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Community Development Advisory Committee Meeting Minutes

**NH Community Development Finance Authority
14 Dixon Avenue, Suite 102
Concord, NH 03301**

Thursday, November 4, 2021
2:00 PM

COMMUNITY DEVELOPMENT ADVISORY COMMITTEE PRESENT: Benjamin Gaetjens-Oleson; *Chair*; Beth Fox; Rob Dapice; Nancy Merrill; Matt Walsh; and Carmen Lorentz.

STAFF: Katherine Easterly Martey, *Executive Director*; Mollie Kaylor, *Director of Housing and Community Development*; George Hunton, *Director of Tax Credit Programs*; Melissa Latham, *Director of Communications and Policy*; and Maureen Quinn, *Board Relations Manager*.

STAFF VIA VIDEOCONFERENCE: Kevin Peterson, *Director of Economic Development*.

PUBLIC VIA VIDEOCONFERENCE: Donna Lane, *CDBG Consultant and Grant Writer*; Alan Blake and Molly Snell-Larch, *New Hampshire Community Loan Fund*; Jen Czysz and Blair Haney, *Strafford Regional Planning Commission*; Jeanne Beaudin, *Town of Belmont*; Betsey Andrews Parker, *Community Action Partnership of Strafford County*; James Weatherly, *Grant Writer & Administrator, Southwest Region Planning Commission*; Joia Hughes, *Grant Writer*; Sal Steven-Hubbard, *Lakes Region Community Developers*; Matt Menning, *Elm Grove Companies*; Katelyn Robinson, *Northern Community Investment Corporation*; Karri Makinen, *Town of Salem*; Julian Long, *City of Rochester*; Phil Wyzik, *Monadnock Family Services*; Steve Horton, *Owner's Representative for Hundred Nights*; Sara Barrett, *Hundred Nights*; and Crayton Brubaker, *City of Concord*.

Mr. Gaetjens-Oleson opened the meeting at 2:01 PM and noted a quorum was present. Mr. Gaetjens-Oleson stated there are twelve (12) applications to be reviewed and considered for funding; he requested disclosure of Committee member conflicts and recusals.

- Ms. Merrill will recuse from consideration of Public Facilities applications. She is an employee of the City of Claremont, which has a public facilities application for funding;
- Mr. Walsh* will recuse from consideration of a Planning Study application from the City of Concord; he is an employee of the City of Concord;
- Ms. Fox* will recuse from consideration of a Public Facilities-CV application from the City of Keene; she is an employee of the City of Keene; and
- Ms. Lorentz will recuse from consideration of Public Facilities applications. She is the Executive Director of the Lakes Region Community Developers, which is a subrecipient for a public facilities application for funding.

*Mr. Gaetjens-Oleson noted Mr. Walsh and Ms. Fox shall recuse from applications in funding categories which are non-competitive and may therefore vote on other applications which are to be considered within that category.

Mr. Gaetjens-Oleson welcomed members of the public to the meeting; he asked Committee members and CDFA staff to introduce themselves.

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

A. Agenda

Mr. Gaetjens-Oleson reviewed the meeting agenda and called for any changes. None were requested. Mr. Gaetjens-Oleson called for a motion.

Motion – 2:04 PM

Ms. Lorentz moved to approve the agenda, as presented, and Ms. Fox seconded. The motion carried by a unanimous vote of the Committee.

B. Consent Agenda – 2:04 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 – 2:04 PM

Mr. Walsh moved to approve the consent agenda, as presented and Ms. Fox seconded. The motion carried by a unanimous vote of the Committee.

