



**CDFA**

COMMUNITY DEVELOPMENT FINANCE AUTHORITY

# ANNUAL REPORT

## State Fiscal Year 2020

14 Dixon Ave | Concord, New Hampshire | 03301  
603.226.2170 | [www.nhcdfa.org](http://www.nhcdfa.org)

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## Introduction

September 1, 2020

The Honorable Christopher T. Sununu, Governor  
The Honorable Donna Soucy, Senate President  
The Honorable Stephen Shurtleff, Speaker of the House  
The Honorable Monica Mezzapelle, State Treasury Commissioner

Dear Governor Sununu, President Soucy, Speaker Shurtleff, and Commissioner Mezzapelle:

In accordance with RSA 162-L:6, we are providing you with this annual report on CDFA's operations and outcomes for the fiscal year ending June 30, 2020.

State Fiscal Year 2020 was an unprecedented time for New Hampshire residents, businesses and our communities. As our world rapidly changed with the onset of the global COVID-19 pandemic, so did we. The Community Development Finance Authority quickly adapted its business operations while increasing our deployment of resources and continuing to maintain focus on serving nonprofits, municipalities and businesses at a time when they needed us most.

In State Fiscal Year 2020, we have made more than 109 investments in community-based initiatives and organizations, infusing more than \$17.8 million into community development, economic development and clean energy projects throughout New Hampshire. These impacts touched down in 46 communities and represent an approximate 36 percent year-over-year increase in the number of initiatives supported and a more than 11 percent increase in funds deployed. In addition, business donor engagement increased by almost 14 percent year-over-year.

These projects have supported nonprofits, municipalities, businesses and microenterprises through the COVID-19 pandemic, provided new jobs, created healthy and safe affordable housing, helped strengthen Main Streets, improved public facilities, increased energy efficiency, and supported emergency situation funding.

We continue to strive towards a New Hampshire whose communities are economically and socially resilient. The significance of this work and CDFA's commitment to our partners has only been reinforced by the crisis. Our strategy to increase our investment to an average of \$20 million annually into New Hampshire communities by 2022 remains steadfast and we look forward to accomplishing those goals with your support and the support of our partners.

If you have any further questions, comments, or ideas, please do not hesitate to contact us.



Katherine Easterly Martey  
Executive Director



John Manning  
Chair, Board of Directors

# The Community Development Finance Authority

The Community Development Finance Authority (CDFA) is nonprofit state authority that is uniquely positioned to work in partnership with state and federal initiatives to strengthen New Hampshire communities through the distribution of resources to municipalities, nonprofits, and businesses.

In the thirty-five years since our formation, CDFA's investments have helped to revitalize downtowns, ensure high-quality childcare facilities, expand job opportunities through business expansions, and increase the supply of clean, renewable energy in New Hampshire. We realize these impacts through the deployment of technical assistance and competitive grant, loan and equity programs, including Community Development Block Grants (since 2003), the State Tax Credit Program (since 1991); and the Clean Energy Fund (since 2015). Our innovative, collaborative and dynamic approach to development finance helps our partners to make transformational and sustainable changes.

In state fiscal year 2020, CDFA continued to focus on a number of initiatives to increase the organization's capacity to positively impact and strengthen New Hampshire communities. Through this work in 2020 and beyond, CDFA aims to:

- Base investments in data, trends and public participation efforts;
- Increase funds available and integration of those resources; and
- Develop the capacity of our partners to leverage multiple funding sources.

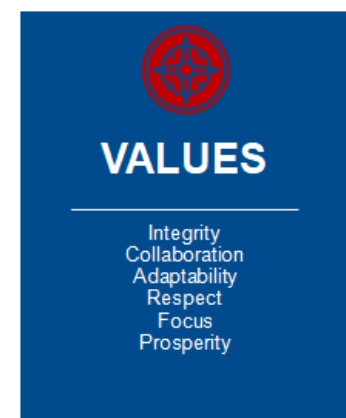
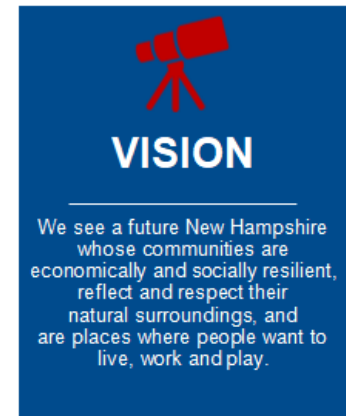
CDFA receives a limited allocation from the State General Fund,<sup>1</sup> which results in the organization providing the State of New Hampshire with an exceptionally cost-efficient system for deploying these resources to its communities. CDFA is financially self-sufficient and relies on fees from the programs it administers as revenue.

## CDFA Staff

CDFA's professional staff administers several state and federal programs, performs extensive programmatic and financial reviews on all applicants, and works with partners to ease the burden of compliance and protect the investment of funds. In addition, CDFA staff provide expert technical assistance in multiple forms to partners across the state.

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<sup>1</sup> The State provides a federally-mandated 2% administrative match of approximately \$196,000 to operate the Community Development Block Grant program. This is further explained in the Community Development Block Grant section of this report.



Our team brings together a diverse background of experiences and expertise to deliver value to CDFA's partners. This includes a depth of experience in project development and implementation, grant making and impact investing across community economic development and clean energy sectors, as well as financial and compliance expertise.

[CDFA staff members](#) include:

**Victoria Beauchesne**, Community Development Assistant;  
**Katherine Easterly Martey**, Executive Director;  
**Shelley Hadfield**, Director of Housing and Community Development;  
**George Hunton**, Director of Tax Credits;  
**Alexandra Jette**, Compliance Manager;  
**Missy Lackey**, Contract Specialist;  
**Melissa Latham**, Communications Manager;  
**Scott Maslansky**, Director of Clean Energy Finance;  
**Jacqueline Matthews**, Data Capacity Builder;  
**Deborah Morin**, Chief Financial Officer;  
**Laura Nadeau**, Accounting Assistant;  
**Kimberly Pacocha**, Senior Accountant;  
**Kevin Peterson**, Director of Economic Development; and  
**Maureen Quinn**, Office Manager and Board Relations Manager.

### **CDFA Board of Directors**

CDFA is governed by an eleven-member Board of Directors appointed by the governor and council for five-year terms. These are volunteer positions with no salary provided to directors.

The Board of Directors collaborates closely with leadership and staff to guide the organization's strategic direction, as well as provide oversight on the operations and fiscal health of the organization. The Legislature determined CDFA should be guided by representatives from several sectors, each bringing their professional expertise, including: four representatives from community development organizations; two from small business; one from organized labor; one from employment and education; two from the private financial community; and the Commissioner of the New Hampshire Department of Business and Economic Affairs or his/her designee.

CDFA's Board of Directors includes:

**John Manning, Chair** (representing Community Development);  
**Mary Ann Kristiansen, Vice Chair** (representing Small Business);  
**Janet Ackerman** (representing Financial Institutions);  
**Michael Claflin** (representing Community Development);  
**Benjamin Gaetjens-Oleson** (representing Small Business);  
**Cynthia Harrington** (Department of Business and Economic Affairs designee);  
**Clayton Mitchell, Ph.D.** (representing Organized Labor);  
**Martha Rush-Mueller** (representing Employment and Training);

**Robert Tourigny** (representing Community Development); and  
**Richard Wyman** (representing Financial Institutions).

### **Community Development Advisory Committee**

The Community Development Advisory Committee provides strategic counsel on CDFA's administration of the Community Development Block Grant program. The Committee also reviews and recommends applications for funding relative to the program. Projects that are approved by the Committee are then advanced to the New Hampshire Executive Council for final approval.

According to RSA 162-L:15, the Community Development Advisory Committee shall consist of eleven voting members. They include the chairperson of the CDFA Board of Directors, or designee; director of the NH Office of Strategic Initiatives, or designee; executive director of the NH Housing Finance Authority, or designee; and the director of the Division of Economic Development at the Department of Business and Economic Affairs, or designee. The Committee also includes six public members appointed by the Governor. Among them are three municipal officials and an executive director of a regional development organization.

Community Development Advisory Committee members include:

**Benjamin Gaetjens-Oleson**, Chairperson (CDFA Board of Directors designee);  
**Lisa Cota-Robles** (Office of Strategic Initiatives designee);  
**Elizabeth Fox** (Municipal official);  
**Carmen Lorentz** (Public member);  
**Nancy Merrill** (Municipal official);  
**Chris Miller** (NH Housing and Finance Authority designee);  
**Justin Slattery** (Public member);  
**Matt Sullivan** (Public member);  
**Matthew Walsh** (Municipal official);  
**Christopher Way** (Department of Business and Economic Affairs designee).

# State Fiscal Year 2020 Impacts

**\$17.8 million** infused into New Hampshire communities

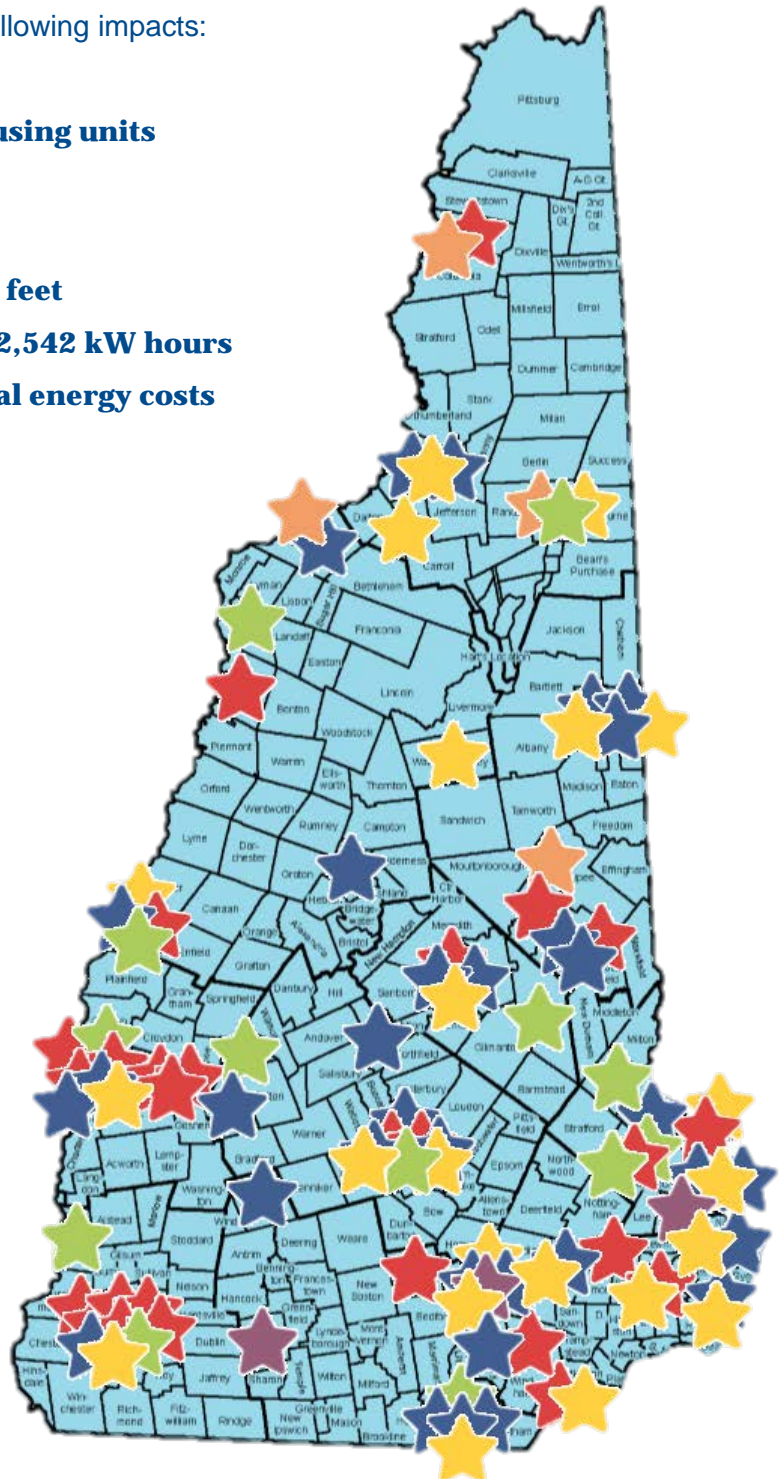
**109 community-based initiatives** supported

