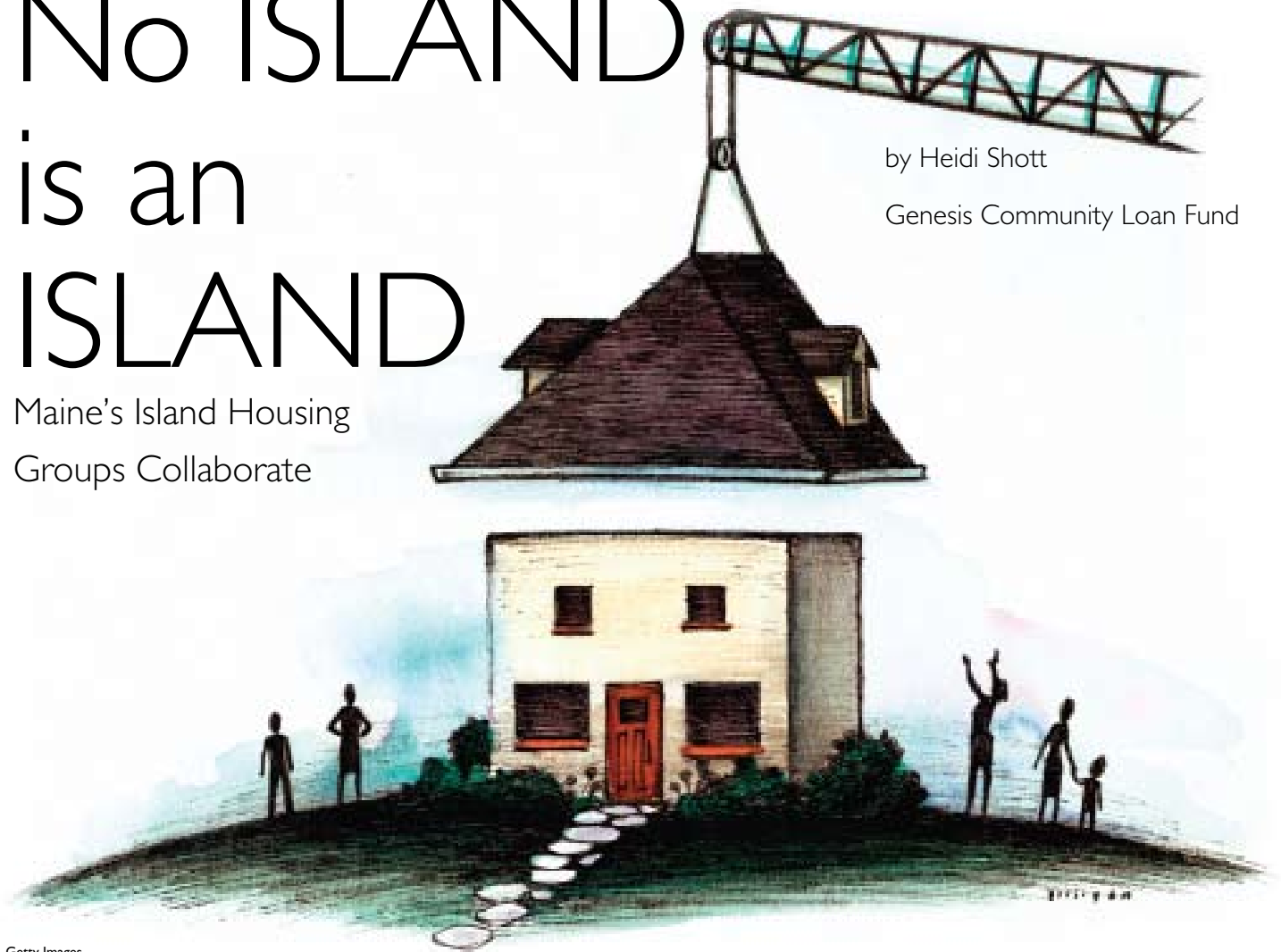


No ISLAND is an ISLAND

Maine's Island Housing
Groups Collaborate

by Heidi Shott

Genesis Community Loan Fund



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Ten years ago, residents of Vinalhaven, Maine's largest year-round island community, took the first step to address a growing concern. Many elderly neighbors and relatives were obliged to travel to mainland nursing facilities and often ended up living there permanently, away from families and friends. The residents contacted the Genesis Community Loan Fund (GCLF) to see if there was some way that people who needed nursing services could receive them on the island.

GCLF assisted the islanders with tasks such as nonprofit incorporation and grant writing, and by 2001, Vinalhaven Eldercare Services opened the Ivan Calderwood Home. The facility allows 16 islanders to receive the care they need while remaining part of their community as long as they live.

Islands' Unique Needs

The Calderwood Home project raised awareness that Maine's 14 off-shore island communities would need a source of grant

funding and technical assistance to preserve and sustain year-round communities not only for elders, but also for young, working families.

Maine's unbridged island communities embody a cherished cultural and historical tradition. Their sustainability is threatened by escalating property values; expensive goods, services, and transportation; a lack of affordable workforce housing, medical care, economic development, or technological infrastructure; and uncertainty about the future of fishing in the Gulf of Maine.

GCLF, other concerned organizations, and islanders themselves saw the need for safeguards to ensure a strong social fabric. They began to collaborate. In so doing they may provide a model for other vulnerable communities.

Taking Action

In 2004, the Maine Community Foundation, the Maine Sea Coast Mission, the Is-

land Institute, and GCLF formed the Islands Challenge Fund. A grant of \$220,000 from Jane's Trust of Boston got the fund going, and since then it has been making \$25,000 grants to island organizations developing affordable year-round housing.¹

Progress Seen

The Islands Challenge Fund had an almost immediate impact. On Monhegan Island, where the year-round community hovers at around 70 people and the loss of one young fishing family can threaten the overall viability of the school and the winter community, there is new housing. In November 2007, the island's fifth affordable home sold with help from an Islands Challenge Fund grant.

