



## Community Development Advisory Committee Meeting Minutes

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

Thursday, March 10, 2022  
2:00 PM

COMMUNITY DEVELOPMENT ADVISORY COMMITTEE PRESENT: Benjamin Gaetjens-Oleson, *Chair*; Matt Walsh; Carmen Lorentz; Matt Sullivan; Ignatius MacLellan; and Anne Duncan Cooley.

STAFF: Katherine Easterly Martey, *Executive Director*; Melissa Latham, *Director of Communications and Policy*; Mollie Kaylor, *Director of Housing and Community Development*; Maureen Quinn, *Board Manager*; and Joede Brown, *Compliance and Data Manager*.

STAFF VIA VIDEOCONFERENCE: Kevin Peterson, *Director of Economic Development*; Scott Maslansky, *Director of Clean Energy Finance*; Chris Monroe, *Community Development Manager*; and Missy Lackey, *Contract Manager*.

Mr. Gaetjens-Oleson opened the meeting at 2:03 PM and noted a quorum was present. He noted no members of the public were in attendance. Mr. Gaetjens-Oleson called for announcements and changes to the agenda. None were offered.

### **A. Consent Agenda**

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. Ms. Lorentz seconded and the motion carried by a unanimous vote of the Committee.

### **B. CDBG Action Plan Review**

Ms. Easterly Martey stated she would be providing an overview of the accomplishments in the CDBG program in the last year. This will help inform a discussion with the Committee regarding proposed plans for deployment of CDBG funding in the next year. Ms. Easterly Martey summarized the following:

- CDFA infused more than \$20 million into New Hampshire communities in State Fiscal Year 2021, CDBG resources supported 88 projects.
- Between January 1, 2020 and June 30, 2021 the CDBG program:
  - Assisted 288 people through public facility improvements and 1,669 people through emergency grants;
  - Created or retained 38 jobs;

- Rehabilitated or preserved 152 housing units; and
- Provided technical assistance to 440 microenterprises.

Ms. Easterly Martey cited the Mid-State Health Center in Plymouth and Hundred Nights in Keene and noted both projects exemplify the impact and importance of layered funding from CDBG, from planning grants to implementation grants. Mid-State Health Center is using CDBG funds to build a new childcare center, thereby increasing access to quality, affordable childcare. Hundred Nights in Keene is using CDBG funds to develop and build a 48-bed emergency shelter and resource center. This will provide critical services to people in Keene and the surrounding communities.

Ms. Kaylor addressed the next steps for the new Action Plan, which develops investment priorities for available CDBG funding. The New Hampshire Housing Finance Authority (NHHFA) takes the lead on the Action Plan in partnership with CDFA and DHHS. The work is informed by the Housing and Community Development Planning Council. NHHFA had a public hearing on March 2<sup>nd</sup> and there is a thirty (30) day public comment period. After the public comment period, the Boards from NHHFA and CDFA will need to approve the proposed Action Plan. After approval, the Action Plan is presented to New Hampshire's Governor for approval and then submitted to the US Department of Housing and Urban Development (HUD). Ms. Kaylor noted the Action Plan must be consistent with the five-year Consolidated Plan, currently in place for 2021-2025. Goals established in the Consolidated Plan must be included in the Action Plan.

Ms. Easterly Martey noted CDBG funds are the largest part of the allocation of resources from HUD. The Committee discussed whether larger CDBG awards could be made to address the increased costs of construction. Ms. Easterly Martey stated staff could provide an overview of CDBG projects that were challenged by cost overruns.

A summary of proposed changes to the Action Plan were discussed with the Committee.

