



THE YEAR-ROUNDER *a newsletter of* ISLAND HOUSING TRUST

SPRING 2015 • VOLUME 11, ISSUE 1



7TH RIPPLES HOUSE NOW UNDER CONSTRUCTION

After an unexpected hiatus, building began again in late March at Island Housing Trust's workforce housing development at Ripples Hill in Somesville.

Nichols Construction LLC is currently building a four-bedroom house for Marianne Dimauro (pictured to the left) and her three teenaged triplets. Marianne, a nurse at Mount Desert Island Hospital, and her children are happy to be joining the Ripples Hill community, where they already have good friends.

"This is so exciting. Every day we see more and more progress," Marianne said in mid-April. "We can't wait to move in. The kids will love being in the home before school starts and so will I." It is expected to be completed and ready for occupancy sometime in August, weather permitting, of course.

The Dimauro house will be similar in design to at least one existing Ripples house, with three bedrooms on the second floor and a single bedroom in the bump-out section on the first floor.

Roughly 1,500 square feet, it will have two bathrooms, a built in pantry, and a kitchen island that seats four. As is the case with the other six houses at Ripples, its envelope will be super-insulated to create energy-efficient heating and household operation.

"We are delighted to be able to help Marianne, her two sons and daughter join the Ripples Hill community," said IHT Executive Director Chris Spruce. "They are a perfect fit for what has become a very close and friendly neighborhood."

Marianne worked with Jack Gibbons, vice president and mortgage specialist at Machias Savings Bank, to secure the construction loan for her new house.

IHT continues to work with two other applicants for the remaining available lots in Phase II.

In 2011, Island Housing Trust initiated its first Homeownership Assistance Project (HOAP) pronounced “hope,” with the help of The David Rockefeller Fund. Since then, IHT has completed another 10 such projects to date across Mount Desert Island, investing nearly \$320,000 in bridge grants that allowed these projects to go forward. Twenty adults and sixteen children now live in HOAP supported households in every town on MDI.

“IHT has been fortunate. Several donors have consistently supported our efforts to preserve the year-round community on MDI by providing working individuals and families with homeownership opportunities they can afford,” said IHT Executive Director Chris Spruce.

However, the Homeownership Assistance Program has seen demand rise steadily in the last 15 to 24 months to the point where demand is outstripping available program resources. “We now need to find the funds that will allow us to invest in more HOAP projects,” Spruce said.

On average, each HOAP project requires a \$29,000 investment from IHT to make it feasible for the buyer to purchase their year-round house. In return for IHT’s bridge grant in support of the purchase, the buyer agrees to IHT’s affordability covenants that regulate the property’s resale. Essentially, the HOAP investment ensures that the property will remain affordable in the future to MDI’s working individuals and families.

“Although each bridge grant represents a significant amount of money,” Spruce noted, “it really is a relatively cost-effective way to ensure that a stock of affordable workforce housing is created and sustained for the future on MDI.” Compared with development costs associated with new construction such as sewer, roads, and water, HOAP bridge grants are very efficient in achieving IHT’s objectives,” he added. Based on current average investments, \$300,000 in resources would translate to ten more HOAP houses whereas a similar amount of

investment might allow IHT to create three or four additional lots at Ripples Hill, IHT’s workforce housing subdivision in Somesville.

“We need both HOAP projects and Ripples Hill because our applicant families have differing needs and bring different resources to the table,” Spruce said.

To qualify for HOAP, applicants must have household income derived from working on MDI, have total household income of 160% or less of area median household income for the State of Maine, qualify for a mortgage loan, agree to live on the property as their year-round home and have the ability to apply some of their own funds toward the purchase.

If you would like to contribute to the HOAP project fund, please use the reply envelope enclosed or visit www.islandhousingtrust.org and click on the donate button.

IHT SEEKS DONATIONS IN SUPPORT OF HOAP

The latest beneficiaries of Island Housing Trust's Homeownership Assistance Program are a local carpenter and his student nurse wife.

Lucas and Rachel Butler (pictured to the right with their two daughters) received a bridge grant from IHT in mid-April that helped them purchase a two-story farmhouse on the Knox Road in Bar Harbor. The couple purchased the house from local builder Brian Shaw, Lucas' employer.

Under an arrangement with Shaw, Lucas has worked on extensive renovations and repairs to the house in advance of the purchase and his eventual occupancy with his wife and their two children. He plans to continue to complete renovations as time and family finances allow.

Rachel is enrolled in the nursing program at Eastern Maine Community College and plans to complete her course work toward an RN degree during the next few years as childcare demands of her 15-month old daughter permit.

