



MEDIA RELEASE
For Immediate Release
April 8, 2009

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Additional contacts follow the release text.

22,000-Acre Community Forest and Sustainable Development Project in Grand Lake Stream

GRAND LAKE STREAM, Maine: The Downeast Lakes Land Trust (DLLT) and partners today announced a 22,000-acre conservation and economic development project designed to protect the economy of the Grand Lake Stream community in central Washington County. The project sets the stage for creating the West Grand Lake Community Forest within a 1.4 million acre international landscape of conserved land. As part of the project, the town will immediately acquire 182 acres to support future development priorities. The West Grand Lake Forest surrounds the village of Grand Lake Stream and includes 17 miles of undeveloped shoreline on West Grand, Lower Oxbrook, and Big Lakes. The forest has over 3,000 acres of wetlands and deer wintering areas and other wildlife habitats. The lands will continue to be a source of sustainable forest products and public recreation.

DLLT signed an option agreement with the owner of the 22,000 acres, The Lyme Forest Fund managed by The Lyme Timber Company (Lyme). The option provides DLLT the right to purchase two working forest conservation easements at fair market value on 21,700 acres, to be held by the State of Maine. Once funds are raised, the easements will forever protect the shorelines and forests from development and secure public access while allowing sustainable forest management. After the easements are acquired, DLLT will purchase the land and manage it as the West Grand Lake Community Forest for wildlife habitat, a sustainable timber supply, and public recreation.

In a unanimous vote at a November, 2008 town meeting, the citizens of Grand Lake Stream – year-round population of 120 – appropriated \$40,000 as a contribution to permanent conservation of the West Grand Lake Community Forest. “This is a powerful statement from a small community that their future is worth fighting for,” according to DLLT Executive Director Mark Berry, “despite hard economic times, we’re working to protect a way of life for current and future generations.”

A key component of the transaction was Lyme's ability to secure special financing through the federal New Markets Tax Credit (NMTC) Program. On behalf of the previous owners, Webber Timber, LLC and other heirs of the Webber Family, Prentiss & Carlisle sought an economically feasible sale of the land that would support conservation and community priorities. They approached Sustainable Forest Futures (SFF, a non-profit subsidiary of the Northern Forest Center) to explore NMTC financing. SFF worked with Lyme and Coastal Enterprises, Inc. (CEI), a community development financial institution with an NMTC allocation. Bangor Savings Bank and U.S. Bancorp Community Development Corporation provided a combined total of \$13 million in financing for the transaction.

The municipal government of Grand Lake Stream established a public process to identify appropriate lands for future growth. Lyme agreed to donate five parcels of land near the village totaling 132 acres – including 65 acres for affordable housing – for future residential and business growth. Local citizens have unanimously voted to accept these donations and purchase another fifty-acre parcel from Lyme. The NMTC financing was concluded on March 26, 2009, and the donated land is being transferred to Grand Lake Stream ownership.

Governor John Baldacci, Senators Olympia Snowe and Susan Collins, Representatives Mike Michaud and Chellie Pingree, Passamaquoddy Tribal Governor William Nicholas, The Nature Conservancy Chairman and Baskahegan Company CEO Roger Milliken, Jr., and Seven Islands Land Company Retired President John Cashwell serve as Honorary Co-Chairs of the West Grand Lake Community Forest Project Committee.

In partnership with The Conservation Fund, DLLT invested \$2 million in securing the option agreement, as a down payment toward acquisition of the conservation easements and fee ownership. This sum includes a \$1 million grant from the Richard King Mellon Foundation, a \$500,000 loan from the Open Space Institute, and private contributions and loans. Lyme also has committed to sustainable forest management during the term of the option. DLLT is leading a \$24 million capital campaign to fund the conservation easement and land purchase and associated expenses. Funding for the West Grand Lake Community Forest Project will be sought from diverse sources including charitable foundations, corporations, individuals, and public agencies.

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West Grand Lake Community Forest Media Release April 8, 2009 Contacts and Quotes

Governor John E. Baldacci

Joy Leach, Deputy Director of Communications, (207) 287-2531, Joy.Leach@maine.gov

“Downeast Lakes Land Trust and Grand Lake Stream have led by example with an outstanding effort to protect and capitalize on the resources that define Maine’s unique Quality of Place,” said Governor Baldacci, “I’m proud to support this community’s determination to secure their economic future.”

