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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 6, 2021
2:00 PM

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

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

PUBLIC: Michelle Moren-Grey, *North Country Council*; James Weatherly, *Southwest Regional Planning Commission*; Lise Howson, *Coos Economic Development Corporation*; Pam Sullivan, *Women's Rural Entrepreneurial Network*; Aimee Quimby, *NCIC*; Meghan Butts, *Upper Valley Lake Sunapee Regional Planning Commission*; Phoebe Bray, *The Community Kitchen*; Sara Powell, *Hannah Grimes Center*; Tracey Secula, *Lakes Region Planning Commission*; Josh Arnold, *G.A.L.A. Community Center*; Pat Garvin, *CDBG Consultant*; Denise Roy-Palmer, *Wentworth Economic Development Corporation*; Anne Duncan Cooley, *Grafton Regional Development Corporation*; Jason Cannon, *University of New Hampshire*; Alison Chisholm, *Community College System of New Hampshire*.

Mr. Gaetjens-Oleson opened the meeting at 2:01 PM and noted a quorum was present. Mr. Gaetjens-Oleson stated the meeting is being held in videoconferencing format due to the ongoing health crisis related to the COVID-19 pandemic. This will allow for the Committee to discuss and deliberate items contemporaneously and allow for public participation and engagement as permitted.

Mr. Gaetjens-Oleson noted numerous members of the public in attendance and he welcomed them to the meeting. He stated members of CDFA staff would introduce themselves as they present agenda items to the Committee.

A. Agenda

Mr. Gaetjens-Oleson reviewed the meeting agenda and called for any changes. None were requested. He noted all votes will be by roll call. Mr. Gaetjens-Oleson called for a motion.

Motion – 2:04 PM

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

Mr. Gaetjens-Oleson	Yes
Mr. Slattery	Yes
Mr. Dapice	Yes

Mr. Way	Yes
Ms. Fox	Yes
Ms. Lorentz	Yes
Ms. Merrill	Yes

The motion carried by a unanimous vote of the Committee.

Mr. Gaetjens-Oleson called for public comment. None was offered.

B. Consent Agenda - 2:05 PM

Mr. Gaetjens-Oleson reviewed the Consent Agenda and called for questions or comments. None were offered. Mr. Gaetjens-Oleson called for a motion.

Motion – 2:05 PM

Mr. Way moved to approve the consent agenda, as presented. Mr. Dapice seconded. Mr. Gaetjens-Oleson called for a roll call vote.

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

The motion carried by a unanimous vote of the Committee.

C. CDBG Planning Study Application - City of Berlin/Northwoods Learning Center, Inc. - \$25,000

Ms. Kaylor introduced herself to the Committee and members of the public in attendance and presented an overview of the application. The City of Berlin is requesting \$25,000 in CDBG Planning Grant funds to enable subrecipient North Woods Learning Center, Inc. to conduct a planning study to assess the viability of a new childcare facility in the City of Berlin. A consultant will be hired to prepare preliminary plans, project budgets, and to identify possible locations for the new center. The study will also propose a funding package for implementation. The proposed center is anticipated to serve up to sixty-three (63) children age twelve (12) weeks to twelve (12) years of age. Fifty-one (51) of the sixty-three (63) children, or 80% will qualify as low-and moderate-income. It is also anticipated eight full time jobs will be created by this project. Ms. Kaylor stated the project is recommended for funding with the following staff recommended conditions:

- Sufficient funds are available and allocated by HUD;
- All other usual and customary CDBG contract terms; and
- The use of funds conforms with HUD and State regulations.

The Committee asked why, given the demand for quality child care in Berlin, the project is planned to create sixty-three (63) child care slots. Ms. Moren-Grey stated the organization is currently licensed to provide a maximum of sixty-three (63) child care slots; if a larger facility is constructed, the

Northwoods Learning Center, Inc. will pursue an increase in licensed child care slots which can be offered.

Mr. Gaetjens-Oleson called for further questions or comments. None were offered. Mr. Gaetjens-Oleson called for a motion.

Motion – 2:14 PM

Mr. Way moved to approve the application for a \$25,000 planning grant, with all staff recommended conditions. Ms. Lorentz seconded. Mr. Gaetjens-Oleson called for roll call vote:

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

The motion carried by a unanimous vote of the Committee.

D. CDBG Economic Development Application – County of Grafton/NH Alliance of Regional Development Corporations/Business Technical Assistance Program - \$267,000

Mr. Slattery noted he has a conflict of interest with this application as well as the Microenterprise application; he is the Executive Director of one of the proposed funding recipients. Mr. Slattery stated he will recuse from these items.

