

Stop Risky Bet on The Downs “Downtown”



Scarborough is at a crossroads, and its Town Manager and The Downs developers are choosing our way forward, including the approval of an additional 870 housing units to “activate” some ever-changing idea for a “Downtown.”

We’ve already experienced too much growth. In the last 5 years, 1600 new housing units were built, an increase of 20%. Also, during the decade ending in 2020, we had the largest population increase of any town in Maine: 3200 new residents...and, we have the traffic to prove it.

“[Town Manager Tom] Hall sees population growth as a part of a larger plan for developing Scarborough in the years to come...he hopes that it will bring even more people who will eventually make it their home.” (Bangor Daily News, 6/13/22)

To obtain the financing for their “Downtown,” The Downs wants an exemption from our Growth Management Ordinance (GMO) to build the 870 housing units. Specifically, to attract commercial users such as retail, restaurants and entertainment, and even to afford the state-mandated Traffic Movement Permit (TMP) improvements, The Downs needs the exemption to build and sell more housing.

Now, what do we who live here want?

1. Less growth: the recent town-wide survey showed that 73% of us identified the rate of growth as our #1 concern for Scarborough’s future.
2. Improved traffic: the same survey showed that a majority of us want our Town, as its top priority, to focus on fixing traffic.
3. The Town to absorb its past surge in population, before it promotes another: the 30 portable classrooms at our schools stand as testaments to what is wrong about more growth now.

All exemptions from the GMO require the developer to demonstrate that the project “will promote the general welfare of the residents of Scarborough, is in the public interest, and will have beneficial impacts on the Town as a whole.” This is a broad standard open to interpretation.

What is a “public benefit?”

Our long-awaited pool and community center, if built in The Downs, will be financed by Scarborough taxpayers. That is not a “public benefit” provided by The Downs developers. And, development for development’s sake does not meet the “public benefit” standard. Instead, it strains our resources and risks our losing what we love about our town.

The Downs developers claim that the project’s tax revenues to the Town will be greater than the “costs to serve.” Yet, their financial model is flawed, as identified by the Town’s consultant, and relies on an unusually low estimate for the new students who will reside in its housing.

The project itself is risky. In the best of times, creating a “Downtown,” even for developers with big balance sheets and successful track records, is extremely difficult. Also, when it comes to phasing the project and arriving at the right mix of businesses, timing is everything. The Town’s consultant identified many flaws in The Downs’ financial analysis. Given the destabilized economic climate and outlook, failure is a realistic possibility, and caution should reign supreme.

If we allow The Downs to build the housing units they want, what guarantees do we have that they will follow through with the “Downtown?” As rising interest rates soften the housing market, does Crossroads Holdings, The Downs parent company, have the financial resources to see this project through? They have not provided any building timetable for their “Downtown.” The answer is that there is no way to guarantee that the “Downtown” will be built. It is a financial risk and not the business our Town should be in.

Join us in sending a clear message to Tom Hall and the Scarborough Town Council that their fiduciary responsibility demands they stop this risky bet with our future.

Emails can be directed to:

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