOX, ss. _____, 2007

Personally appeared the above named _____ and acknowledged the foregoing instrument to be his free act and deed in his said capacity.

Before me:

Notary Public

(Please type or print name of notary)

HOLDER ACCEPTANCE

The above and foregoing Conservation Easement was authorized to be accepted by _____, Holder as aforesaid, and the said Holder does hereby accept the foregoing Conservation Easement, by and through _____, its _____, hereunto duly authorized, this ____ day of _____, 2007.

By: _____

Its: _____

STATE OF MAINE

COUNTY OF KNOX, ss. _____, 2007

Personally appeared _____, the _____ and authorized representative of the above named Holder and acknowledged the foregoing instrument to be his/her free act and deed in his/her said capacity, and the free act and deed of

Before me:

Notary Public

(Please type or print name of notary)

**CONSERVATION EASEMENT ON THE LAND AND
WHARVES**

OF WAYFARER PARTNERS, LLC

ON CAMDEN HARBOR IN CAMDEN, MAINE

TO

Exhibit A

INSERT LEGAL DESCRIPTION

(to follow)

**CONSERVATION EASEMENT ON THE LAND AND
WHARVES**

OF WAYFARER PARTNERS, LLC

ON CAMDEN HARBOR IN CAMDEN, MAINE

TO

Exhibit B

*Sketch Plan of the Protected Property and Right of Way,
as shown on the following page.*

EXHIBIT B Sketch Plan of the Protected Property and Right of Way.



