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

**NH CDFA  
14 Dixon Avenue, Suite 102  
Concord, NH 03301**

**June 8, 2021  
10:00 AM**

CDFA BOARD OF DIRECTORS: John Manning, *Chair*; Mary Ann Kristiansen, *Vice Chair*; Mike Clafin; Robert Tourigny; Clay Mitchell; Rick Wyman, Ben Gaetjens-Oleson; Jared Reynolds, and Peter Rayno.

STAFF: Katherine Easterly Martey, *Executive Director*; Debbie Morin, *Chief Financial Officer*; Kevin Peterson, *Director of Economic Development*; Melissa Latham, *Director of Communications and Policy*; Scott Maslansky, *Director of Clean Energy Finance*; Mollie Kaylor, *Director of Housing and Community Development*; Chris Monroe, *Community Development Manager*; Kim Pacocha, *Senior Accountant*; Victoria Beuchesne, *Community Development Assistant*; and Maureen Quinn, *Office Manager and Board Relations Manager*.

Mr. Manning called the meeting to order at 10:08 AM.

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

**Motion – 10:08 AM**

Mr. Wyman moved to approve the agenda, as presented. Mr. Gaetjens-Oleson seconded. The motion carried by a unanimous vote of the Board.

Mr. Manning called for public comment from any members of the public in attendance. None was offered as no members of the public were present.

**A. Consent Agenda**

Mr. Manning reviewed the consent agenda and called for questions or comments. Items on the Consent Agenda include: May 11, 2021 Board of Directors Minutes, April 13, 2021 and May 11, 2021 Executive Committee Minutes, May 6, 2021 Community Development Advisory Committee Minutes, and May 11, 2021 Finance Committee Minutes. There were no questions or comments offered. Mr. Manning called for a motion.

**Motion – 10:10 AM**

Mr. Gaetjens-Oleson moved to approve the Consent Agenda, as presented. Mr. Wyman seconded. The motion carried by a unanimous vote of the Board.

**B. 2022-23 Tax Credit Award Recommendations – 10:11 AM**

**Round Summary and Discussion**

Ms. Easterly Martey summarized the tax credit round for the Board of Directors; she highlighted a robust round of applications with many sectors represented, including housing, recreation, arts, economic development and housing. Ms. Easterly Martey noted the L5 Capacity Building program saw a significant uptick in applications; she suggested the increase can be attributed to CDFA raising the tax credits for these organization and the real need for capacity building in the nonprofit sector.

Ms. Easterly Martey noted the COVID-19 pandemic had a range of impacts on applicants, but CDFA was encouraged there was a robust set of applications submitted during a very challenging time for nonprofits. Other issues which emerged as themes during the application review process included project readiness, timing, and fundraising capacity. These themes were considered carefully as staff worked through a thorough review process.

The Investment Review Committee, which in addition to CDFA staff included Directors Cindy Harrington, Peter Rayno, and Mike Clafin, met three times to first, review projects; second, analyze projects for readiness, capacity and mission; and third to finalize recommendations for the Board of Directors consideration.

The Board discussed the challenges around site control when considering applications. This topic came up for a number of the applications reviewed. The Board asked whether CDFA could better define what site control means, understanding each application and the particular set of circumstances surrounding site control are different. The Board also discussed the impact tax credits can have on an organization's capital campaign and fundraising. While tax credits can be used to leverage additional contributions, some organizations lose momentum when tax credits are awarded early because there is an assumption additional funds may not be needed. Ms. Easterly Martey stated staff will continue to determine applicant's financial capacity and strength and those factors will be assessed and considered as part of the application review.

**Mr. Mitchell joined the meeting by Webex videoconference at 10:26 AM.**

The Board asked whether CDFA has set aside funds for projects whose costs have significant overruns. Ms. Easterly Martey stated it is hoped the State will allocate additional resources. CDFA plans to make additional resources available to tax credit projects next year.