CDBG HOUSING AND PUBLIC FACILITEIS ROUND APPLICATIONS AND PLANNING GRANT APPLICATIONS

Ms. Kaylor provided an overview of the Housing and Public Facilities round and the Planning Grants and thanked the Committee for their commitment to review the applications. Of particular note:

- Ms. Kaylor stated there are three (3) applications which address COVID-19 and are to be considered under CDBG-CV; these applications, if approved by the Committee, will expend the remainder of available CV funds that are committed to Housing and Public Facility projects;
- There is insufficient funding available for all applications submitted; any applicant not funded in this round is welcome to submit a new application in a future round;
- The Town of Newport had to withdraw its application; HUD national eligibility requirements specific to LMI beneficiaries were not met; the Town will be conducting an area income survey to make a determination on whether eligibility exists; depending on the outcome of the income survey, the Town may reapply in a future round;
- Funds remain in the Housing category in accordance with the current Methods of Distribution; with the ongoing housing crisis in New Hampshire, funds are being carried forward to the next funding round to address an anticipated increase in demand from housing projects; and
- CDFA staff continues to monitor previously awarded projects for cost overages stemming from the ongoing COVID-19 pandemic. Consideration will be given to how to ensure projects have sufficient funding to be completed.

C. CDBG Housing Applications

Town of Salem – Depot & Main, LLC/Salem: Depot & Main LLC Affordable Housing Project - \$500,000

Ms. Kaylor reviewed the application for the Committee. She stated the project is intended to construct seventy-four (74) units of affordable housing in southern New Hampshire, where there is a significant shortfall in housing and extremely low vacancy rates. The project is located in an area of Salem designated as an Economic Revitalization Zone. The multi-family project will include a mix of studio, one- and two- bedroom units in a single, newly constructed three story building. Ms. Kaylor noted CDBG funds typically do not support new construction but the subrecipient, Depot & Main, LLC, has been certified as a Community Based Development Organization (CBDO). CBDO designation establishes HUD CDBG funding eligibility for new construction. Ms. Kaylor noted the project scored well.

Ms. Kaylor stated there are sufficient funds in this round to make an award to this project. Funding is recommended with the following staff recommended contingencies:

- Sufficient funds are available and allocated by HUD;
- There is no impact to the project's score or rank due to the Administrative Review Procedure, which shall be completed within 30 days of Advisory Committee approval;
- The project is able to secure all identified matching funds, including NHHFA Low Income Housing Tax Credits (LIHTC);
- All other usual and customary CDBG contract terms; and
- The use of funds conforms with HUD and State regulations.

The Committee asked whether CDFA has funded a CBDO with CDBG funding previously. Staff noted CDFA funded an Avesta project in Conway, which was a CBDO eligible project. Ms. Kaylor noted the Depot & Main, LLC project was not awarded Low Income Housing Tax Credits (LIHTC) from New Hampshire Housing Finance Authority (NHHFA); the project will be pursuing other funding options to ensure this project has all needed financing secured.

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

Motion – 2:18 PM

Ms. Lorentz moved to approve the application from the Town of Salem, for Depot & Main, LLC/Depot & Main Affordable Housing for \$500,000, as presented, with all staff recommended contingencies. Ms. Fox seconded and the motion carried by a unanimous vote of the Committee.

D. CDBG-CV Housing Applications

City of Rochester – Community Action Partnership of Strafford County/Gafney Home Senior Housing - \$500,000

Mr. Hunton reviewed the application for the Committee and stated the City of Rochester is applying for CDBG-CV funds because they are a HUD entitlement community and not eligible for CDBG housing funding from CDFA. He stated the project is intended to renovate the Gafney Home to

create twenty-one (21) safe and affordable units of housing for elderly households who are at or below 60% of the area median income. The project will fully renovate the home from dormitory style rooms into individual apartments with all amenities to create fully functioning, private units, compliant with current building code standards. Private living units will help ensure the vulnerable, elderly and LMI population will have mitigated risks and exposure to the COVID-19 pandemic. The project will also include installation of an elevator and wheelchair ramps, ensuring greater accessibility for residents.