**214 business donors** engaged

Initiatives supported by CDFA reported the following impacts:

- Assisted **179,920 people**
- Rehabbed, preserved or created **159 housing units**
- Created or retained **269 jobs**
- Supported **340 micro businesses**
- Developed or rehabbed **133,773 square feet**
- Estimated annual energy savings of **1,252,542 kW hours**
- Saved an estimated **\$143,000 in annual energy costs**

-  Tax Credit Program
-  Community Development Block Grant Program
-  Clean Energy Fund
-  Nonprofit Response Fund
-  i2i
-  Predevelopment Loan Fund





# Case Study Spotlights

## Microenterprise Support During COVID-19



[Drum, LLC](#)  
Peterborough

## Childcare Facility & Food Pantry Renovations



[Vaughan Community Services](#)  
North Conway

## Reducing Energy Costs for a Small Business



[A Place to Grow](#)  
Brentwood

## Building Community in the Upper Valley



[Twin Pines Housing](#)  
Upper Valley

## Downtown Neighborhood Revitalization



[NeighborWorks Southern NH](#)  
Manchester

## Increasing Access to Affordable Childcare



[Boys & Girls Club of Central NH](#)  
Laconia



## Organizational Initiatives

CDFA undertook a number of significant initiatives in State Fiscal Year 2020 to align with its [strategic goals](#) and increase the organization's capacity to assist municipal, nonprofit and business partners to advance community-based projects. Highlights of these efforts included the creation of the Community Development Fund of New Hampshire, building new data capacities, and launching new tools to deliver enhanced technical assistance and support to partners.

### Creating the Community Development Fund of New Hampshire

As part of its strategic goal of increasing community development resources for the Granite State, CDFA developed the Community Development Fund of New Hampshire to increase resources available that can respond to evolving needs at the local level. The Community Development Fund will add a more flexible and responsive component to CDFA's existing resources while complementing other Federal funding programs, such as Opportunity Zones, New Markets Tax Credits and Northern Borders Regional Commission grants. In addition, the fund meets business donors' desire for closer working partnerships with CDFA and leverages public resources to incentivize private investments that support important local community economic development initiatives.

In State Fiscal Year 2020, New Hampshire's budget included a \$1,000,000 appropriation to the Community Development Fund which provides critical equity and loan-loss capacity. This investment also serves as an important milestone as CDFA continues to build interest from donors and other investors to further capitalize the fund. These State resources were also critical to meeting immediate needs presented during the COVID-19 crisis and allowed CDFA to quickly deploy loan funds alongside grant resources to support nonprofits early-on in the crisis.

CDFA continues to work with a nationally recognized consultant in State Fiscal Year 2021 to finalize program design and develop the structure, capitalization approach and deployment plan for the Community Development Fund so that it can serve as a large pool of flexible capital.

### Building New Data Capacity

As part of our mission to support community economic development across New Hampshire, CDFA assembles and uses relevant demographic, fiscal and other data, along with public input, to help guide planning and funding priorities, particularly for the federal Community Development Block Grant program. This commitment is articulated in [CDFA's Living Strategic Plan](#):

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*CDFA looks to meet communities' self-articulated goals, while fostering more coordinated, long-term thinking about the broader needs of communities on a statewide basis. CDFA will increasingly provide its technical and financial resources to all communities, large and small, and notwithstanding the varying capacities of communities.*

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To meet this goal, in 2019 CDFA embarked on an initiative to update its data collection, analysis and visualization capacity. The initiative has the following components:

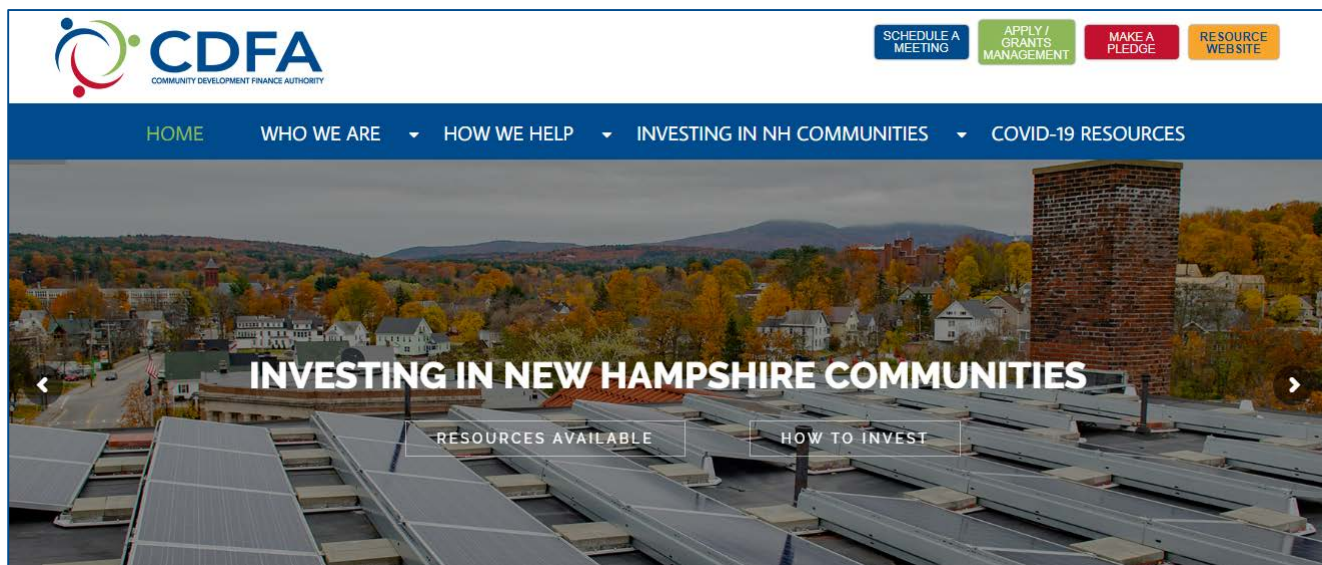
- Create a new “Core Data Index” to measure community need, using more up-to-date, relevant and varied data sources;
- Align data with CDFA strategic priorities, including Basic Human Needs, Access to Opportunity, and Community Sustainability and Vibrancy; and
- Create a data-visualization platform in a user-friendly and accessible way.

CDFA engaged New Hampshire Fiscal Policy Institute and a fellow from the Carsey School of Public Policy at the University of New Hampshire to analyze possible data sources. The recommendations served as the basis for creating the new [Core Data Index](#). Each measure within the Core Data Index will be updated annually, and the overall Index will be analyzed and refined over time. In the next phase of this work, CDFA will create a visualization platform to display each of the data measures to help leaders and stakeholders access information about their town or county, to help develop community economic development plans, initiatives, projects and activities.

### Launching New Tools

CDFA created a newly designed website to provide more streamlined information on the organization, our programs, and how nonprofits, municipalities and businesses can engage with us ([www.nhcdfa.org](http://www.nhcdfa.org)). In conjunction, CDFA developed a new resource hub (<https://resources.nhcdfa.org/>) to provide improved access to program-related information and resources for our partners. The resource hub is an easy-to-navigate online platform that guides partners through the pre-application, application and implementation phases of CDFA’s programs. Partners using the resource hub can access guidance on CDFA program objectives and eligibility, the application process, as well as how to successfully implement a project leveraging our resources.

These new tools will help us deliver enhanced technical assistance and support across our programs and throughout all stages of project development. CDFA will continue to work towards advancing its mission through new tools and technology.



## COVID-19 Crisis Response

CDFA recognized the need to quickly adapt to the needs of New Hampshire communities as a result of the COVID-19 pandemic. Immediately following the onset of the crisis, the organization reached out to partners to provide flexibility while working to understand needs and deploy resources to support critical work within New Hampshire communities.

The organization's response to the crisis to-date includes:

- Providing flexibility to existing grantees and borrowers;
- Launching the NH Nonprofit Response Fund;
- Shifting existing resources to meet immediate needs and plans for rebuilding;
- Partnering to assist the State administer the Nonprofit Emergency Relief Fund; and
- Deploying additional Community Development Block Grant resources provided through the CARES Act.

CDFA continues to work with a variety of partners to ensure the organization's resources and response is aligned with the evolving needs of municipalities, nonprofits and businesses.

### NH Nonprofit Response Fund

CDFA and the Business Finance Authority launched the NH Nonprofit Response Fund in April 2020 to provide nonprofit organizations impacted by the COVID-19 pandemic with resources to offset new costs related to COVID-19, as well as to support working capital and programming expenses. Funded in part by contributions from the business community, these resources are assisting New Hampshire's nonprofits meet community needs and helping microenterprises become more resilient during this time of crisis and economic disruption. Funding priority was given to community-based organizations impacted by the crisis and those serving vulnerable populations.



