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

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

**April 12, 2022  
10:00 AM**

CDFA BOARD OF DIRECTORS PRESENT: Michael Clafin, *Chair*; John Manning, *Secretary/Treasurer*; Mary Ann Kristiansen; Robert Tourigny; Rick Wyman; Ben Gaetjens-Oleson; and Peter Rayno.

STAFF: Katherine Easterly Martey, *Executive Director*; Melissa Latham, *Director of Communications and Policy*; Mollie Kaylor, *Director of Housing and Community Development*; Scott Maslansky, *Director of Clean Energy Finance*; and Maureen Quinn, *Tax Credit Program Manager and Board Relations Manager*.

GUESTS: Betsy McNamara, *Full Circle Consulting*.

Mr. Clafin called the meeting to order at 10:08 AM. Mr. Clafin noted that there were no announcements. No public comment was offered.

Mr. Clafin reviewed the meeting agenda; he called for any questions, comments, or changes. None were requested.

**Motion – 10:09 AM**

Mr. Wyman moved to approve the meeting agenda, as presented. Mr. Gaetjens-Olson seconded and the motion carried by a unanimous vote of the Board of Directors.

**A. Consent Agenda**

Mr. Clafin reviewed the Consent Agenda, which included the March 8, 2022 minutes from the Board of Directors meeting, February 8, 2022 Finance Committee minutes, February 3, 2022 and March 10, 2022 Community Development Advisory Committee minutes and the August 16, 2021 Credit Committee minutes. He called for questions or comments. None were offered.

**Motion – 10:10 AM**

Mr. Wyman moved to approve the consent agenda, as presented. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Board of Directors.

**B. CDFA's Living Strategic Plan - Refresh**

Ms. Easterly Martey stated the Living Strategic Plan has provided a strong foundation to inform and guide CDFA's work over the past four years. The next several months will be an ideal time to have discussions which will contribute to development of an annual business plan, connected to the CDFA budget, which will continue to guide overarching strategies related to programs, investments and initiatives. Once established, the annual business plan can be updated each year to ensure alignment with mission and new opportunities. Ms. Easterly Martey noted she expects goals for FY2023 to be established at the Annual Meeting of the Board of Directors in September.

Ms. Easterly Martey informed the Board that she has identified Ms. Talmira Hill as a consultant to work with the Board and staff to facilitate discussions around the strategic plan. Quarterly meetings with Ms. Hill are planned to ensure the strategic planning process maintains momentum and incorporates feedback from Board and staff. A collaborative meeting between Board and staff is being developed as an opportunity to discuss visioning and ideas for the strategic plan.

The Board expressed support for these engagement opportunities and suggested work in smaller groups may facilitate better conversation and be an effective way to develop new ideas and a variety of perspectives. Ms. Easterly Martey thanked the Board for their enthusiasm and stated details will be forthcoming.

### **C. Tax Credits – Community Economic Development Capacity Building**

Ms. Easterly Martey provided an overview of the Community Economic Development Capacity Building program. She stated this program provides a critical funding source for emerging nonprofits to gain traction. As part of the program, CDFA committed to raising tax credits on behalf of the 2021 awardees so these organizations could be focused on mission. Raising the tax credits has proven to be more challenging than anticipated. 'Capacity building' does not always resonate with the business sector as tax credit donors.

Ms. Easterly Martey introduced Ms. Betsy McNamara, a consultant hired to assist with a strategy to raise the tax credits. Ms. McNamara was welcomed by the Board; she provided a summary of her experience with CDFA and shared that she has worked with CDFA's Tax Credit Program as a consultant for more than twenty years.

Ms. McNamara shared with the Board some of the initiatives undertaken since the beginning of the year to stimulate interest in the Capacity Building tax credits. Clarity to language used to promote the program has been incorporated and outreach to donors who typically purchase significant amounts of tax credits. Ms. McNamara asked the Board to consider commitments to help sell these tax credits by appealing to their peers and business partnerships.

