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**Community Development Advisory Committee Meeting Minutes
NH Community Development Finance Authority**

Webex Videoconference Meeting due to COVID-19 Pandemic Emergency

Thursday, May 7, 2020
2:00 PM

COMMUNITY DEVELOPMENT ADVISORY COMMITTEE PRESENT: Ben Gaetjens-Oleson; *Chair*; Beth Fox; Chris Miller; Chris Way; Matt Walsh; Justin Slattery; Carmen Lorentz; and Matt Sullivan.

STAFF: Katy Easterly Martey, *Executive Director*; Kevin Peterson, *Director of Economic Development*; Shelley Hadfield, *Director of Housing and Community Development*; Missy Lackey, *Contract Specialist*; and Maureen Quinn, *Board Relations Manager*.

GUEST: Molly Donovan, *UNH Cooperative Extension*.

PUBLIC: Tracey Secula, *Lakes Region Planning Commission*; Britta Hallberg; *Grafton Regional Development Corporation*; James Weatherly, *Southwest Region Planning Commission*; Jason Cannon, *New Hampshire Small Business Development Center*; Laurel Adams, *Regional Economic Development Center of Southern New Hampshire*; Lise Howson, *Coos Economic Development Corporation*; Pat Garvin, *Pat Garvin Consulting*; Aaron Krone, *Northern Community Investment Corporation*; Pam Sullivan, *Women's Rural Entrepreneurial Network (WREN)*; Art Robert, *Monadnock Economic Development Corporation*.

Mr. Gaetjens-Oleson opened the meeting at 2:02 PM and noted a quorum was present. Mr. Gaetjens-Oleson noted numerous members of the public in attendance; he asked public members to introduce themselves.

Mr. Gaetjens-Oleson stated the meeting is being held in an emergency status due to the ongoing COVID-19 pandemic. Under emergency circumstances, the meeting is being held via a videoconference exchange. This will allow for the Committee to discuss and deliberate items contemporaneously and allow for public participation and engagement as permitted.

A. Mr. Gaetjens-Oleson reviewed the meeting agenda. He noted all votes will be by roll call.

Ms. Easterly Martey noted an item will be added to Section 3 of the agenda; the Committee will be provided an update on a CDBG award made to the Town of Stratham/REDC Revolving Loan Fund; minor adjustments to the grant have been made.

Motion – 2:06 PM

Mr. Way moved to approve the agenda, with inclusion of an additional item for review related to a CDBG award. Ms. Lorentz seconded. Mr. Gaetjens-Oleson called for roll call vote:

Mr. Gaetjens-Oleson	Yes
Ms. Fox	Yes

Mr. Miller	Yes
Mr. Way	Yes
Ms. Lorentz	Yes
Mr. Slattery	Yes
Mr. Sullivan	Yes
Mr. Walsh	Yes

The motion carried.

B. April 2, 2020, Community Development Advisory Committee Meeting Minutes, as submitted – 2:09 PM

Mr. Gaetjens-Oleson called for questions or comments. Mr. Way noted he would abstain from the vote as he was not present at the meeting represented in the minutes.

Motion – 2:09 PM

There being none, Ms. Lorentz moved to approve the minutes, as submitted. Mr. Sullivan seconded. Mr. Gaetjens-Oleson called for a roll call vote.

Mr. Gaetjens-Oleson	Yes
Ms. Fox	Yes
Mr. Miller	Yes
Mr. Way	Abstain
Ms. Lorentz	Yes
Mr. Slattery	Yes
Mr. Sullivan	Yes
Mr. Walsh	Yes

The motion passed with seven (7) yeas; there was one abstention.

Mr. Slattery noted he has conflicts with the two applications which are to be reviewed and considered by the Committee. He recused himself from the meeting.

Mr. Slattery left the meeting at 2:10 PM

C. 2020 Microenterprise Technical Assistance Program Application

Mr. Peterson reviewed the application for the Committee and stated this is a reoccurring funding program. It is a strong program with significant impact. Mr. Peterson briefly reviewed the list of subrecipients and what each organization does.