#### Donors

Meredith Village Savings Bank  
Merrimack County Savings Bank  
Savings Bank of Walpole  
Piscataqua Savings Bank  
Amoskeag Beverages  
Sugar River Savings Bank  
True North Networks  
Salem Cooperative Bank  
New Business Directions LLC  
Eastern Bank  
Franklin Savings Bank  
Cambridge Trust Company  
Lowell Five Cent Savings Bank

Shortly after launching the fund in April, CDFA raised nearly \$400,000 in Tax Credit donations from thirteen business donors to support grants to New Hampshire nonprofits. The organizations received a total of 64 applications from eligible nonprofits requesting more than \$3.4 million in support between April and June 2020. Due to the overwhelming demand, CDFA and BFA offered organizations a combination of grant funds supported by the Tax Credit donations and low-interest loan resources. Fifty-two applications were approved after programmatic and financial review with eighteen nonprofits accepting an award as of June 30, 2020.

Organizations awarded funding through the NH Nonprofit Response Fund in State Fiscal Year 2020 include:

- Concord Coalition to End Homelessness (Concord);
- Exeter Area Chamber of Commerce (Exeter);
- Hampton Area Chamber of Commerce (Hampton);
- M&D Productions (North Conway);
- Nathaniel J. Williams Foundation, Inc. (North Conway);
- New Generation, Inc. (Greenland);
- New Life Ministries of New England (Manchester);
- Overcomers Refugee Services (Concord);
- Reach for the Top Therapy Services (Dover);
- Revive Recovery Center (Nashua);
- Salem Family Resource (Salem);
- Seacoast Community Radio (Portsmouth);
- Spark! Community Center, Inc. (Lebanon);
- Special Olympics NH (Manchester);
- Sullivan County Oral Health Collaborative (Claremont);
- The Family Resource Center (Gorham);
- The Margret & H.A. Rey Center (Waterville Valley); and
- Weathervane Theatre Players, Inc. (Whitefield).

Applications for funds were received through June 12, 2020 and continue to be reviewed in State Fiscal Year 2021.

### Impact Spotlights

**The Sullivan County Oral Health Collaborative** has a mission to enhance oral health through education and access to care for all individuals and families. The organization also operates the Sullivan County Dental Initiative which offers in-school education, oral health screening, preventive treatment and referrals to children in Sullivan County. Funds will be used to update the facility with negative air pressure units in patient care areas to reduce exposure to COVID-19 and ensure safety for employees and patients.

**Revive Recovery Center** is a non-profit, peer recovery support center whose mission is to open doors and open minds for the recoverees in the community while providing a wide range of services for their mental, physical and spiritual well-being. Clients have mostly depended on the organization's physical space for support. Funds will enable the Revive Recovery to purchase software, online subscriptions, and temporary cell phones to be able to provide essential peer recovery support services virtually.

### *Supporting New Hampshire Microenterprises*

Through a generous donation of \$100,000 from Citizens Bank, CDFA was able to rapidly deploy resources through its existing network of nonprofit Microenterprise Technical Assistance Program partners to provide assistance to 67 microenterprises throughout New Hampshire impacted by the crisis. Grants of up to \$2,000 supported expenses related to resiliency planning, innovative business shifts, rent, payroll, working capital, and utilities.



Mary Ann Kristiansen of the Hannah Grimes Center in Keene, one of CDFA's Microenterprise Technical Assistance Program partners, was heartened to see the micro-grant recipients invest whole-heartedly in the future as well as provide relief from ongoing expenses that did not stop when their income did.

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*It was amazing to watch these entrepreneurs grow and learn over the six weeks, and so important for funders to see that a little bit can go a long way in terms of bolstering small businesses, and therefore, the local economy. This incredibly bold and creative idea from Citizens Bank and CDFA helped a group of very small business owners.*

*– Mary Ann Kristiansen, Executive Director, Hannah Grimes Center in Keene*

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CDFA will continue to explore ways it can leverage resources to support microenterprises and small businesses as they are critical components of New Hampshire communities and will be vital to the State's recovery from the crisis.

### **NH Nonprofit Emergency Relief Fund**

The NH Nonprofit Emergency Relief Fund was established by Governor Christopher Sununu through the Governor's Office for Emergency Relief and Recovery (GOFERR) on May 15, 2020 with an allocation of \$60 million. The funds are part of the \$1.25 billion New Hampshire Coronavirus Relief Fund established through the federal CARES Act. The New Hampshire Center for Nonprofits, the New Hampshire Charitable Foundation, and the New Hampshire Community Development Finance Authority administered the grant program in collaboration with the State.

During the application period (June 11 – June 25), 598 nonprofit organizations applied for funding. Staff from the three partner organizations, including financial professionals, provided intensive technical assistance to applicants. More than 1,000 people attended webinars to learn about the program and ask questions. In addition, the group responded to 310 program-related email inquiries, fielded 525 requests for technical help, and held 173 one-on-one appointments with applicants to help with the application and financial questions.

The administering organizations reviewed all applications in detail to determine if they were eligible and had qualified expenses and losses incurred due to the COVID-19 crisis, as defined by the CARES Act and GOFERR. The three organizations submitted a list of their determinations to GOFERR on July 24, 2020.

In August, the Governor approved all of the recommended grants at 75 percent of the eligible amount as determined by the administering organizations, up to a maximum of \$1 million per award. The approved award amount was designed to ensure nonprofits awards have parity when compared to other GOFERR programs that have only covered a percentage of eligible requests, while also retaining part of the overall allocation for future needs. A full list of the awards can be found on the GOFERR website: <https://www.goferr.nh.gov/covid-expenditures/nh-nonprofit-grants>.

Grants will enable nonprofit organizations with a wide variety of missions to continue to serve tens of thousands of New Hampshire residents who have been impacted by the coronavirus epidemic. NH Nonprofit Emergency Relief Fund resources will help address lost revenues allowing nonprofits to retain key staff, and/or cover the direct expenses



of delivering services to respond to the effects of the COVID-19 crisis, so critical organizations are able to serve New Hampshire through and after the crisis. Additional information about the purpose of Nonprofit Emergency Relief Fund can be found in the [program overview](#).

### **Community Development Block Grant CARES Act Funds**

Through the CARES Act, the State of New Hampshire was allocated approximately \$5.4 million in State Fiscal Year 2020 to be deployed under the Community Development Block Grant program to respond to the Coronavirus Pandemic (COVID-19). These funds, known as CDBG-CV, are to be used specifically for the prevention of, preparation for, and response to COVID-19.

Based on CDFA's assessment of community needs and broad public input from various stakeholders, CDBG-CV funds are being deployed to support a number of needs across the state. CDBG-CV programs responding to New Hampshire's needs include:

- **Public Services:** Municipalities can access approximately \$3.7 million in CDBG-CV funds to support eligible Public Services. High-priority services include childcare, food banks, legal services, as well as health, mental health and substance abuse services, among others. New Hampshire counties, cities and towns can sub-grant these funds to eligible nonprofits serving their communities.
- **Microenterprise Technical Assistance:** An allocation of up to \$850,000 is dedicated to provide eligible New Hampshire microenterprises with direct grants up to \$2,500. The Microenterprise Technical Assistance Program helps foster economic development by supporting organizations that provide a full range of entrepreneurial training and technical assistance services to low- and moderate-income micro-business owners and start-ups (those with fewer than five employees).
- **Economic Development:** Up to \$500,000 in funds will be used to support other economic development needs in 2021.

CDFA's deployment of these funds will continue in State Fiscal Year 2021.



## Tax Credit Program

CDFA's Tax Credit Program brings together worthy nonprofit projects and conscientious businesses to foster community economic development. The funds have a significant impact on initiatives that advance local community economic development goals, build capacity within the New Hampshire nonprofit ecosystem and provide technical assistance to support economic development across the state.

In State Fiscal Year 2020, projects awarded Tax Credit funding are providing increased access to critical services in the Granite State, revitalizing downtowns, as well as supporting workforce development and the creation of affordable housing.

Tax credit awardees demonstrate a strong commitment to serving New Hampshire through a variety of initiatives vital to the success of our communities. CDFA's Tax Credit Program plays an important role in strengthening the connection between awarded organizations and their local business community. The result: long-lasting public-private partnerships that enable New Hampshire businesses to make investments which have an impact within their communities.

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*Our tax credit awardees are leading collaborative, community-based projects to address critical needs in the Granite State that bring together public and private resources to solve local challenges. The diversity of projects funded speaks to the many ways our partners are driving forces behind making New Hampshire communities strong, resilient, vibrant places.*

*– Katy Easterly Martey, Executive Director*

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The program exchanges a 75 percent state tax credit against a donation made to any CDFA approved project. The tax credit may be applied against the New Hampshire business profits tax, business enterprise tax or the insurance premium tax. The donation also may be eligible for treatment as a state and federal charitable contribution. The contributing company may carry forward the credit for up to five years. The company can select which business tax and how much of their credit to apply towards their taxes in any given year.

Tax credit awards are made annually. CDFA is committed by statute to providing support to nonprofit community development organizations, cooperatives and municipal entities. RSA 162-L:10 permits CDFA to accept donations of up to \$5 million in each state fiscal year in exchange for \$3.75 million in state tax credits for CDFA approved community and economic development projects.

### Demand and Challenges

The popularity of CDFA Tax Credits, with both the nonprofits that seek them and the businesses that purchase them, has increased significantly year-over-year. The number of applications to the program continues to rise, making it

extremely competitive. The number of applications have increased significantly with more than \$117.7 million in tax credit requests for \$45 million in available credits since state fiscal year 2012. The demand from businesses looking to purchase tax credits also continues to rise.

### **State Fiscal Year 2020 Tax Credit Awards**

The following organizations have been awarded CDFR tax credits for their respective projects for FY 2020 / FY 2021.<sup>2</sup>

- **Affordable Housing, Education and Development (AHEAD) Inc. (Bethlehem) – \$450,000:** AHEAD will use tax credit funds to fill a critical gap in financing for the development of affordable housing. The project has will support strong community and economic benefit through the construction of workforce housing at Community Living at Lloyd's Hills in Bethlehem.
- **Boys & Girls Club of Greater Nashua (Nashua) – \$120,000:** Tax credits will be used to help the Boys & Girls Club of Greater Nashua renovate the pool and locker room facilities. The project has demonstrated need and will provide an important community and economic impact as well as access to services for low- and moderate-income people.
- **City of Franklin (Franklin) – \$500,000:** The City of Franklin will use tax credits to support the development of a whitewater park and surrounding amenities in downtown Franklin. The project provides strong community and economic benefit and downtown revitalization through increased access to outdoor recreation and attracting out-of-town visitors.
- **City of Nashua (Nashua) – \$367,500:** Tax credits will be used by the City of Nashua to renovate vacant retail and manufacturing buildings on Nashua's Main Street into the Nashua Performing Arts Center, contributing to downtown revitalization and economic development in Nashua and increasing access to arts and culture.
- **GALA Community Center (Wolfeboro) – \$275,000:** Global Awareness Local Action will use tax credits to complete phase 1 of building renovations for the Carroll County Makerspace & Incubator in Wolfeboro. The project will result in economic benefit to Carroll County through increased access to workforce development tools and training as well as downtown revitalization.
- **Lakes Region Community Developers (Laconia) – \$200,000:** Tax credits will be used by the Lakes Region Community Developers to complete exterior improvements to the Court Street Neighborhood Center project. The project has demonstrated need and strong community impact and will provide increased access to services for low- and moderate-income people in downtown Laconia.