The Board discussed the challenge of defining appropriate timing and acknowledged that for many projects, a tax credit award is a catalyst which propels fundraising to completion. The Board stressed the importance of maintaining flexibility when reviewing tax credit applications. The Board stated CDFA tax credits generate confidence in a project – like a seal of approval – and added they were impressed with the degree of rigorous due diligence exercised by staff in the review process. The Board complimented staff in their ability to glean application details and include them in reviews to best reflect the story behind an organization's application.

Ms. Easterly Martey stated CDFA is hoping to offer funding in the next tax credit round for low capacity organizations to hire grant writers to assist them through the application process. Staff believes this approach may attract a broader – and underserved – group of nonprofits which typically lack the capacity to apply for tax credit awards and emphasizes two of the hallmarks – flexibility and responsiveness – of the tax credit program. The Board was enthusiastic and supportive of this idea.

**Round Allocation**

Ms. Easterly Martey reviewed the round allocation. Two premises are used to determine the tax credit award for the year: 1) the percentage of awardees that would be successful in raising their tax credits; and 2) ensuring CDFA receives the full \$5 million in tax credit donations each fiscal year with a substantial buffer rolled forward to start the new fiscal year. CDFA projects it is reasonable to award \$5 million in Tax Credits this year; this would include \$2.5 million for SFY 2022 and approximately \$2.7 million for SFY 2023.

**C. Tax Credit Awards – 10:43 AM**

Mr. Manning stated the Board would consider the summary of recommendations from staff. He noted he has a conflict and would recuse from voting on this item as well as an item in the RDC recommendations as an officer of an applicant organization and Board member of an applicant organization, respectively. Mr. Gaetjens-Oleson also noted a conflict as an officer of an applicant organization (Town of Lancaster) and would recuse from voting on this item. Ms. Kristiansen noted as an officer of an applicant organization (Hannah Grimes) she has a conflict with the L5 Capacity Building funding category and would recuse from voting on this item.

**Motion – 10:44 AM**

Mr. Wyman moved to approve the recusals of Mr. Manning and Mr. Gaetjens-Oleson with respect to the items being considered by the Board. Mr. Gaetjens-Oleson seconded. Mr. Manning called for roll call vote.

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

The motion carried by a unanimous vote of the Board.

**Mr. Manning and Mr. Gaetjens-Oleson left the meeting.**

Ms. Kristiansen chaired the meeting.

Ms. Kristiansen called for a motion to approve the summary of recommendations, which includes funding for fourteen (14) projects; five (5) projects are not recommended for funding.

PROJECTS RECOMMENDED FOR FUNDING					
ORGANIZATION	PROJECT NAME	LOCATION	REQUEST	REC.	SUMMARY
County of Sullivan NH	Sullivan County Lead Abatement Program	Newport	\$108,508	\$108,500	Strong community and economic benefit, creating safer and improved housing for low-and-moderate income households.
Family Promise of Southern New Hampshire	Building Home Building Hope Capital Campaign	Nashua	\$400,000	\$400,000	Strong community and economic benefit, increasing access to transitional housing and services for low-income families.
Friends of the Concord-Lake Sunapee Rail Trail	Phase 4 of Fisherville to Carter Hill Rail Trail	Concord	\$208,030	\$200,000	Demonstrated community benefit, increasing transportation and outdoor recreation opportunities.
Hope on Haven Hill Inc.	The Center for Hope & Wellness	Rochester	\$500,000	\$500,000	Strong community and economic benefit, increasing access to critical services for low-income women.
Hundred Nights, Inc.	Emergency Shelter & Resource Center	Keene	\$750,000	\$750,000	Strong community benefit, increasing access to shelter and services for homeless individuals.

