

CRANBERRY ISLES REALTY TRUST

DEDICATION OF TWO NEW GCI HOMES & ANNUAL MEETING

August 26th, 2023 Great Cranberry Island



CranberryIslesRealtyTrust.Org
PO Box 4, Cranberry Isles, ME 04625

AGENDA

Dedication of CIRT's New GCI Houses and Annual Meeting

Saturday August 26th
Tours 2:30 Dedication 3:30

- I. **Welcome to the Dedication from All the CIRT Board** - Ken Schmidt, President
- II. **Blessing of the Homes** – Rev. Dr. Jim Gertmenian
- III. **Greetings From the Town, Maine Housing Authority, and Genesis Fund**
- IV. **Thanks to Our Funders, Contractors & Volunteers** - Ken Schmidt, President
- V. **Why Affordable Homes Are So Needed on Our Islands** – Heath Wedge
- VI. **Our Two New GCI *Families*** – Jim Gertmenian, Chair, Homes & Families Com.
- VII. **Our Two New GCI *Homes*** – Alice Dunn, Board Member & Project Architect
- VIII. **Four More Year-Round Rental Units Coming to Islesford in 2024!** Jeri Spurling,
Chair, Islesford Housing Development Committee
- IX. **Project Costs & Funding** – Jim Kehoe & Frank Reece, Co-Chairs, Campaign
- X. **Cranberry Homes Assistance Program (CHAP)** – Judith Timyan, VP
- XI. **Approval of 2022 Annual Meeting Minutes** – Sam Reece, Secretary
- XII. **Election Of Board Members & Officers** – Peter Buchsbaum, Governance Com

Adjournment & Refreshments

Music Kindly Provided by Pixie Lauer & Friends

PRESIDENT'S ANNUAL REPORT, August 2023

Ken Schmidt

Six More Year-Round Rental Home Units Coming! CIRT is more than doubling from four year-round rental homes on the islands (three on GCI and one on Islesford), to TEN year-round rental homes - FIVE on Islesford and FIVE on GCI!

Two modular homes have just been delivered to GCI and will be finished by local islanders and contractors and then occupied later this Fall by two new families – both with children. CIRT secured an award of \$420,000 from Maine Housing Authority, and interim financing from Genesis Fund to carry us through until the campaign pledges all come in.

On Islesford, the Board has been extremely busy securing properties and CIRT will open FOUR more new year-round affordable rental housing units next year! We are about to sign a Purchase and Sale Agreement with Peyton Eggleston for his two properties on Islesford. We greatly appreciate the Egglestons for their deep love for and commitment to the Islesford community and to year-round families on it.

New Home Purchase Assistance Program Started: Over the last 15 years, CIRT ensured that two houses on Islesford and one on GCI are permanently protected and may only be owned and lived in by year-round families. Last summer, to increase the number of owned year-round homes, CIRT started the Cranberry Homes Assistance Program (CHAP) which can help eligible families with up to \$50,000 of their down payment, and that also permanently protects those houses as year-round. We have set aside \$150,000 from donations and from the sale of the Preble Cove and Rice houses to assist 3-4 families purchase their own homes over the next few years.

Two New Board Members Added:

Janet Hook, Great Cranberry: Janet has been coming to Great Cranberry Island since 1994. She and her husband Bill Patterson co-own a house on 1-95 with Damon Silvers -- who first invited her family to visit the island -- and Elissa McBride. Janet and her family spend several months a year there, and otherwise live in the Washington, D.C. area. She is a freelance journalist, after having spent more than forty years as a Washington correspondent covering national politics for the Los Angeles Times, the Wall Street Journal and other publications.

Andrei Pogony, Islesford: Andrei's family has been coming to the island since he was about 5 yrs old back in 1982. The family rented for years until they were able to purchase land in the late '90s. When Andrei graduated architecture school in 2002, the first house he designed was the family house on the south shore of Little Cranberry. Andrei maintains an architecture studio in Los Angeles during the year and works on a few projects around the islands during the summer months. His family, Deborah and two children Klara and Amalia spent a year on the island during the pandemic where his eldest

daughter Klara went to school on LCI. He is actively working with our two other board architects, Jeri Spurling and Alice Dunn, designing our four new Islesford homes.

THANKYOU!