Mr. Hunton stated there are sufficient funds in this round to make an award to this project. Funding is recommended with the following staff recommended contingencies:

- Sufficient funds are available and allocated by HUD;
- There is no impact to the project's score or rank due to the Administrative Review Procedure, which shall be completed within 30 days of Advisory Committee approval;
- The project is able to secure all identified matching funds, including NHHFA Low Income Housing Tax Credits (LIHTC);
- All other usual and customary CDBG contract terms; and
- The use of funds conforms with HUD and State regulations.

Mr. Dapice noted there is a slight variance between the NHHFA LIHTC allocation and what CDBA has listed in Sources and Uses. He noted he does not believe this is problematic for the funding structure reviewed. Staff will request updated Sources and Uses prior to finalizing the contract.

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

Motion – 2:25 PM

Ms. Fox moved to approve the application from the City of Rochester, for Community Action Partnership of Strafford County/Gafney Home Senior Housing for \$500,000, as presented, with all staff recommended contingencies. Mr. Dapice seconded and the motion carried by a unanimous vote of the Committee.

E. CDBG – Public Facilities Applications

Ms. Lorentz and Ms. Merrill left the meeting at 2:26 PM; each has conflicts with this funding source and recusals were previously noted.

Town of Belmont – Lakes Region Community Developers/Gale School Renovations - \$500,000

Mr. Hunton reviewed the application for the Committee. He stated the project is intended to complete renovations for the adaptive use of the historic Gale School. The project will transform the Gale School into a social service center, housing a childcare center and program space for a non-profit that provides life skills training for clients who have intellectual disabilities and acquired brain disorders. The project will create thirty-five (35) new childcare slots, and at least 51% will be reserved for children from low- and moderate-income households. It is also anticipated ten (10) jobs will be created, providing an economic benefit to the area. Lakes Region Community Services will lease space here and deploy services and life skill training for one-hundred (100) area clients with developmental disabilities. Mr. Hunton noted that historic tax credits will comprise part of the funding

package but these tax credits only become available at project completion; bridge financing will be used until project completion and historic tax credits will be used to pay back bridge financing. Mr. Hunton also stated this project previously received a Planning Grant from CDFA's CDBG funds and CDFA State Tax Credits.

Mr. Hunton stated there are sufficient funds in this round to make an award to this project. Funding is recommended with the following staff recommended contingencies:

- Sufficient funds are available and allocated by HUD;
- There is no impact to the project's score or rank due to the Administrative Review Procedure, which shall be completed within 30 days of Advisory Committee approval;
- The project is able to secure all identified matching funds, including NHHFA Low Income Housing Tax Credits (LIHTC);
- All other usual and customary CDBG contract terms; and
- The use of funds conforms with HUD and State regulations.

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

Motion – 2:30 PM

Mr. Dapice moved to approve the application from the Town of Belmont for Lakes Region Community Developers/Gale School Renovations for \$500,000, as presented, with all staff recommended contingencies. Ms. Fox seconded and the motion passed with four (4) yeas of the Committee. There were two recusals.

Town of Colebrook – Colebrook Homeowners Cooperative, Inc./Water Infrastructure - \$500,000

Ms. Kaylor presented the application to the Committee. She stated the project is intended to make improvements to the Colebrook Homeowners Cooperative's (CHC) failing water infrastructure. A 2020 CDBG Planning Grant determined infrastructure improvements were needed for the water, sewer and electrical systems. CHC is currently spending 40% of its operating budget on maintaining and repairing the existing system.

The Committee asked about the high vacancy rate in the CHC; there are 30 occupied units and there are 18 pad sites which are either vacant or uninhabitable. Ms. Kaylor stated it is anticipated that the infrastructure improvements make all the sites inhabitable and more marketable. The Committee asked whether when considering new homeowners if preferential consideration will be given to people who are of low- and moderate-income. It was noted the CHC by-laws provide prioritization to individuals and families who qualify as LMI. Mr. Alan Blake of the New Hampshire Community Loan Fund stated in-fill efforts will focus on situating LMI individuals and families in the Cooperative.

