



**NH Community Development Finance Authority
Meeting of the Board of Directors**

**CDFA
Webex Videoconferencing Meeting due to COVID-19 Pandemic Emergency**

**April 14, 2020
10:00 AM**

CDFA BOARD OF DIRECTORS PRESENT: John Manning, *Chair*; Mary Ann Kristiansen, *Vice Chair*; Debbie Morin, *Chief Financial Officer and Secretary/Treasurer of the Board of Directors*; Mike Clafin; Robert Tourigny; Martha Rush-Mueller; Clay Mitchell; Cindy Harrington; Rick Wyman; and Ben Gaetjens-Oleson.

STAFF: Katy Easterly Martey, *Executive Director*; and Maureen Quinn, *Office Manager and Board Relations Manager*.

Mr. Manning opened the meeting at 10:05 AM and noted a quorum was present.

Mr. Manning reviewed the meeting agenda and called for any questions or proposed changes. None were offered.

Motion – 10:05 AM

Mr. Tourigny moved to approve the meeting agenda as presented. Mr. Gaetjens-Oleson seconded. Mr. Manning called for roll call vote of the Board:

- Mr. Manning – yes
- Mr. Clafin – yes
- Mr. Gaetjens-Oleson – yes
- Mr. Tourigny – yes
- Ms. Harrington – yes
- Ms. Kristiansen – yes
- Mr. Mitchell – yes

The motion carried with a unanimous vote of the Board.

Ms. Rush-Mueller joined the meeting at 10:06 AM.

Mr. Manning stated the meeting is being held in videoconferencing format due to the ongoing public health crisis related to COVID-19. All Directors are participating in the meeting from remote locations. Any and all action will require roll call votes.

Mr. Manning called for public comment. None was offered; no members of the public were in attendance. (Staff noted public notices posted for the meeting included instructions on how to join the Webex videoconference call through video or audio to ensure public access to the meeting.)

Mr. Wyman joined the meeting at 10:08 AM.

A. Consent Agenda – 10:09 AM

Mr. Manning reviewed the items on the consent agenda and called for any questions or comments. None were offered.

Motion – 10:10 AM

Ms. Rush-Mueller moved to approve the consent agenda as presented. Mr. Tourigny seconded the motion. Mr. Manning called for roll call vote:

- Mr. Manning – Yes
- Mr. Clafin – Yes
- Mr. Gaetjens-Oleson – Yes
- Mr. Tourigny – Yes
- Ms. Harrington – Yes
- Ms. Kristiansen – Yes
- Mr. Mitchell – Yes
- Ms. Rush-Mueller - Yes
- Mr. Wyman – Abstain (Mr. Wyman noted he was not at the previous Board meeting and would not vote.)

The motion passed with eight yeas and one abstention.

B. COVID-19 – CDFA Programming and Response – 10:11 AM

Ms. Easterly Martey reviewed CDFA's targeted response to the economic impacts from the COVID-19 crisis. CDFA has three areas of focus, which include 1) flexibility for grantees and borrowers, 2) deployment of additional CDBG resources, and 3) creation and deployment of the NH Nonprofit Response Fund.

Flexibility for Grantees and Borrowers

Flexibility of grantees and borrowers is being considered on a case-by-case basis to ensure existing projects have the maximum opportunity for sustainability and success. CDFA has advised projects that it will consider all reasonable options to meet unanticipated needs and challenges from the ongoing crisis.

Deployment of Additional CDBG Resources

Ms. Easterly Martey noted CDFA, as the State's Administrator of CDBG funding, will be receiving an additional \$5.4M of funds to deploy. In the meantime, CDFA will carefully monitor the demand for funding in the areas of housing and public facilities for the second round of funding, which has a deadline of July 31st. Greater flexibility will be sought in timing, potentially adapting to allow for rolling applications. Additionally, if there is not significant demand from applications for housing and public facilities, CDFA intends to request modification of the State's Action Plan to allow for greater flexibility and move funds to address need in other critical service areas, including, but not limited to: childcare, mental health, food banks, senior citizens, persons with disabilities, legal services, youth, victims of domestic and sexual violence, abused and neglected children, transportation, health and substance abuse.

The Board asked whether broadband can be considered a priority. The Board also sought clarification as to whether health services which are eligible priorities can include COVID-19 testing. The Board asked about the lack of funding for housing homeless populations. Ms. Easterly Martey noted provisions for this have been made under a separate funding pool – Emergency Solutions Grants (ESG). She stated it may be possible for CDBG funds to be used to fill gaps not covered or anticipated by ESG, such as short term housing. The Board expressed concern that there may be a significant uptick in homelessness and existing shelter space may be inadequate to meet demand. The Board also suggested there is likely to be an uptick in demand for foreclosure prevention services.