For Making Our Two New CIRT Homes Possible On Great Cranberry Island

Funders

- **Donors and Contributors** – for donations and pledges, no matter the size, they are greatly appreciated and critical to the project!
- **Maine Housing Islands Initiative** for a \$420,000, 45-year, forgivable loan
- **Genesis Fund**, for interim project financing, and invaluable technical support

Contractors

- **Blair Colby**, GCI, for clearing the site
- **Joe Connell**, GCI, for carpentry work finishing the houses
- **Ric Gaither**, GCI, for painting interiors and other projects
- **Heath Wedge**, GCI, for various projects and assisting Joe
- **Coastline Homes**, Ellsworth, for design, coordination and contracting for modulars
- **KBS Builders**, South Paris, Maine – for our two Maine Built! modular homes
- **John Goodwin, Jr., Construction**, Southwest Harbor, John Jr., Ron Sanborn and all the great crew for land work, septic, foundations, and transporting homes
- **Northeast Plumbing**, NEH, Charlie
- **Whitney's Electric**, Reggie
- **Keeley Crane**, Bob
- **PL Jones**, Ellsworth, Asa, for the well
- **Appliance Solutions**, Hogan, Bar Harbor, for heat pumps
- **Brown's Appliances**, Ellsworth, for appliances
- **L.S. Robinson**, Southwest Harbor for insurance
- **Roger St. Amand, Atlantic Resource Co** for septic system plan & engineering
- **Justin Bennett**, Attorney, Rudman and Winchell, Ellsworth for legal work
- **Eastern Surveying Company**, Ed Pare, for survey work

Volunteers

- **Mandy Bracy** for her considerable help with road and parking during the move
- **Great Cranberry Island Historical Society/Cranberry House**, with particular thanks to **Phil Whitney, Jim Singerling and Sharon Morrell**, for putting up with months of construction, and huge logistical support during the move of the homes
- **Sue Hallett** for housing and feeding crew for three days, and **Bev Sanborn, Lou St. Germain and Evelyn Boxley Bunker** for deserts for the crew
- **Dennis Dever**, Code Enforcement, for his assistance with all things permitting
- **Jim Fortune** for help and support from the Town of Cranberry Isles
- **Pixie, Audrey, Coleman, Dexter & friends** for great music for the Dedication
- **Ladies Aid** for tables and chairs and support from a fellow community organization
- **Welcome Home! Campaign Co-Chairs Frank Reece and Jim Kehoe, and all the Campaign Committee members**, for your considerable efforts to raise the significant funds needed to complete the GCI and Islesford housing projects
- **GCI Housing Project Committee** for their tireless work planning the homes and bringing them to life:
 - **Alice Dunn** as project architect and Co-Chair of the GCI Housing Com
 - **Peter Buchsbaum** as Committee Co-Chair
 - **Jim Kehoe** as Treasurer and Committee Member
 - **Bill Dowling** as Committee Member and for volunteer trips ferrying crew

Apologies to everyone else who has volunteered – I'm sorry if I forgot to list your name. But you all helped making this project a huge success!

Welcome Dane, Jamie and Ford **And Kevin, Jenna and Theo!**

Report from Jim Gertmenian, Chair, Homes & Families Committee, July 22, 2023:

The Board of Directors of the Cranberry Isles Realty Trust is delighted to announce that families have been chosen for the two new rental homes on the “Komusin site” on Great Cranberry. Over 90 inquiries were received about the homes and 29 complete applications were submitted. Of these, four applicants were interviewed and three made visits to the island. CIRT’s Homes & Families Committee were looking for families who are committed to year-round island living, who have a reliable income stream, and who would be positive contributors to island life.



Kevin and Jenna Mann with their infant son, Theo.



Dane and Jamie Thompson with their 6-year-old son, Ford.

REPORT OF ISLESFORD HOUSING DEVELOPMENT COMMITTEE

Jeri Spurling, Chair

Participating in a great opportunity with Maine Housing Authority, CIRT plans on purchasing two properties on Islesford from a summer citizen who wants to see his properties returned to year-round occupancy. The first is his 2-bedroom home which also has a little summer studio cottage. CIRT hopes to give the studio a new concrete foundation, add a full bedroom, expand the tiny kitchen, and insulate the whole building. This will give us two rental units from this property: A two-bedroom home and a one-bedroom cottage.

