

GRAND LAKE STREAM WOODLANDS

Grand Lake Stream Plantation, Maine

In an area with a rich history of ecotourism, the purchase of 21,949 acres surrounding Grand Lake Stream in Washington County, Maine by Lyme Timber Company not only promotes sustainable forestry in the Downeast Lakes Region, but preserves a way of life for the local residents who support themselves as registered Maine Guides, loggers, truckers, and by running lodges and sporting camps.

This project will provide for the purchase of working forest conservation easements to permanently protect the land from private residential development and creates the option for the acquisition of the underlying fee interest in the property by the Downeast Lakes Land Trust (DLLT), enabling the forestland to become a community-owned forest.

In addition to managing the woodlands as a sustainable natural resource and the use of innovative, low-impact timber harvesting practices implemented as a result of a previous NMTC deal in 2006, Lyme Timber, the new owner, agreed to donate 132 acres of land to the town of Grand Lake Stream Plantation for the development of light industry and low-income housing as well as selling 50 acres at a favorable price for future mixed-use development.

The support of the Grand Lake Stream residents for this project is impressive. At a special town meeting held in November 2008, the residents voted unanimously to donate \$40,000 to DLLT to be applied to the \$2 million option payment for the easements. Town leaders had initially suggested a \$10,000 donation to be made from Town savings, but the amount was increased to \$40,000 after residents made statements to the effect that the entire future of the community was at stake and that there could be no better use of the Town's savings.

CCML allocated \$19.8 Million in NMTC capacity to finance the project. Bangor Savings Bank provided both debt and equity for this deal, while U.S. Bancorp CDC provided equity and Lyme Timber Company provided additional debt for

Qualifying Features

- Poverty Rate of 21.2%
- Unemployment Rate 1.98x National Average

the deal, which closed March 26, 2009. The Northern Forest Center was CCML's expert local working partner for the project.

Key Benefits

- Preserves local guide and forestry jobs, sporting camps, lodges, and offers potential new opportunities for ecotourism.
- 65 acres donated for low income housing and another 55 acres for light-industrial use.
- \$500,000 from the residual NMTC equity will subsidize the cost of constructing workforce housing.
- Preserves 100 jobs in the local guiding, logging, and lodging industry.
- Program encourages environmentally sensitive harvesting practices.

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