F
airfield, Maine native Amos Gerald was born for busi-
ness. A natural promoter, he built the opulent hotel bearing
his name in 1901, right on the main
street of his hometown. The ornate,
four-story, Renaissance-style struc-
ture featured intricate woodwork,
stunning murals and terra cotta
figures, all topped by three golden
domes and a sculpture of Mercury,
the Roman god of financial gain.
That deity was the perfect symbol to
soar over a hotel built for the privi-
egled few. Bankers, railroad barons,
silent film stars and other elite clien-
tele came to celebrate in a thriving
mill town booming to the beat of a
roaring American economy.

But times change, and the Gerald
changed with them. The hotel ended
its original function in 1937, and its
last commercial tenant—a furniture
company—left in 2006. But though
the Gerald stood empty, for many in
Fairfield, the hopes for a return to
prosperity remained full.

Real estate consultant Tom Mac-
Donald may not have fully realized
the depth of those aspirations when
he first toured the discarded shell
of the Gerald, but he would learn of
them soon enough. MacDonald’s
expertise in affordable housing
made him the perfect person to vet a
plan for turning the hotel into hous-
ing for the elderly. When he joined
the Northern New England Housing
Investment Fund’s consulting team
(HIF) as Vice President of Acquisi-
tions, the Gerald became his first
project—a challenging introduction.

“Historic rehabs are always
tricky, but the Gerald was especial-
ly difficult,” said MacDonald. “Not
only were we undertaking a $6.5M
job to restore a structure that had to
meet the strict standards proscribed

The Gerald’s former grandeur was restored to meet modern needs.

CAPITAL AND COMMUNITIES IN 2014

The Northern New England Housing
Investment Fund is pleased to announce
the creation of our 17th multi-investor
fund: Community Capital 2014. We are
actively marketing the Fund to investors.

For more information, please contact
Bill Shanahan at 207 772 8255 or
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The Housing Partnership: Persistence of Vision

About 25 years ago, a collective shift of social conscience sparked a movement in New Hampshire. Several groups across the state coalesced to provide affordable housing for their neighbors in need. The Housing Partnership was born out of that response, but its roots are unique.

In the mid-1980s, the United Way of the Greater Seacoast created a committee and hired Anne Rugg to assess the demand for affordable housing in the region. Rugg commissioned a study, which revealed that the cost of housing for lower income workers relative to what they earned was extremely out of balance. That report confirmed what many knew from experience—there was a desperate need for decent affordable housing in their communities.

The Housing Partnership (THP) grew out of the United Way initiative and became a separate agency with its own board. Rugg became its first Executive Director. THP has received consistent support from the United Way over the years, and at least one member of the original exploratory committee is still involved with THP today.

Since THP was created in 1988, it has developed more than 350 affordable housing units for low- and moderate-income residents and, of those, continues to own and manage 242 units. Properties are located in twelve communities throughout the Seacoast region: the area along I-95, from the eastern part of New Hampshire, up into York County, Maine.

According to Marty Chapman, THP Executive Director since 2007, the organization's core mission is to build affordable rental housing for working families. Chapman believes that one can look at this “workforce housing” from different perspectives.

“As a matter of social justice, The Housing Partnership assists families who find themselves on the wrong side of the income inequality gap and are forced to divert their modest resources to high-cost housing and away from other life priorities like healthcare, education or nutrition,” said Chapman. “We ask cities and towns to consider the economic value they receive from residents living in low-income housing.”

Continued on pg 4...
STATE OF THE NATION’S HOUSING

A study by the Joint Center for Housing Studies of Harvard University reports that although the housing industry saw notable increases in construction, home prices, and sales in 2013, household growth has yet to fully recover from the recession. In addition, tight credit, unemployment, and mounting student loan debt are keeping millennials and other first-time home buyers out of the market.

http://www.jchs.harvard.edu/research/state_nations_housing

HOUSING AFFORDABILITY AFFECTS CHILDREN’S SKILLS

Two studies from Johns Hopkins University show that the percentage of income a family spends in housing costs affects their children’s reading and math abilities. One study found that for families at or below 200% of the federal poverty guideline, children have the best outcomes when 30% of income is spent on housing.

http://releases.jhu.edu/2014/06/09/affordable-housing-linked-to-childrens-intellectual-ability/

AGING AMERICANS FACE HOUSING CHALLENGES

A recent report by the Joint Center for Housing Studies at Harvard University and the AARP Foundation finds that the U.S. is unprepared to meet the housing needs of aging Americans. Key issues include low-income seniors skimping on other necessities in order to pay for housing; lack of integration between housing and healthcare; and an insufficient supply of suitable, affordable housing for the rapidly aging demographic.

http://www.jchs.harvard.edu/research/housing_americas_older_adults

Gerald was the key building to our downtown’s growth and has become a model for Fairfield’s wider revitalization,” explained Reny. “KV CAP deeded one of the hotel’s outer buildings to the town, which, in turn, deeded it to the local food pantry.”