There be a few necessary improvements to Peyton's 2-bedroom home: more insulation, a new heat pump system, a tighter crawlspace (perhaps lifting the home up to a higher foundation), and replacement of at least 2-bedroom windows to allow for larger egress windows. The existing fireplace will either be plugged or an electric insert will be placed in the firebox. Then the septic system that services both houses will need improvements.

adding

here



Peyton's second property is a two-story colonial home in good condition, located on Cross St. behind the Town offices. The existing home is on high ground very close to the road and the land falls away to wetlands behind the house to the South. CIRT intends to take two downstairs rooms from the existing 4-bedroom and add a one story wing to the South attached to the Southwest corner of the home. We will expand the existing kitchen into the existing porch and add a laundry room. This will create a 3- bedroom two-story unit and a 1-bedroom one-story unit. A window on the West wall of the home will become an entry door with a ramp to it, leading to a new 1- bedroom unit. The rest of the home will remain intact and much the same, as a 3- bedroom unit.



Borrowing 2
downstairs rooms
for new unit

New door at window. New one story wing
behind the existing home.

This project will need a new septic system, electrical upgrades, probably a new well, and investigation into the presence of lead paint. Both the cellar and attic are sound. The porch on the East end will need a new foundation and then the kitchen for the 3- b e d r o o m unit will expand into the porch.

Cranberry Homes Assistance Program (CHAP)

CHAP was started summer 2022 by Cranberry Isles Realty Trust (CIRT) to assist year-round, working families come up with a required down-payment necessary to purchase a year-round house on Great Cranberry Island or Islesford.

Why does CIRT want to help? Because we want to increase the number of affordable, year-round housing opportunities on the islands, so that working families can afford to live here.

How can the CHAP program help me? Eligible individuals or families who need help making their down-payment can potentially get a CHAP loan from CIRT. CHAP loans are interest-free, so there are never any interest payments to make, and the loan only has to be repaid if the house is sold in the future or if its ownership changes, such as inheritance or divorce.

The CHAP loan can be up to a maximum of \$50,000 or 80% of the total down payment, whichever is less. Please note: CHAP's available funds may be limited at the time you apply, so check in as soon as possible.

The maximum purchase price for a house to be eligible for CHAP assistance loan is \$339,200 in 2022. (Calculated as 2.5 x 160% of the annual family median income in Maine, as set by US Department Housing and Development (HUD). This state's median income is adjusted each year.)

In return for this no-interest loan, the buyer agrees to have CIRT's permanent Covenants recorded on the property. These Covenants require that the home will always be lived in year-round, and will always be reasonably affordable for future working families.

Some of the key provisions of the Covenants which the buyer agrees to:

- They will live in the house as their full-time, year-round residence (11 months minimum). They will not rent any of it out without CIRT's prior approval.
- CIRT will have a Right of First Refusal if the owner ever decides to sell the property.
- They will only sell it to another family or individual who will live in it year-round, and only at a price that CIRT determines is reasonably affordable at that time for a working family. CIRT has a formula for calculation of an affordable resale price (see Can I Resell My House section).
- At the time of sale, the owner is required to repay their CHAP loan from CIRT with no interest. The repayment helps CIRT to recycle its funds and assist future working families live on the islands.

FOR ELIGIBILITY AND MORE INFORMATION ON CHAP, GO TO
CranberryIslesRealtyTrust.Org Cranberry Homes Assistance Program

MINUTES

CIRT Annual Meeting: August 19, 2022, 4:00 PM

Islesford Neighborhood House

Present: Board members Ken Schmidt, Jim Kehoe, Judith Timyan (via Zoom), Peter Buchsbaum, Jim Gertmenian, Jeri Spurling, Mike Comiskey, Lindsey Eysnogle, Sam Reece Guests: Mark Primeau: Senior Program Officer Genesis Fund, Frank Reece, LCI, Dan Field, LCI

PRESIDENT'S WELCOME AND REPORT – Ken Schmidt

Ken presented the President's Annual Report and reviewed highlights.

On LCI we're in a precarious position ... nothing for sale. Discussion of differences between LCI (3 houses) and GCI (4 housing units). Bruce Komusin made all the difference between islands. Need stories about who has come to GCI thru CIRT.

He also noted that the board can get along well, has good skills, and works together ... "things have gone well".