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<sup>2</sup> CDFR Tax Credit awards to selected projects are often divided and spread over two state fiscal years, as best suits either the project's fundraising timeline and/or CDFR's year-to-year accounting of tax credits sales. Total project awards in any annual round may be over \$5 million; however, the amount of tax credits assigned to New Hampshire businesses does not exceed \$5 million in each fiscal year. Because the tax credits may be carried forward for up to five years, the amount of tax credits claimed by businesses to the Department of Revenue Administration may vary from year to year.

- **Nashua Soup Kitchen and Shelter Inc. (Nashua) – \$500,000:** Tax credits will be used by Nashua Soup Kitchen and Shelter to renovate a long vacant church in the neighborhood to double the capacity of the shelter. The project has demonstrated need, strong community impact and will provide increased access to services and development of affordable housing for low- and moderate-income people in downtown Nashua.
- **NeighborWorks Southern New Hampshire (Manchester) – \$175,000:** NeighborWorks Southern New Hampshire will use tax credits to redevelop and preserve 14 units of affordable housing on Manchester's West Side. The project will address a clearly established need for affordable housing in Manchester, providing a strong community and economic benefit that also contributes to downtown revitalization.
- **New England Healing Sports Association (Newbury) – \$200,000:** Tax credits will be used by New England Handicapped Sports Association to renovate and expand their main facility to maintain the safety and comfort of the growing special needs population. The project has demonstrated need and strong community impact and will provide increased access to services for targeted special needs population that travel to Mount Sunapee for services.
- **Aviation Museum of NH (Manchester) – \$187,500:** In partnership with the Manchester School of Technology, the Aviation Museum of NH will use tax credits to implement a program for high school students to build a full-scale flyable aircraft during the school year. The project will provide strong community and economic benefit to the Manchester area through workforce development.
- **Northern Forest Center (Lancaster) – \$200,000:** Northern Forest Center will use tax credit funds to redevelop the historic Parker J. Noyes building on Main Street in Lancaster. The project will contribute to downtown revitalization, create economic impact and increase quality rental housing.
- **Palace Theatre Trust (Manchester) – \$250,000:** The Palace Theatre Trust will use tax credits to revive the Rex Theatre and transform it into a multi-use community center, contributing to downtown revitalization and economic development in Manchester and increasing access to arts and culture.
- **The Homeless Center for Strafford County (Rochester) – \$250,000:** Tax credits will be used by The Homeless Center for Strafford County to construct a new shelter building in Rochester as they are losing their current space. The project has demonstrated need and strong community impact and will provide increased access to services for low- and moderate-income people.
- **Vaughan Community Services (North Conway) – \$300,000:** The Vaughan Learning Center will use tax credits to renovate its current childcare facility and construct a new building for the food pantry run out of a separate location, allowing for expanded services and efficiencies. The project will provide strong community impact and increased access to services, including affordable childcare for low- and moderate-income families.

- **West Claremont Center for Music and the Arts (Claremont) – \$400,000:** The West Claremont Center for Music and Arts will use tax credits to revitalize the Opera House Square building in the heart of Claremont into a creative center, contributing to downtown revitalization and economic development and increasing access to arts and culture.

### **L5 Capacity Building Program**

CDFA's L5 Capacity Building Program is a subset of CDFA's Tax Credit Program that provides a one-time infusion of capital at a pivotal point in a nonprofit organization's development. The program is aligned with the intent of section 162-L:5 of CDFA's enabling legislation, which states "the authority may award grants to...fund their operating costs or other costs of projects including, but not limited to, costs incurred for planning, feasibility or other studies, consultants, technical assistance, or educational or publicity programs."

The L5 Capacity Building Program seeks to provide resources to CDFA partner organizations to deepen their mission through the strengthening of their organizational infrastructure or development of new or enhanced programs. These resources will further enable partner organizations to deliver increased value and meaning to the communities they serve.

### **State Fiscal Year 2020 L5 Capacity Building Awards**

To support the various organizational and development initiatives proposed by applicants, CDFA awarded state fiscal year 2020 Tax Credit funds to the following nonprofit organizations.

- **TLC Family Resource Center (Claremont/Sullivan and Lower Grafton counties) – \$33,271:** Funds will support the strategic planning process for TLC Family Resource Center to evaluate the programs and services offered, explore increased collaboration with area organizations and assess their current office space.
- **Triangle Club (Dover) – \$75,000:** Funds will help the Triangle Club transition its business model from an all-volunteer nonprofit by developing an organizational assessment and optimization plan, executive coaching, fundraising plan and training, marketing plan and strategic plan.
- **New Hampshire Water Works Association (Statewide) – \$28,916:** NH Water Works Association will use funds to facilitate a strategic planning process as well as a marketing/rebranding strategy to attract younger persons to the industry.
- **New Hampshire Center for Nonprofits (Claremont and Conway areas) – \$75,000:** Funds will support the creation of a cohort-based program for small nonprofits focused on Board development and financial management for organizations located in the Claremont and Conway areas.
- **City of Lebanon (Lebanon) – \$75,000:** The City of Lebanon will use funds to develop the business plan and platform to launch Lebanon Community Power to create community engagement on critical energy issues and

develop innovative programs to educate and empower communities to take control of their energy future.

- **Greengard Center for Autism (Portsmouth) – \$75,000:** Greengard Center for Autism will use funds to develop an outreach program to expand the range of services to individuals with autism, particularly the young adult population, with a focus on vocational or post education.
- **Farmsteads of New England (Rockingham County) – \$12,813:** Funds will support an update to the strategic plan for Farmsteads of New England to explore the expansion of services to groups of people with developmental disabilities not currently served and develop a succession plan for upper management who will be retiring within the next three to seven years.

### **Economic Development Capacity Program**

In addition to the selected projects, CDFA's Tax Credit program supports New Hampshire's Regional Development Corporations. The funds will provide capital for the nonprofit Regional Development Corporations throughout the state to collaborate on fostering and encouraging economic development and job creation.

### **Tax Credit Business Donors**

The CDFA Tax Credit Program continues to be the best performing tax credit program offered by the state. Investment tax credits have been fully subscribed for the last fifteen fiscal years. A donor survey conducted in 2018 revealed a significant portion of the respondents are very satisfied (70%) with CDFA's Tax Credit Program and find the program very easy to use (74%).

Per RSA 162-L:10, \$5,000,000 in donation receipts were applied to state fiscal year 2020. The following businesses invested in New Hampshire community and economic development projects with the purchase of tax credits in state fiscal year 2020.

106 Grill, LLC	Attitash Mountain Service Company, Inc.
670, LLC	Autofair 1477, LP
Air Solutions & Balancing, LLC	Automotive Supply Associates, Inc. dba Sanel
AIRMAR Technology Corp	Auto Parts Company
Alec's Shoe Store, Inc.	B & S Locksmiths Inc.
Alex Choquette	Bank of New Hampshire
Alpha Chem, Inc.	BANKW Staffing, LLC
Ambrose Bros. Inc.	Bar Harbor Bank & Trust
American Residuals & Talent dba ART Payroll	Bayberry Financials Services Corporation
Amoskeag Beverages, LLC	Baystate Financial
Anagnost Investment, Inc.	Bayton LLC
Anchor Management Group, Inc.	Belknap Landscape Company, Inc.
Aries Engineering, LLC	Bio X-Cell, Inc.

Bonding Source LLC  
Bow Junction Associates, Inc.  
C & S Wholesale Grocers, Inc.  
Cabot Hill Naturals, Inc. dba Dental Herb  
Company  
Cambridge Trust  
Careno Construction Company, LLC  
Carroll County Landscape, Inc.  
Casella Waste Management  
CGI Business Solutions  
Chalmers Group, Inc.  
Chinburg Builders, Inc.  
CJ Architects, LLC  
Claremont Savings Bank  
Cleveland, Waters and Bass, P.A.  
Colony Auto  
Concord Booksellers, Inc. dba Gibson's  
Bookstore  
Concord Dance Academy  
Concord Oral Surgery, P.A.  
Concord Pediatric Dentistry  
Constantly Pizza Inc.  
Cooper Cargill Chant, P.A.  
Cormack Construction Management, Inc.  
Country News Club, Inc. DBA The Conway  
Daily Sun  
CPW Architects, PLLC  
Crane & Bell, PLLC  
D.F. Richard Energy  
Davis Care Group, LLC dba Senior Helpers  
Denron Plumbing & HVAC, LLC  
Dolce Pomodoro Inc.  
Dos Amigos Burritos, LLC  
Dover Amusement Group, LLC  
E & B, LLC  
East Coast Electronic Material Supply, LLC  
Eastern Bank  
Eastern Propane Gas, Inc.  
EG Staffing Corp.  
Elm Grove Property Management LLC

Enterprise Bank  
Enxing Auto Holdings, LLC  
Fairmount LLC  
First Seacoast Bank  
Formax, LLC  
Franklin Savings Bank  
Frase Electric LLC  
Frontside Coffee Roasters, LLC  
G & S Management Corporation  
Gary Chicoine Construction Corp.  
GDS Associates, Inc.  
GE QIC LLC  
Geo. M. Stevens & Son Co.  
Geokon Inc.  
Global Forest Partners LP  
Grace House of Windham LLC  
Granite State Hospitality, LLC  
Grapp, Inc. dba Grappone Mazda  
Grappone Automotive Group  
Grappone Autosure  
Grappone Collision Center, Inc.  
Grappone Distribution, Inc.  
Grappone Industrial, Inc.  
Grappone Management Company  
Grappone Used Cars, Inc.  
Greater Concord Chamber of Commerce  
Green Mountain Communications, Inc.  
H.J. Stabile & Son, Inc.  
Hanover Co-op Food Stores  
Hart's Restaurant, Inc.  
Healing Frontiers  
HEB Engineers, Inc.  
HLF ATS, LLC  
HLF Corporation  
HLF East, LLC  
Hodges Development Corporation  
Intec Automation, Inc.  
J. Lawrence Hall Co., Inc.  
Jalbert Leasing Inc.  
JJFC, Inc.