The real estate market in New Hampshire has continued to create paradigm challenges. Home ownership remains prohibitively expensive yet there has been no abatement in demand by first time buyers who are working through home ownership programs offered by CDFA partners. The robust demand for affordable homes puts pressure on the rental market and contributes to higher rents. The Board asked whether CDBG funds could be used for home ownership assistance, with funds dedicated to down payments and closing costs, and with a requirement that participants participate in financial literacy training. The Board cautioned it will be critical to maintain stability in existing affordable housing and the rental market. Home purchases may not be the priority as the impact of this financial crisis becomes more fully evident.

Ms. Easterly stated CDFA has considered how to create more financial stability for persons of low income. Financial literacy is a critical component to facilitate understanding of the importance of building asset wealth. CDFA has considered whether a program akin to the Individual Development Account (IDA) could be deployed with a focus on development of small business and home ownership and noted that programs with match funding available to participants have proven successful. The Board suggested there are programs like this and CDFA may want to consider investing in those programs to help expand capacity, scale and innovation and flexibility.

The Board expressed concern with CDBG limitations, including how quickly funds can be deployed. Ms. Easterly Martey noted that the NH Nonprofit Response Fund can potentially address emergent needs immediately. The NH Nonprofit Response Fund could help sustain an organization and create a pathway to accessing critically needed CDBG funding. The Board noted they have heard and seen numerous pushes for the NH Nonprofit Response Fund. Ms. Easterly Martey noted a preliminary review of applications demonstrates a very high demand for forgivable loans, indicating the severity of the financial impact from COVID-19. Ms. Easterly Martey added the Governor's office may be willing to consider adding additional resources to supplement the forgivable loan pool.

Ms. Easterly Martey informed the Board that COSCDA (Council of State Community Development Agencies), a national group, has requested HUD to allow CDBG funds to be awarded directly to subrecipients and to increase the administrative fees associated with administering CDBG funding to 5% (up from 3%). The request has been made in an effort to remove barriers from the CDBG program and to deploy funds more efficiently and directly to those eligible and in need.

The Board suggested Ms. Easterly Martey and staff use this time as an opportunity to learn more about what changes are effective and what needs to be changed or improved to position CDFA for continued success in impact investing and creating positive change.

C. CDFA Financial Reports – 11:13 AM

Mr. Clafin noted the Finance and Investment Committee would typically review financial reports and present them to the full Board for approval. In light of the COVID-19 crisis, it was deemed reasonable for these reports to be presented directly to the Board of Directors for review and consideration.

Quarterly Financial Statements

Ms. Morin presented the March 31, 2020 quarterly financial statements to the Board and stated CDFA is in a stable financial position and expects to meet all budget projections. CDFA will closely monitor changes in the tax credit program and the Clean Energy program as needed.

Motion – 11:24 AM

Mr. Tourigny moved to approve CDFA's March 31, 2020 quarterly financial statements, as presented. Ms. Harrington seconded. Mr. Manning called for roll call vote:

- Mr. Manning – Yes
- Mr. Clafin – Yes

- Mr. Gaetjens-Oleson – Yes
- Mr. Tourigny – Yes
- Ms. Harrington – Yes
- Ms. Kristiansen – Yes
- Mr. Mitchell – Yes
- Ms. Rush-Mueller – Yes
- Mr. Wyman – Yes

The motion carried with a unanimous vote of the Board.

Quarterly Loan Portfolio

Ms. Morin presented and reviewed the March 31, 2020 quarterly loan portfolio. She stated the portfolio is performing well with few delinquencies. CDFA is working closely with borrowers who are not able to pay on originally agreed to terms.

Motion – 11:25 AM

Mr. Clafin moved to approved the March 31, 200 loan portfolio, as presented. Ms. Rush-Mueller seconded. Mr. Manning called for roll call vote:

- Mr. Manning – Yes
- Mr. Clafin – Yes
- Mr. Gaetjens-Oleson – Yes
- Mr. Tourigny – Yes
- Ms. Harrington – Yes
- Ms. Kristiansen – Yes
- Mr. Mitchell – Yes
- Ms. Rush-Mueller – Yes
- Mr. Wyman – Yes

The motion carried with a unanimous vote of the Board.