Kimball Jenkins, Inc.	Kimball Jenkins Infrastructure and Accessibility	Concord	\$447,951	\$325,000	Demonstrated community and economic benefit through rehabilitation updated, efficient and accessible facilities.
Lakes Region Community Developers	Gale School Redevelopment Project	Belmont	\$750,000	\$750,000	Strong community and economic benefit, increasing access to quality, affordable childcare, supporting the creation of 21 jobs and expansion of vital community services.
Mascoma Valley Preservation	Kimball Property Rehabilitation	Grafton	\$312,500	\$300,000	Strong community and economic benefit, rehabilitating an affordable housing unit and community space in a rural, under-resourced area.
Mid-State Health Center	MSHC Children's Learning Center Expansion	Plymouth	\$312,500	\$300,000	Strong community and economic benefit, increasing access to quality, affordable childcare.
Palace Theatre Trust	Palace Youth Theatre: Forever Emma Studios	Manchester	\$562,500	\$63,000	Demonstrated community and economic benefit, increasing access to arts for youth with accessibility and safety upgrades.
Southwestern Community Services, Inc.	21 in 21	Keene	\$500,000	\$475,000	Strong community and economic benefit, neighborhood revitalization through rehabilitation and weatherization of workforce housing.
The Music Hall	Upgrading Lighting to Enhance Sustainability	Portsmouth	\$125,000	\$63,000	Demonstrated community and economic benefit, increasing access to arts and improving energy efficiency.
Town of Lancaster	Colonel Town Enhancements 2021	Lancaster	\$155,563	\$155,500	Strong community and economic benefit, increasing access to outdoor recreation opportunities and economic activity downtown.
Waypoint dba Child and Family Services of New Hampshire	Drop-in Center for Homeless Youth/Young Adults	Rochester	\$312,500	\$115,000	Strong community benefit, increasing access to services including prevention and early intervention to at-risk youth.
<b>TOTAL</b>			<b>\$5,445,052</b>	<b>\$4,505,000</b>	

**Motion – 10:45 AM**

Mr. Rayno moved to approve the applications recommended for funding, which includes fourteen (14) projects being awarded a total of \$4,505,000. Five (5) applications are not recommended for funding. Mr. Claffin seconded.

Ms. Easterly Martey spoke about the nineteen regular tax credit applications presented and shared a slide show of pictures from the various projects. A broad range of sectors, including child care, human services, arts, economic development, recreation and housing are represented in the applications. The Board asked what happens when full funding is not awarded to an applicant. Ms. Easterly Martey stated CDFA specifically informs all applicants that full funding is never guaranteed; projects are specifically asked if the project can move forward with partial funding during the application process.

Ms. Kristiansen called for additional questions or comments. None were offered. Ms. Kristiansen called for roll call vote.

- Ms. Kristiansen – yes
- Mr. Claflin – yes
- Mr. Tourigny – yes
- Mr. Reynolds – yes
- Mr. Rayno – yes
- Mr. Wyman – yes
- Mr. Mitchell – yes

The motion passed with seven (7) yeas and two (2) recusals.

**Mr. Gaetjens-Oleson returned to the meeting.**

**D. RDC Tax Credit Awards – 10:54 AM**

Ms. Easterly Martey summarized CDFA’s relationship with the State’s regional development partners. Historically CDFA provided a set-aside tax credit allocation, contingent upon an application being submitted, for capacity building for these organizations. In the last several years, in concert with the regional development partners, CDFA initiated a change in the annual tax credit investment. FY2022 will be the last year each of the ten (10) regional development groups receives a tax credit award targeted towards capacity development. Moving forward, CDFA will look for applications from any of these organizations for more significant projects, with targeted community and/or project impact. This will more closely align with mission for both CDFA and the regional development organizations.

Ms. Kristiansen stated staff recommends a tax credit award of \$100,000 to be equally distributed amongst the ten regional development organizations (\$10,000 per organization). Ms. Kristiansen called for a motion.