Senator Olympia J. Snowe

Julia Wanzco, Press Secretary, (202) 224-1304, Julia_Wanzco@snowe.senate.gov

“Today’s announcement is further demonstration that Maine’s unparalleled natural beauty can be preserved through partnerships between stalwart advocates such as Downeast Lakes Land Trust, community focused banks such as Bangor Savings Bank, and critical federal assistance through the New Markets Tax Credit,” said Senator Snowe, a senior member of the Senate Finance Committee, which has jurisdiction over tax policy. “The conservation of 21,700 acres adjacent to Grand Lake Stream will ensure that a jewel of Maine will be preserved for generations. Maine is fortunate to have such willing partners for our State’s future and I am encouraged that this announcement today will further serve as a template for protecting our local economy and preserving our natural resources.”

Senator Susan M. Collins

Kevin Kelley, Communications Director, (202) 224-2523, Kevin_Kelley@Collins.Senate.gov

“The people of Maine have always been faithful stewards of our forests and waters because we understand their tremendous value to our economy and to our way of life. This announcement is a continuation of that legacy. I am pleased to serve as an Honorary Co-chair to the West Grand Lake Community Forest Project Committee. Maine’s forests and lakes have helped to shape the economic, environmental, and recreational character of our entire state. I have made protecting and preserving Maine’s unique forests and waters priorities of mine during my service in the Senate.”

Bangor Savings Bank

John Moore, Senior Vice President & Chief Strategic Officer, 207- 262-4936,
john.moore@bangor.com

Jim Conlon, Bangor Savings Bank’s President and CEO, commented, “As Maine’s largest independent bank, Bangor Savings Bank is pleased to have made this deal possible. The financing of this project signifies Bangor Savings Bank’s capacity and commitment to economic development opportunities throughout the state.”

Coastal Enterprises, Inc.

Charlie Spies, Managing Director, CEI Capital Management, 207-772-5356, 207-837-3929 cell, cjs@ceimaine.org

Ron Phillips, President, Coastal Enterprises, Inc., 207-882-7552, 207-632-1233 cell; rlp@ceimaine.org

“This is an excellent example of the power of partnerships. This project reaches across the social fabric of Downeast Maine to preserve and enhance its environment, its natural resource based economy and more than a century-old heritage as center for ecotourism,” said Ron Phillips, President of Coastal Enterprises, Inc. “The partners are businesses, non-profits, the town, and caring individuals who want to use what Grand Lake Stream has to create working and living opportunities for all its residents, and robust vacation experiences for its visitors.”

Downeast Lakes Land Trust

Mark Berry, Executive Director (207) 796-2100, cell 702-3435, mberrydllt@earthlink.net

“Grand Lake Stream citizens voted unanimously to contribute \$40,000 to conserve the West Grand Lake Forest. This is a powerful statement from a small community that their future is worth fighting for. Despite hard economic times, we’re working to protect a way of life for current and future generations.”

Grand Lake Stream Plantation

Louis Cataldo, First Selectman, (207) 796-5549; loucat@midmaine.com

“This project is one of the greatest things to ever happen to Grand Lake Stream. I would like to thank the residents of Grand Lake Stream for their unanimous support. They stuck with us even when this looked like it was too good to be true.”

Lyme Timber Company

Tom Morrow, (603) 643-3300, tmorrow@lymetimber.com

“Many parties worked together diligently and our efforts resulted in an investment by Lyme in 22,000 acres on West Grand Lake, which will provide benefits to Maine residents, as well as Lyme’s investors. We are very happy to be working again on an investment in Maine.”

Sustainable Forest Futures

Steve Rohde, President, 603-229-0679, extension 107, srohde@northernforest.org
(Sustainable Forest Futures is a non-profit subsidiary of the Northern Forest Center.)

“I have been working in the community and economic development field throughout the nation for almost 40 years, and have been involved in a lot of projects, but in many ways this is the most amazing project I have ever seen,” said Steve Rohde, President of Sustainable Forest Futures, a non-profit subsidiary of the Northern Forest Center. “This project will have a lasting positive impact on the Downeast Lakes region for generations to come.”

