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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, March 11, 2021
2:00 PM

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

STAFF: Katy Easterly Martey, *Executive Director*; Kevin Peterson, *Director of Economic Development*; Mollie Kaylor, *Director of Housing and Community Development*; Melissa Latham, *Director of Communications and Policy*; Chris Monroe, *Community Development Manager*; Missy Lackey, *Contract Manager*, and Maureen Quinn, *Board Relations Manager*.

GUESTS: Heidi Aggeler, *Root Policy Research*

Mr. Gaetjens-Oleson opened the meeting at 2:01 PM and noted a quorum was present. Mr. Gaetjens-Oleson called for public comment; none was offered.

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. He noted all votes will be by roll call.

- A. Mr. Gaetjens-Oleson reviewed the meeting agenda for the Committee and called for any requested edits, questions or comments.

Motion – 2:03 PM

Mr. Way moved to approve the agenda as presented. Ms. Lorentz seconded. Mr. Gaetjens-Oleson called for roll call vote:

Mr. Gaetjens-Oleson	Yes
Mr. Sullivan	Yes
Mr. Way	Yes
Mr. Dapice	Yes
Mr. Slattery	Yes
Mr. Walsh	Yes
Ms. Merrill	Yes
Ms. Lorentz	Yes

The motion carried by a unanimous vote of the Committee.

B. Consent Agenda – 2:03 PM

Mr. Gaetjens-Oleson reviewed the Consent Agenda; items include February 9, 2021 Community Development Advisory Committee minutes. Mr. Gaetjens-Oleson called for questions or comments. None were offered.

Motion – 2:04 PM

Ms. Lorentz moved to approve the Consent Agenda, as presented. Mr. Dapice seconded. Mr. Gaetjens-Oleson called for roll call vote.

Mr. Gaetjens-Oleson	Yes
Mr. Sullivan	Abstained (not present at the February meeting)
Mr. Way	Yes
Mr. Dapice	Yes
Mr. Slattery	Yes
Mr. Walsh	Yes
Ms. Merrill	Yes
Ms. Lorentz	Yes

The motion carried by seven (7) yeas and one (1) abstention of the Committee.

Ms. Fox joined the meeting at 2:05 PM

C. CDBG-CV Service Awards – Amendment Request and Recommendation 2:05 PM

Mr. Monroe presented a memo on four (4) proposed updates of CDBG-CV Service awards, approved by the Committee at the November 24, 2020 Community Development Advisory Committee meeting. It was noted that issues around eligible expenses and particular budget items had changed since original staff review and Committee approval. Mr. Monroe outlined each of the four awardees, the original award amounts and the amendment sought to change the total award amount.

- Derry
 - Original Application
 - Welfare Staffing - \$62,400
 - Welfare Emergency Assistance/Housing - \$232,920
 - Admin - \$25,000
 - Awarded
 - Staffing – Denied
 - Welfare Emergency Assistance/Housing - \$51,120
 - Admin - \$19,000
 - Staff Recommendation
 - Welfare Staffing - \$52,120
 - Welfare Emergency Assistance/Housing - \$232,920
 - Admin - \$25,000

Staff recommends updating the award for the Welfare Staffing activity from \$0 to \$52,120 and the Administration from \$19,000 to \$25,000. The staffing was originally declined because it was not clear that it was a new or expanded service which is a CDBG requirement for municipal public services. Upon further review as part of the budget process, the Grantee clarified that the staffing is outsourced

and the services implemented are above and beyond normal municipal responsibility and programming to address the COVID-19 pandemic, increasing the cost over standard funding. Additional information regarding municipal welfare responsibility can be found in RSA XII 165:1. The updated award will also provide the administration funding (at the cap) to meet the needs of administering the larger grant and to reconcile the original amount within the application.

- Conway
 - Original Application
 - Way Station Staffing/Emergency Assistance- \$72,054
 - Awarded
 - Way Station Staffing/Emergency Assistance - \$52,816
 - Staff Recommendation
 - Way Station Staffing/Emergency Assistance - \$72,054

Staff recommends updating the award for this program as the Way Station Staffing has shifted costs from ineligible expenses to address increased expenses related to their approved staffing activity.