RECOMMENDED FOR FUNDING	AMOUNT
Belknap Economic Development Council	\$10,000
Capital Regional Development Council	\$10,000
Coastal Economic Development Corporation	\$10,000
Coos Economic Development Corporation	\$10,000
Grafton County Economic Development Council	\$10,000
Monadnock Economic Development Corporation	\$10,000
Mt. Washington Valley Economic Council	\$10,000
Regional Economic Development Center of Southern New Hampshire	\$10,000
Strafford Economic Development Corporation	\$10,000
Wentworth Economic Development Corporation, Inc.	\$10,000
<b>TOTAL</b>	<b>\$100,000</b>

**Motion – 10:55 AM**

Mr. Tourigny moved to approve a tax credit allocation of \$100,000, to be distributed equally in the amount of \$10,000 per regional development organization, for FY2022. Mr. Wyman seconded. Ms. Kristiansen called for roll call vote.

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

The motion passed with eight (8) yeas and one (1) recusal.

**Mr. Manning returned to the meeting.**

**E. L5 Capacity Building Awards – 10:56 AM**

**Ms. Kristiansen left the meeting.**

Ms. Easterly Martey reviewed and summarized the intent of the L5 Capacity Building program, designed to provide an infusion of flexible capital at a pivotal point in an organization’s development which can be critical to its growth, ability to pursue new opportunities or create change. Ms. Easterly Martey stated challenges created by the COVID-19 pandemic highlight the need to continue to invest in organizations which provide critical services in New Hampshire. Ms. Easterly Martey noted an important distinction was made about capacity when considering applications. Some important projects are not being funded because they have stronger capacity when compared to other applicants. Further, it was determined that CDFA will raise tax credits allocated to L5 applicants to remove added burden to organizations which typically are trying to develop capacity. Ms. Easterly Martey noted this decision likely increased the number of applicants to the program, a trend which was welcomed by CDFA because it will broaden the program, and ultimately, overall impact in communities.

Mr. Manning stated staff recommends funding seven (7) L5 applicants, a total of \$395,075 in tax credits for FY2022. Mr. Manning called for a motion.

RECOMMENDED FOR FUNDING	REQUEST	RECOMMENDATION
Ascentria	\$75,000	\$75,000
Family Promise of Southern NH	\$50,000	\$50,000
Granite State Adaptive	\$40,000	\$40,000
Hannah Grimes Center, Inc.	\$74,575	\$74,575
Hope on Haven Hill	\$60,000	\$60,000
The Homeless Center for Strafford County	\$45,500	\$45,500
YWCA New Hampshire	\$75,000	\$50,000
<b>TOTAL</b>	<b>\$420,075</b>	<b>\$395,075</b>

**Motion – 11:08 AM**

Mr. Clafin moved to approve a tax credit allocation of \$395,075 for the L5 applications recommended for funding. Mr. Gaetjens-Oleson seconded. Mr. Manning called for roll call vote.

- Mr. Manning – yes
- Mr. Clafin – yes
- Mr. Tourigny – yes
- Mr. Reynolds – yes

- Mr. Rayno - yes
- Mr. Gaetjens-Oleson – yes
- Mr. Wyman – yes
- Mr. Mitchell – yes

The motion carried with eight (8) yea votes and one (1) recusal of the Board.

The Board discussed ways to further maximize the impact of L5 Capacity Building awards and asked whether awardees could be asked in future rounds to engage with new awardees to offer guidance and/or mentorship. Ms. Easterly Martey noted CDFA is in the process of raising the L5 tax credits.

**Ms. Kristiansen returned to the meeting**

**F. CDFA Budget – 11:10 AM**

Mr. Clafin stated the Finance Committee has approved the proposed FY2022 CDFA Budget. The budget is recommended for approval, as presented, to the Board of Directors. Mr. Clafin asked if there were any questions or comments. None were offered.

Mr. Manning called for a motion.

**Motion – 11:11 AM**

Mr. Wyman moved to approve the recommended CDFA FY2022 budget, as presented. Mr. Tourigny seconded. Mr. Manning called for roll call vote.