John Grappone Leasing, Inc.  
 Joy Tarbell – Realtor  
 Kalwell Corporation  
 Kheops International, Inc.  
 Kindler Development Group LLC  
 Lavallee Brensinger PLLC  
 Ledyard National Bank  
 Leone, McDonnell & Roberts P.A.  
 Lewis Engineering, PLLC  
 Liars Bench, LLC  
 Living Innovations  
 Local Pride Heating Oil  
 Logical Innovations, LLC  
 Lori Keller Lambert  
 Lucy Hardware  
 Lupine Inc.  
 MacLeod Enterprises Inc.  
 Macy Industries, Inc.  
 Main Street America Assurance Company  
 Main Street Private Wealth Management  
 Martini Northern  
 Mascoma Bank  
 McDevitt Trucks Inc.  
 McLane Middleton  
 MDP Realty Associates LLC  
 Merchants Fleet Management  
 Mercury Systems, Inc.  
 Meredith Village Savings Bank  
 Merrimack County Savings Bank  
 Milestone Engineering & Construction, Inc.  
 Mill Street Meat Market LLC  
 Millyard Bank  
 Molly's Restaurant  
 Monroe Mills LLC  
 Mt. Washington Radio and Gramophone  
 Murphy, Powers & Wilson CPAs  
 Nathan Wechsler & Company, P.A.  
 National Field Representatives, Inc.  
 New Business Directions, LLC  
 New England Coastal Realty  
 Newburyport Five Cents Savings Bank  
 Nobis Engineering, Inc.  
 North & South Construction Services  
 North Branch Construction, Inc.  
 Northpoint Engineering LLC  
 Northway Bank - Berlin  
 Old Hampshire Designs, Inc.  
 One Court Street Associates  
 One Middle Street, LLC  
 Orr & Reno Professional Association  
 Osiris Consulting LLC  
 Passumpsic Savings Bank  
 Paul's Executive Car Care, Inc.  
 Penguin Gallery of NH, Inc.  
 Pete Stuben, LLC dba Wildcat Inn  
 Piscataqua Savings Bank  
 PixelMEDIA, Inc.  
 Plymouth General Dentistry, PLLC  
 Portsmouth Chevrolet, Inc.  
 Poultry Products Company of New England,  
 LLC  
 Pro Star Aviation, LLC  
 PROCON  
 Profile Subaru, Inc.  
 PSI Molded Plastics New Hampshire, Inc.  
 Rath, Young and Pignatelli, P.C.  
 Resilient Buildings Group, Inc.  
 ResponseForce1 Corp  
 ReVision Energy Inc.  
 Ricci Lumber  
 Ridgewood Lumber Sales, Inc.  
 Rist-Frost-Shumway, P.C.  
 Riverside Tavern, LLC dba Railpenny Tavern  
 Sager & Smith PLLC  
 Salem Co-operative Bank  
 Salon Partners, LLC  
 Salt Mill, LLC  
 Save-On-Wall Co., Inc.  
 Savings Bank of Walpole  
 Seacoast Endodontic Associates, P.A.

Sheehan Phinney Bass & Green P.A.  
South End Media, LLC  
Spectex, LLC  
SRW Environmental Consulting, L.L.C.  
Stinson Associates  
Sugar River Bank  
TFMoran, Inc.  
The Big Oyster, LLC dba The Franklin  
The Lowell Five Cent Savings Bank  
The Provident Bank  
The Rowley Agency, Inc.  
The Sailmaker's House, LLC  
The Water Office, LLC  
Timberlane Glass & Mirror  
Total Grounds  
Trivantus, Inc.

True North Networks, LLC  
Turbocam, Inc.  
Union Bank  
Varsity Beverage Co. Inc.  
Vida Cantina, LLC  
Walley's Heating & Air Conditioning  
Watts Water Technologies Inc.  
Wescott Law, PA  
Wheelabrator Technologies, Inc.  
White Heron Tea, LLC  
Wire Belt Company of America, Inc.  
Wit-Way Supply, Inc.  
Woodsville Guaranty Savings Bank  
Wright-Pierce  
Wyskiel, Boc, Tillinghast & Bolduc, P.A.  
Zeb's General Store, Inc.

## Community Development Block Grant Program

The Community Development Block Grant program is focused on the development of viable, sustainable and equitable communities by providing decent housing, suitable living environments, and expanding economic opportunities, principally for low- and moderate-income people in New Hampshire.

CDFA receives its allocation directly from the Department of Housing and Urban Development and administers Community Development Block Grant (CDBG) funds for non-entitlement municipalities. All eligible municipalities and counties have the opportunity to access up to \$1.5 million in resources annually, in addition to requests for emergency and planning resources as available.

### Program Impact

CDBG projects in New Hampshire have leveraged tens of millions of dollars in matching capital. Many of the state's most important and most prominent initiatives have been partly financed by these resources. CDFA has awarded more than \$150 million in CDBG funds since 2003. These critical federal resources have been deployed to communities throughout New Hampshire and have a significant impact on economic development, housing and community-based initiatives across the state.

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*In calendar year 2019, the Community Development Block Grant program assisted 2,207 people through public facility improvements and 613 people through emergency grants, created or retained 38 jobs, rehabilitated or preserved 90 housing units, and provided technical assistance to 340 microenterprises.*

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### Background on the Community Development Block Grant Program

The program was created in 1974 with the passage of the Housing and Community Development Act, Public Law 93-383. The U.S. Department of Housing and Urban Development administered the Community Development Block Grant program until 1983 when the individual states were provided the funding administer directly within their communities.

For New Hampshire to receive its annual allocation of federal funds under the Community Development Block Grant program, federal rules require the State to provide match funds to support the administration of the program. This figure is no more than three-percent of the Department of Housing and Urban Development's allocation. In fiscal years 2019 and 2020, the State allocated a total of \$368,000 through the General Fund to support the deployment of more than \$18 million in block grant funds to New Hampshire communities. CDFA supplemented the General Fund allocation with its own reserves to meet the federally mandated match funds.

## **Distribution of Funds**

Funding levels for each state are determined by a formula from the Department of Housing and Urban Development based on socio-economic factors including population and poverty rate. In calendar year 2020, the allocation for New Hampshire's statewide CDBG program is \$9,217,669. For calendar year 2019, the HUD allocation to CDFA for the statewide CDBG program was \$8,864,744.<sup>3</sup> Any leftover resources are committed to the next funding round.

CDFA awards grants directly to New Hampshire's cities, towns, and counties,<sup>4</sup> which often sub-grant the money to a nonprofit agency or other entity conducting the work. New Hampshire's program focuses on funding projects in the following areas:

- Economic Development;
- Housing;
- Public Facilities;
- Emergencies and Unanticipated Events; and
- Planning.

After set-asides of approximately \$300,000 for planning and \$500,000 for emergency grants, CDFA divides the remaining allocation in three equal parts for economic development, housing and public facilities projects. Grants for affordable housing and public facilities are awarded twice a year in competitive rounds; economic development, planning and emergency grants are awarded on a rolling basis.

## **State Fiscal Year 2020 Community Development Block Grant Awards**

The following counties and municipalities were awarded grants between July 1, 2019 and June 30, 2020.

### *Housing and Public Facilities*

The Housing and Public Facilities Program awards funds to support community development projects that primarily benefit low- and moderate-income persons or households.

- Hillsborough County was awarded \$500,000 on behalf of Nashua Soup Kitchen & Shelter to renovate the former St. Patrick's Elementary School in downtown Nashua into a homeless shelter with supportive services and permanent housing. The building will double the number of shelter units for single women to 12 and family shelter units to 12 and will allow for the addition of 11 new units of permanent housing for the homeless. This project will allow NSKS to consolidate their operations into one facility, realizing greater staffing efficiencies. NSKS expects to serve at least 400 individuals, all of who are LMI.
- Sullivan County was awarded \$500,000 on behalf of TRAILS (Transitional Reentry and Inmate Life Skills) to acquire and repurpose a commercial building located at 19 Sullivan Street in Claremont. The Sullivan House

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<sup>3</sup> As this federal program runs on a calendar year, these two allocations straddle the state fiscal year.

<sup>4</sup> There are five "entitlement communities" which receive money directly from HUD as a special set-aside (Manchester, Nashua, and the combined communities of Portsmouth-Rochester-Dover). Projects located in these communities can apply either directly to the city or to CDFA through their county if they can demonstrate a regional benefit.

will provide transitional housing and supportive services to ex-offenders trying to get back on their feet, into the workforce and their communities. Of the approximate 42 beneficiaries, 100% are estimated to be LMI.

- The City of Keene was awarded \$500,000 on behalf of Southwestern Community Services to purchase three shelter facilities. Two are owned by Keene Housing and one is owned by Cheshire Housing Trust. The facilities are already leased and operated by SCS and are in need of rehabilitation and upgrades. Approximately 230 persons will benefit from this project, of which 100% are estimated to be LMI.
- The City of Lebanon was awarded \$496,500 on behalf of HEADREST to renovate their residential and outpatient treatment facility at 14 Church Street for better functionality, greater energy efficiency, improved life safety and disabled access. This grant is a direct result of a prior CDBG planning study. Of the approximate 335 total beneficiaries, 94% are estimated to be LMI.
- The City of Laconia was awarded \$161,000 on behalf of the Lakes Region Community Developers to upgrade the four-unit apartment building located at 85-87 Elm Street. This building had previously been used as transitional housing but will now be used as affordable housing. These apartments are considered 100% LMI.
- The Town of Derry was awarded \$290,000 on behalf of Derry Housing and Redevelopment Authority to complete building revitalization activities at the Vernon C Kelley Apartments. The complex consists of 12 units in three buildings and house very low-income elderly, handicapped and/or disabled tenants. The rehabilitation of the buildings are recommendations from the Town of Derry Code Enforcement department.
- The Town of Wolfeboro was awarded \$500,000 on behalf of Global Awareness Local Action (GALA) Community Center for the rehabilitation of the GALA Community Makerspace & Incubator located at 23 Bay Street in Wolfeboro. The project will enhance and complement existing community organizations and services and will have approximately 115 total beneficiaries of which 77% are estimated to be LMI. This grant was preceded by a CDBG planning study.
- The City of Claremont was awarded \$500,000 on behalf of Claremont Development Authority for the renovation of 56 Opera House Square. This project will revitalize commercial space in Claremont's downtown historic district and will be leased by the West Claremont Center for Music and the Arts. The City of Claremont is 55% LMI.
- The Town of Exeter was awarded \$500,000 on behalf of Icey Hill Cooperative, a sixteen-unit manufactured housing cooperative park in Exeter, for water and wastewater system improvements. The park benefits 38 individuals of which 85% are LMI.
- The Town of Salem was awarded \$245,000 on behalf of Salem Housing Authority to complete building revitalization activities at the Millville Arms Apartments in Salem. Millville Arms is a 75-unit public housing

project for very-low-income elderly, handicapped and disabled individuals.