The Committee asked whether CHC has a capital reserves fund to address other infrastructure needs. Ms. Kaylor stated there is a fund but most of the resources have been allocated to repairs of the water system. If funding is awarded, CHC expects to build capital reserves, and coupled with adding new homeowners, it is hoped the capital reserves will be sufficient to address other needs.

Ms. Easterly Martey noted CHC was a previous applicant and was not funded. Staff worked diligently to assist the CHC through the application process.

Ms. Kaylor stated there are sufficient funds in this round to make an award to this project. Funding is recommended with the following staff recommended contingencies:

- Sufficient funds are available and allocated by HUD;
- There is no impact to the project's score or rank due to the Administrative Review Procedure, which shall be completed within 30 days of Advisory Committee approval;
- The project is able to secure all identified matching funds, including NHHFA Low Income Housing Tax Credits (LIHTC);
- All other usual and customary CDBG contract terms; and
- The use of funds conforms with HUD and State regulations.

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

Motion – 2:30 PM

Mr. Walsh moved to approve the application from the Town of Colebrook – Colebrook Homeowners Cooperative, Inc./Water Infrastructure for \$500,000, as presented, with all staff recommended contingencies. Mr. Dapice seconded and the motion passed with four (4) yeas of the Committee. There were two recusals.

City of Claremont – Sugar River Cooperative Inc./Water Improvements Project - \$500,000

Mr. Hunton presented the application to the Committee. He stated the project is not recommended for funding due to insufficient funds available. If funds were to become available, the project would be recommended for funding with all usual staff recommended contingencies. Mr. Hunton noted the project is likely to submit an application in the next round of CDBG public facilities funding.

The Committee briefly discussed the Administrative Review process for CDBG applicants. When an applicant is not funded and requests review, staff is charged with reviewing the scoring metrics. If there is a change in score and the project can be funded, the project is re-presented to the Committee for consideration at the next Community Development Advisory Committee meeting.

Mr. Hunton noted this project has been challenged to find other funding sources. The water distribution system does not qualify as a registered public water system and therefore is not eligible for funding from the NH Department of Environmental Services. Additionally, the City of Claremont – where the project is located – is too large for the subrecipient to be eligible for funding from USDA – Rural Development. CDFA staff will continue to work with the applicant to identify other possible funding sources.

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

Motion – 2:57 PM

Mr. Dapice moved to deny funding this application based on there being insufficient funds to make an award in this round. Mr. Walsh seconded and the motion passed with four (4) yeas of the Committee. There were two recusals.

Town of Holderness – Town Line Village Cooperative, Inc./Water Improvements Project - \$500,000

Ms. Kaylor presented the application to the Committee. She stated the project is not recommended for funding due to insufficient funds available. If funds were to become available, the project would be recommended for funding with all usual staff recommended contingencies.

The Committee asked about the challenges of having four applicants/projects with similar requests. Staff explained that HUD LMI eligibility does impact the scoring for particular towns and communities. Ms. Easterly Martey noted that while community demographics currently weigh more heavily in project scoring, that topic can be addressed in CDFA's scoring metrics so that particular groups of people, such as those who live in a manufactured housing cooperative and who qualify as LMI, are not penalized for residing in more affluent communities. Ms. Easterly Martey noted that if more funding was available, additional projects – such as this one and the other Cooperatives with applications in this round – would be funded.

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

Motion – 3:03 PM

Ms. Fox moved to deny funding this application based on there being insufficient funds to make an award in this round. Mr. Walsh seconded and the motion passed with four (4) yeas of the Committee. There were two recusals.

Town of Madbury – Bunker Land Condominium Association/Water Improvements Project - \$500,000

Mr. Hunton presented the application to the Committee. He stated the project is not recommended for funding due to insufficient funds available. If funds were to become available, the project would be recommended for funding with all usual staff recommended contingencies.

Mr. Hunton noted that, similar to the application from the City of Claremont for Sugar River Cooperative, the water distribution system does not qualify as a registered public water system and therefore is not eligible for funding from the NH Department of Environmental Services.