As Doug Boynton, a Monhegan lobsterman and the first president of the Monhegan Island Sustainable Community Association (MISCA), said at a state capitol rally last year, even "six year-round affordable homes on Monhegan can make a big difference."

For Boynton, help from GCLF was critical because “most of us on the islands are so busy working that we don’t have the extra time to find ways to get the funding and support we need to help the island community.”

Despite being busy, Monhegan residents applied island resourcefulness to overcoming many financial and regulatory obstacles. Pushing beyond their comfort zone, they tapped summer residents to help raise funds. They reached beyond the island for financing assistance from the Genesis Community Loan Fund and Camden National Bank.

With the success of each new island project, the partnerships and the ease of operation between the island organizations and funding institutions has gained momentum. Camden National Bank Community Reinvestment Act officer Vera Rand says her bank has now made loans for “affordable housing, elderly housing, and sustainable initiatives on Islesboro, Vinalhaven, Monhegan, and North Haven. In addition, the bank has sponsored grant applications—through the Federal Home Loan Bank of Boston—that have been successful in garnering funds to support two projects.”

Collaboration Grows

Collaboration is growing. To help people learn about activities on other islands and connect with nonprofit partners, an Islands Affordable Housing Symposium was held in April 2006. More than 100 legislators, islanders, and members of Maine’s affordable housing community attended. That same month, the Genesis Community Loan Fund learned it had received a \$300,000 grant award from the U.S. Department of Agriculture’s Rural Community Development Initiative to help eight of Maine’s islands build organizational capacity.²

Then in 2007, the Rockland-based Island Institute developed a second granting program to support affordable year-round island housing—the Affordable Coast Fund. In one more example of collaboration, that fund shares the Islands Challenge Fund’s granting application process and uses the same grants committee, composed of residents from several islands and staff from supporting organizations. Thanks to the combined efforts of the funds, 11 grants totaling \$215,000 had been awarded to island housing groups by spring 2008.

With the Islands Challenge Fund requiring contributions of at least an equal

amount of local dollars before grant funds are released, islanders have raised \$356,000 on their own. An additional \$50,000 grant to the Genesis Fund from Jane’s Trust in 2007 enabled subsidized interest rates (as low as 3 percent) on four loans to island groups to help them purchase homes that could be leased or resold to income-eligible island families.

Another example of collaboration has been with “intermediary organizations”—nonprofit housing developers that have the experience and capacity to assist islanders.

Avesta Housing of Portland, for example, is assisting the volunteer-led housing group on Peak’s Island, HomeStart Inc. Similarly, Community Housing of Maine took the lead on a six-unit apartment building of affordable rental housing on Vinalhaven, where two-thirds of the 137 renter households in 2000 had annual incomes below \$35,000.³ With help from Community Housing of Maine, six qualified renters will be able to move to decent housing by 2009.

And every bit of help counts. As director Dale McCormick of the state housing authority, MaineHousing, puts it, islands have “special challenges.” The challenges include higher costs for land, transportation, and construction—and a bigger portion of island income going to purchase goods on-island (where they are often marked up 25 percent to 30 percent) or to transportation for less expensive goods from the mainland.⁴

In addition, unexpected construction costs are harder to manage on islands. In one example, Islesboro Affordable Property began working on a five-acre parcel and encountered soil unsuitable for a septic field. It had to haul gravel from the mainland. Says director Joanne Whitehead, “The cost of these [three] septic systems increased to \$15,000 to \$17,000 a piece.” If IAP had not brought in modular homes on barges, the septic-system surprise would have pushed the project over budget.

In 2007 IAP sold the first house to a teacher, a key community member who—after 17 years of renting from Islesboro summer people during the winter and moving out when they returned for the season—really needed a home.

Sharing Ideas

Increased interest in developing affordable housing has motivated islands to seek

out and share information. Chebeague Island Community Association gives credit to Monhegan, Islesboro, and North Haven for materials on eligibility criteria and housing applications that led to the purchase of its first affordable home in 2007.

As the groups continue to learn from one another’s successes and challenges, the capacity of the entire effort will grow. Islanders’ get-the-job-done attitude will see to that. As Liza Fleming-Ives, the Genesis Fund associate director who administers both the Islands Challenge Fund and the USDA Rural Development grant, puts it, “Island people understand that finding a solution to their affordable housing crisis is critical to the survival of their communities and their way of life. ... I have such great respect for their intense dedication to serving their communities, even when it means taking on a role—like raising funds or learning the intricacies of ground leases—outside their comfort zone.

“Part of our work is technical, yes, but part of it is offering the encouragement that the work they are doing—ensuring that their island life is sustainable for their children and their grandchildren—may be long and hard, but it’s worth it.

“Patience and hard work are two things that year-round islanders understand.”

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Endnotes

¹ See Jane’s Trust, <http://www.hembar.com/selectsrv/janes>.

² GCLF applied for a RCDI grant for “pass-through” funds to eight named island groups. Not all 14 of the year-round islands qualified to be included in the grant. For example, Peaks Island was ineligible because it is in the City of Portland.

³ *Housing Demand Analysis of the Town of Vinalhaven, Maine* (Hallowell, Maine: Planning Decisions Inc., 2004).

⁴ See *Sustaining Island Communities* (Rockland, Maine: Maine Coastal Program, Island Institute, 1996), 85-87. Preliminary follow-up research conducted by the University of New England’s Samuel McReynolds in 2006 confirmed that costs for island residents’ basic supplies remained constant since the original research.

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