

ICDC Board of Directors Meeting  
8/23/10

Directors in attendance: Ellard Taylor, Dana Perry, Albert Gordon, Judi Burke, Steve Shaffer, Jerry Kreigel, Landon DeWitt, Katie-Marie Hill, Gail Holmes, Morgan Witham.

Observers: Margaret Snell, Belvia MacDonald, Grady Watts, Gerardine Wurzberg

I. Resignations: Bernadine Barter and Rudi Graf have resigned from the board.

II. Discussion of seasonal/year-round qualifications:

There was some question about the "year-round" status of two board members: Judi Burke and Albert Gordon. After discussion, the board clarified that Al qualified (7-8 months on-island), and that since Judi's residency is close to the cut-off, that she would be listed as a seasonal resident unless her schedule changes. This clarification does not put the board out of balance. With Judi listed as seasonal, the board make-up will be 5 seasonal, 5 year round, which is in still in accordance with the by-laws.

III. Discussion/Election of Officers:

A. Election of Chair: The board discussed having Ellard, the sole carry-over from the previous board, serve as a temporary, transitional chair. Gail Holmes moved to have Ellard serve for two months, and Al seconded the motion. Jerry Kreigel made a friendly amendment, that the term be three months to ensure Ellard's leadership through the purchase and sale of ICDC house #1 to Kate and Steve Shaffer. The friendly amendment was accepted by Gail and Al, and the board voted unanimously in favor.

B. Election of Secretary: Jerry Kreigel nominated Morgan Witham, Steve Shaffer seconded the nomination, and the board voted unanimously in favor.

C. Election of Clerk: Ellard recommended that the Secretary act as Clerk until such time that the Executive Director is hired. The board voted unanimously in favor.

D. Election of Treasurer: The previous board had interviewed and recommended Dana Perry for the position of Treasurer. He is a certified CPA with non-profit experience. Al nominated Dana, Morgan seconded the motion, and the board voted unanimously in favor.

E. Discussion of Executive Director Position:

Ellard suggested the board hold off electing/hiring an Executive Director (ED) until the board has created a specific job description and has worked out the structure of the ED's compensation.

Discussion of the ED position included the following:

- The ED works for the board and sees to the day-to-day running of the business, and would be under the direct supervision of the Chairperson of the Board.
- The ED is to be compensated. The board will have to decide how the compensation is to be structured (e.g. hourly/salary?) and where the funds for compensation will come from (e.g. successfully written grants/ general fund?). Funding an ED may be somewhat easier once the mortgage on house #1 is paid and the ICDC is closer to solvency.
- Preferred ED qualifications:
  - Computer literate/has computer access
  - Some bookkeeping/accounting skills
  - Capable of writing grants
  - Preferably a year-round resident
- Would be worth looking into the IAH Boat Service model, where Joshua Weed serves as the on-site business manager, but where all files are digital and on-line so that the necessary officers have easy access to company records and can be involved in remote management. Information would not be bound to someone's desktop.
- The ICDC might look at the possibility of creating a position in concert with the Town of IAH to be jointly funded, which would cover the duties of the ICDC ED, and also provide the services of Town Manager.

IV. Preparing for the Meeting on Thursday, August 19th re: the Maine State Housing Grant:

- The Maine State Housing Authority is the grantor, the funds are drawn from the federal government. \$2.4 million is set aside for the development of affordable housing on Maine's islands, seven of which qualify with year-round populations. There is a limit of 400k to any one island. The maximum amount allowable per housing unit is 175k, and requires a 20% cash or in-kind match. The application must be for a minimum of 2 housing units. The units must be used as a rentals for a minimum of 15 years.
- The grant will only fund the development of *new* houses if the lots are in a "growth area" defined by the town's comprehensive plan, or if the units were served by a public sewer. These conditions were lifted from federal regulations, and not revised in light of the on-the-ground circumstances on the islands. IAH does not yet have an approved comprehensive plan in place, and has no public sewer system.
- The grant does allow funds to improve current housing stock. The meeting on Thursday was called to discuss the possibility of the ICDC taking on the responsibility/ownership of some of the town rentals, and applying for grant money to make substantial improvements on those houses, and possibly getting a variance to create multiple family housing units. The previous board was specifically interested in acquiring the "teacher's house" across from the school and rehabbing it into a three family unit for 175k. They also considered adding a bedroom and

family room to the Miss Lizzie house for 85k. There would be no additional road building, and the sites already have wells and septic systems in place. Obviously there would be issues about possible tenant displacement during the work, and concerns over keeping housing available for future teachers. The selectboard and town may or may not be in favor of this plan: the meeting should help clarify public sentiment.

