

# WATERVILLE COMMUNITY LAND TRUST ORGANIZATIONAL HISTORY

## WHAT IS A COMMUNITY LAND TRUST

Community Land Trusts (CLTs) are non-profit housing developers that provide safe and affordable housing for moderate- and low-income citizens, housing that remains perpetually affordable from one resale to the next. CLTs focus on redevelopment and revitalization of neighborhoods that suffer from economic depression, low median incomes, slow job growth and poor housing quality. They provide homes for low-income families and prevent areas becoming gentrified and unaffordable to low-income buyers. In order for a house to remain perpetually affordable, CLTs are required to serve households with incomes 60 to 80% of the area median income (AMI) and/or within the IRS Safe Harbor regulations. CLTs may sell to or rent the houses they renovate or build to households meeting low-income requirements, but the CLT retains ownership of the land, granting a 99-year ground lease to the buyer. A family member may inherit the house; but if the house goes on the market, the next buyer must meet 60 to 80% of the AMI. The seller receives 25% of any appreciated value while the remaining value stays with the home, which typically will make the home more affordable after each sale. There are over 250 communities nationwide that have implemented CLTs, with each meeting the unique characteristics and needs of its community and residents.

## ORGANIZATIONAL HISTORY

**2013 \*** Initial discussions were held by Nancy Williams and Ann Beverage regarding the formation of a local community land trust, with meetings held at Nancy's place at 8 Park Street, Waterville. Additional residents began attending and a committee was developed to discuss formation of the Waterville Community Land Trust (WCLT). Bylaws were written, and WCLT filed as a corporation and obtained 501(c)(3) status. The organization would be comprised of volunteers representing a full spectrum of members, including renters, homeowners, and interested parties. Interested parties could be employees or elected officials of local government; citizen activists; individuals from the business sectors of real estate, insurance, law, and other professions. The organization would be governed by an elected Board of Directors consisting of a president, vice-president, secretary, and treasurer. The Directors would set the organization's mission, write the bylaws and procedures, vote on policy issues, and hire staff to run the daily activities of WCLT. Advisory committees would be established by the Directors as necessary to meet the mission and goals. The Directors would have a fiduciary responsibility to ensure the organization holds to the highest standards in the application of charitable contributions from donors, government funding, and membership dues. Members of the incorporation board were Paula Raymond, Fred Stubbart, Chris Moody, Ann Beverage, Ashley Pullen, Scott Workman, Scott McAdoo, and Jackie DuPont. Nancy Williams initially could not serve on the incorporating board because her full-time residence at that time was in Queensbury, New York. On May 16th, WCLT became incorporated by the State of Maine. Ashley Pullen was elected President; Nancy Williams, Vice President; Ann Beverage, Treasurer; and Scott McAdoo, Secretary.

**2014 \*** Members of the incorporating board wrote a Case for Support and published it for distribution to potential funders. A brochure was developed to educate others about the CLT model and to be used in mailings.

**2015 \*** An event at Nancy Williams' house was held with 25-30 attendees raising \$4,085. An option to purchase 182 Water Street in the South End was signed, giving WCLT time to raise money. The purchase price was \$35,000 from funds received from an anonymous donor who contributed \$40,000 through the Maine Community Foundation. The house had title issues taking several months to clear. Application for a Community Development Block Grant Program was initiated, and a Letter of Intent was submitted to the City of Waterville and Mike Roy, the city manager. WCLT explored applying for a larger competitive grant through the Boston Federal Reserve Bank, which requires a host bank. Bangor, Kennebec Federal and New Dimensions were contacted for this but declined.