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

The motion carried by a unanimous vote of the Board.

Ms. Easterly Martey thanked the Finance Committee for their work with staff to complete the FY2022 budget. She noted for the Board the Finance Committee continues to work on the EQ2 process; an update is expected in August.

**G. CDBG Amendments – 11:12 AM**

Mr. Manning (Southwestern Community Services) and Mr. Tourigny (Nashua Soup Kitchen & Shelter) each stated they have a conflict with one of the requests and would abstain from voting on this item.

Mr. Gaetjens-Oleson reviewed contract amendment funding approved by the Community Development Advisory Committee on June 3, 2021.

- Contract Amendment – City of Lebanon/Headrest – the City of Lebanon requested \$63,677 in supplemental funds (\$60,645 project/\$3,032 admin) to address projected cost increases that are directly due to the impact of COVID-19 on overall construction costs and availability of suitable contractors to complete the project. The request for supplemental funds is underway with third party verification of cost-increases related to COVID-19 along with other required information secured by

Upper Valley Lake Sunapee Regional Planning Commission. Project completion is slated by the end of 2021.

- Contract Amendment – City of Keene/Southwestern Community Services – the City of Keene requested \$185,091 in supplemental funds (\$180,091 project/\$5,000 admin) to address projected cost increases that are directly due to the impact of COVID-19 on overall construction costs and availability of suitable contractors to complete the project. The request for supplemental funds was reviewed and approved by CDFA staff on May 6, 2021. SCS has pledged \$35,000 of their own resources to further address the additional costs. Project completion is slated by the end of 2021.

The Board commented on the size of contract funding amendment requests. The Board and Ms. Easterly Martey discussed the ongoing cost increases driven by the COVID-19 pandemic. Ms. Easterly Martey noted it is important CDFA do what it can to ensure these projects have the necessary funding to be completed and thereby ensure CDFA's original investment of CDBG funds is not wasted.

- Contract Amendment – County of Hillsborough/Nashua Soup Kitchen & Shelter – the Hillsborough County Board of Commissioners requested \$175,000 in supplemental funds to address projected cost increases that are directly due to the impact of COVID-19 on overall construction costs and availability of suitable contractors to complete the project. A formal request has been submitted and is slated for staff approval on 6/3/2021. Project completion is projected for the end of 2021 but an extension is likely due to COVID-19 related procurement and construction delays.
- Contract Amendment – Town of Salem/Salem Housing Authority – the Town of Salem requested \$46,200 in supplemental funds to address projected cost increases that are directly due to the impact of COVID-19 on overall construction costs and availability of suitable contractors to complete the project. The request is under review and slated for approval on 6/3/2021. Project completion is projected for the end of 2021.

The Board asked if these items will be challenged by the New Hampshire Governor & Council (G&C). Ms. Easterly Martey stated she anticipates there will be questions from G&C but she is confident these requests are reasonable in the current environment and will be approved.

#### **Motion – 11:18 AM**

Mr. Gaetjens-Oleson moved to approve the CDAC approved amendments to contract funding, as presented, and with all staff recommended conditions. Mr. Clafin seconded. Ms. Kristiansen called for roll call vote.

- Ms. Kristiansen – yes
- Mr. Clafin - yes
- Mr. Reynolds – yes
- Mr. Rayno - yes
- Mr. Gaetjens-Oleson – yes
- Mr. Wyman – yes
- Mr. Mitchell – yes

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

#### **H. Loans to Be Ratified – 11:20 AM**

CDFA staff reviewed loan requests for consideration by the Board, including:

- Mr. Peterson reviewed a \$90,000 request for a predevelopment loan at 6% from the NH Preservation Alliance for Concord's historic gasholder building and stated the application is recommended for funding.
- Mr. Maslansky reviewed a \$99,984 request for an EEF loan at 3% from Orchard Hill Breadworks for a ground mount solar array and stated the application is recommended for funding.