- The Town of Somersworth was awarded \$500,000 on behalf of Somersworth Housing Authority for the Somersworth Rental Assistance Demonstration (RAD). This RAD Program will convert three existing properties with a total of 169 units from public housing to affordable housing. The RAD Program provides affordable housing to eligible families, elderly people and persons with disabilities without discrimination.
- Cheshire County was awarded \$500,000 on behalf of Monadnock Affordable Housing Corporation for the rehabilitation of Bennett Block located at 32-34 Washington Street in Keene. The building houses community and commercial space on the first floor and fourteen apartments on the second and third floors of which the occupants are 100% LMI. The project will improve building safety, include energy efficiency upgrades, and improve air quality and internal appearance.
- The City of Concord was awarded \$77,000 on behalf of the Concord Fellowship House for the purpose of making needed improvements to the heating system of the circa 1880 historic building in downtown Concord. The building is a multi-use structure and includes nine special-needs apartments for persons with disabilities.
- The Town of Tuftonboro was awarded \$500,000 on behalf of North Country Village Cooperative, a 57-unit manufactured housing park in Tuftonboro, to replace the water distribution system throughout the park. The park is home to approximately 97 people of which 79% are LMI.
- The Town of Barrington was awarded \$500,000 on behalf of Lee Oak Cooperative, a 69-unit manufactured housing park located in Barrington. The project will replace the water distribution system and septic systems. The park houses approximately 129 people of which 83% are LMI.
- The City of Concord was awarded \$357,290 on behalf of the Crisis Center of Central New Hampshire. The Crisis Center operates out of two locations in Concord. Both locations are in need of repair and adjustments to their HVAC systems. One of the buildings has unused space on the third floor which will be finished to create usable meeting spaces. Of the approximately 1,500 beneficiaries, it is estimated 75% are LMI.
- The City of Keene was awarded \$500,000 on behalf of The Community Kitchen to make building improvements to its facility at 37 Mechanic Street in Keene. The project will further the mission by providing hot meals and take-home boxes to LMI individuals in Cheshire County.
- The Town of Epping was awarded \$450,059 to help offset the cost of building a new Water Treatment Plant in Epping to adequately service users and add capacity to the system for future town growth. The plant services approximately 1,700 people of which 59% are LMI.



### *Economic Development*

The Economic Development Program awards funds to support the creation or retention of jobs for low- and moderate-income residents that provide good wages, benefits and training programs.

- Cheshire County was awarded \$300,000 in CDBG funds on behalf of the Monadnock Economic Development Corporation which will loan the funds to local business Compass Innovative Behavior Strategies. The funds will be used by the business for working capital, equipment and furnishings purchases and debt consolidation. Fifteen quality, new full-time jobs will be created as a result of this business expansion, of which at least eleven will be held by or made available to persons of low- to moderate-income and require only a high school diploma or equivalent.
- The City of Keene was awarded \$500,000 in CDBG funds on behalf of the Monadnock Economic Development Corporation which will loan the funds to local business Monadnock Food Co-op. The funds will be used by the business for equipment purchases and soft costs related to the expansion of the facility. Twenty-five quality, new full-time equivalent jobs will be created as a result of this business expansion, of which at least sixteen will be held by or made available to persons of low- to moderate-income and require only a high school diploma or equivalent.
- Grafton County was awarded \$300,000 on behalf of New Hampshire's ten Regional Development Corporations across the state. These resources are designed to provide capital to the nonprofits which have the primary goal to foster and encourage economic development. The funds are focused on assisting these organizations to fulfill their missions and provide technical assistance to New Hampshire businesses.

### *Microenterprise (Economic Development)*

The Microenterprise Program, a subset of the Economic Development Program, is an \$850,000 set-aside used to aid entities that provide assistance to start-ups and very small businesses (those with fewer than five employees). With federal maximums of \$500,000 per municipality or county, the \$849,730 in awards were allocated to Grafton County and Cheshire County and divided among economic development centers from every corner of the state. Collectively, the program will serve approximately three hundred six businesses in New Hampshire.

A grant in the amount of \$394,865 has been made to Grafton County on behalf of these organizations:

- \$229,188 to the Belknap Economic Development Council in Laconia. Belknap EDC will collaborate with Grafton Regional Development Corporation, Coos Economic Development Corporation and Wentworth Economic Development Corporation to assist eighty-three low- to moderate-income individuals throughout Grafton, Belknap and Carroll Counties through lending advice, one-on-one counseling and trainings geared toward small business development.
- \$69,032 to the Women's Rural Entrepreneurial Network (WREN) in Bethlehem. Technical assistance from WREN includes initiatives such as vendor readiness classes, business coaching, and computer tutorials to approximately twenty-five low- to moderate-income business owners.

- \$96,645 for the Northern Community Investment Corporation (NCIC) in Lancaster. Approximately thirty-five start-up businesses will be able to take advantage of NCIC's financial management and business coaching, marketing seminars, and training in customer service, among other benefits.

A grant has been made to Cheshire County in the amount of \$454,865 on behalf of these organizations:

- \$174,955 to the Hannah Grimes Center in Keene. The center will provide access for sixty-five microenterprises to its training, one-on-one counseling and technical assistance, as well as other services.
- \$149,955 for the Regional Economic Development Center in Raymond. Activities funded include one-on-one meetings with business advisors, training in reading financial statements, and assistance with brand development and marketing. An estimated fifty-five low- to moderate-income small business owners will use their many resources.
- \$129,955 to the NH Small Business Development Center's Pathways to Work initiatives in Durham and Manchester. Some of the services provided to approximately forty-seven participants include classes on how to start a small business, e-courses on finance, and workshops on topics like marketing and accounting.

### *Planning Grants*

The Planning Grant Program funds planning and feasibility related activities to determine whether or not a proposed project is viable.

- The Town of Newport was awarded \$12,000 to study the need for a Regional Transportation Corridor from Newport to the Upper Valley area. The study comes from a need to address accessibility issues for basic services, employment opportunities and healthcare. A potential of 53% of LMI households that reside in this area could benefit from this project.
- The Town of Colebrook was awarded \$12,000 on behalf of Colebrook Homeowners Cooperative, a 48-unit manufactured housing park located in Colebrook, to retain an engineer to assess the condition of the water and sewer systems and develop preliminary plans and cost estimates to replace/upgrade the systems. The Cooperative is 88% LMI.
- The City of Claremont was awarded \$12,000 on behalf of the Sugar River Cooperative, a 30-unit manufactured house park located in Claremont, to retain an engineer to assess the condition of the water and sewer systems and develop preliminary plans and cost estimates to replace/upgrade the systems. The Cooperative is 100% LMI.

### *Emergency Grants*

The Emergency Program funds projects that will provide immediate relief due to unanticipated events which have a serious and immediate threat to public health and safety or unanticipated actions which jeopardize the economic stability of the community.

- The Town of Newport was awarded \$125,925 to replace the emergency generator at the Riverbend Wastewater Pump Station. The Department of Environmental Services issued a letter stating that the situation is a potential major public health emergency. The pump is located in the town's industrial district, including three of the Town's largest employers. The unit services 22% of Newport sewage of which 53% are LMI.
- The City of Claremont was awarded \$499,500 on behalf of New England Family Housing to stabilize a seven-unit apartment building located at 147 Main Street in Claremont. The building shares a wall with a neglected, abandoned building located at 139 Main Street that is collapsing, causing constant strain on the shared wall. The City condemned the building, outplacing seven households which were 100% LMI. The project will replace the shared wall and make other related improvements to bring the seven units back onto the rental market.

### **Program Opportunities**

CDFA continues to build on the momentum achieved in State Fiscal Year 2019 with its exemption from the New Hampshire Administrative Procedures Act and other rulemaking provisions. The change provides new opportunities for careful and thoughtful deployment of resources, including the ability to:

- Increase accessibility to and ease-of-use of Community Development Block Grant funds;
- Create flexible structure to better adapt to evolving needs in New Hampshire;
- Adjust to new funding levels and a technology-driven world; and
- Continue to integrate CDFA resources to support critical, community-driven projects.

In State Fiscal Year 2020, CDFA used a robust public participation processes to integrate several improvements to the program to align with these goals and improve the efficacy of the program. These improvements included the development of new program resources that provide clear, concise guidance on program policies and requirements. In addition, leveraging data, trends and key stakeholder feedback, CDFA updated program policies to:

- Increase the funds available to and capacity for communities to develop, implement and sustain impactful projects;
- Provide additional resources for the development of affordable housing that supports the revitalization of New Hampshire's downtowns; and
- Align economic development tools to better leverage public and private resources to have a positive community impact.

It's critical to ensure New Hampshire's program is well-positioned to make the most impact possible with limited resources. CDFA will continue to collaborate with New Hampshire communities, as well as state and federal leadership, on this initiative.

## Clean Energy Fund

CDFA's Clean Energy Fund is dedicated to financing energy-efficiency improvements, clean technology and renewable energy initiatives throughout New Hampshire. It merges multiple state and federal funds into an efficient, deployable resource. These investments provide financing for eligible initiatives being undertaken by businesses, nonprofits and municipalities.

The Clean Energy Fund is focused on delivering the following value to its partners:

- Provide technical assistance to borrowers and contractors;
- Develop public-private partnerships, de-risking private investment;
- Coordinate with other funding sources to enable a creative approach to financing; and
- Structure loans to ensure project savings are equal to or greater than annual debt service payments.

Since 2015, the Clean Energy Fund has deployed approximately \$7.2 million in financing to support 45 clean energy initiatives throughout New Hampshire. Loans ranged from \$19,000 to \$470,000 with an average loan amount of \$159,745. Collectively, these projects are estimated to save over \$699,000 per year in energy expenses.

### Background on the Clean Energy Fund

The Clean Energy Fund utilizes a combination of Federal, State and CDFA resources to offer a single energy-focused revolving loan fund program. These program resources include BetterBuildings, the Energy Enterprise Fund, and the Municipal Energy Reduction Fund. The Clean Energy Fund continues to be recapitalized as loans are repaid.

Using resources from the Clean Energy Fund, organizations will be directed to financing from one, or more than one, of these programs. CDFA also works with private sector lenders to create credit enhancement products to leverage our public funds and provide additional resources.

### State Fiscal Year 2020 Clean Energy Fund Loans

As the revolving loan funds are being recapitalized, CDFA is able to redeploy funds to businesses and municipalities for energy improvement initiatives. In State Fiscal Year 2020, CDFA made the following loans under the Clean Energy Fund.

- Loan of \$135,000 to Willard Pine, LLC to install a wood pellet boiler and significant energy efficiency upgrades in an eleven-unit residential rental property in Berlin. The project is intended to more cost effectively heat the building and provide better comfort for tenants who are all LMI.
- Loan of \$120,928 to Squamscott Block Limited Partnership to support the installation of a 51.1kW rooftop solar array on a mixed-use property located in Exeter. The property includes thirty residential apartments, of which sixteen are designated as affordable, along with two first floor commercial units.