**2016 \*** The option to purchase 182 Water Street was terminated, but WCLT successfully negotiated the purchase of 181 Water Street in October with local realtor, Jill Huard. The purchase price was \$35,000 for this 3-bedroom late 19<sup>th</sup> century house with WCLT using the donation contributed through the Maine Community Foundation. Deborah Johnson, director of the Maine Department of Economic and Community Development, asked WCLT to avoid block grant funding but instead use remaining Federal Neighborhood Stabilization money held by KVCAP to renovate 181 Water Street. WCLT worked with EOED's estimator consultant under CONTRACT NO. 01-16 2016 with the DEPARTMENT OF ECONOMIC and COMMUNITY DEVELOPMENT for the renovations. It is estimated KVCAP used \$75,000+ for the renovations. WCLT applied to the Sewall Foundation for funds to purchase another property. Recognizing WCLT's low-income target buyers might have problems finding a bank to write a mortgage, Mike Brown of Burlington Associates was hired in September to present a webinar conference. Jill Huard facilitated this, and the following banks and organizations attended: Kennebec Federal Savings & Loan, People's Bank, United Bank, N.A., Kennebec Savings, Bangor Savings Bank, Camden National Bank, Genesis, and Maine Housing.

**2017 \*** The Sewall Foundation awarded WCLT \$110,000 for park land and home renovations. In August 2017, WCLT used \$40,000 of this award to purchase a property from Jeffrey Carter at 226-228 Water Street. This property abuts the Kennebec River and contains approximately two acres. Title insurance and liability insurance were purchased with LEVEY, WAGLEY, PUTMAN, P.A. of Winthrop, Maine, who also handled the closing. There was a circa 1860's house with a garage and shed on the property, but all were in poor condition and WCLT paid to have them removed. Adjacent to this property was a dilapidated house at 232 Water Street; Paula Raymond and the South End Neighborhood Association (SENA) worked with the owner to gift this property to the City. SENA supported WCLT's purchasing the property from the city for \$2,000. This house also needed to be torn down, which the City agreed to do. Removing the structures on 226-228 and 232 Water Street opened seasonal views of the Kennebec River, a desirable feature for a park. WCLT considered building a small house on the upper portion of the land from 226 Water Street, particularly after receiving a petition signed by more than 50 local residents expressing concern that a park could attract people who might misuse it. The plan, however, remained intact; and a deed restriction with the city was put in place requiring the 232 Water Street parcel to remain as park land.

**2018 \*** A grant was received from the Maine Community Foundation to hire a development and outreach manager with funding for one year. Meg Bernier, who had previously worked for Colby's Development Office, was hired for this position. She arranged for the backyard clean-up of 181 Water Street with Colby students and organized a children's fair with local organizations at Couture Field. WCLT was unable to find additional funding to extend her tenure, but Meg remained a volunteer director for a few years. When 181 Water Street was ready for sale, there were at least 3 serious buyers who met the low-income qualifications, but some faced difficulties getting a mortgage. Anna Holdener, the successful purchaser, was able to get a conventional mortgage loan from Skowhegan Savings Bank and purchased the house for \$53,000. The bank told WCLT they would keep this loan in their portfolio.

**2019 \*** A single home with three bedrooms at 3 Moor Street in the South End was purchased for \$40,000 using money from the Sewall Foundation for WCLT's second housing project. This house was constructed as part of an 1874 plan by Dennis L. Milliken, a Waterville attorney. The home required extensive renovations, including updating interior surfaces and exterior repairs. Huhtamaki employees donated their time for demolition interior work. WCLT applied for an AARP grant to develop a garden on the park land at 226-228-232 Water Street. While this grant was not received, the Maine Community Foundation awarded WCLT \$9,600. Doug Kane of KBX Contracting contoured the park land and put in a base for a patio. Pavers were purchased, and Nancy Williams designed the garden layout with the help of Ashley Pullen and Doug Kane. Ann Beverage purchased a stone bench for the garden with an inscription honoring Charlie Poulin, longtime supporter of SENA and lifelong resident of the South End. Kennebec Messalonskee Trails provided topsoil for the park. A fence was added along the park's Water Street frontage. In October a dedication ceremony for both the park and bench was held at WCLT's annual meeting.

**2020 \*** A grant from the Maine Community Foundation's Roger N. Heald Fund was received to hire an ecologist, Janet McMahon, to study the park and develop a plan for the wildlife portion of the property, the middle tier. Her comprehensive report recommended removing invasive plants, improving native species, and protecting the wetland marsh. The exterior of the 3 Moor Street home was nearly complete, with only some painting and window trim remaining. WCLT with six other Maine CLTs requested that the Maine Housing Authority permit our buyers be eligible for their First Time Homebuyers program. After six months of discussions, approval was granted.

