



14 Dixon Avenue, Suite 102
Concord, NH 03301
Tel: 603.226.2170
Fax: 603.226.2816
www.nhcdfa.org

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

CDFA

Zoom Videoconferencing Meeting due to COVID-19 Pandemic Emergency

**February 9, 2021
10:00 AM**

CDFA BOARD OF DIRECTORS: John Manning, *Chair*; Debbie Morin, *Chief Financial Officer and Secretary/Treasurer of the Board of Directors*; Mike Claffin; Robert Tourigny; Cindy Harrington; Rick Wyman, Ben Gaetjens-Oleson, Jared Reynolds, Peter Rayno, and Clay Mitchell.

STAFF: Katherine Easterly Martey, *Executive Director*; George Hunton, *Director of Tax Credit Programs*; Melissa Latham, *Director of Communications and Policy*; Scott Maslansky, *Director of Clean Energy Finance*; and Maureen Quinn, *Office Manager and Board Relations Manager*.

Mr. Manning called the meeting to order at 10:01 AM.

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

Mr. Manning reviewed the meeting agenda and called for questions or comments. None were offered.

Motion – 10:02 AM

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

- Mr. Manning – yes
- Mr. Tourigny – yes
- Mr. Gaetjens-Oleson – yes
- Mr. Wyman – yes
- Mr. Reynolds – yes
- Ms. Harrington – yes
- Mr. Rayno – yes
- Mr. Claffin – yes

The motion carried with a unanimous vote of the Board.

Mr. Manning noted no members of the public were present. No public comment was offered.

A. Consent Agenda

Mr. Manning reviewed the consent agenda and called for questions or comments. Items on the Consent Agenda included: December 8, 2020 Board of Director Minutes, November 6, 2020 i2i Committee Minutes, and December 8, 2020 Credit Committee Minutes.

Mr. Mitchell joined the meeting at 10:03 AM

Motion – 10:04 AM

Mr. Wyman moved to approve the Consent Agenda, as presented. Ms. Harrington seconded. Prior to a vote, the Board requested clarification on the December 8th Board of Directors Minutes, and requested the following amendment be made to the minutes:

- Clean Energy Fund Program Update – Page 3, second paragraph. The minutes should reflect the following:

Mr. Maslansky informed the Board that the Eversource Divesture Fund, being overseen by the Public Utilities Commission (PUC), now has \$5.2 MM for community investment. It is projected that \$2.6 MM will be invested for the residential sector and \$2.6 MM for the commercial/Industrial sector. CDFA is most interested in the \$1.875 MM in commercial funds that has been discussed as a pool of loan loss reserve and interest rate buy down funds intended to leverage private investment. CDFA's intent is to provide additional and flexible funding for Clean Energy Finance; CDFA is looking for potential investors and lenders to support this effort in partnership.

This replaces the following:

Mr. Maslansky informed the Board that the Eversource Divesture Fund, being overseen by the Public Utilities Commission (PUC), now has \$5.2 MM for community investment. It is projected that \$2.6 MM will be invested for the residential sector and for the business sector. CDFA is most interested in the funding which is to be targeted for loan loss reserves and an interest rate buy down program. CDFA's intent is to provide additional and flexible funding for Clean Energy Finance; CDFA is looking for potential investors and lenders to support this effort in partnership.

Motion – 10:08 AM

Mr. Wyman modified his motion and moved to approve the consent agenda, as amended. Mr. Reynolds and Mr. Rayno, both of whom are newly appointed Directors, noted they would abstain from a vote on this motion as they were not appointed to their Director positions when these meetings and discussions took place. Ms. Harrington seconded. Mr. Manning called for roll call vote.

- Mr. Manning – yes
- Mr. Tourigny – yes
- Mr. Gaetjens-Oleson – yes
- Mr. Wyman – yes
- Ms. Harrington – yes
- Mr. Claffin – yes
- Mr. Mitchell – yes
- Mr. Reynolds – abstain
- Mr. Rayno – abstain

The motion passed with seven (7) yeas and two (2) abstentions of the Board.

B. New Board of Directors Member Introductions and Board/Staff Breakout Groups– 10:10 AM

Mr. Manning welcomed Mr. Jared Reynolds and Mr. Peter Rayno to the meeting. Mr. Manning noted that he, Ms. Easterly Martey, Ms. Mary Ann Kristiansen, Vice Chair of the Board of Directors, and Ms. Debbie Morin, Treasurer and Secretary of the Board, provided an orientation via Webex videoconference for both Mr. Reynolds and Mr. Rayno.

Mr. Manning invited Mr. Reynolds and Mr. Rayno to introduce themselves to the Board of Directors. Mr. Reynolds and Mr. Rayno addressed the Board and shared their professional backgrounds, civic engagements and their enthusiasm regarding their appointments to the CDFA Board of Directors.