- Loan of \$46,813 to Atom Properties, LLC to support the installation of a 17.7kW rooftop solar array and air source heat pumps for heating and cooling as part of a major renovation of an existing barn that will house four commercial tenants. The overall project is intended to achieve Net-Zero energy. The solar will also support charging for an electric vehicle owned by a new tenant.
- Loan of \$300,000 to Sustainable Forest Futures, Inc. to support energy and related upgrades as part of the P.J. Noyes redevelopment project in downtown Lancaster. The loan supports various energy efficiency measures, above code building weatherization, and heat pump systems throughout the building. This project will lower energy costs for all tenants, particularly the nonprofit retail tenant, Root Seller Marketplace. The building will also house six residential apartments.
- Loan of \$230,000 to BP Effingham, LLC to construct a 100kW ground mount solar array for Effingham Elementary School as part of a Power Purchase Agreement with the Governor Wentworth Regional School District. The reduction in the cost of electricity will impact the school taxes levied by the district.
- Loan of \$140,000 to the YMCA of Greater Nashua to install LED lighting in their three facilities in Nashua and Merrimack. This project will result in energy savings of approximately \$75,000 per year across the three locations.

### **Energy Audit Program**

CDFA launched the Small Business Energy Audit Fund under the Clean Energy Fund in FY 2017. Using resources from the USDA Rural Energy for America Program (REAP) grant program, CDFA began offering funds to assist agricultural producers and rural small businesses throughout New Hampshire in receiving comprehensive energy audits. Grants cover seventy-five percent of the comprehensive energy audit costs with eligible participants required to pay the remaining twenty-five percent.

Under the program, CDFA works with qualifying business owners to identify an eligible energy auditor, as well as incentives and financing opportunities available for implementing the recommended energy upgrades. In FY 2020, CDFA provided \$20,468 in resources to support energy audits for seven rural businesses throughout New Hampshire.

### **Future Energy Initiatives**

In January 2020, CDFA implemented an organization-wide Energy Policy as part of CDFA's efforts to align key programs, add value to our technical assistance, and improve the sustainability of projects supported by our investments. Applicants must complete appropriate evaluation of comprehensive energy opportunities prior to, or concurrent with, the planning/design of the project in order to inform a design that:

- Reduces future operating and maintenance costs;
- Improves occupant comfort and health; and/or
- Improves building durability.

CDFA staff have worked with applicants to identify energy professionals and utility representatives to help fulfill their requirements and add value to their projects. The organization continues to identify funding opportunities to reduce costs for applicants to implement its Energy Policy including increased utility funding for energy projects in the next triennium of the Energy Efficiency Resource Standard and CDFA's application to USDA for Municipal and Nonprofit energy studies.

CDFA continues to look for new opportunities for strategic collaborations to further economically-viable investments in clean energy, and particularly those that benefit low-income households. Engaging with the New Hampshire Housing Finance Authority, as well as owners and managers of rental properties serving low-income residents, CDFA is identifying gaps in other energy financing resources where the Clean Energy Fund can support a more comprehensive approach to energy for capital projects in affordable housing.

In State Fiscal Year 2020, CDFA engaged with a group of stakeholders to identify uses for a \$5 million Clean Energy Fund (no relation to CDFA's fund of the same name) established through the settlement agreement of Eversource's 2015 divestiture of their electricity generation resources. The process was facilitated by NH Public Utility Commission (PUC) and NH Office of Strategic Initiatives (OSI) staff. Participants included representatives from CDFA, Clean Energy NH, solar installation businesses, and others, with support from the Eversource staff. Stakeholder feedback on the joint proposal from the PUC and OSI staff supported the use of funds for a combination of a loan loss reserve and interest rate buy down to leverage private investment in clean energy, as well as capital to support the State's Renewable Energy Fund.

## **Recovery Friendly Workplace Initiative**

New Hampshire's Recovery Friendly Workplace Initiative, led by Governor Christopher Sununu, encourages an environment where employers, employees, and communities can collaborate to create positive change and eliminate barriers for those impacted by addiction (<https://www.recoveryfriendlyworkplace.com/>).

On behalf of the State of New Hampshire, CDFA has been allocated a one-time, \$1 million appropriation to administer grant funds to nonprofit organizations delivering recovery friendly workplace programs. According to the authorizing legislation signed into law June 2018, "recovery friendly workplace programs" include programs that:

- Educate employers in evidence-based practices that demonstrably reduce substance misuse in the workplace;
- Create work environments that are conducive to enabling persons in addiction and mental health recovery to sustain and re-enter the workforce as productive members of society;
- Train employees, including specialized training for human resources personnel, on these matters;
- Raise public awareness and provide information that supports health and safety for employees; and
- Promote active community engagement that will assist in reducing the negative impact of unaddressed substance misuse and untreated mental health.

CDFA has coordinated with the Governor's office, Department of Business and Economic Affairs, nonprofits, businesses and others to administer these funds with the following priorities:

- Deliver impactful Recovery Friendly Workplace programming and services to businesses;
- Create a pilot program that can be replicated statewide and nationally; and
- Strengthen public-private partnerships between nonprofits and businesses in New Hampshire.

### **Recovery Friendly Workplace Program Awards**

The following organizations were awarded Recovery Friendly Workplace Initiative grant funds in State Fiscal Year 2019 to advance the delivery of impactful Recovery Friendly Workplace programming and services to business: Greater Seacoast Community Health / SOS Recovery Community Organization (Somersworth); Headrest, Inc. (Lebanon); Makin' It Happen Coalition for Resilient Youth, Inc. (Greater Manchester); Reality Check, Inc. (Jaffrey); and Navigating Recovery of the Lakes Region (Laconia).

### **Program Implementation**

CDFA continues to support the implementation phase of the pilot program whereby funds have been awarded and are available to support Recovery Friendly Workplace Initiative programming for each of the respective grantees. During this phase, grantees are responsible for implementing the programming and services to businesses proposed within their applications. Reporting on these activities continue to be monitored regularly throughout the grant period.

### ***Development of Evidence-Based Materials***

CDFA engaged the Community Health Institute as a third-party subject matter expert to develop evidence-based materials for the Recovery Friendly Workplace Initiative. These materials are an important element for New Hampshire to lead the way in the development of best practices for employers to implement Recovery Friendly Workplace programming. Materials created cover a variety of topics related to the Initiative and are being used by grantees to deliver programming and supports to businesses. The development and delivery of these materials to grantees is complete.

### ***Facilitating a Community of Practice***

The Community Health Institute is also facilitating a Community of Practice with the grantees. The Community of Practice meets regularly and utilizes other supports such as virtual discussion groups and technical assistance in an effort to promote and support knowledge, resource and experience sharing, collective learning, and problem solving. The goals of the Community of Practice include: share lessons learned in an effort to refine and improve practice; monitor outcomes; and support sustainability. The Community of Practice will run throughout the duration of the grant period to September 2020.

### ***Engagement of Public Relations / Marketing Support***

CDFA selected a qualified marketing and public relations firm, Matter Communications, to support the Initiative through a competitive review process. The firm has been engaged since January 2020 and is assisting CDFA and its partners in achieving the following:



- Raise public awareness and provide information that supports health and safety for employees, including the impact that Recovery Friendly Workplace programming and services have on businesses; and
- Promote active community engagement that will assist in reducing the negative impact of unaddressed substance misuse and untreated mental health.

### *On-going Collaboration Statewide*

CDFA, grantees, the Community Health Institute, as well as the Recovery Friendly Workplace program director and business advisors, continue to engage with each other, as well as with statewide and local community partners for the successful implementation of the Initiative.

On or by September 30, 2020, CDFA will make publically available a report concerning the disbursement of funds and the effectiveness of the Recovery Friendly Workplace pilot program supported by CDFA.

## **Additional Initiatives**

CDFA demonstrates its commitment to community development by creating additional programs that complement the work of our many recipients and public/private partners.

### **Ideas to Innovation Program (“i2i”)**

The Ideas to Innovation Program (i2i) grant opportunity is designed to assist local nonprofits in developing new ideas, thinking and innovation in community and economic development efforts throughout New Hampshire. More specifically, CDFA seeks to provide resources for initiatives, public events and partnerships that recognize the value provided by mutual relationships (e.g. interconnectedness) of various community systems (e.g. economic, social, environmental, public health, employment, and livability). In addition, i2i funded initiatives aim to generate actionable ideas and innovative thinking that have the potential to lead to new and replicable policies, incentives, or financing models that advance and/or complement multiple systems in New Hampshire communities.

Building on the symposium CDFA hosted in June 2019, the organization launched a micro-grant opportunity to support work surrounding the idea of “Reweaving the Social Fabric of Our Communities.” The three applicants awarded i2i grant funds underscore the great opportunity to build the social infrastructure within our communities to bring alive what makes them unique, vibrant and resilient places. Through these grant resources, CDFA continues to recognize the importance of making investments in those that will lead the way for our communities.

In State Fiscal Year 2020, the following organizations were each awarded \$2,500 i2i grants: Spark the Dream for its “Unity is Strength” project; the Town of Peterborough for “Building a Welcoming Community” project; and the University of New Hampshire for its “Developing Youth Entrepreneurs” project.

### **UNH Main Street Academy**

CDFA provided a grant to UNH Cooperative Extension for tuition assistance for participants in Main Street Academy, a three-day, interactive program designed for community leaders, volunteers and professionals working to enhance vibrancy and economic revitalization in small downtowns. In the spring of 2019, teams of local leaders from around the state learned first-hand from practitioners in Concord, Franklin and Bristol about community-based economic-development efforts in those towns. In the fall of 2019, a second cohort of local leaders visited with and learned from their peers during day-long site visits in Berwick, Maine, Rochester and Wolfeboro. CDFA’s partnership with UNH-Cooperative Extension helps build municipal agency and planning capacity that will lead to more engaged citizens and more fundable projects.

### **Pre Development Loan Program**

The Predevelopment Loan Program is designed to help communities, businesses and nonprofit organizations to advance projects from concept initiation and planning to funding and implementation, with a focus on more sophisticated technical assistance and access to funding at the beginning phases of project development.

In SFY 2020, a \$35,000 loan helped AHEAD (Affordable Housing, Education and Development) on behalf of a consortium of collaborators in Colebrook to explore re-use options for the soon-to-be vacant Colebrook Academy.

### **Job Retention Fund**

The CDFA Job Retention Fund helps New Hampshire businesses which lack access to existing credit or equity resources. Loans are made to qualified economic development entities (EDEs), to meet the immediate needs of area businesses. These EDEs then make loans or offer lines of credit to be used solely to assist businesses in remaining open and operating. Money from the CDFA Job Retention Fund has been used to retain employment in a variety of sectors across the state.

### **Bridge Loans**

Government often does not move as quickly as the private sector does. The required process of making capital available can take weeks or months, which may be time that the nonprofits, municipalities, economic development entities, or job-creating businesses do not have. CDFA's bridge loan program allows approved grant sponsors to borrow against awarded Community Development Block Grants and have access to money while the government process is completed. Additionally, the program allows approved awardees of the Tax Credit Program to borrow against awarded tax credits while they are securing those pledges.

