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## Community Development Advisory Committee Meeting Minutes

NH Community Development Finance Authority  
14 Dixon Avenue  
Concord, NH 03301

Thursday, January 5, 2023  
2:00 PM

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

STAFF: Katherine Easterly Martey, *Executive Director*; Mollie Kaylor, *Director of Housing and Community Development*; Chris Monroe, *Community Development Manager*; and Maureen Quinn, *Board Relations Manager*.

PUBLIC: Karen Jantzen, Mark Fagan, and Greg Lessard, *Concord Coalition to End Homelessness*

Mr. Gaetjens-Oleson opened the meeting at 2:02 PM.

Mr. Gaetjens-Oleson welcomed members of the public, including Ms. Jantzen, Mr. Fagan, and Mr. Lessard. The Committee members and staff introduced themselves to the guests.

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 – 2:03 PM

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

Mr. Walsh noted he will recuse from consideration of the permanent supportive housing application from Merrimack County as the project is targeted for the City of Concord, where he works. Ms. Merrill stated she would recuse from consideration of the gap funding request from the City of Claremont, where she works.

### B. Consent Agenda

Mr. Gaetjens-Oleson reviewed the Consent Agenda, which included the December 1, 2022 Community Development Advisory Committee minutes and called for questions or comments. None were offered. Mr. Gaetjens-Oleson called for a motion.

## **Motion – 2:04 PM**

Mr. Sullivan moved to approve the consent agenda, as presented, and Ms. Fox seconded. The motion carried by a vote of six members of the Committee with two abstentions. Ms. Merrill and Ms. Duncan Cooley abstained due to not being in attendance at the previous meeting.

### **C. Community Development Block Grant Planning Application**

#### **Mr. Walsh left the meeting at 2:05 PM**

#### **CDBG-CV Permanent Supportive Housing – Merrimack County – Concord Coalition to End Homelessness**

Ms. Kaylor stated the unhoused population has been more adversely impacted by the COVID-19 pandemic than other segments of the population. She noted the Concord Coalition to End Homelessness (CCEH) worked closely with Merrimack County to bring this application forward. Ms. Kaylor informed the Committee that this application has been in process for nearly nine months; initial attempts to secure funding from the New Hampshire Housing Finance Authority (NHHFA) failed causing challenges to secure match funding. CCEH was informed on January 4, 2023 that their application to NHHFA for permanent supportive housing funding was approved; the project now has secured important funding to help ensure the project comes to fruition.

Ms. Kaylor presented the application to the Committee and stated the project will convert an existing building and carriage house into eight (8) units of permanent, supportive housing. One hundred percent of the units will benefit individuals who qualify as low-and moderate-income. All tenants will receive on-going case management to support them remaining housed.

#### **Mr. MacLellan arrived at 2:09 PM**

Ms. Kaylor stated CCEH secured this property in February 2022; a mortgage was secured to finance the property. CDBG funds will be used to pay off the mortgage so the organization's debt load is lessened and the project is financially manageable.

Ms. Kaylor stated that staff recommends this application be funded with the following conditions:

- 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 NHHFA matching funds;
- Requirements of the CARES Act, including Duplication of Benefits and other applicable requirements;
- All other usual and customary CDBG contract terms; and
- The use of funds conforms with HUD and State regulations.

The Committee asked whether this project will support and accept housing vouchers. Ms. Kaylor stated vouchers will be accepted. It was noted for the Committee these funds – if awarded - represent allocation of the remainder of CDBG-CV funds. The Committee asked whether the budget presented is reflective of increased construction costs. Ms. Kaylor responded that the budget was reviewed and updated with the contractor in November 2022.

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

**Motion – 2:15 PM**

Ms. Lorentz moved to approve the application from Merrimack County on behalf of the Concord Coalition to End Homelessness for \$1,000,000, as presented, with all staff recommended conditions. Ms. Merrill seconded and the motion passed with seven (7) yeas and one abstention of the Committee.

**Members of the Public left the Meeting. Mr. Walsh returned at 2:16 PM**

**D. Community Development Block Grant Gap Funding Requests**

Mr. Monroe stated he would present several gap funding requests, part of the third round of these types of requests.

**Cheshire County – Hundred Nights Water Street Shelter**

On November 29, 2022 Cheshire County requested \$357,870 in supplemental funds to address cost increases due to the impact of COVID-19 and other economic factors on overall construction costs and availability of suitable contractors to complete the project. The subrecipient has secured additional funds through the NH Community Loan Fund, the NH Charitable Foundation and their own matching capital campaign to ensure the project can continue.

Mr. Monroe noted this request has been approved by staff and the additional funding award is contingent upon results of an upcoming public hearing. If supplemental funds are approved at the public hearing, CDFA will execute a contract amendment with Cheshire County for additional funds to be accepted; the revised contract will be forwarded to Governor & Council for final approval.

**Motion – 2:20 PM**

Ms. Lorentz moved to approve supplemental funding for Cheshire County for benefit of Hundred Nights Water Street Shelter, as presented by staff. Mr. Sullivan seconded and the motion passed by a unanimous vote of the Committee.

**Cheshire County – Monadnock Affordable Housing Corporation**

On November 18, 2022 Cheshire County requested \$400,000 in supplemental funds to address projected cost increases due to the impact of COVID-19 and other economic factors on overall construction costs and availability of suitable contractors to complete the project. The subrecipient revised the project budget, value engineered, secured additional funding and secured an increased insurance payment to address fire damage and to help address a \$1,000,000 funding gap.