Mr. Slattery left the meeting at 2:15 PM

Mr. Peterson introduced himself to the Committee and members of the public in attendance and provided an overview of the application. Grafton County, on behalf of nine of New Hampshire’s ten established Regional Development Corporations (RDCs), is seeking \$267,000 to provide technical assistance to New Hampshire businesses. Mr. Peterson noted the Monadnock Economic Development Corporation (MEDC) is the lone RDC not participating in this year’s funding request. CDFA recommends funding the application with an award of \$267,000. Specifically, technical assistance to a business will be for one of the following eligible activities:

- Establishing and managing a budget for the business;
- Helping the business to prepare a loan request;
- Marketing or development of a marketing plan;
- Developing signage, marketing materials or a logo; and/or
- Creating a plan to provide, or partner to provide, workforce training and development.

Along with the administrative cost of \$16,000, the project would divide \$171,000 equally among the nine RDCs (\$19,000 per RDC) and make available an additional \$80,000 on a competitive basis to be used for outside consultant support to businesses – services that are beyond the scope or

expertise of RDC staff. Mr. Peterson stated this application is recommended for funding in the amount of \$267,000 with the following staff recommended conditions:

- Sufficient funds are available and allocated by HUD;
- The project is able to secure all identified matching funds;
- All other usual and customary CDBG contract terms; and
- The use of funds conforms with HUD and State regulations and CDFA guidance.

The Committee asked how staff anticipates the \$80,000 in competitive funding will be deployed. Mr. Peterson noted these funds have been set aside to enable the participating RDCs to apply for funding to secure services for clients (businesses) which RDCs are not able to provide. The applications will be considered as they are received, with funds being expended on a first come first served basis.

Mr. Gaetjens-Oleson called for further questions or comments. None were offered. Mr. Gaetjens-Oleson called for a motion.

Motion – 2:19 PM

Ms. Lorentz moved to approve the application for a \$267,000 economic development grant, with all recommended staff conditions. Ms. Merrill seconded. Mr. Gaetjens-Oleson called for roll call vote.

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

The motion passed with a majority of six (6) yea votes of the Committee. There was one recusal.

E. 2021 CDBG Microenterprise Technical Assistance Program - \$923,865

Ms. Merrill noted she has a conflict of interest with this application and will recuse. She assisted in writing the grant application for this funding.

Ms. Merrill left the meeting at 2:20 PM

Mr. Peterson provided an overview of the application and noted this program has operated for several years with strong demonstrated success. He noted micro businesses (five or fewer employees) play an integral role in New Hampshire's economy and this funding is critical for participating organizations. The CDFA CDBG Application and Program Guide FY2021 allows one municipality to apply for up to \$500,000 in funding for subrecipients that provide training and technical assistance to microenterprises. The 2021 allocation of CDBG funds for support of microenterprise technical assistance programs is \$925,000; three municipalities have applied for the funds on behalf of the subrecipients.

The County of Grafton submitted an application on behalf of three organizations to provide a full range of entrepreneurial training and technical assistance services to low- to moderate-income (LMI) microenterprise owners and others who are planning to start microenterprises in northern NH.

The County of Cheshire submitted an application on behalf of three organizations to provide a full range of entrepreneurial training and technical assistance services to low- to moderate-income (LMI) microenterprise owners and others who are planning to start microenterprises in southern NH and statewide.

The County of Sullivan submitted an application on behalf of one organization to provide a full range of entrepreneurial training and technical assistance services to low- to moderate-income (LMI) microenterprise owners and others who are planning to start microenterprises in/near Sullivan County.

Mr. Peterson stated staff recommends awards to the applicants and subrecipients in the following amounts, with the following conditions:

- Sufficient funds are available and allocated to the State by the US Department of Housing and Urban Development (HUD);
- All other usual and customary CDBG contract terms; and
- The use of funds conforms with HUD regulations and CDFA guidance.

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RECOMMENDED AWARDS

Sub recipient	# of Beneficiaries	Program Award	Admin Award	TOTAL AWARD
<u>Grafton County</u>				
BEDC	90	225,000	22,500	247,500
NCIC	25	62,500	6,250	68,750
WREN	25	62,500	6,250	68,750
Grafton subtotal:	140	\$ 350,000	\$ 35,000	\$ 385,000
<u>Cheshire County</u>				
HGC	65	162,500	12,455	174,955
REDC	60	150,000	12,455	162,455
SBDC	50	125,000	12,455	137,455
Cheshire subtotal:	175	\$ 437,500	\$ 37,365	\$ 474,865
<u>Sullivan County</u>				
RVCC	20	50,000	14,000	64,000
TOTALS:	335	\$ 837,500	\$ 86,365	\$ 923,865

Mr. Gaetjens-Oleson called for questions or comments. None were offered. Mr. Gaetjens-Oleson called for a motion.

Motion – 2:29 PM

Mr. Way moved to approve the application as presented and with all staff recommended conditions. Ms. Lorentz seconded. Mr. Gaetjens-Oleson called for roll call vote.

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

The motion passed with a majority vote of five (5) yeas and two (2) recusals of the Committee.