In State Fiscal Year 2020, CDFA approved five loans in this program. Three loans were awarded against CDBG grants: \$100,000 to Monadnock Economic Development Corporation for Compass Innovative Behavior Strategies; \$120,000 to Monadnock Economic Development Corporation for Monadnock Food Co-op; and \$100,000 to Regional Economic Development Center. Two loans were awarded against Tax Credits grants: \$360,000 to AHEAD for the Bethlehem Workforce Housing project and \$170,000 to GALA Community Center for the Makerspace & Incubator project.

## **Financial Reports for CDFA**

On the following pages are the financial statements for the Community Development Finance Authority for State Fiscal Year 2020. The financials are being audited by Leone, McDonnell & Roberts, Certified Public Accountants. The final audited report was affirmed and formally accepted by the CDFA Board of Directors at the September 15, 2020 meeting and has been submitted to the Department of Revenue Administration.

**NEW HAMPSHIRE COMMUNITY DEVELOPMENT FINANCE AUTHORITY**

**STATEMENTS OF NET ASSETS  
JUNE 30, 2020 AND 2019**

<b><u>ASSETS</u></b>	<b><u>2020</u></b>	<b><u>2019</u></b>
<b>CURRENT ASSETS</b>		
Cash and equivalents	\$ 8,649,054	\$ 5,581,780
Cash and equivalents - donor restricted	4,873,663	5,230,360
Current portion of Community Development Block Grant Recovery Funds Receivable, net of allowance of \$3,600 and \$4,018	32,400	37,982
Current portion of notes receivable, net of allowance of \$23,703 and \$80,492	232,813	628,626
Current portion of notes receivable, energy loans, net of allowance of \$88,164 and \$82,012	957,056	979,171
Community Development Investment Program - pledges receivable	1,076,166	1,716,050
Community Development Block Grant Funds Receivable - HUD	546,602	238,948
Prepaid expenses	44,257	47,281
Investments	17,954	525,427
Total current assets	<u>16,429,965</u>	<u>14,985,605</u>
<b>PROPERTY AND EQUIPMENT</b>		
Property and equipment	494,023	201,649
Less accumulated depreciation	<u>(204,296)</u>	<u>(171,392)</u>
Net property and equipment	<u>289,727</u>	<u>30,257</u>
<b>OTHER ASSETS</b>		
Community Development Block Grant Recovery Funds Receivable, net of allowance of \$1,600 and \$5,262	14,400	49,738
Notes receivable, energy loans, net current portion and allowance of \$428,988 and \$391,828	3,825,627	4,286,107
Notes receivable, net of current portion and allowance of \$487,767 and \$377,783	1,603,637	1,361,891
Long term investments	<u>274,795</u>	<u>269,120</u>
Total other assets	<u>5,718,459</u>	<u>5,966,856</u>
<b>TOTAL ASSETS</b>	<b><u>\$ 22,438,151</u></b>	<b><u>\$ 20,982,718</u></b>
	<b><u>LIABILITIES AND NET ASSETS</u></b>	
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$ 113,434	\$ 140,035
Community Development Investment Program projects payable	4,766,551	4,000,224
Community Development Block Grant funds payable	411,833	113,258
Community Development Investment Program deferred revenue	385,701	505,976
Downtown Services Grant deferred revenue	<u>24,952</u>	<u>24,952</u>
Total current liabilities	<u>5,702,471</u>	<u>4,784,445</u>
<b>OTHER LIABILITIES</b>		
Other post employment benefit liabilities	<u>283,000</u>	<u>309,000</u>
<b>TOTAL LIABILITIES</b>	<u>5,985,471</u>	<u>5,093,445</u>
<b>NET ASSETS</b>		
Without donor restrictions	892,745	1,198,205
Without donor restrictions - board designated	6,767,152	5,617,136
With donor restrictions	<u>8,792,783</u>	<u>9,073,932</u>
Total net assets	<u>16,452,680</u>	<u>15,889,273</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b><u>\$ 22,438,151</u></b>	<b><u>\$ 20,982,718</u></b>

See Notes to Financial Statements

**NEW HAMPSHIRE COMMUNITY DEVELOPMENT FINANCE AUTHORITY**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>REVENUES AND OTHER SUPPORT</b>		
<b>Grants</b>		
Community Development Block Grant - HUD	\$ 7,168,780	\$ 5,489,213
Community Development Fund - NH	1,000,000	-
United States Department of Agriculture Grant	2,100	13,371
Total grants	<u>8,170,880</u>	<u>5,502,584</u>
<b>Administrative fees</b>		
Community Development Block Grant - HUD	370,145	328,991
Community Development Block Grant - NH	196,000	172,310
Community Development Investment Program - NH	1,000,000	1,000,000
United States Department of Agriculture	26,289	10,775
Recovery Friendly Workplace	4,600	30,400
Miscellaneous fees	321	1,504
Total administrative fees	<u>1,597,355</u>	<u>1,541,980</u>
<b>Other revenues and other support</b>		
Related party service fees	-	9,000
Interest income - loans	198,345	192,441
Total other revenues and other support	<u>198,345</u>	<u>201,441</u>
Total revenues and other support	<u>9,968,580</u>	<u>7,246,005</u>
<b>OPERATING EXPENSES</b>		
Salaries and wages	1,015,590	1,003,112
Employee benefits and payroll taxes	314,931	322,345
Office	117,931	119,730
Travel	8,520	22,158
Occupancy	113,252	93,191
Professional fees	173,192	253,360
Meetings and events	16,205	25,808
Depreciation	32,904	18,076
Change in allowance for bad debts	92,427	(10,524)
Total operating expenses	<u>1,884,952</u>	<u>1,847,254</u>
<b>GRANT EXPENDITURES</b>		
Community Development Block Grant: Economic Development - HUD	2,379,487	1,413,627
Community Development Block Grant: Housing and Public Facilities - HUD	4,552,488	4,178,876
Community Development Block Grant: Emergency - HUD	227,205	-
Community Development Block Grant: Feasibility - HUD	77,800	53,105
Community Development Block Grant - returned funds	(20,000)	235,000
United States Department of Agriculture	16,343	15,471
Discretionary grants	24,000	17,902
State Grant - Recovery Friendly Workplace	354,312	33,664
Total grant expenditures	<u>7,611,435</u>	<u>5,947,645</u>
<b>TOTAL OPERATING INCOME</b>	<u>470,193</u>	<u>(548,894)</u>
<b>NON-OPERATING REVENUES</b>		
Gain from investment in related party	-	2,000
Gain on disposition	-	288,304
Interest income	93,214	128,898
Total non-operating revenues	<u>93,214</u>	<u>419,202</u>
<b>CHANGE IN NET ASSETS</b>	563,407	(129,692)
<b>NET ASSETS, BEGINNING OF YEAR</b>	<u>15,889,273</u>	<u>16,018,965</u>
<b>NET ASSETS, END OF YEAR</b>	<u>\$ 16,452,680</u>	<u>\$ 15,889,273</u>

See Notes to Financial Statements

**NEW HAMPSHIRE COMMUNITY DEVELOPMENT FINANCE AUTHORITY**

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipt of Community Development Block Grant - HUD	\$ 6,861,126	\$ 6,424,432
Receipt of Community Development Fund Grant - NH	1,000,000	
Receipt of BetterBuildings Fund	-	6,263
Receipt of Community Development Block Grant - Program Income	20,000	(235,000)
Receipt of Community Development Block Grant Admin. Fees	566,145	499,301
Receipt of Community Development Investment Program Funds and Admin. Fees	2,285,936	(1,842,042)
Receipt of United States Department of Agriculture Grant	2,100	13,371
Receipt of United States Department of Agriculture Admin Fees	26,289	14,335
Receipt of Recovery Friendly Workplace Admin. Fees	4,600	30,400
Receipt of Miscellaneous Fees	321	9,496
Receipt of Related Party Service Fees	-	910,473
Receipt of Interest on Loans	198,345	192,441
Payment for Community Development Block Grant - HUD	(6,938,205)	(6,537,427)
Payment for discretionary grants	(24,000)	(17,902)
Payment for Employees for Services	(1,356,521)	(1,371,457)
Payment for Suppliers, Goods and Services	(436,492)	(526,030)
Payment for USDA	(16,343)	(15,471)
Payment for RFW grant	(354,312)	(33,664)
Payment for Downtown Services Grant	-	(1,500)
Payment for Program Expenses	(16,205)	(25,808)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>1,822,784</u>	<u>(2,505,789)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Receipt of payments on notes receivable	958,933	347,920
Receipt of payments on notes receivable - Energy Loans	1,203,650	1,116,864
Disbursements of notes receivable	(816,903)	(544,206)
Disbursements of notes receivable - Energy Loans	(760,525)	(662,446)
Purchase of assets	(292,374)	(17,442)
Redemption of certificate of deposits	507,473	253,667
Investments in certificate of deposits	(5,675)	(767,011)
Receipt on liquidation of investment in related party	-	355,893
Interest received	93,214	128,898
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES</b>	<u>887,793</u>	<u>212,137</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	2,710,577	(2,293,652)
<b>CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR</b>	<u>10,812,140</u>	<u>13,105,792</u>
<b>CASH AND CASH EQUIVALENTS, END OF YEAR</b>	<u>\$ 13,522,717</u>	<u>\$ 10,812,140</u>

See Notes to Financial Statements



**NEW HAMPSHIRE COMMUNITY DEVELOPMENT FINANCE AUTHORITY**

(Continued)

**STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED JUNE 30, 2020 AND 2019**

	<u>2020</u>	<u>2019</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES (INDIRECT)</b>		
Operating income	\$ 470,193	\$ (548,894)
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	32,904	18,076
Bad debt expense	92,427	(10,524)
(Increase) decrease in operating assets:		
Community Development Investment Program - pledges receivable	639,884	(557,049)
Community Development Block Grant Funds Receivable - HUD	(307,654)	935,219
Administrative fees receivable	-	17,815
Prepaid expenses	3,004	7,830
Due from affiliate	-	901,473
Increase (decrease) in operating liabilities:		
Accounts payable	(26,601)	(45,423)
Community Development Investment Program projects payable	766,327	(1,898,304)
Community Development Block Grant funds payable	298,575	(891,819)
Community Development Investment Program deferred revenue	(120,275)	(386,689)
Downtown Services grant deferred revenue	-	(1,500)
Other post employment benefit liabilities	(26,000)	(46,000)
Total adjustments	<u>1,352,591</u>	<u>(1,956,895)</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u>\$ 1,822,784</u>	<u>\$ (2,505,789)</u>

See Notes to Financial Statements