Audit Engagement Letter

Ms. Morin presented the FY2020 annual audit engagement letter with Leone, McDonnell & Roberts. The Board asked how often CDFA bids out audit services and what year of engagement this represents with the current audit firm. Ms. Morin informed the Board audit companies are typically retained for five (5) years and this is the fifth year of engagement with the present firm.

Motion – 11:29 AM

Mr. Tourigny moved to accept and approve the FY2020 annual audit engagement letter with Leone, McDonnell & Roberts. Mr. Gaetjens-Oleson seconded. Mr. Manning called for roll call vote:

- Mr. Manning – Yes
- Mr. Clafin – Yes
- Mr. Gaetjens-Oleson – Yes
- Mr. Tourigny – Yes
- Ms. Harrington – Yes
- Ms. Kristiansen – Yes
- Mr. Mitchell – Yes
- Ms. Rush-Mueller – Yes
- Mr. Wyman - Yes

The motion carried with a unanimous vote of the Board.

COVID-19 Loan Concessions

Ms. Morin informed the Board six (6) requests for concessions have been received to date; all requests are a direct result of impacts from the COVID-19 crisis. Requests will first be reviewed by Ms. Morin and then Ms. Easterly Martey. Concessions will then be presented to the Board for consideration and ratification. The Board asked how frequently these requests and loans will be considered. Per CDFA by-laws, concessions on loans dictate Board approval and each concession should be reviewed monthly. The Board asked how decisions are made. Ms. Morin advised the Board each loan is considered individually and a determination of extension of terms is based on each borrower's specific situation.

Motion – 11:35 am

Mr. Clafin moved to approve the COVID-19 loan concessions, as presented. Mr. Tourigny seconded. Mr. Manning called for roll call vote:

- Mr. Manning – Yes
- Mr. Clafin – Yes
- Mr. Gaetjens-Oleson – Yes
- Mr. Tourigny – Yes
- Ms. Harrington – Yes
- Ms. Kristiansen – Yes
- Mr. Mitchell – Yes
- Ms. Rush-Mueller – Yes
- Mr. Wyman - Yes

The motion carried with a unanimous vote of the Board.

D. Review and Approval of First Round of CDBG Applications for Housing and Public Facilities – 11:36 AM

Mr. Gaetjens-Oleson reviewed the Community Development Advisory Committee (CDAC) approved applications from the CDBG first round of housing and public facilities.

Motion – 11:44 AM

Ms. Harrington moved to approve funding recommendations from the Community Development Advisory Committee, as presented. Ms. Rush-Mueller seconded. Mr. Manning called for roll call vote:

- Mr. Manning – Yes
- Mr. Clafin – Yes
- Mr. Gaetjens-Oleson – Yes
- Mr. Tourigny – Yes
- Ms. Harrington – Yes
- Ms. Kristiansen – Yes
- Mr. Mitchell – Yes
- Ms. Rush-Mueller – Yes
- Mr. Wyman - Yes

The motion carried with a unanimous vote of the Board.

E. Executive Director Update – 11:45 AM

Ms. Easterly Martey provided a summary overview of CDFA.

- Staff has been moved to situational teleworking set-ups. The office remains open but with one staff person in the office per day to minimize health risks. There have been no issues with this arrangement; significant accomplishments for the COVID-19 response have been realized.
- The Investment Review Committee (IRC) had its first meeting for this year's tax credit round; staff is finishing virtual site visits to prepare for the next stage of project review and evaluation.
- Ms. Easterly Martey thanked Director Rick Wyman of Meredith Village Savings Bank for his leadership role in supporting the NH Nonprofit Response Fund. Meredith Village Savings Bank and two of its sister banks led the charge in contributions for the NH Nonprofit Response Fund, donating a total of \$150,000.

Adjourn – 11:49 AM

There being no further business before the Board of Directors, Mr. Tourigny moved to adjourn the meeting. Mr. Gaetjens-Oleson seconded. A roll call vote of the Board was called for:

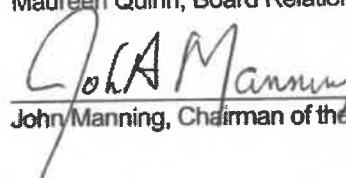
- Mr. Manning – Yes
- Mr. Claffin – Yes
- Mr. Gaetjens-Oleson – Yes
- Mr. Tourigny – Yes
- Ms. Harrington – Yes
- Ms. Kristiansen – Yes
- Mr. Mitchell – Yes
- Ms. Rush-Mueller – Yes
- Mr. Wyman - Yes

The motion carried with a unanimous vote of the Board.

Respectfully submitted,



Maureen Quinn, Board Relations Manager



John Manning, Chairman of the Board of Directors