Those gifts inspired others in kind. The Fairfield Food Pantry had never had a permanent space before. Once they did, they launched a capital campaign, which reached its goal of securing $150K to complete their new home.

According to Reny, there are more signs that the town is just getting started. The Meridian Market moved into the ground floor of the hotel, a new fitness center opened, and an Indian restaurant is scheduled to open soon. And there are still more businesses eager to ride the momentum the Gerald has generated.

“It’s hard to quantify the economic value of this project, but the psychological benefit is huge,” said Reny. “And that could pay off big in stimulating the kind of widespread growth that builds a more vibrant and sustainable community.”

Anyone walking by the Gerald today can marvel at the same lavish details that greeted the first patrons to pass through its doors at the turn of the 20th century. Now, however, the hotel’s grandeur is being enjoyed by a very different group of occupants. The seniors who reside at the Gerald today may have an even deeper appreciation for the beauty that surrounds them than those raised among such riches.

As Suzanne Walsh explained, that gratitude is for things much greater than the Gerald’s impressive architecture: “It’s been amazing to see the connections and friendships being made there,” she reflected. “One elderly resident’s constant expression of that feeling continually plays through my mind: ‘I still can’t believe that I’m not alone anymore.’”

Sentiments like that can spark the heart of an entire community. If there’s a lesson to be learned from the Gerald Hotel’s remarkable transformation, it’s that its grandeur can serve no nobler purpose than simply being home.

The Older Population Is on Track to Increase Dramatically

The graph illustrates the projected population growth by age group in the U.S. from 1990 to 2040. The older population, particularly those 65 and over, is expected to see the most significant increase.

Source: US Census Bureau, Decennial Censuses and 2012 National Populations Projections

Original architecture and ingenious design shine again.
The Housing Partnership (Continued from pg 2) of workforce housing. The money saved on housing is spent in the local economy, and employers, especially small businesses, benefit from an easily accessible workforce. It makes perfect economic and political sense."

Chapman also emphasized that quality homes, such as the kind THP develops, actually enhance the neighborhoods in which they’re built—quite the opposite of the out-of-date myth that affordable housing drag down property values.

Woodbury Mills in Dover, NH is one recent example of a project infusing new energy into its neighborhood. Originally built as a shoe factory mill in 1885, the property now provides 42 one-, two- and three-bedroom homes for rent.

THP worked with NNEHIF and TD Bank to leverage Low Income Housing Tax Credits, or LIHTC’s.

In addition to LIHTC, THP leveraged federal Historic Rehabilitation Tax Credits to restore the mill. Now listed on the National Register of Historic Places, much of the mill’s historic character has been preserved, including original beams and exposed brick.

“There’s nothing like a mill for adaptive reuse, because the solid bones and bedrock stability of the structures make them attractive conversions to housing,” said Chapman.

The building’s urban location is another key to its success; it stands in the heart of a neighborhood of multi-family homes, across the street from a bus stop, and within walking distance of downtown.

While Woodbury Mills is an example of a “typical” THP development, the organization is now working on a different kind of project: a decommissioned Catholic church across the street from the renovated mill.

In response to Dover Central Business District zoning laws, the current plans for St. Charles Parish include 41 units of affordable workforce housing, 6 units at market price, retail space on the first floor, plus an office for the Community Action Program of Strafford County.

Although mixed-use developments are, according to Chapman, “a bit of a departure” for THP, the property is in a community that is receptive to a mix of economic development and workforce housing. Perhaps more importantly, there is still an intense demand for housing in the area, even with Woodbury Mills right across the street. These are still early days for the St. Charles Parish, as THP works with NNEHIF, New Hampshire Housing, and other partners to finance the project.

THP has built up an impressive portfolio in the past 25 years, despite the financial and political challenges common to small nonprofits. And they continue to persist, with broad support across the Seacoast, and help from partners like NNEHIF.

“In NNEHIF, we have a partner who is sensitive to the challenges of our business model and shares our fundamental values for promoting access to affordable housing,” said Chapman. “Their support over the long term has been critical to our survival.”

WWW.NNEHIF.ORG

The Northern New England Housing Investment Fund (NNEHIF) is a private, non-profit 501(c)(3) corporation that promotes housing and community development by providing equity capital, technical assistance and consulting to affordable housing developers throughout Maine and New Hampshire.