IHT Executive Director Chris Spruce said that this latest project is typical of the HOAP projects to date in that it is a cooperative effort among the buyers, who committed their own resources to the purchase; the seller, who sold below appraised value; the lender, Bar Harbor Savings & Loan, which provided a mortgage at a low-interest rate; and IHT, which provided the grant that filled the gap between the sales price and what the bank loan would lend the couple.

As with all HOAP projects, in return for the grant the buyers accept IHT affordability covenants that ensure that the property will remain affordable to working individuals and families on Mount Desert Island if and when it is resold.



11TH HOAP PROJECT COMPLETED

“We are so thankful for IHT’s help.
It’s wonderful to have such an organization helping
families like ours purchase a house here on MDI.”

- Rachel Butler

Phase II at Ripples Hill required construction of a new road. That road required a new name to distinguish it from the main road into the development, Farnhams Way. Although long-time IHT Board Member Sydney Roberts Rockefeller was reluctant to have the new road named in her honor, she relented after hearing that the children at Ripples Hill wanted the new road to bear her name.



Ripples Hill resident and IHT Board Member Anica Miller-Rushing visits Sydneys Way with her sons.

NEW ROAD AT RIPPLES HILL

Sydney has had a relationship with many of the parents and children through Acadia Community Theater, Saint Mary's by-the-Sea and its House Church, her canton of a Christmas tree and the first decorating party, participating in a summer picnic, having one of the children race with her, a 50th Birthday Surprise Party, and most recently, being part of an Easter Sunday fete.

IHT Board Member Hook Wheeler laughed when hearing about the name, commenting that an intersection of Farnham's Way (which Sydney, with Board approval, named for Farnham Butler, board member and first major donor, just before his death in 2008), and Sydney's Way might be a complicated intersection.

Sydney is trying to find a way to celebrate her much loved and revered former/late mother-in-law's name somewhere on Ripples Hill. David and Peggy Rockefeller had the vision to donate this property to the Town of Mount Desert in the mid-80s for the express purpose of creating affordable housing.

STAFF

Christopher Spruce
Executive Director

Alison Beane
Programs Associate

207.244.8011
islandhousingtrust.org

Island Housing Trust (IHT) received \$4,525 grant from the Hancock County Fund of the Maine Community Foundation in 2014 to assist IHT staff in conducting research to identify the possible role for IHT in addressing the scarcity of affordable, year-round rentals on MDI.

The final report, which was posted to IHT's website in February, identified very few viable options for IHT to help address year-round rental issues, according to IHT Executive Director Chris Spruce.

"The issues surrounding year-round housing, including rentals, are not amenable to easy solutions," Spruce noted. "Our study found that short of significant investment in new rental projects by the private sector — an undertaking that itself is fraught with challenges — the year-round rental issues will continue to be addressed incrementally; that is, incremental actions that could result in the creation of one or two new year-round rentals from time to time."

As an example of incremental action, Spruce pointed to a recent Island Housing Trust Homeownership Assistance Program project, where the buyers wanted to live on the first floor of the house they were buying and to rent out the second floor to a year-round working individual or family. IHT provided a bridge grant to a couple that purchased that property in Town Hill. Most of these grant funds were used to renovate the second floor of the house into an apartment. This approach could be replicated in future HOAP projects where maintaining or creating an apartment in a primary resident is feasible, Spruce said.

To see the findings and recommendations of the full study, visit www.islandhousingtrust.org, go to the Newsletters and Publications tab and then click on "Rental Study."

IHT RENTAL STUDY COMPLETED

BOARD OF DIRECTORS

Joanne Harris <i>President</i>	John T. Kelly
Sydney Roberts Rockefeller <i>Vice President</i>	Ted Koffman
Anica Miller Rushing <i>Secretary</i>	Andrea Leonard
Cinnamon Catlin-Legutko <i>Treasurer</i>	Marla O'Byrne
Nathaniel R. Fenton	Carole Plenty
Donald Graves	Philip Steel
Linda Higgins	Hook Wheeler
Ellen Kappes	Ben (Lee) C. Worcester III



L to R: Judith Cullen, Mark Carignan,
Christie Anastasia, and Ed Horvath

EASTER DINNER LAUGH AT RIPPLES

IHT RECEIVES GRANT

IHT received a \$4,000 grant from National Community Land Trust to help defray first-year implementation costs for a database designed specifically to manage affordable homeownership programs. This application, *HomeKeeper*, allows IHT a way to track all the details of a project and to share basic data with the *HomeKeeper* National Data Hub. It collectively uses the shared data to measure impact and create a yearly social report that includes such data as the number of affordable homes, size of households, gross household income as a percent of annual median household income (AMI), and community investment for its covenanted properties.