-The current board discussed the possibility of using the money to refurbish the Lampson and Furrow properties, which would not require disturbing current tenants. The condition of the roads and sites made the feasibility of those lots questionable.

-At the meeting, the board should recognize the transitional period that we are in, and discuss with the attendees the options we prefer: lobbying to change the Maine State Housing Authority grant restrictions to make the grant better fit our goals, and to research/pursue other fundraising avenues more well-tailored to our needs. We want to hold the option to purchase the Coombs Mountain lot.

#### V. Discussion of Housing Goals and Fundraising

- Multiple board members (Steve, Judi, Al) brought up the concern that going after this grant (as currently outlined) is a case of the tail wagging the dog. The island needs new, *vacant* units to bring in more residents. Applying for this grant would not accomplish the goal of increasing the year-round population. Rather than changing our goals to fit an available grant, they felt it would be more appropriate to find grants that fit this goal. The sense of the meeting was that the board should pursue changing the Maine State Housing Grant requirements so that it will allow us to build new homes (a change that, with lobbying, might come through by spring), but to also put energy into finding grants and funds that will allow ICDC to build new homes, preferably with green designs that would also make them "truly affordable" by ensuring reasonable utility expenses.

- The board discussed ideas about long-range plans for properties. While it has been done, it is financially difficult to simultaneously rent an ICDC house and build a new home on IAH. Should ICDC consider a rent-to-own option? This option may be more attractive to prospective lessees, and may allow us to retain more families. Additionally, tenants who are renting-to-own might take better care of properties in which they have a long-term investment. Pursuing this course would require substantial consideration of maintenance responsibilities and the conditions of the sale. It might be difficult to restrict the future sale of such properties, and no one wants to see former ICDC homes turn to summer homes, nor has buying back property been healthy for ICDC's finances.

#### VI. Minutes from the Annual Board Meeting, 8/18/10, Suggestions from Gordy

Ellard read the minutes sent to him by Beth Shissler.

Ellard read the revisions suggested to him in an email from Gordy Donaldson. The revisions will be made to the minutes, and they will be sent out for email approval.

Gordy also suggested an external audit, simply to ensure transparency in the transition. Dana suggested that we simply do an end of year audit (pay once rather than twice). In the meantime, we can go over the recent financial transactions to make sure everything is in order.

## VII. Work Committees, Action Items, Next Meeting

- Moving forward, the transitional team (Ellard, Dana, Morgan, Judi) will work on the necessary financial transitions and organizing the ICDC records and files.

Albert moved that Ellard, as Chair, and Dana, as Treasurer, be authorized to be on the ICDC's checking accounts. Judi seconded the motion and the board voted unanimously in favor.

Albert moved that the microloan money be moved to an interest-bearing account that allows fairly easy access. Jerry seconded the motion, and the board voted unanimously in favor.

Ellard has drawn up some basic working committees, including Transition, Financing, Fundraising, Property Management, Public Outreach, Economic Development, Legal, and Project Management. Assignments to the committees were preliminary, and will be worked out in the transition. The sense of the meeting was that there should be a strong emphasis on fostering community involvement, especially with the fundraising, public outreach, and economic development committees. We want to find and bring in expertise beyond the board, and to strengthen the lines of communication between the board of directors and the community. For the moment, we want to foreshadow our desire for increased public involvement, but not actively solicit it until we have had a chance to coalesce as a board, and are prepared to manage volunteers. We do want to start building a membership/email list (starting with attendees at the upcoming meeting on Thursday the 26th) so that we will have some infrastructure in place for info sharing and volunteer recruitment.

**The next meeting will be held Tuesday Sept. 28th, at 7pm in the town office.**