

The Lending Hand

GENESIS COMMUNITY LOAN FUND

FALL 2001

Genesis Support Reaches Most Corners of the State

OVER THE PAST SIX MONTHS the Genesis Fund has supported projects in every direction of the state's compass—from Sanford in the south to Ashland far up in Aroostook County, from Poland in the west to Perry all the way Down East.

Our below market-rate loans were earmarked for projects developing 31 units of housing for persons with mental health or assisted living needs, for transitional housing for homeless families, for a new multi-service community facility for homeless youth and for an alternative school educating young people who have failed to make progress in public schools (see adjacent box).

Several other organizations and projects have recently sought our help with program development, financial planning and/or access to additional sources of financing.

The **Pleasant Point Passamaquoddy Tribe** asked us to help the reservation housing authority and health center develop a residential care facility serving up to 16 frail tribal elders. Among the Passamaquoddy, the high occurrence of serious illness contributes to a significantly lower average age of mortality (55 years) than the norm. Kilun Kikun House will be created from the redesign of an existing 6,500-square-foot building that the tribe is donating for the purpose. Genesis helped the tribe win a \$300,000 grant from the Maine State Housing Authority to rehabilitate the building.

Kilun Kikun House will be the first assisted living facility on a Native American reservation in New England.

We are working with **York County Shelters** to raise subsidy dollars to fill a \$72,000 gap in financing for their new four-unit transitional housing facility in Sanford. The project rehabilitates a property that has been a vacant eyesore for over two years. It will link

affordable housing with meaningful outreach services for four families who have recently been homeless.

The community-based nonprofit **Wayne Village Homes** is pursuing the development of a 14-unit apartment complex to provide attractive housing and a package of services (housekeeping, some meals, transportation, resi-

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LENDING FOR AFFORDABLE HOUSING AND COMMUNITY FACILITIES

Since June 2001 the Loan Fund has disbursed or committed over \$800,000 in new loans for affordable housing, community facilities and working capital.

SPECIAL NEEDS HOUSING

- The Housing Foundation, Orono: \$70,000 for acquisition of a Bangor home to serve four adults with mental illness.
- Elmhurst, Inc., Bath: \$26,250 to help with the acquisition of a home in Bath for two adults with mental retardation.
- Shalom House, Portland: \$100,000 for acquisition of a property permitting a 15-unit expansion of the existing 12-unit facility for persons with mental health service needs.

TRANSITIONAL HOUSING FOR FAMILIES

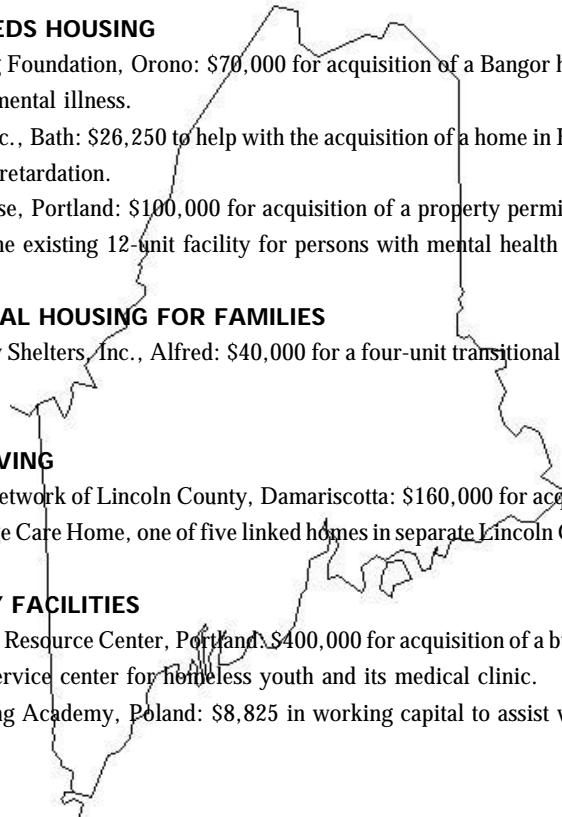
- York County Shelters, Inc., Alfred: \$40,000 for a four-unit transitional housing facility in Sanford.

ASSISTED LIVING

- ElderCare Network of Lincoln County, Damariscotta: \$160,000 for acquisition of the Jefferson Village Care Home, one of five linked homes in separate Lincoln County villages.

COMMUNITY FACILITIES

- Preble Street Resource Center, Portland: \$400,000 for acquisition of a building in which to expand its service center for homeless youth and its medical clinic.
- Poland Spring Academy, Poland: \$8,825 in working capital to assist with expansion efforts.



dent service coordination) to area elders. Genesis has developed a financing plan for the project and has won two grants for it.

We have begun helping another community-based nonprofit, **Ashland Care Givers, Inc.**, to plan a small assisted living facility to serve Ashland (pop. 1,474) and the surrounding towns of Portage, Masardis and Ox-bow. The home will be built next to the Aroostook Valley Health Center. Genesis will be project manager and may lend construction funds as well.

Restoration of the historic art deco **Center Theater** in Dover-Foxcroft would provide critical downtown economic stimulus in southern Piscataquis County, the poorest county in the state. The area has been without any

theater or cultural center for the past 30 years. Genesis has put the Center Theater group in touch with potential federal and state funders and could become the acquisition lender.

Genesis Fund Receives \$184,500 Federal Grant

OUR FUND IS ONE OF 70 applicants selected by the U.S. Department of Treasury to receive awards totaling \$8 million under the Small and Emerging CDFI Assistance program of the Community Development Financial Institutions Fund. Genesis will receive an \$184,500 grant.