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

Motion – 3:08 PM

Mr. Walsh moved to deny funding this application based on there being insufficient funds to make an award in this round. Ms. Fox seconded and the motion passed with four (4) yeas of the Committee. There were two recusals.

Ms. Lorentz and Ms. Merrill returned to the meeting at 3:08 PM

F. Public Facilities CDBG-CV

County of Cheshire – Hundred Nights, Inc./Water Street Shelter - \$500,000

Ms. Kaylor presented the application to the Committee. She stated the proposed project will assist Hundred Nights, Inc. purchase two parcels at 122-124 Water Street in Keene for construction of a 48-

bed emergency shelter and resource center. Hundred Nights, Inc. has secured the required zoning variances from the City of Keene. This project will centralize services into one facility and will benefit an estimated 484 individuals, 100% of whom qualify as low- and moderate- income. The COVID-19 pandemic has heightened the critical need for this project; Hundred Nights, Inc. will no longer have to rely on donated space. The proposed facility will provide safely distanced shelter beds and a resource center from which services can be safely deployed.

Hundred Nights, Inc. has an ongoing capital campaign; funds will be used to defer bridge financing to minimize the organization's debt burden. The organization has a strong presence in the community and is well supported.

Ms. Kaylor stated the project is recommended for funding with the following staff recommended contingencies:

- Sufficient funds are available and allocated by HUD;
- There is no impact to the project's score or rank due to the Administrative Review Procedure, which shall be completed within 30 days of Advisory Committee approval;
- 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.

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

Motion – 3:19 PM

Ms. Merrill moved to approve the application from the County of Cheshire for Hundred Nights, Inc. for \$500,000, as presented, and with all staff recommended contingencies. Ms. Lorentz seconded. The motion passed with a unanimous vote of the Committee.

Ms. Fox noted she is an employee of the City of Keene; she will recuse from consideration of the application from the City of Keene.

Ms. Fox left the meeting at 3:19 PM

City of Keene – Monadnock Community Service Center, Inc./Monadnock Family Services Relocation - \$500,000

Ms. Kaylor presented the application to the Committee. She stated the project will assist Monadnock Family Services (MFS) with the acquisition and rehabilitation of a property which will serve as their new facility. This acquisition will create a centralized and permanent facility, which will allow MFS to continue to provide mental and behavioral health services to an estimated 2,450 individuals, of whom at least 73% qualify as low- and moderate – income. MFS is one of the State of New Hampshire's ten Community Mental Health Centers (CMHC) contracted through the NH Department of Health and Human Services. The COVID-19 pandemic has created an unprecedented mental health crisis, which has severely impacted MFS. The proposed project would provide a facility with large meeting spaces, new HVAC systems and the ability to expand telehealth services due to sufficient space and centralized IT infrastructure.

MFS has an ambitious capital campaign underway and has also secured an option for bridge financing, if needed.

The Committee asked about the size of the building and what plans are in place for the space beyond MFS's needs. Ms. Kaylor stated there is a plan in place to lease space on the second floor of the facility to the psychology department of a graduate-level university in the region. It is anticipated that eventually other non-profit organizations in the region – with compatible missions – will lease space here as well.

Ms. Kaylor stated this application is recommended for funding with the following staff recommended contingencies:

- Sufficient funds are available and allocated by HUD;
- There is no impact to the project's score or rank due to the Administrative Review Procedure, which shall be completed within 30 days of Advisory Committee approval;
- 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.

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

Motion – 3:29 PM

Ms. Merrill moved to approve the application from the City of Keene for Monadnock Community Service Center, Inc. for Monadnock Family Services relocation in the amount of \$500,000, as presented, and with all staff recommended contingencies. Mr. Dapice seconded. The motion passed with five (5) yeas and one (1) recusal.

