

The Lending Hand

Newsletter of the Genesis Community Loan Fund

FALL 2000

Interested in Borrowing?

Are you thinking about developing housing or other resources for Maine people who have limited opportunity to better their own lives? We can work with you on a plan for using and repaying borrowed capital. Please talk to us about your project!

Invest in the Community Loan Fund!

Earn interest on your investment while providing capital to fine organizations that are working to improve the quality of life in our Maine communities.

GENESIS COMMUNITY LOAN FUND

Beth McPherson
Executive Director

Debora Keller
Associate Director

P.O. Box 1
Bristol, ME 04539
(207) 563-6073
(207) 563-1359 fax
info@genesisfund.org

Large Investments Spur Fund Growth

BOOSTED BY INVESTMENTS from a far-sighted individual, a major church institution and a community-minded bank, the Genesis Fund has seen its ability to support community projects significantly enhanced in the past six months. With \$875,000 in new investments, revolving loan fund capital more than doubled to reach \$1.65 million in early November.

The new loan capital came from three sources. The faith-based source was the Episcopal Church's Economic Justice Loan Program, which committed \$250,000 to Genesis as a five-year investment loan to promote "a reduction of inequalities based on income,

wealth and power." Genesis expects to use the funds to provide start-up bridge loans to community-based organizations that are creating small residential care facilities in rural communities for the frail elderly of limited income, and to create start-up resources for the creation of transitional housing for homeless families.

With its investment of \$125,000, the First National Bank of Damariscotta seeks to improve the feasibility of five new village-based eldercare homes in its Lincoln County service area. In presenting the check, bank president Daniel Daigneault said, "Investing in the Genesis Fund is a way to give back to the communities in

which we work and live."

Finally, a very generous individual who wishes to remain anonymous provided a five-year investment loan of \$500,000 to promote the development of affordable housing.

Our overall goal is to get the maximum amount of "leverage" from the use of investor funds, so that small amounts of capital make a big difference in people's lives. Genesis capital has filled a critical gap in the total funding picture for many worthy purposes this year, including:

- Bridge loans to Shalom House, Portland (\$415,000) and Dixfield
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Animals Act as Therapy For Abused Kids

CHILDREN WHO HAVE SUFFERED extreme emotional and physical abuse have difficulty forming trusting relationships and seldom succeed in traditional foster placements. Turning Point Farm, a new group home in New Gloucester, Maine, is seeing positive change in a handful of such children, partly through the use of animal-assisted therapy.

In June the Genesis Community Loan Fund made a \$31,000 working capital loan to Turning Point Farm. This loan, in conjunction with a line of credit from Peoples Heritage Bank, allowed Turning Point to cover necessary start-up costs such as the purchase of furniture, books, toys and groceries in preparation for welcoming their new residents. "The loan was imperative," said Executive Director Nancy Rochat. "I don't know what we would have done without it. We had to have furniture."

By early August Turning Point was at capacity with six young boys, aged 7 to 11, who are wards of the state. Each of the children has had numerous unsuccessful foster

Turning Point Farm Director Nancy Rochat at the barn door with some of her animal friends.

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Development Corporation, Rumford (\$100,000), made it possible for those two nonprofit agencies serving troubled youths and adults to purchase much-needed properties before long-term financing would become available.

- For community-based organizations developing homes for the frail elderly on Vinalhaven Island (Vinalhaven Eldercare Services, \$100,000) and in several Lincoln County communities (ElderCare Network of Lincoln County, \$250,000), we supplemented our loans with many hours of technical assistance. In the town of Wayne we are working with the nonprofit developer of a 14-unit senior housing project.

Turning Point Farm

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care or mental hospital placements. At the farm, they are receiving individual and group counseling as well as animal-assisted therapy, and the hope is that they will stay until they are 18 years old.

The 16-room farmhouse is set on 12 acres. A large barn is home to a number of farm animals including sheep, goats, rabbits and chickens that are cared for by the boys. One of the boys explained that a hawk recently ate one of the chickens. "But we still have 29," he said, "and the hens have begun to lay eggs. We're saving them up to eat."

The farm is a dream come true for Rochat, who has a masters degree from Simmons College School of Social Work and more than ten years experience dealing with youth. In the first few months of operation, she has already seen positive changes in the boys. She says they are beginning to work and play together, and she feels they have begun to form brotherly, caring relationships with each other. She points to the success of the staff in creating an environment where each of the boys feels safe.

Turning Point Farm employs ten full-time and four part-time staff. This structure allows the home to provide 24-hour supervision and to accept youth with behavioral problems who might otherwise require specialized care that can only be provided out of state.

Genesis Hires New Staff Member

IN EARLY OCTOBER, the Genesis Fund welcomed Debora Keller as its new Associate Director. Debora brings to Genesis eight years of community and economic development experience with public agencies and nonprofit organizations at both the state and local levels.

Debora's housing experience includes a one-year stint as a VISTA Volunteer in Iowa City, where she worked with a community housing development organization. In that capacity she created a \$10,000 revolving loan fund targeted to low-income individuals and families.

More recently she has been involved in program administration, financial analysis and the provision of technical assistance. In 1998 she received her Masters Degree from Tufts University

with an emphasis on community and economic development. She and her husband Douglas Bertlesman recently relocated to Maine, making what she calls a "quality of life" move.

Neighborhood Eyesore Becoming Vital Community Center

PORTLAND'S ST. LAWRENCE ARTS AND Community Center is creating a template for making change in a community. Center volunteers have turned a neighborhood eyesore into what will soon be an economically viable community facility. The project is a true grassroots effort that encompasses historic preservation, neighborhood revitalization, and arts and culture.

Two years ago Genesis made a \$20,000 loan to the Friends of the St. Lawrence Church to help in their effort to turn the vacant 103-year-old Munjoy Hill church into a neighborhood arts and community center. This September a new 8-year loan of \$33,000 was approved. According to Executive Director Bill Milliken, "Genesis financing originally allowed us to cut our mortgage payments in half. This new loan eliminates our debt to the original owner and consolidates all that we owe."

The biggest hurdle overcome by the Friends group in the past seven years, says Milliken, has been convincing others that the project is feasible. This conviction finally took hold in the last year

or two, he believes. During that time, renovation work picked up speed and the building has come alive. The most obvious changes are a new roof and the repair and replacement of 40 of the original stained glass windows. More than \$700,000 has been raised for these repairs from sources including the city of Portland.

The two-level parish hall—about half of the church building—is scheduled to open next May with a professionally equipped 90-seat theatre and seating that can be moved to make way for community events. A new partnership was recently formed with Portland-based theatre groups, led by the Acorn Theatre. These groups, which are assisting with capital campaign efforts and providing expertise in theatre development, will occupy the space for 26 weeks out of the year. Community groups will be able to rent it for events during the remainder of the year. With half the building operating and paying its way, the organization will move to the second phase of the project—renovating the vaulted sanctuary that seats 450 people.