It was noted that the scoring for this application was based on the core data index. Some adaptations to thresholds had to be incorporated – and where necessary, points were added back to an overall score – because the data index had gaps which had unintended consequences. This initial use and screening of projects with the data index was instructive and will be used to continue to strengthen and improve new scoring evaluation processes which incorporate data. It was noted CDFA has determined that in light of the COVID-19 crisis, all applicants, if awarded, will be allotted 24 months (rather than the usual 18-month timeframe) to complete their projects.

Mr. Gaetjens-Oleson called for questions or comments.

The Committee asked how distribution amounts were determined for each of the sub recipients. Mr. Peterson stated funding was scaled based on overall score; the higher the score of the subrecipients the greater the funding. It was noted that Belknap Economic Development Council (BEDC) and Women's Rural Entrepreneurial Network (WREN) had the lowest scores but both programs are worth funding at lesser amounts. BEDC is actively engaged in outreach to serve a higher number of beneficiaries. WREN is not expected to meet their target number of beneficiaries from the previous year's microenterprise award so their funding was adjusted downwards.

Mr. Sullivan noted he is on the Board of Directors for Wentworth Economic Development Corporation. He recused himself.

Mr. Sullivan left the meeting at 2:19 PM.

Motion – 2:20 PM

Mr. Way moved to approve the application and to fund sub recipients at the levels provided by staff with all recommended conditions listed. Ms. Lorentz seconded. Mr. Gaetjens-Oleson called for roll call vote:

Mr. Gaetjens-Oleson	Yes
Ms. Fox	Yes
Mr. Miller	Yes
Mr. Way	Yes
Ms. Lorentz	Yes
Mr. Walsh	Yes

The motion passed with six (6) yeas and two recusals.

Mr. Sullivan returned to the meeting at 2:21 PM

D. Grafton County – 2020 NH Alliance of Regional Development Corporations – Business Technical Assistance Program

Mr. Peterson presented the application to the Committee and noted this economic development funding is a standing award in the CDBG program. The program, while for the benefit of the ten NH economic development corporations, has been applied for and will be administered by one RDC to minimize administrative costs. Each RDC undergoes a rigorous and comprehensive evaluation to ensure the funding is appropriately utilized in their target market areas.

CDFA documented some concerns of one of the participating RDCs; as a result, an additional condition of the proposed award is that NHARDC secure a different fiscal sponsor to manage the finances related to this grant. This will be incorporated as a contingency for funds awarded, along with standard and customary recommended conditions. The Committee requested staff provide an update when the new fiscal sponsor is identified.

Mr. Gaetjens-Oleson called for further questions or comments.

Motion – 2:25 PM

There being none, Ms. Lorentz moved to approve the application with staff recommended conditions, to also include identification of a new fiscal sponsor. Mr. Miller seconded the motion. Mr. Gaetjens-Oleson called for roll call vote.

Mr. Gaetjens-Oleson	Yes
Ms. Fox	Yes
Mr. Miller	Yes
Mr. Way	Yes
Ms. Lorentz	Yes
Mr. Sullivan	Yes
Mr. Walsh	Yes

The motion passed with seven (7) yeas and one recusal.

Mr. Slattery returned to the meeting at 2:27 PM.

E. Town of Stratham/REDC Contract Update – 2:28 PM

Mr. Peterson noted there has been an adjustment to this awarded project. Job creation has been modified to be job creation or job retention and interest rates offered through the RLF have been broadened so the base level is 2%, rather than 4%. The interest rates available are now 2% - 10%. This adjustment is critical in the COVID-19 crisis as there are more businesses in need and affordable funds are critical to businesses.

F. CDBG CARES Update – 2:31 PM

Ms. Hadfield informed the Committee that CDFA will be asked to administer additional funding provided by HUD, in response to the COVID-19 pandemic, in the form of the CDBG-CV ('CARES Act'). CDFA has worked with partners and stakeholders throughout the State to understand the needs of communities and municipalities. The goal is to develop a deployment strategy which removes barriers and creates accessibility to critical funds for organizations providing resources and support in areas such as child care, food banks, senior services, services for people with disabilities, legal services, youth services, transportation services, mental health, and resident services connected to affordable housing.