MINUTES – Brief summary of 2021 Annual Meeting was presented by Sam Reece, Secretary. A **motion was made to adopt the minutes as distributed and was approved unanimously.**

TREASURER'S ANNUAL REPORT - Jim Kehoe

Only 1 tenant is behind in paying rents: CiRT is a healthy financial institution right now.

Move to accept Treasurers report approved unanimously

ELECTION OF DIRECTORS AND OFFICERS – Peter Buchsbaum, Chair of Governance Committee

The Governance Committee recommends the following Directors be approved for terms expiring in 2025: Alice Dunn, Jim Gertmenian, Malcolm Fernald, Judith Timyan

The motion is approved unanimously

The complete terms of all directors will then therefore be as follows:

- Terms expiring in 2023: Jim Kehoe, Jeri Spurling, Kelly Dickson, Sam Reece, Mike Comiskey

- Terms expiring in 2024: Lindsay Eysnogle, Sharon Morrell, Peter Buchsbaum, Ken Schmidt
- Terms expiring in 2025: Alice Dunn, Jim Gertmenian, Malcolm Fernald, Judith Timyan

Election of directors accepted unanimously

Peter Buchsbaum, Chair of Governance moves that the following directors be elected to a one-year term as officers of CIRT:

President – Ken Schmidt; Vice-President - Judith Timyan;

Treasurer - Jim Kehoe; Secretary - Sam Reece

Election of officers accepted unanimously

MAINE HOUSING'S ISLAND HOUSING INITIATIVE – Mark Primeau, Senior Program Officer for the Genesis Fund, discussed what ME islands are planning for affordable rental housing.

Chebeague is looking at the same programs as CIRT; Isle au Haut is involving the Town ... they want to get out of housing; Islesboro has land donated and is trying for 4 lots; Monhegan is having trouble getting land; North Haven has 3 projects going on; Swan's Island resident (?) Bill Banks owns lots of land which has approval for a subdivision; and Vinal Haven is trying to form a 501C3.

A question was asked about what are funding sources. Primeau answered the sources were mostly private fund-raising. ARPA fund is used in some places like Knox Co., but not around here.

Another question was about how money will get downpayment. Answer: Might not be thru ME Housing. What are the total \$\$s available? Won't say, but say there's enough to do a project. Two islands here shouldn't get in competition to do projects.

An option agreement to purchase or lease land from the town. Want to keep sharing info. Town needs 6 weeks to get ready . Much easier to deal with Genesis as opposed to Maine Housing

Annual meeting adjourned.

REPORT OF THE GOVERNANCE/NOMINATING COMMITTEE

August 2023 Peter Buchsbaum, Chair

The Committee presents the following slate for the Annual Meeting:

Officers, one year term, vote required

President: Ken Schmidt

Vice-President Judith Timyan

Treasurer: Jim Kehoe

Secretary: Sam Reece

New Board Members, vote required

Janet Hook, new full term to 2026 replacing Mike Comiskey

Andrei Pogany, term to 2024 completing unexpired term of Sharon Morrell

Re-election of Continuing Board members for a term ending in 2026, Vote required

Jim Kehoe, Jeri Spurling, Kelly Dickson, Sam Reece

BOARD ROSTER FOR AUGUST 2023 TO AUGUST 2024, ASSUMING APPROVAL OF ALL CANDIDATES

Terms expiring in 2024: Lindsay Eysnogle, Andrei Pogany, Peter Buchsbaum, Ken Schmidt

Terms expiring in 2025: Alice Dunn, Jim Gertmenian, Malcolm Fernald, Judith Timyan

Terms expiring in 2026: Jim Kehoe, Jeri Spurling, Kelly Dickson, Sam Reece, Janet Hook

Respectfully submitted, Nominating Committee, P. Buchsbaum, K. Schmidt, J. Timyan

TREASURER'S REPORT

CIRT

Summary of Year-to-Date Actual Operating Results

Rental Income & Expenses / Extraordinary Expenses / Donations & Reserves

12/31/2022

	December-22			Year-to-Date		
	Actual	Budget	Variance	Actual	Budget	Variance
Operating Revenue						
Rental Income	2,300	3,100	(800)	35,200	36,600	(1,400)
Vacancy / Credit Loss	0	0	0	0	0	0
<i>sub-total</i>	2,300	3,100	(800)	35,200	36,600	(1,400)
Total Donations	14,960	6,417	8,543	25,954	17,000	8,954
Gross Operating Revenue	17,260	9,517	7,743	61,154	53,600	7,554
Operating Expenses	4,087	4,878	(792)	34,760	58,539	(23,779)
Net Operating Income	13,173	4,638	8,535	26,394	(4,939)	31,332
Additional Owner Costs	214	214	0	6,243	6,768	(525)
Cash Flow From Operation	12,959	4,424	8,535	20,151	(11,707)	31,857
Home Construction Project						
Roll-up of Expenses	20,260	4,833	15,426	23,750	50,000	(26,250)