Mr. Slattery and Ms. Merrill returned to the meeting at 2:30 PM

F. Town of Wolfeboro - G.A.L.A. Community Center – Notice of Change in Contract Funding due to Increased Costs from COVID-19 Pandemic

Mr. Peterson provided a summary of the request from the Town of Wolfeboro/G.A.L.A. and stated there has been a significant (\$390,000) increase in construction costs. Additional CDBG funds are sought by amendment to the original award to ensure the project is able to move forward. Mr. Gaetjens-Oleson called for questions or comments. None were offered. Mr. Gaetjens-Oleson called for a motion.

Motion – 2:35 PM

Ms. Merrill moved to approve the request for additional funds, in the amount of \$390,000, for the Town of Wolfeboro/G.A.L.A. Community Center. Mr. Dapice seconded. Mr. Gaetjens-Oleson called for roll call vote.

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

The motion carried by a unanimous vote of the Committee.

G. The City of Keene – The Community Kitchen – Notice of Change in Contract Funding due to Increased Costs from COVID-19 Pandemic

Ms. Fox noted she will recuse from consideration of this request as she is an employee of the City of Keene.

Ms. Fox left the meeting at 2:36 PM

Mr. Monroe introduced himself to the Committee and members of the public in attendance and provided a summary of the request from the City of Keene/The Community Kitchen and stated there

has been an increase in construction costs, and additional funds in the amount of \$157,585 are sought by amendment to the original award to ensure the project is able to move forward.

The Committee asked about the increase in costs and noted the difference appears to be 39% above the original cost estimates. Mr. Monroe noted The Community Kitchen initiated a fundraising campaign to help meet the funding gap; supplemental funds sought represent approximately 25% of the 39% shortfall. The Committee discussed the importance of projects finding reasonable balance between cost reduction and maintaining key and important elements of a project. The Committee suggested projects can lose maximum efficacy when too many cost saving measures are implemented. Mr. Gaetjens-Oleson called for questions or comments. None were offered. Mr. Gaetjens-Oleson called for a motion.

Motion – 2:41 PM

Ms. Lorentz moved to approve the request for supplemental funds, in the amount of \$157,585, for the City of Keene/The Community Kitchen project. Mr. Way seconded. Mr. Gaetjens-Oleson called for roll call vote.

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

The motion carried with a majority vote of six (6) yeas and one (1) recusal of the Committee.

H. Discussion – CDBG Project Cost Overages

The Committee discussed cost overages and the impact on projects and how these costs are going to be funded. Ms. Easterly Martey noted funds not deployed in calendar year 2020 are available in accordance to a CDBG Action Plan amendment to funded projects to address funding shortfalls. The Committee asked if there are sufficient additional funds which have been reserved for cost overruns and if so, what the process is for projects to secure this funding. Ms. Easterly Martey outlined cost overruns scenarios:

- Projects in need of additional funding complete an amendment request;
- Staff reviews the request against publically available criteria to ensure project is eligible for additional funding;
- Recommendation of additional funds is made by staff to the Community Development Advisory Committee (CDAC) unless CDAC approval would delay the process and if so it could be brought to CDAC as an informational item;
- Amendment is sent to Governor & Council

I. Findings on Scoring and Prioritization for HUD CDBG Program Discussion and Update– 2:50 PM

Ms. Easterly Martey informed the Committee work has continued with consultant Root Policy to finalize scoring metrics for incorporation into the CDBG program; both the Consolidated Plan and the Action Plan reflect updated approaches to how CDBG funding will be deployed. Ms. Easterly Martey stated the evaluation and scoring update will be published on May 20th; the update takes into consideration whether a project qualifies under the CDBG National Objective and Eligible Activities and the sufficiency of a grant request to complete a project for which funding is sought. This new approach also factors in community progress indicators, designed to lend to a quantifiable and metric based scoring system.

Ms. Merrill left the meeting at 2:55 PM

The Committee discussed how CDFA prioritizes investments in housing. Ms. Easterly Martey noted criteria used to evaluate housing projects was based on feedback from stakeholders at public hearings and further changes will not be incorporated into scoring at this time. The Committee discussed balance between different regions of the State where need and capacity is very disparate. Key elements to any project are likelihood of success and high opportunity/impact communities. Particular project enhancements may help ensure a project gets funded. Key funding factors also include:

- Readiness
- Resource efficiency – how many units are being created but without too many resources which can make project administration and oversight unwieldy
- Project cost per unit

Ms. Easterly Martey stated CDBG funding typically required a long-term benefit impact requirement but consideration has been given to emphasizing need and impact to ensure more challenged projects can be successful and come to fruition.

Ms. Easterly Martey briefly reviewed changes in the public facilities category of CDBG funding. Ms. Easterly Martey also noted CDFA will likely fund three (3) transformative planning grants, with awards of up to \$100,000 rather than \$25,000. Emphasis will be given to studies which address child care, broadband, advancing microenterprises and targeted neighborhood investment.

Adjourn – 3:29 PM

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

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

The motion carried by a unanimous vote of the Committee.

Respectfully submitted,



Maureen Quinn, Board Relations Manager



Ben Gaetjens-Oleson, Committee Chair