Mr. Monroe noted this request has been approved by staff and the additional funding award is contingent upon results of an upcoming public hearing. If supplemental funds are approved at the public hearing, CDFA will execute a contract amendment with Cheshire County for additional funds to be accepted; the revised contract will be forwarded to Governor & Council for final approval.

The Committee noted incorrect reference to Hundred Nights in the funding request; staff noted the gap funding is for Monadnock Affordable Housing Corporation's Castle Street project.

**Motion – 2:22 PM**

Ms. Fox moved to approve supplemental funding for Cheshire County for benefit of Monadnock Affordable Housing Corporation/Caste Street project, as presented by staff. Ms. Lorentz seconded and the motion passed by a unanimous vote of the Committee.

**Rockingham County – One Sky Community Services**

On November 4, 2022 Rockingham County requested \$202,000 in supplemental funds to address projected cost increases due to the impact of COVID-19 and other economic factors on overall construction costs and availability of suitable contractors to complete the project. The request for additional funds is supported by the request.

Mr. Monroe noted this request has been approved by staff, with no contingencies. If supplemental funds are approved, CDFA will execute a contract amendment with Rockingham County for additional funds for the One Sky/Home Rehab project to be accepted; the revised contract will be forwarded to Governor & Council for final approval.

**Motion – 2:24 PM**

Ms. Lorentz moved to approve supplemental funding for Rockingham County for benefit of One Sky Community Services Home Rehab project, as presented by staff. Ms. Merrill seconded and the motion passed by a unanimous vote of the Committee.

**Ms. Merrill left the meeting at 2:24 PM**

**City of Claremont – Claremont Development Authority/Opera House Square Renovation**

On December 27, 2022, the City of Claremont requested \$400,000 in supplemental funds to address projected cost increases due to the impact of COVID-19 and other economic factors on overall construction costs and availability of suitable contractors to complete the project. The request for additional funds is supported by independent contractor, whose report substantiated the budget increase from \$1.6 to \$2.2 million.

Mr. Monroe noted this request has been approved by staff, with no contingencies. If supplemental funds are approved, CDFA will execute a contract amendment with the City of Claremont for additional funds for the Claremont Development Authority/Opera House Square Renovation project to be accepted; the revised contract will be forwarded to Governor & Council for final approval.

The Committee discussed this project and challenges encountered; the scope of project has been reduced by nearly 50% and with that change and the additional funds the project will be viable.

**Motion – 2:27 PM**

Mr. Walsh moved to approve supplemental funding for the City of Claremont for benefit of Claremont Development Authority/Opera House Square Renovation project, as presented by staff. Mr. MacLellan seconded and the motion passed by seven (7) yeas of the Committee. There was one recusal.

**Ms. Merrill returned to the meeting at 2:27 PM**

The Committee asked staff how gap funding requests are screened. Mr. Monroe indicated that there is a checklist posted on CDFA's resources webpage that outlines the framework and required documentation for gap fund requests. All requests are reviewed at the staff level, and staff work with grantees, subrecipients, and administrators on gathering all information needed to support the request. If the request is recommended by staff, it is brought to CDAC for consideration.

#### **E. 2023 CDBG Funding Rounds Preview**

Ms. Kaylor provided an overview of CDBG funding for 2023 and stated that over the next several months staff would engage the Committee in discussions and planning for the 2023 Action Plan, due to the US Department of Housing and Urban Development by May 15<sup>th</sup>, 2023. Ms. Kaylor noted that the New Hampshire Housing Finance Authority (NHHFA) takes the lead for public noticing and input of the plan into the HUD system, but that CDFA and the Community Development Advisory Committee will contribute significant input to the content.

Ms. Kaylor noted Transformative Planning Grants are one element of the Action Plan which is planned for implementation this year, with a higher dollar amount for awards being considered for projects that have a broad statewide or replicable scope. The Committee asked whether job creation – a key requirement for the Economic Development Program – has changed. Ms. Easterly Martey noted that two years ago as part of the Consolidated Plan, the per job maximum was increased from \$20,000 to \$35,000 per job created in qualifying areas. Overall, the decrease in applications for economic development applications appears to be due to a change in priorities and diminished interest due to availability of capital in the private market. Ms. Easterly Martey stated CDFA has seen very positive results from increased investment in the microenterprise program.

The Committee suggested there is significant need for further investment in permanent, supportive housing. The Committee also discussed challenges and the overall lack of capacity and infrastructure to support this sector. Oftentimes the lack of fundamental understanding of real estate and local zoning rules sets critical projects back financially and in timing. The Committee pointed to models where collaboration between developers and service providers – both of which can bring their expertise to bear - exists to bring projects to fruition.

The Committee discussed adjusting affordability terms, particularly for housing, to twenty (20) years; some projects recently funded had shorter affordability terms and with a critical shortage of affordable housing, preserving projects for a longer term is critical.

The Committee briefly considered a growing wave of resistance in communities to supportive housing. Zoning laws are being challenged and it is anticipated there may be barriers to building more supportive housing stock.

#### **F. Community Center Program and Recovery Housing Program**

Ms. Easterly Martey provided a brief overview of the new Community Center Program. She stated updates will be provided regarding interest, applications and opportunities. She also noted the Recovery Housing Program is open; interest to date has been tepid but it is expected there will be more interest as more stakeholders and partners from the State become aware of these valuable resources.

**G. Adjourn – 3:08 PM**

Ms. Fox moved to adjourn the meeting. Mr. Walsh seconded, and the motion carried with a unanimous vote of the Committee.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Maureen Quinn".

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Maureen Quinn, Board Relations Manager

A handwritten signature in blue ink, appearing to read "Benjamin Gaetjens-Oleson".

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Benjamin Gaetjens-Oleson, Committee Chair