- Laconia
 - Original Application
 - Isaiah 61 Café Emergency Assistance - \$21,680
 - Awarded
 - Isaiah 61 Café Emergency Assistance - \$16,480
 - Staff Recommendation
 - Isaiah 61 Café Emergency Assistance - \$21,680

Staff recommends updating the award for this program as Isaiah 61 Café shifted ineligible costs to eligible costs. The eligible costs include transportation services for those who cannot access COVID-19 related supports on their own.

- Newmarket
 - Original Application
 - Newmarket Community Church - \$79,300
 - Awarded
 - Newmarket Community Church - \$65,750
 - Staff Recommendation
 - Newmarket Community Church - \$79,300

Staff recommends updating the award for this program as Newmarket Community Church shifted ineligible costs to eligible costs. The eligible costs include staffing/sanitization equipment/supplies/emergency subsistence payments.

Mr. Gaetjens-Oleson called for further question or comment. The Committee noted they understood the complexity of reviewing and awarding so many applicants and thanked staff for their efforts.

Motion – 2:13 PM

There being no further questions or comments, Mr. Gaetjens-Oleson called for a motion. Mr. Dapice moved to approve the proposed amendments to each of the four (4) listed awardees from the November 24, 2020 CDBG-CV Service round of applications. Ms. Lorentz seconded. Mr. Gaetjens-Oleson called for roll call vote.

Mr. Gaetjens-Oleson	Yes
Mr. Sullivan	Yes
Mr. Way	Yes
Mr. Dapice	Yes
Mr. Slattery	Yes
Mr. Walsh	Yes
Ms. Merrill	Yes
Ms. Lorentz	Yes
Ms. Fox	Yes

The motion carried by a unanimous vote of the Committee.

D. CDBG – Housing and Public Facilities Round Update

Ms. Kaylor provided a brief overview of the upcoming Housing and Public Facilities application round. Ms. Kaylor noted eleven (11) applications were received; three (3) applications are for housing projects and eight (8) applications are for public facilities applications. Ms. Kaylor informed the Committee the total award amount requested by all eleven applicants exceeds the available funding amount. Ms. Easterly Martey stated she and Ms. Kaylor have reviewed the applications received to determine if any of the proposed projects are related to COVID-19 and could be shifted to the July 2021 CDBG-CV round of funding. This would likely increase the number of applicants/projects which could be funded.

The Committee asked whether CDBG grants could be blended with CDBG-CV grants to fund projects. It was noted that CDBG grants are complex in federal compliance and reporting and this would create an administrative burden on awardees. The Committee asked whether any projects which had encountered cost overages – and whose projects were stymied by these costs – were going to be eligible for additional funding. Ms. Easterly Martey noted that CDFA was able to broaden the procurement process to encompass additional expenses; this enabled a number of projects to significantly stretch their budgets. Only two or three projects still face budget overages; CDFA staff is working to assist these projects in the hopes they are able to move forward.

E. Housing and Public Facilities Evaluation and Scoring

Ms. Easterly Martey welcomed Ms. Heidi Aggeler of Root Policy Research to the meeting. Ms. Easterly Martey stated the 2021 Consolidated Plan reflects changes because CDFA sought, and was granted, relief and exemption from state Administrative rules. The relief from Administrative rules has had the desired effect of creating much needed flexibility with the CDBG program, particularly scoring which has a significant impact on funding.

Ms. Easterly Martey reviewed results from outreach to CDFA stakeholders, designed to identify needs throughout communities across the State. Overall feedback reflects allocation of CDBG funds is considered strong; particular areas in need of investment are affordable childcare and broadband/ infrastructure. Economic development needs (water, sewer, streetscapes, sidewalks, lighting, building facades) and community development needs (mental health care, addiction services) continue to be common themes while the demand for housing development and rehabilitation continues to be critical.

Ms. Easterly Martey stated CDFA has undertaken the process to understand State objectives, based on feedback from stakeholders, and to align these objectives and goals with community plans.