Ms. Easterly Martey discussed the importance of listening to community voices within our networks to understand local needs. She noted community specific stories shed light on local initiatives and challenges. In some cases, these stories showcase direct collaborative efforts which have emerged between communities in an effort to accomplish needed community development, economic planning and/or emergency planning. Hearing these stories from our partners can also help CDFA be better informed about what initiatives are happening statewide within communities and may ultimately be a determinant in informing where and how CDFA funds may be invested to contribute to progress and completion of important community initiatives. Directors and staff broke into three groups to discuss challenges and initiatives they have seen first-hand within their communities.

Particular themes identified by the three discussion groups included the following:

Group 1:

- Substance use disorders and mental health challenges are on the rise; additional resources are needed.
- Vaccinations for COVID-19 are challenging for a variety of reasons; barriers include infrastructure for distribution and misinformation about the efficacy, risk and necessity for the vaccine.
- Can CDFA's tax credit program continue to thrive with an economic downturn and can the program provide critical support to a struggling nonprofit sector.
- Child care services have been significantly impacted during the pandemic; this is a critical service for working families and a shortage of providers - some of which have struggled to stay open during the pandemic - has put a significant strain on families, businesses and providers.
- Adaptive reuse of malls and other existing infrastructure; can some malls which are no longer in operation be converted to mixed-use facilities.

Group 2:

- Small businesses are struggling and keeping them afloat has been a challenge.
- There are a variety of funding sources for a number of different issues; there is confusion amongst potential recipients about eligibility and how to access funds for which they are eligible; improved and clear communication is needed.
- Flexibility in funding is essential.
- Supportive housing is a critical need.
- Food insecurity has increased.
- Some smaller communities have fared surprisingly well with strong community support of local businesses.
- Clean energy infrastructure investment can work well during the pandemic with both new construction and rehabilitation projects in demand; this could also provide some opportunity for expansion of the workforce in this sector.
- Housing prices in NH continue to rise, with six counties in NH among the top twenty counties in growth nationally.
- Tourism and daytrips make NH attractive to visit; housing challenges preclude many from purchasing a home in NH.
- The wealth gap continues to grow during the pandemic.
- What will the new 'normal' be?

Group 3:

- What does balance look like for parents of school-aged children; work while trying to manage home-schooling or the loss of child care services provided by centers which have had to close (whether temporarily or long-term).

- Affordable housing in NH continues to be a challenge; housing availability tends to hover around a 2% availability rate. Businesses are looking to help address the issue, including examples of employers like Dartmouth Hitchcock building affordable workforce housing for its employees. Will this be a trend other large employers will undertake to address an unyielding challenge for employers and employees in NH?

Ms. Easterly Martey thanked the Directors and staff for the enthusiastic discussion of these critical topics. She noted anticipation of an emerging theme to rebuild social connections once the pandemic is controlled in a way which allows for the reopening of businesses and the economy. She noted the change wrought by the pandemic will have both anticipated and unanticipated consequences and impact on both social and economic infrastructure. Ms. Easterly Martey noted studies already reveal a significant number of women have left the workforce since the pandemic began; some women lost their employment and others left due to loss of in-person child care and/or education for their children and others left to become primary care providers for family members adversely impacted by the pandemic. This will cause a sizable shift for many businesses which relied heavily on women employees – hospitality, retail – and will have an effect on the entire economy.

C. Tax Credit Round Update – 11:05 AM

Ms. Easterly Martey provided an update on the current Tax Credit Program funding round. Key points included the following:

- CDFA staff engaged in significant outreach and technical engagement with organizations and individuals interested in the tax credit program.
- CDFA had over two hundred (200) participants in the online tax credit workshops.
- The Investment Review Committee (IRC) will be determined at the March Board meeting based on a thorough review of submitted applications and completed conflict of interest forms. The IRC is an advisory committee comprised of three Board members that provides guidance and a lens for investments to help ensure the tax credit program has a significant impact and is in alignment with CDFA's enabling legislation and living strategic plan.

D. 2020 Lessons and Perspectives – 11:10 AM

Ms. Easterly Martey provided a brief overview of the initiatives and momentum CDFA carries forward from 2020 into 2021.

1. CDFA continues to be mission focused and driven, using the living strategic plan to inform and guide decision making. CDFA's culture of adaptability and flexibility has contributed to the organization's ability to navigate the uncertainty created by the ongoing COVID-19 pandemic.
2. CDFA's programs continue to focus on flexibility – an ongoing strength of the tax credit program and an emerging but important transition in the CDBG program – to ensure greatest possible impact from investments. The programmatic flexibility has enabled relationships with nonprofits and other organizations to be more fully integrated and strengthened.
3. CDFA continues to assume an increased role in both advocacy and policy. Ms. Easterly Martey noted Ms. Melissa Latham has been promoted to Director of Communications and Policy, ensuring strong leadership continues to provide the organization with sound guidance and direction.