Ms. Hadfield noted HUD has mandated services addressed by CDBG funding cannot be duplicated (or invested in) with CARES Act funding. CARES Act funding is expected in late summer or early fall. HUD has been receptive to the proposal to fund subrecipients directly, which is anticipated to provide administrative relief and more efficient deployment of funds for programs in need. This proposal is not finalized. CDFA staff will continue to work with HUD in an effort to incorporate proposed efficiencies in the CARES Act program.

The Committee and staff considered whether municipalities which expended their maximum 2020 HUD allowance can apply for additional funding through the CARES Act. It was agreed that the COVID-19 pandemic created problems which were never anticipated and the intent of the CARES Act is to provide needed relief as rapidly as possible. CARES Act funds are to be deployed in the following targeted effort: 70% for public services, 25% for economic development and 5% for administrative fees.

CDBG funding is typically used for bricks and mortar projects. The Committee asked whether the eligible expenses would be expanded to support operation costs or revolving loan funds, needs

which are already being identified in the State of New Hampshire. The Committee also inquired whether prioritization could include targeting awards to those organizations that were unable to secure funds through the Payroll Protection Plan ('PPP'). The Committee encouraged staff to be as creative as possible. It was suggested there will be significant economic damage and fallout that has yet to be realized and flexibility with the CARES Act will likely be the best way to help businesses survive and recover from this financial crisis.

Mr. Way left the meeting at 2:56 PM.

Ms. Hadfield noted that there are \$1.7 million remaining in the 2020 economic development funds. If these funds are not fully expended, they may be eligible to be rolled into COVID-19 relief funds. The Committee also suggested microenterprise funds are very effective, especially for smaller businesses which have experienced enormous economic impact in this financial crisis. The Committee asked whether micro loans could be deployed to provide relief.

G. Keene Railroad Yard Redevelopment Discussion

Mr. Way returned to the meeting at 3:05 PM.

Ms. Easterly Martey introduced Ms. Molly Donovan from the UNH Cooperative Extension. Ms. Easterly Martey provided an overview of CDFA investments in the Keene Railroad Yard and then invited Ms. Donovan to address the Committee regarding the impact realized from targeted investment.

The Committee thanked Ms. Donovan for her presentation. The Committee suggested that small communities struggle to find capital to purchase land. Ownership of land provides control and control allows communities to move critical projects forward. The Committee asked whether CDBG rules could be relaxed enough to allow for land purchase. The other challenge many smaller communities face is lack of capacity to manage these types of funds and projects.

The Committee asked whether CDFA can play a role in helping communities strengthen economic development capacity. The City of Franklin was cited as an example of where a part time Economic Development Director made an enormous difference in capacity to bring projects to fruition. An emphasis on community based development is a proven successful approach. CDFA's Community of Practice is also a positive resource for community development. CDFA's Core Data Index potentially offers another resource for communities to use in making targeted investments.

The Committee agreed there are limitations in CDBG funding but that NH has a strong economic development authority network. Local housing authorities are often vested with development authorities, creating strong infrastructure and partnership. Redevelopment of an area can work but both leadership and vision is needed to bring major redevelopment projects to fruition. The Committee noted oftentimes a housing project is the catalyst or the first part of a larger project.

Mr. Slattery left the meeting at 3:44 PM.

H. Executive Director Update – 3:45 PM

Ms. Easterly Martey provided an updates on numerous CDFA initiatives.

- The NH Nonprofit Response Fund received ten times more in requests than funding available;

- CDFA, the New Hampshire Charitable Foundation and the NH Center for Nonprofits are partnering through GOFERR to address needs which the Response Fund cannot meet;
- CDFA is working diligently to be flexible to meet current needs and emergent needs stemming from the COVID-19 crisis.

Adjourn – 3:49 PM

There being no further business before the Committee, Mr. Miller moved to adjourn the meeting at 3:49 PM. Ms. Lorentz seconded. Mr. Gaetjens-Oleson called for roll call vote.

Mr. Gaetjens-Oleson	Yes
Ms. Fox	Yes
Mr. Miller	Yes
Mr. Way	Yes
Ms. Lorentz	Yes
Mr. Sullivan	Yes
Mr. Walsh	Yes

The motion passed with seven (7) yeas.

Respectfully submitted,



Maureen Quinn, Board Relations Manager



Ben Gaetjens-Oleson, Committee Chair