Ideally, scoring can be directly related to the overall objectives so that projects which are both critical and priorities are likely to be funded. CDFA wants to be positioned to support transformative projects, such as investments in childcare centers or broadband infrastructure. Additional ideas which are being considered include:

- Increasing the award amount for planning grants to \$100,000. This might enable various groups to work together within a community to incorporate multiple elements of economic and community development together into one study; successful initiatives could then be used as a blueprint by other communities seeking to explore impactful investment within their own communities.
- Microenterprise organizations have flourished in an organized network which provides technical support and other critical services to fledgling businesses. Real wage growth has been measured in this business sector; logical next steps are to provide guidance as these organizations strive towards asset building.

The Committee discussed the challenge of how to create opportunities for economic development when there is no regional plan in place and community support is lacking. This void of plans and goals for development makes it difficult to develop cohesive plans which are foundational for overall development in regions. Ms. Martey stated there has been consideration of larger CDBG awards (up to \$1.2 M) which could incorporate multiple facets of a larger project if the demand is real and the plan is strong. The current plan, however, is to leave the bulk of CDBG funding in single purpose investments of up to \$500K.

Ms. Aggeler addressed opportunities and challenges in the evaluation and scoring processes. She noted New Hampshire's current structure for CDBG is well balanced between various programs in the State. Changes undertaken should endeavor to maintain maximum flexibility for communities where possible. Evaluation and scoring should be both simplified and as transparent as possible to create the greatest opportunity for the broadest range of communities to seek these funds for their specific needs. Alignment of scoring with both State and community goals is critical as is prioritization of capacity; it is critical that funded projects come to fruition. Ms. Aggeler stated transformative and impactful projects should be prioritized.

The Committee discussed a wide range of concerns, including how to create projects in affluent communities which would benefit people of low-and-moderate income(LMI). This can create a longer term benefit of creating more opportunity for people to move out of the cycle of poverty. The scoring system currently weighs more favorably for communities with higher populations of LMI people but it perpetuates the problem of maintaining barriers for the projects to be located in affluent communities. The Committee cautioned that lower income communities – with lower tax bases and consequently typically lacking in match funding (a current CDBG requirement) can really struggle to bring impactful projects to fruition. The Committee discussed whether scoring can be weighted to the advantage of these lower income communities. The Committee discussed mixed income housing projects versus affordable housing to create greater socio-economic diversity and hopefully more opportunity for people of low-and-moderate income in a broader range of communities while addressing the critical demand for housing, a chronic problem in New Hampshire.

Other discussion points from the Committee included:

- Ensure strong technical assistance and guidance is available to complement funding
- Be flexible enough to accept ideas from grantees (communities); this may generate creative ideas

- Use the microenterprise program as a blueprint for creating a roundtable to share ideas, resources, collaboration

Ms. Easterly Martey noted there will not be any significant scoring changes in the next funding rounds. She further stated the State and CDFA identify affordable housing as a critical need and there will be an effort to make impactful investment in this area.

The Committee requested consideration around relief from match funding for projects which fall into areas identified as critical and transformative. Types of projects which sometimes lack match funding – such as soup kitchens, childcare centers, recovery providers – should not be penalized because they lack the resources to meet the criteria of current CDBG scoring. A waiver could create opportunity for ‘poorer’ groups to secure CDBG funding.

Adjourn – 3:33 PM

There being no further business before the Committee, Ms. Merrill moved to adjourn the meeting. Ms. Lorentz seconded. Mr. Gaetjens-Oleson called for roll call vote.

Mr. Gaetjens-Oleson	Yes
Mr. Sullivan	Yes
Mr. Way	Yes
Mr. Dapice	Yes
Mr. Slattery	Yes
Mr. Walsh	Yes
Ms. Merrill	Yes
Ms. Lorentz	Yes
Ms. Fox	Yes

The motion carried by a unanimous vote of the Committee.

Respectfully submitted,



Maureen Quinn, Board Relations Manager



Ben Gaetjens-Oleson, Committee Chairman