E. Quarterly Financials – 11:12 AM

Ms. Morin presented the quarterly financials (Q/E 12/31/2020) to the Board for review and discussion. Key points highlighted included:

- There has been a modest increase in donor participation in the tax credit program
- Income Statement is sound and trending well in comparison to the budget
- Discussion regarding possible increases in revenue and needs for appropriate increases in expenses will be discussed with the Finance Committee at their next meeting
- Cash flow is trending as anticipated

- Net yield on deposits is as expected given the current interest rate environment and is being monitored closely

The Board had no specific questions regarding the financial statements; they expressed satisfaction that mid-year indications reflect the organization is tracking financially as projected without any major and unanticipated challenges.

Motion – 11:19

Mr. Manning called for further questions or comments. There being none, he called for a motion. Mr. Tourigny moved to approve the quarterly financials, as presented. Mr. Clafin seconded. Mr. Manning called for roll call vote.

- Mr. Manning – yes
- Mr. Tourigny – yes
- Mr. Gaetjens-Oleson – yes
- Mr. Wyman – yes
- Mr. Reynolds – yes
- Ms. Harrington – yes
- Mr. Rayno – yes
- Mr. Clafin – yes
- Mr. Mitchell – yes

The motion carried by a unanimous vote of the Board.

F. Amherst Country Club – Enterprise Energy Fund Loan – 11:20 AM

Ms. Harrington presented an application for a loan which received provisional approval from the Credit Committee. The loan will provide funding for the Amherst Country Club (ACC) to install a ground mounted solar array; projected annual savings are \$42K.

The Board asked whether the collateral securing the loan would be the equipment (solar array panels and supporting structure) or the savings realized from the equipment. Mr. Maslansky stated the equipment is designated as the collateral. The Board also discussed the ownership structure; while ownership is new, the owners have long been associated with ACC; assessed risk from 'new' ownership was deemed to be minimal. The Board asked how the rate on the loan was established and whether the terms optimized CDFAs goals to generate income from the Clean Energy Fund (CEF). Ms. Morin noted the Enterprise Energy Funds are federal funds so any interest derived from a loan would be returned into the Federal program; the program allows for CDFAs to cover administrative costs from the interest received on the loan. The Board suggested a broader discussion ensue regarding rates offered in the CEF to ensure CDFAs is well positioned to lend favorably while meeting desired financial outcomes. Ms. Easterly Martey stated interest rates for CDFAs loan programs are discussed annually with the Finance Committee and would be on the next agenda.

Motion – 11:25 AM

There being no further questions or comments, Mr. Manning called for a motion. Mr. Rayno moved to approve the loan to Amherst Country Club in the amount of \$452,300 for a ten (10) year term at three (3) percent with the conditions established at the Credit Committee. Mr. Gaetjens-Oleson seconded. Mr. Manning called for a roll call vote.

- Mr. Manning – yes
- Mr. Tourigny – yes
- Mr. Gaetjens-Oleson – yes
- Mr. Wyman – yes
- Mr. Reynolds – yes

- Ms. Harrington – yes
- Mr. Rayno – yes
- Mr. Clafin – yes
- Mr. Mitchell – yes

The motion carried by a unanimous vote of the Board.

G. Executive Director Update – 11:30 AM

Ms. Easterly Martey provided several brief updates. She noted CDFA anticipates an increase of \$14MM in CDBG-CV funds in response to the ongoing COVID-19 pandemic. CDFA is creating a survey in an effort to better identify and understand need and unmet demand through communities across the state and to inform the Housing and Urban Development Community Development Block Grant Consolidated Plan. Ms. Easterly Martey informed the Board CDFA will share the survey with all Directors in the hopes that each Director will share the survey with stakeholders with whom they work. The goal is to capture a broad set of data so CDBG and additional CDBG-CV funding is deployed with maximum impact. Some of the types of eligible projects include downtown development, equity investment in economic development initiatives, child care, and supportive housing.

H. Adjourn – 11:30 AM

There being no further business before the Board of Directors, Mr. Tourigny moved to adjourn. Ms. Harrington seconded. Mr. Manning called for roll call vote.

- Mr. Manning – yes
- Mr. Tourigny – yes
- Mr. Gaetjens-Oleson – yes
- Mr. Wyman – yes
- Mr. Reynolds – yes
- Ms. Harrington – yes
- Mr. Rayno – yes
- Mr. Clafin – yes
- Mr. Mitchell – yes

The motion carried by a unanimous vote of the Board.

Respectfully submitted,



 Maureen Quinn, Board Relations Manager



 John Manning, Chairman of the Board of Directors