Account Balances

* Checking Account and Money Market	BHBT - Account Balance	636,301
	BHFS - Infinex (money market account 12/30/2022	55,841
	Total Operating Cash	692,141
<u>Reserve Accounts:</u>		
* Replacement Reserves: Kane, Rice & Islesford		11,234
* Replacement Reserves: Pondview & Woodlands		9,930
* Security Deposits		2,801
		23,965
TOTAL CASH		716,106

Strategic Fund Allocations

Total Operating Cash		692,141
1) Islesford: funds to facilitate new rental stock		
2018/2019 Funding Raising Campaign	37,407	
Additional funds from Operating cash	162,593	
Total allocated to Islesford for additional rental stock	200,000	(200,000)
2) GCI Land Improvements Set Aside Budget		
From GCI Land Improvement Budget	75,000	
Allocated to GCI Modular Home project	(50,000)	
Balance in GCI Land Improvement Budget	25,000	(25,000)
3) Two Modular Homes on GCI		
From GCI Land Improvement Budget	50,000	
Additional funds from Operating cash (Rice Home proceeds)	150,000	
Total for GCI Modular Home Development	200,000	(200,000)
4) Cranberry Homes Assistance Program, aka "CHAP"		(150,000)
5) General Operating Reserves		(100,000)
Net Cash		17,141

CIRT BOARD of DIRECTORS – August 2023

Ken Schmidt (President) kenschmidt12@gmail.com Cell (207) 944-7369
P.O. Box 117 Cranberry Isles, ME 04625

Judith Timyan (Vice President) jtimyan@gmail.com Cell (919) 884-9596
PO Box 261, Islesford, ME 04646 (207) 244-9906 48 Village Dr, Ormond Beach, FL 32174

Jim Kehoe (Treasurer) jim@belrad.com Cell (917) 834-1618
P.O. Box 136, Cranberry Isles, ME 04625 Tel. (207) 244-3636

Sam Reece (Secretary) sam.reece02138@gmail.com Cell 617-694-0042
P.O. Box 60, Islesford, ME 04646 45 Garden Street, Cambridge, MA 02138

Peter Buchsbaum pbuchsbaum@aol.com Cell (908) 500-3053
PO Box 72, Cranberry Isles ME 04625 Tel. (207) 244-7256 (Island)

Jeri Spurling jerited@spurlingdesign.com Tel. (207) 244-7408
P.O. Box 62, Islesford, ME 04646

Lindsay Eysnogle leysnogle@gmail.com Tel. (207) 244-7384
P.O. Box 17, Islesford, ME 04646 57 Main St, Islesford, ME

Kelly Dickson kellysdickson@gmail.com Tel 207 266 2910
P.O. Box 2, Islesford, ME 04646

Alice Dunn alice@dunnhardy.com Cell 617-780-7447
52 North Hancock St., Lexington, MA 02420

Jim Gertmenian jamesgert@aol.com Cell: 612-385-4318
54 Cranberry Road Great Cranberry Island, ME 04625 GCI phone 207-244-4318

Malcolm Fernald malcolmferald@gmail.com Cell 207-266-7496
PO Box 16, Islesford, ME

Janet Hook Janet.a.hook@gmail.com Cell 202-320-7244
Gen Del, Cranb. Isles ME 04625, 171 McSorley Rd 4820 Park Ave, Bethesda, MD 20816

Andei Pogony andrei@poganyarchitecture.com Cell 917.304.6787
PO Box 296 Islesford, 04646 1365 N Ave 46, Los Angeles, CA 90041

GENERAL MANAGER Bill Dowling dowlingw23@gmail.com Cell (207) 479-3327
PO Box 25 Cranberry Isles, ME 04625 Tel GCI (207) 244-0106 Tel NEH (207) 276-0766