- Mr. Maslansky reviewed a \$70,000 request for an EEF loan at 3% from BP Plymouth UU, LLC for a ground mount solar array and stated the application is recommended for funding.

The Board asked how valuation of a solar array is calculated when the term of the loan ends. Mr. Maslansky stated the value is determined by a variety of factors at the time of sale. The Board asked why the predevelopment loan has a higher interest rate. It was noted this is a loan with higher risk and the interest rate is reflective of the risk. Mr. Manning called for a motion.

**Motion – 11:28 AM**

Mr. Rayno moved to approve the three (3) loans presented for ratification, at the amount and interest rates presented. Mr. Tourigny seconded. Mr. Manning called for roll call vote.

- Mr. Manning – yes
- Ms. Kristiansen – yes
- Mr. Claflin – yes
- Mr. Tourigny
- Mr. Reynolds – yes
- Mr. Rayno – yes
- Mr. Gaetjens-Oleson – yes
- Mr. Wyman – yes
- Mr. Mitchell – yes

The motion carried by a unanimous vote of the Board.

**I. Tax Credit Survey Results – 11:29 AM**

Ms. Latham presented an overview of results of a survey provided to applicants in this year’s round, as well as anyone who may have engaged in a discussion or pre-application meeting related to tax credits. The goal of the survey is to identify areas that are challenging for applicants and to improve program accessibility and guidance. Key points identified included:

- Two areas which were consistently identified as challenging were GMS and financial information;
- The majority of applicants were satisfied with workshops and Resource Hub;
- Applicants rely on, and appreciate, the level of customer service and technical assistance CDFA staff provide; and
- Overall responses reflect positive view of the application process, but there is room for improvement.

Ms. Easterly Martey stated in an effort to continue to improve the process, CDFA will target the following:

- Improved application;
- Raising L5 Capacity Building tax credits on behalf of awardees;
- Make grant writer funds available for applicants with demonstrated capacity need; and
- Expand outreach to nonprofits who are not already familiar with CDFA.

The Board discussed the idea that there are many worthy causes which lack the structure or capacity to find funding to support their mission. The idea of these groups seeking fiscal agents or other creative structures to further their mission and access CDFA funding was discussed by the Board.

The Board asked whether CDFA could consider providing technical assistance for people to become fiscal agents. The Board acknowledged CDFA has the capacity to be a convener for ideas and collaborations. CDFA may be well positioned to promote best practices and incentives to help emerging organizations succeed. The Board thanked Ms. Latham for the survey results and stated they look forward to programmatic improvements.

**J. Council on Housing Stability – 11:55 AM**

Ms. Easterly Martey provided a brief overview of the initiatives undertaken by the Council on Housing Stability. Ms. Easterly Martey stated the Council is in the process of finalizing a strategic plan that will provide statewide guidance and an action plan. The Board discussed the adverse impact of the housing shortage in NH; the Board expressed concern that unless the shortage is remedied, New Hampshire's growth will be thwarted. The Board discussed incentives for home ownership and whether the private sector can play a role in housing development to relieve the housing shortage. It was noted some businesses offer incentives for home ownership and that may lead to more housing options for people.

**K. Executive Director Update – 12:13 PM**

Ms. Easterly Martey thanked the Board, and the Directors who served on the Investment Review Committee, for their commitment to CDFA's Tax Credit Program. She also thanked staff for their diligent work. Ms. Easterly Martey stated the final product brought forth by staff is a reflection of the dedication and hard work staff invests into ensuring the Board has the opportunity to consider funding applications about which they can be proud and which meet CDFA's mission and goals.

**L. Adjourn – 12:15 PM**

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

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

The motion carried with a unanimous vote of the Board.

Respectfully submitted,



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Maureen Quinn, Board Relations Manager



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John Manning, Chairman of the Board of Directors