The Board offered willingness to assist by engaging with businesses in their particular industries and communities. The Board discussed how tax credits may qualify for the Community Reinvestment Act (CRA) and whether that is a helpful consideration for banks, which typically buy a significant amount of tax credits. The Board also suggested targeted requests to promote the investment, especially when businesses are located in the community where the project is based. Ms. Easterly Martey stated the larger picture points to an approach predicated on 'invest now to create projects for tomorrow'.

One suggestion considered for a longer-term solution was creation of a consultant business lab, similar to business development program offered by an incubator program. This approach could provide intensive training and guidance for consultants who could then provide project management capacity to the capacity building projects. The Board asked whether CDFA has approached businesses to which it loaned funds in the hopes that some of these organizations would be willing to pay it forward. Mr. Wyman volunteered to meet regularly with Ms. Easterly Martey and Ms. McNamara and to engage in promoting these tax credits. Ms. Kristiansen also expressed willingness to assist.

### **D. Accelerating Our Energy Strategy**

Ms. Easterly Martey shared a video featured during New Hampshire's Energy Week, "Building the Clean Energy Justice Ecosystem" presented by Eric Hagen, Carsey Senior Research Fellow at the University of New Hampshire. She noted that CDFA has served as an organizing partner for this event since its inception in 2017. The series of events – highlighting prominent energy topics and issues and providing a forum to discuss solutions and bring leading experts together to share knowledge – is in alignment with CDFA's goals. CDFA continues to emphasize clean energy and takes opportunities to partner with organizations that promote and invest in clean energy initiatives, including the Regional Development Corporations, makerspaces, and microenterprises. Ms. Easterly Martey noted that there are limited resources for clean energy, but it is a critical funding ecosystem, essential to maintaining a healthy State for one and all. CDFA continues to try to ensure its Clean Energy Fund has flexibility to bring a range of important energy projects to fruition.

The Board expressed appreciation for the effort in supporting and promoting clean energy initiatives. The Board recognized challenges in making significant change but encouraged effort to maintain an important dialogue. Ms. Easterly Martey stated CDFA is one of several organizations being recognized by the New Hampshire Businesses for Social Responsibility with a Partnership for Innovation Award. The award recognizes a collaboration that created synergy and progress on a sustainability initiative where it may not otherwise have been possible.

#### **E. Supporting Public Facility Improvements – CDBG CV**

Ms. Easterly Martey and Ms. Kaylor provided an overview of the next round of CDBG CV funding. Ms. Easterly Martey encouraged the Board to share this information with partners and organizations in their communities. There is \$3.5 million in federal CARES Act funds available for deployment. Air quality improvement measures, energy efficiency and improvements to the health, safety and comfort of public facilities are all eligible projects. It was noted that entitlement communities are eligible for the funding.

**Mr. Rayno left the meeting at 11:30 AM**

#### **F. CDBG: First Round of Housing and Public Facilities Applications**

Mr. Gaetjens-Oleson stated the Community Development Advisory Committee (CDAC) met on Thursday, April 7<sup>th</sup> to review and consider applications submitted to CDFA as part of the 1<sup>st</sup> Round of Housing and Public Facilities. Additionally, there were two economic development applications submitted to the Committee.

##### **Housing**

City of Berlin – TKB Properties, Inc. – \$500,000 to rehabilitate a vacant school building into twenty (20) housing rental units, 75% of which will be affordable for low- and moderate- income households.

Town of Conway – The Bluebird Project, LLC – \$465,000 to convert four vacation rental units to permanent housing, three of which will be available to low- and moderate- income households.

The Board asked about the term of low- and moderate-income affordability. Mr. Gaetjens-Oleson noted that staff had informed the Community Development Advisory Committee (CDAC) that the applicant selects the affordability term, so long as it falls within HUD requirements. The Board discussed the various types of housing projects the CDAC considers for funding. Ms. Easterly Martey noted CDFA welcomes a range of projects, including those which seek gap funding and are projects without other subsidies. Ms. Easterly Martey stated all CDBG projects are monitored through the grant process and for an additional two years after closeout to ensure funds are used appropriately.

