

CRANBERRY ISLES REALTY TRUST

*Mission: Nurturing & sustaining a vibrant island community
by providing year-round housing opportunities for working families*

*Vision: The Cranberry Isles is a bustling community of 200+ year-round residents of all ages,
with a thriving school, a strong summer community, and a robust economy.*

AUGUST 2022 ANNUAL REPORT

Ken Schmidt, President

HALLMARKS OF THE LAST YEAR

Island Homes for Working Families:

- **Katie Truesdale and Cam Frothingham** had wanted to try out living on Cranberry Island for a winter, before making the decision to move here permanently. Luckily, CIRT had been able to rent the Preble Cove house to them for a year prior to selling it last August. That experience gave them the time to know they and their two boys loved living on the island. Fortunately, they were able to find and buy a house on Harding Point Road in August 2021 and have continued as valued year-round members of the GCI community. In fact, Katie recently became the Principal of the Cranberry Isles Schools.
- **CIRT was very fortunate to sell its Preble Cove House**, previously bequeathed by Bruce Komusin to CIRT, to a family choosing to live in it year-round - **Tyler and Lydia Johnson** and their two children. They have invested themselves in the island and its organizations, adding a great deal.
- CIRT decided a few years ago to sell its Rice House, in order to invest in larger, newer homes more suitable for families. **CIRT was fortunate to sell Rice House to Jordan Merchant** in July 2022; Jordan is a fourth generation MDI resident and eight-year Navy vet, and a caretaker in Northeast Harbor. The CIRT board ensured that Rice House will remain a home for year-round families forever due to CIRT's Covenants recorded onto its deed.
- **The Cranberry Homes Assistance Program (CHAP)** was launched in July 2022 after a year of intensive planning. It was funded with proceeds from the sale of the Preble Cove House and generous community donations; the initial funds set-aside for the CHAP are \$150,000. CHAP will provide up to \$50,000 in loans to eligible families to help them buy an affordable year-round house on the islands. There are no interest payments ever on CHAP loans, and the loans are only repaid if the house is sold or ownership changes. A CHAP assisted house will have CIRT's permanent Covenants on it, ensuring the house will forever only be a year-round island home.
- CIRT's three rental houses on Great Cranberry have been lived in continuously by the same families for eight years! **The Gaithers, the Walls and the Sumners all are valued and vital**

members of the island community, richly contributing to it through their families, their skilled work, and volunteer dedication and participation.

- **CIRT's Maple Street House, Islesford, was leased to January and Jonathan Bennett** in July 2021 after **Jeff and Barbara Pease** moved out and purchased their own island home. These families contribute in many ways, including saving many islanders having a computer crisis.
- Although not involved in a CIRT house, **the islands have also been enriched when Mike and Wendy Todd purchased the red house on The Lane** last winter and moved in year-round with their two daughters. They cheerfully volunteer in organizations and help out wherever needed.
- **Maintenance of CIRT's four rental houses continues** – besides minor maintenance issues, a number of new appliances have been installed, and a winter door for the basement bulkhead is being installed on the Kane House.

Effective, Mission-Based Organization:

- **JC Camilio** retired from the Board after a number of years of invaluable service, most recently as its President and then Vice President. **Jim Singerling** also retired after many years of service to CIRT. The contributions and dedicated service of both have been greatly appreciated.
- **Jim Gertmenian and Malcolm Fernald** joined the Board in the spring of 2022. Jim takes over as chair of the Homes & Families Committee bringing his previous experience as a CIRT board member as well as his long professional experience volunteering in service organizations including for community housing. Malcolm brings considerable experience serving on town committees and as a town selectman as well as real depth of understanding of island life through his multi-generational family history on Islesford.
- **An Islesford Community Conversation** was held in July 2022. Valuable perspectives were shared by community members about the needs and possible solutions for year-round housing.
- **A Cranberry Community Meeting** was held in early August 2022. Eight community members provided many ideas on how to improve the two new rental housing units being planned.
- **The CIRT Annual Meeting was held on Islesford** on August 19, 2022.

