



STATE OF MAINE
DEPARTMENT OF ECONOMIC
AND COMMUNITY DEVELOPMENT



JANET T. MILLS
GOVERNOR

HEATHER JOHNSON
COMMISSIONER

January 29, 2025

Governor Janet T. Mills
1 State House Station
Augusta, ME 04333

Joint Standing Committee on Housing and Economic Development
100 State House Station
Augusta, ME 04333

Re: Maine Coworking Development Fund Report pursuant to 5 MRSA §13056-G(5).

Dear Governor Mills and Members of the Committee on Housing and Economic Development:

Title 5 MRSA §13056-G enacted in the first session of the 127th Legislature directed the Department of Economic & Community Development (DECD) to implement a "Maine Coworking Development Fund." This program was updated and recapitalized during the first session of the 129th Legislature and through the Governor's budget. The Maine Coworking Development Fund was established within the department to strengthen opportunities for entrepreneurship, stimulate innovation in the State by increasing the availability of collaborative workspace environments, and address a regional market demand for affordable work environments that support communication, information sharing and networking opportunities. The fund was established to match public and private funds to further this purpose.

Pursuant to 5 MRSA §13056-G(5), the department submits the following information constituting the annual report for this program.

The last Coworking Development Fund program utilized FY22/23 funds, and DECD's report was finalized and submitted in 2024. Additional Coworking Development Fund dollars (\$200,000) appropriated for FY24/FY25 were put on hold due to \$500,000 of Maine Jobs & Recovery Plan (MJRP) funds that were deployed via the MJRP Coworking Grant Program in 2024.

The MJRP Coworking Grant Program aimed to provide direct financial support to coworking spaces in the State of Maine that experienced impacts during the pandemic. It also built on



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other MJRP programs including remote worker support and previous financial support to Maine's libraries that also serve as much-needed remote work locations in many Maine communities.

These funds helped to stabilize operations, reconstruct layouts that were previously altered to meet social distancing requirements; cover increased costs and other impacts due to the COVID-19 pandemic; provide outreach, digital infrastructure, and community to new remote workers, and invest in new infrastructure.

The MJRP Coworking Grant Program met the immediate post-pandemic needs of 33 of Maine's coworking spaces. Therefore, the Department prioritized the deployment of this program to ensure Maine's coworking spaces were able to survive and recover from the pandemic. Now that the MJRP Coworking Grant Program has concluded, the Department will resume the Coworking Development Fund deployment.

The Department plans to announce a Coworking Development Fund grant round in calendar year 2025. The following subsections of this report are therefore not applicable, as indicated below. Please note that reporting for the MJRP Coworking Grant Program is maintained separately in accordance with State of Maine MJRP reporting procedures.



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A. The number of applications for collaborative workspace projects submitted to the department.

Not Applicable. As indicated above, due to the deployment of the MJRP Coworking Grant program, the Department has delayed the Coworking Development Fund Grant Program, which DECD intends to launch in 2025.

B. The number of applications for collaborative workspace approved by the department.

Not Applicable. As indicated above, due to the deployment of the MJRP Coworking Grant program, the Department has delayed the Coworking Development Fund Grant Program, which DECD intends to launch in 2025.

C. The number of collaborative workspaces created through the fund.

Not Applicable. As indicated above, due to the deployment of the MJRP Coworking Grant program, the Department has delayed the Coworking Development Fund Grant Program, which DECD intends to launch in 2025.

D. The numbers of tenants and participants engaged in each collaborative workspace.

Not Applicable. As indicated above, due to the deployment of the MJRP Coworking Grant program, the Department has delayed the Coworking Development Fund Grant Program, which DECD intends to launch in 2025.

E. The number of jobs provided by each collaborative workspace.

Not Applicable. As indicated above, due to the deployment of the MJRP Coworking Grant program, the Department has delayed the Coworking Development Fund Grant Program, which DECD intends to launch in 2025.



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F. The occupancy rate of each collaborative workspace.

Not Applicable. As indicated above, due to the deployment of the MJRP Coworking Grant program, the Department has delayed the Coworking Development Fund Grant Program, which DECD intends to launch in 2025.

G. The number of tenants that have left collaborative workspace and that are operating in the State and the number of jobs they have provided.

Not Applicable. As indicated above, due to the deployment of the MJRP Coworking Grant program, the Department has delayed the Coworking Development Fund Grant Program, which DECD intends to launch in 2025.

Please contact Jake Daniele, DECD's Small Business Development Manager, if you have any questions regarding this report.

Sincerely,

Heather Johnson
Commissioner

cc: Jake Daniele, Small Business Development Manager, DECD