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

##### **Motion – 11:50 AM**

Mr. Wyman moved to approve the CDBG Housing applications, as presented and recommended by the CDAC. Ms. Kristiansen seconded. The motion passed with five (5) yeas and one (1) no vote of the Board.

##### **Public Facilities**

City of Laconia – Laconia Housing and Redevelopment Authority – \$488,000 to renovate unoccupied commercial space to be leased to The Partnership for Public Health for a minimum of ten years.

Town of Madbury – Bunker Lane Condominium Association – \$500,000 to replace a 40 plus year old water distribution to ensure access to clean water, 56% of the residents qualify as low- and moderate-income.

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

**Motion – 11:57 AM**

Mr. Tourigny moved to approve the CDBG Public Facilities applications, as presented and recommended by the CDAC. Mr. Manning seconded and the motion carried by a unanimous vote of the Board.

**Economic Development**

Grafton County – New Hampshire Alliance of Regional Development Corporations – \$267,000 to provide technical assistance to New Hampshire businesses, including \$19,000 per nine RDCS plus \$80,000 deployed on a competitive basis to fund services beyond the scope or expertise of RDC staff

Counties of Grafton, Cheshire and Sullivan – Microenterprise Technical Assistance Program – \$1,605,105 to provide technical assistance, training, loan assistance, and direct grants to LMI microenterprise owners and others who are planning to start microenterprises.

Ms. Kristiansen noted she would recuse from a vote on these awards as Hannah Grimes Center is a subrecipient of the proposed award to Cheshire County.

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

**Motion – 11:55 AM**

Mr. Tourigny moved to approve the Economic Development applications, as presented and recommended by the CDAC. Mr. Wyman seconded and the motion passed with five (5) yeas and one (1) recusal.

**Amendment**

Town of Conway – Avesta Tech Village Affordable Housing project - \$400,000 in supplemental funds to address projected cost increases due to the impact of COVID-19 and other economic factors on construction costs and suitability of contractors to complete the project. The amendment also would change the end date from June 30, 2023 to December 31, 2023.

The Board discussed ongoing challenges with projects which include construction due to the impacts of COVID-19. The Board suggested this is a project which would be ideal for the InvestNH Housing Fund to support.

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

**Motion – 11:58 AM**

Mr. Tourigny moved to approve the Amendment in the amount of \$400,000 and an extension of the project's end date, as presented and recommended by the CDAC. Mr. Clafin seconded and the motion carried by a unanimous vote of the Board.

**G. CDBG Action Plan Approval**

Ms. Easterly Martey discussed the Action Plan. She noted the draft Action Plan, previously reviewed, did not have significant changes. There will be less allocation of funds for economic development projects and more funding available for public facilities projects. There are also funds allocated for improvements to the microenterprise program.

**Motion – 12:01 PM**

Mr. Gaetjens-Oleson moved to approve the Action Plan, as reviewed and discussed. Mr. Tourigny seconded and the motion carried by unanimous vote of the Board.

#### H. Loans to be Ratified

Ms. Easterly Martey noted there are two clean energy loan applications reviewed by the Credit Committee and recommended for funding. She provided a summary review of each.

#### Motion – 12:02 PM

Mr. Tourigny moved to approved the loans to AVA Gallery and to 310 Marlboro Street, as reviewed and recommended by the Credit Committee. Mr. Manning seconded and the motion carried by a unanimous vote of the Board.

#### I. Executive Director Update

Ms. Easterly Martey provided a brief update on the following:

- The executive search firm of Smith & Wilkinson has commenced the search for a new CFO; the service will be provided at no charge since the previous CFO did not maintain employment with CDFA for at least six (6) months.
- Budget preparation has begun; there will be some noticeable changes due to influx of funding from the Council on Housing Stability and the SBA Community Navigators program. These funding sources are not long term but will impact the budget for the next several years.

#### J. Adjourn – 12:06 PM

There being no further business before the Board of Directors, Mr. Tourigny moved to adjourn the meeting. Mr. Gaetjens-Oleson seconded and the motion carried by a unanimous vote of the Board.

Respectfully submitted,



Maureen Quinn, Board Relations Manager



Michael Claffin, Chairman of the Board of Directors