**2021 \*** Waterville was named one of eight recipients of the 2021 CommunityWINS® Challenge which was a joint effort by the U.S. Conference of Mayors and Wells Fargo to advance housing affordability solutions in local communities. WCLT was awarded \$50,000 to continue projects in the South End's Milliken neighborhood. Sam Bernier, a high school sophomore, completed his Eagle Scout project establishing two gardens comprising 91 plants at the Water Street park. One garden was developed on the sunny hillside and the other in a shaded location. Sam cited unexpected challenges, like aggressive Japanese knotweed, invasive roses, and scrubby weeds. Conversely,

he was surprised that so many people were so willing to donate money for materials and plants. His project garnered praise from Senator Susan Collin and local political officials Senator Scott Cyrway and Representatives Colleen Madigan and Bruce White.

**2022 \*** Renovations at 3 Moor Street were completed; Peter Moulton was a volunteer and did yeoman's work repairing the heating system. The second WCLT home was sold to Keri Lovejoy for \$98,000, and she was able to use the Maine Housing Authority's First Time Homebuyers program for the mortgage. The Exterior Home Repair Program for low-income homeowners was initiated, a cooperative venture of WCLT and Habitat For Humanity. Funds came from a "Nonprofit Small Grant Program" in the amount of \$7,000 from the city of Waterville, and a \$5,000 grant WCLT received from a family foundation to focus on the Milliken Neighborhood. An application for a competitive grant from a bank for additional funds for this program was completed but WCLT did not receive an award. Waterville High School students on their "Day of Caring" removed invasive plants at the Water Street park. The Board of Directors continued searching for a third housing project, visiting 10+ properties, primarily in the South End. Unfortunately, rising housing costs precluded making winning bids for several properties.

**2023 \*** Repairs were made at two homes in the Milliken Neighborhood exhausting the homeowner repair funds; Nancy Williams managed this project and helped with repairs. The park was officially named Lashus Farm Neighborhood Park, after the first Franco-American family who purchased the property just after the Civil War. A contractor removed debris and most of the foundation of an earlier home on park property, and a gazebo and metal benches were purchased with funds from the Davis Foundation and installed by volunteers. Christina Therrien, a Board Director who is also Waterville's Finance Director, requested and received \$1000 from the First National Bank for additional flowering beds. The city helped dig the beds and a dozen Waterville High Schools students during their annual Day of Caring supervised by Diane Weinstein put in 1600 spring bulbs. Kennebec Messalonskee Trails with WCLT worked on a competitive grant to develop a trail through the South End to the confluence of the Kennebec River and Messalonskee Stream; this project was not funded. Ian Lynch led a WCLT bird walk in the South End to the confluence; about 20 people attended and then enjoyed refreshments at Lashus Park under the new gazebo. Applications to Senator Angus King for Congressionally Directed Spending Requests (FY 2024) were completed by Robyn Stanicki, a WCLT Board Director and, at the time, a staffer at the Kennebec Valley Growth Council. The request for \$890,000 was to administer a statewide network of the existing 17 community land trusts which would have access to a revolving loan fund to accelerate implementation of shovel-ready, affordable housing projects. While the proposal was not successful, a follow-up meeting with King's staff provided guidance on proposals with better funding potential. WCLT with other CLTs and limited equity builders formed the Maine Shared Equity Housing Network(MSEHN) and made a presentation to the Maine Joint Housing Committee seeking allocation of state funds. WCLT with MSEHN met in Lewiston to learn the pros and cons of that community's use of a coop housing model. WCLT looked at more than 20 properties for consideration of a third housing project. A couple of bids were submitted without success. This was likely due to fierce competition from cash buyers and out-of-state LLCs with greater financial resources at a time post COVID pandemic, when fewer properties were for sale in Waterville at vastly higher prices than recent years.