

New Markets Tax Credit

MAINE

NMTC ALLOCATEE
CEI Capital Management LLC*
Portland, ME
Charlie Spies
207.535.2932

*An affiliate of Coastal Enterprises, Inc

COMMUNITY PROFILE

- Washington County, ME
- 21.2% poverty rate
- Unemployment rate 2 times national average

PROJECT HIGHLIGHTS

- Forest conservation
- Total Project Cost: \$19.8 million
- NMTC: \$19.5 million
- Investor: Bangor Savings Bank, , U.S. Bancorp CDC
- Jobs: 100 retained



Grand Lake Stream Woodlands, LLC

Grand Lake Stream Plantation is a town located in rural Washington County, Maine. It is home to just 125 year-round residents. The town's economy is heavily dependent on the forest, lakes and rivers that surround it. This land base includes traditional "working forest" that provides forest products as well as eco-tourism opportunities through sporting lodges, wilderness guides, outfitters and others. As with many isolated rural areas, the dependence on natural resources limits the local economy as is evident in locally high poverty and unemployment rates. The stakes are high for Grand Lake Stream when it comes to protecting its working forest.

In order to promote sustainable forestry in Washington County and to preserve a way of life for the local loggers, truckers, registered Maine Guides and other residents who depend on the forests for their livelihoods, The Lyme Timber Company worked with CEI Capital Management and the Downeast Lakes Land Trust to purchase 21,949 acres of woodlands surrounding Grand Lake Stream that was in danger of being repurposed from a working forest through overharvesting and subsequent land sales to developers. To make the purchase of the land feasible, CCML provided \$19.5 million in NMTC financing to the project.

The NMTC project provided for the purchase of conservation easements that will protect the land from private residential development and continue sustainable forest management practices. It also used the flexibility created by the NMTC structure to include an option for Downeast Lakes Land Trust to eventually take over ownership, 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, Lyme Timber also agreed to donate 130 acres of land to the town of Grand Lake Stream Plantation for the development of light industry and affordable housing as a way to further diversify its economic base. This donation of land was critical to the town at a time when it had no options for further expansion or any secure relationship with the land base that is so important for its economy.



Top: Grand Lake Stream Woodlands

Bottom: Grand Lake Stream Woodlands

Photo Credit: Downeast Lakes Land Trust and LightHawk