- Transformative Planning Grants
  - Three Planning Grants of \$100,000 to allow organization to better develop initiatives
  - Twelve Planning Grants at the usual amount of \$25,000
  - Investments guided by CDFA's Core Data Index to maximize impact investment
  - Coupled with CDFA's Tax Credit Program's Community Economic Development program, this may leverage greater change and impact
- Economic Development
  - Focus on investments in downtowns, village centers and main streets
  - Real challenges exist in trying to link required job creation/retention with this type of investment and there is a lack of State infrastructure to support downtown focused economic development
  - Create more investment in Microenterprise; funding to be increased from \$500,000 to \$750,000 per county
    - Significant impact and growth has been realized from these investments
- Public Facilities
  - Consider ways to use Economic Development funds to support public facility investment in downtowns, village centers and main streets so these funds can drive impact
- Roll-over funds
  - Update the program so unused Economic Development funds can be available for Housing and Public Facilities applications and projects; funds can be rolled-over every six (6) months rather than annually

The Committee and Staff discussed the application and program guides. An evaluation process is in place, and will remain, which considers:

- Thresholds
  - Public notification, municipal requirements
  - Energy
- Review
  - Capacity
  - Underwriting
- Scoring

Ms. Easterly Martey reminded the Committee that the current scoring system is relatively new, developed after CDFA was relieved of additional State Rules, which were an overlay to Federal Rules and made CDBG funds difficult to deploy and administer. More time will allow analysis of what has worked well and to identify where change may be warranted. Ms. Easterly Martey spoke specifically to rules in each funding category.

#### *Housing*

- Housing scoring updates were delineated from the Public Facilities criteria for scoring; there is an emphasis on impact, long-term benefit and alignment with other resources and housing needs across the low – to – moderate income spectrum.

#### *Public Facilities*

- Public Facilities scoring updates were focused on prioritization of impact, long term benefits, priority projects and community development initiatives.

The Committee discussed ongoing challenges in the housing industry. The Committee asked if there is a way to prioritize direct beneficiaries and if so, how this can be accomplished. The Committee also considered whether rehabilitation of existing housing and new construction should be funded equally, noting the importance of maintaining quality of existing housing stock. A discussion around how to ensure affordable housing is accessible in all New Hampshire communities. The Committee asked staff to be mindful of the scoring and to ensure scoring does not create barriers for individuals of low- and moderate income who live in wealthier areas. A focus on the population to be served versus the community where the project is located could help address this challenge. The Committee requested that rehabilitation of housing stock in low-income communities and construction of low-income housing in wealthier communities continue to be prioritized and discussed. .

Ms. Easterly Martey asked the Committee for feedback on adjusting housing rounds to rolling applications. The Committee identified risk factors in eliminating competition between applications and the possibility of expending resources on the earliest applicants versus the best applicants. It was suggested that funds remaining after an initial round of applications could be reallocated into funds available through rolling applications. This may provide maximum flexibility in the program. The Committee supported this concept and will continue to discuss for consideration in the next Action Plan.

The conversation concluded with agreement that the current scoring system should remain in place for another year; and adjustments or changes should be carefully considered to ensure scoring is fair, reasonable and best serves those populations and areas which are supposed to benefit from these targeted investments.

**C. Revision to CDBG Award - Cheshire County: Hundred Nights Project Sources & Uses**

Ms. Kaylor reviewed the CDBG award for Hundred Nights, approved by the Community Development Advisory Committee on November 4, 2021. After the CDBG award, Hundred Nights received CARES Act funding via the Governor’s Office for Emergency Relief and Recovery’s COVID-19 Impact Shelter Program. The additional funding will help reduce Hundred Nights debt burden needed to complete the project. CDFA staff reviewed the request and approved moving \$291,250 in CDBG funding allocated for acquisition costs to construction costs. The CDBG National Objective was eligible and revised to reflect the change in use of CDBG funds for this project. All other conditions of the award approved in November remain the same.

The Committee thanked staff for bringing this information forward and agreed this is an appropriate change which would benefit the project and the population it serves.

**Mr. Gaetjens-Oleson left the meeting at 3:23 PM**

**D. Review of Upcoming Housing & Public Facilities Round Process**

Ms. Latham informed the Committee four (4) applications for funding were received for the April 2022 round of Housing and Public Facilities and reviewed at the upcoming meeting. She briefly reviewed the application and evaluation process with the Committee, including the opportunity for public input.

**Adjourn – 3:14 PM**

Ms. Lorentz moved to adjourn the meeting. Mr. Sullivan seconded and the motion carried by a unanimous vote of the Committee.

Respectfully submitted,



Maureen Quinn, Board Relations Manager



Benjamin Gaetjens-Oleson, Committee Chair