Ms. Fox returned to the meeting at 3:29 PM

G. Planning Grants

Mr. Walsh left the meeting at 3:30 PM

City of Concord – Making Matters NH dba Concord Maker Space/Capital Region Entrepreneurial and Business-support Ecosystem Study - \$25,000

Mr. Peterson presented the application to the Committee. The City of Concord plans to subgrant CDBG Planning Grant funds to Making Matters NH dba Concord Makerspace to coordinate and oversee an assessment of the current entrepreneurial and small-business-support ecosystem in Concord and the Capital region. Assessment results are intended to guide Making Matters revisions of programming, expansion of services and planning for additional capacity to serve microenterprises.

Mr. Peterson stated the application is recommended for funding 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.

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

Motion – 3:33 PM

Ms. Lorentz moved to approve a \$25,000 planning grant to the City of Concord, to be subgranted to Making Matters NH dba Concord Makerspace, with all staff recommended conditions. Ms. Fox seconded the motion and it passed with five (5) yea votes and one recusal.

Mr. Walsh returned to the meeting at 3:34 PM

Grafton County – Broadband Planning Grant - \$25,000

Ms. Kaylor presented the application to the Committee. Grafton County is seeking Planning Grant funds to assist nineteen (19) municipalities with last-mile planning efforts to design solutions to expand broadband fiber into each town. CDBG funds sought will represent half the total consultant costs needed for project development and planning; the project will be of benefit to populations of at least 51% low- to moderate- income individuals. Ms. Kaylor noted an additional benefit to be derived from this project is the creation of shared learning materials and best practices to assist other rural communities in the State which are challenged to build critical broadband infrastructure.

Ms. Kaylor stated the application 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.

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

Motion – 3:38 PM

Mr. Dapice moved to approve a \$25,000 planning grant to Grafton County for a Broadband Planning grant with all staff recommended conditions. Ms. Merrill seconded the motion carried with a unanimous vote of the Committee.

Town of Northumberland – Brookview Mobile Home Park Cooperative, Inc. - \$25,000

Ms. Kaylor presented the application to the Committee. The Town of Northumberland is seeking Planning Grant funds, to be subgranted to the Brookview Mobile Homeowners Cooperative, Inc. Funds from the planning grant will be used to hire an engineer to assess the condition of the water and sewer systems and to develop preliminary plans and cost estimates to replace and upgrade the current systems to address problems and reduce costs.

Ms. Kaylor summarized some of the problems currently being experienced by the Brookview Cooperative. She noted the NH Department of Environmental Services has investigated water and sewer issues and notified the Town of Northumberland that repairs are needed. The Planning Grant would fund a study of critical infrastructure for this community; 90% of the residents qualify as low- and moderate-income.

Ms. Kaylor stated this application 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.

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

Motion – 3:42 PM

Ms. Lorentz moved to approve a \$25,000 planning grant to the Town of Northumberland to be subgranted to the Brookview Mobile Home Park Cooperative, Inc. with all staff recommended conditions. Mr. Walsh seconded the motion carried with a unanimous vote of the Committee.

H. Executive Director Update

Ms. Easterly Martey noted the next Community Development Advisory Committee meeting is scheduled for Thursday, December 2nd. She noted a draft action plan for Recovery Housing will be presented for review and discussion with the Committee. In early 2022, the Committee will be asked to revisit and consider the current scoring systems used for funding rounds as part of the Action Plan prepared for the State.

Ms. Easterly Martey highlighted the successful application for the Small Business Administration (SBA) Community Navigators award. CDFA was one of 51 awardees selected from 770 applications; CDFA has been awarded \$2.5M for deployment to work with the microenterprise partners. Ms. Easterly Martey noted the Committee will be kept apprised of further developments around deployment of this funding.

Adjourn – 3:46 PM

Ms. Lorentz moved to adjourn the meeting. Ms. Merrill seconded and the motion carried with a unanimous vote of the Committee.

Respectfully submitted,



Maureen Quinn, Board Relations Manager



Benjamin Gaetjens-Oleson, Committee Chair