These funds will increase the loan pool to \$1.94 million and will enable

Genesis to provide more low-interest loans and technical assistance to organizations developing affordable housing and community facilities.

In June the CDFI Fund certified the Genesis Fund as a community development financial institution. This certification is made to specialized financial institutions that work in market niches that have not been adequately served by traditional institutions. The CDFI Fund was created to expand the capacity of CDFIs to provide capital, credit, and financial services in underserved markets.

Historic Building New Home for Shalom House Clients

FRIENDS OF SHALOM HOUSE gathered on September 13th to celebrate the opening of a group home in a handsome building at 130 Park Street, Portland, built in 1847. Eight people with severe mental illness have moved into the transitional residence, which offers all-hours access to the services they need. The Genesis Fund provided a \$415,000 bridge loan for acquisition of the house.

“Transitional housing such as we have here at Park Street reduces homelessness by reducing reliance on emergency shelters,” Executive Director Joe Brannigan said at the opening. One third to one half of the homeless population is estimated to have mental illness.

The residents of Park Street once lived at 90 High Street, purchased by Shalom House in 1972 as its first building. It will soon be renovated into apartments for Shalom House clients who are able to live fairly independently.

Ivan’s Dream Realized on Vinalhaven

VINALHAVEN ELDERCARE SERVICES (VES) celebrated the culmination of four years of hard work with the opening of the Ivan Calderwood Homestead last June. The home is a residential care facility that can accommodate up to six frail elderly residents of the island.

Ivan Calderwood, a 99-year-old lifelong island resident, bequeathed his home to the group to be used for assisted living. Ivan had seen an uncle and aunt placed in nursing homes on the mainland and was set against the elderly having to leave the island.

His dream was realized when the Homestead opened. Five private

rooms, which had been added to the original house, are now occupied. One of the residents was able to move back to the island from the mainland. The residents reportedly are enjoying the staff, the meals, the garden and, most of all, their many visitors.

VES has been helping to meet the needs of Vinalhaven elders since 1997. It runs a transportation program, coordinates Meals on Wheels, matches high school volunteers with elders to help with errands and chores, and advocates on behalf of the elderly. Beth McPherson of the Genesis Fund worked with VES for two years as they raised the necessary funds, at the local,





Shalom House is the largest provider of supportive housing alternatives for persons with mental illness in the greater Portland area. It has 15 differ-

Shalom House's new Park St. group home

ent housing programs and serves 550 clients annually.

MILESTONES

(as of 10/31/2001)

Amount lent to borrowers:
\$3,040,273

Percentage of repayment
by borrowers: 100%

Housing units created: 520

Funds leveraged: \$20,125,170

Hours of assistance provided:
more than 7,000

Amount of subsidy dollars raised
for projects: over \$5,000,000

Percentage invested by
individuals: 49%

Percentage invested by faith-based
institutions: 34%

Percentage invested by other
institutions: 17%

Percentage of repayment
to lenders: 100%

CREDIT WORTHY

Work on Village Care Homes Wins State Recognition

THE GENESIS COMMUNITY LOAN FUND was honored for its outstanding contribution to affordable housing in Maine at the Governor's Annual Affordable Housing Conference in September. The Maine State Housing Authority recognized Genesis for its work in supportive housing, especially for its work with the ElderCare Network of Lincoln County and their Village Care Homes project.

"The Village Care Homes project that the Genesis Fund helped plan and develop is an outstanding example of developing affordable housing with services that meet the needs of our growing population of seniors," said MSHA Director Michael Finnegan.

Village Care Homes is a development of five small family-like homes, each with six residents. Each is located in or near the village center and allows lower income residents to remain in their own community as they age and require more services. The homes are in the Lincoln County towns of Boothbay, Wiscasset, Waldoboro, Round Pond, and Jefferson.

For Some, One Job Alone Won't Pay for Housing

LAST JUNE WE HAD A CALL FROM a woman who had just read an important new book—Barbara Ehrenreich's *Nickel and Dimed: On (Not) Getting By in America*, a report from the dark side of the 90's prosperity boom. The caller was Mary Fiore of Jefferson and New

York City, who had been distressed to learn that, for all too many hotel workers, nursing aides and sales clerks, one full-time job does not bring in enough to cover the cost of housing in southern and coastal Maine.

That phone call led to two extremely generous donations to Genesis from Mary and Joseph Fiore. Their first donation of \$20,000 was made in support of the Jefferson Village Care Home (*story at left*). The gift means that Genesis can lend the acquisition and construction funds needed for the project at no interest and also contribute ongoing development expertise. Then a stock gift from the Fiores realized \$48,800 for the Genesis Permanent Capital Fund, helping to ensure that Genesis can provide its low-interest loans well into the future.

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The Genesis Fund is among 31 statewide organizations that **MaineShare** helps to fund. **MaineShare** is a choice for payroll giving in over 100 worksites throughout Maine.

Maine Votes Yes on Housing Bond

BY VOTING YES ON QUESTION #1 on November 6, Maine voters approved \$12 million in new subsidy for badly needed housing throughout Maine. Overall, the new bond funds combined with other housing resources should generate \$20-\$30 million in total housing funding and create 500-750 units of affordable housing.

Uses of the funds include:

- Transitional and permanent housing for victims of domestic violence and their families.
- Home repairs and renovation, replacement and preservation of affordable apartments.

- Building the capacity and providing capital to nonprofit community housing organizations to build more affordable units.
- Developing housing across the state to serve low-income mental health consumers.
- Developing additional housing for people who are homeless.
- Purchasing land for affordable housing development in high-cost areas of the state.

Genesis expects to see an increase in requests for loans and technical assistance as more subsidy dollars become available to develop housing.

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