Viable Finances:

- The **2021 Annual Appeal** announced in CIRT's November newsletter raised over \$13,000 – which has been used to help maintain CIRT's four rental homes and help keep rental fees affordable for our working families.
- **CIRT gained over \$400,000 for its Strategic Investment Fund** when it sold the Preble Cove House in August 2021. These funds will be carefully invested to provide additional island year-round housing opportunities through the Cranberry Homes Assistance Program (CHAP) and development of two more rental homes on both islands.
- **CIRT gained another \$150,000 for the Strategic Investment Fund** (net after paying off a mortgage) when it sold Rice House in July 2022.
- **With the sale of these two houses, CIRT committed \$200,000 to Islesford and \$200,000 to Cranberry for the development of two year-round rental housing units on each island, as well as \$150,000 to the Cranberry Homes Assistance Program (CHAP)** to help families purchase year-round island homes.
- In addition, in fall 2021 CIRT received **an extremely generous donation of over \$50,000 in stock** from a long-time GCI summer resident.

MAJOR GOALS FOR THE COMING YEAR

Research and Develop Clear and Fair Rental Policies

- CIRT's Homes & Families Committee will research, gain input on, and then recommend a new, fair, and reasonable policy for setting rental rates, bearing in mind the "island living tax" on island residents.
- CIRT's Homes & Families Committee will also recommend a rental application review process including selection criteria and priorities.

Support Year-Round Home Purchase with the Cranberry Homes Assistance Program (CHAP)

- CIRT will manage its new Cranberry Homes Assistance Program (CHAP) and look forward to making the first down payment financial assistance of up to \$50,000 a house to help eligible working families purchase affordable, year-round, island homes.

Develop Two Additional Rental Homes on Both GCI and Islesford

Great Cranberry Island:

- The GCI Housing Development Committee will submit in fall 2022 an application for a long-term forgivable loan of \$420,000 to Maine Housing Authority to build two new rental homes on GCI.
- After an expected award by Maine Housing, contracts for two modular homes will be signed in the winter of 2023, land preparation will commence in the winter/spring, construction will begin in the summer, and the houses will be completed by end of summer or early fall 2023.
- CIRT will lease the two new modular homes to two eligible working families in fall 2023.

Islesford:

- CIRT will develop a feasibility plan for one to two new rental units on town land on Islesford in fall 2022 and submit it to the Town for approval; if there is only space for one home, other options will be developed for a second unit.
- If that housing plan on town land is approved in the Town Meeting, the Islesford Housing Development Committee will submit in spring 2023 an application for a long-term forgivable loan of \$420,000 to Maine Housing Authority to build two rental units on Islesford.
- After the expected award from Maine Housing in summer 2023, CIRT will begin land development and construction likely in winter or spring 2024 with completion by fall 2024.
- Two eligible families will move into two new Islesford rental units in summer/fall 2024.

Outreach to Community on CIRT's Mission and Activities

- CIRT will continue to reach out to the Cranberry Isles community for partnership and feedback through community meetings and bulletins and newsletters.
- CIRT's web page will be enhanced.

Effectively Manage Finances and Infrastructure to Meet CIRT's Community Mission

- An Annual Appeal and newsletter will be published and sent out in the fall to help educate the community about CIRT's mission and goals and seek to raise over \$10,000 a year to help maintain CIRT's rental properties and help keep rental rates affordable for working families.
- CIRT will continue to invest in its rental housing facilities to ensure they are well-maintained.
- The CIRT board will initiate summer 2023 a quiet campaign to raise the significant additional funds needed to complete construction of the two new rental houses on GCI and the two new rental housing units on Islesford.
- A web-based document service will be adopted to ensure easy access for Board, and long-term integrity of records and archives.