The Conservation Fund

Vanessa Vaughan, Media Relations Manager, (703) 908-5809, vvaughan@conservationfund.org

"Sustainable working forests are a critical part of our nation's infrastructure," said Larry Selzer, President and CEO of The Conservation Fund. "They not only provide us with clean air, clean water, places to recreate, habitat for wildlife and solutions to climate change, but they also preserve the lifeblood of the local economy and the culture of the people of Maine. We are proud to partner with DLLT on this landscape-level conservation effort that keeps forests as forests."

The Open Space Institute

Jeff Simms, Communications Manager, (212) 290-8200, jsimms@osiny.org

"The protection of the West Grand Lake Community Forest will link nearly a million acres of conserved land in eastern Maine," said Peter Howell, OSI's Executive Vice President. "OSI is pleased to partner with DLLT on a project like this, one that will ensure sound forest practices and promote sustainable local economies."

**West Grand Lake Community Forest
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Partner Information**

About Downeast Lakes Land Trust

DLLT is a 501(c)(3) nonprofit organization based in Grand Lake Stream, with a mission to contribute to the long-term economic and environmental well-being of the Downeast Lakes region through the conservation and exemplary management of its forests and waters. DLLT sustainably manages the 33,708-acre Farm Cove Community Forest for wildlife habitat, forest products, and public recreation, as described on its web site, www.downeastlakes.org. DLLT received *Down East* Magazine's prestigious Environmental Award in 2006, was named a 2006 Landowner of the Year by the Maine Department of Inland Fisheries and Wildlife, and in 2007 became the first local land trust in Maine to earn Forest Stewardship Council Forest Management certification.

About Bangor Savings Bank

Bangor Savings Bank, with more than \$2.2 billion in assets, offers retail banking and investment management services to Maine consumers as well as comprehensive commercial, corporate, payroll administration, insurance, and small business banking services to Maine businesses. The Bank is in its 157th year of service to the people of Maine, with 51 branches, and on the Web at www.bangor.com.

About Coastal Enterprises, Inc.

CEI has secured \$481 million in federal new markets tax credit allocations, specifically for investment in underserved communities, through its subsidiary CEI Capital Management LLC. As a Maine nonprofit, CEI has a 30 year history of helping create economically and environmentally healthy communities in which all people, especially those with low incomes, can reach their full potential. CEI has nearly \$500,000,000 of capital under management, has 12 Maine locations and is on the Web at www.ceimaine.org.

About Lyme Timber

The Lyme Timber Company is a New Hampshire Limited Partnership organized in 1976 to invest in timberland and rural real estate for its own account and in partnership with other investors. Lyme specializes in the acquisition and sustainable management of large forestland tracts. An important part of Lyme's forestland investment strategy is to seek out properties with high conservation value, often in partnership with non-profit conservation organizations or government agencies. Lyme has extensive experience managing and operating timberland throughout the Northeast, Appalachian region, and Lake States of the US and currently owns 675,000 acres located in New Hampshire, New York, Maine, Pennsylvania, Tennessee, Massachusetts, Delaware, Virginia, and Louisiana.

About Sustainable Forest Futures

Sustainable Forest Futures (SFF) seeks to promote a competitive and sustainable forest economy in the 4 state Northern Forest region in Maine, New Hampshire, Vermont and New York. SFF is a non-profit subsidiary of the Northern Forest Center (www.northernforest.org). As a working partner of CEI in the implementation of CEI's New Markets Tax Credit (NMTC) program, SFF helps to find, structure and otherwise facilitate NMTC deals, including the NMTC deal involving the West Grand Lake Forest. SFF has programmatic initiatives promoting community forest ownership, sustainable harvesting innovations, and innovation to enhance the competitiveness of the region's wood products manufacturing industry.

About The Conservation Fund

The Conservation Fund is dedicated to advancing America's land and water legacy. With our partners, we conserve land, train leaders and invest in conservation at home. Since 1985, we have helped protect more than 6 million acres, sustaining wild havens, working lands and vibrant communities. We're a top-ranked conservation organization, effective and efficient.

<http://www.conservationfund.org>

About The Open Space Institute

The Open Space Institute created the Northern Forest Protection Fund (NFPF) in 2000 with a lead grant from the Doris Duke Charitable Foundation to support the permanent protection of large forest landscapes in northern New York and New England. The NFPF has awarded 16 grants totaling more than \$10 million to protect 920,000 acres of working forestland and 170,000 acres of reserves. NFPF has also made 11 loans in the region totaling \$16.5 million to protect an additional 26,000 acres.