



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

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

**April 11, 2023  
10:00 AM**

CDFA BOARD OF DIRECTORS PRESENT: Cynthia Harrington, *Chair*; Benjamin Gaetjens-Oleson, *Vice Chair*; Mary Ann Kristiansen; Michael Clafin; John Manning; Robert Tourigny; and Diane Fitzpatrick.

STAFF: Katherine Easterly Martey, *Executive Director*; Ian Hart, *Chief Financial Officer*; 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, *Board Relations and Tax Credit Program Manager*.

Ms. Harrington called the meeting to order at 10:11 AM.

Ms. Harrington reviewed the meeting agenda; she called for any questions, comments, or changes. None were requested.

**Motion – 10:12 AM**

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

Ms. Harrington called for any public comment. None was offered.

**A. Consent Agenda**

Ms. Harrington reviewed the Consent Agenda, which included minutes from the following meetings:

- March 21<sup>st</sup>, 2023, Board of Directors Minutes; and
- March 9<sup>th</sup>, 2023, Community Development Advisory Committee Minutes.

**Motion – 10:13 AM**

Mr. Gaetjens-Oleson moved to approve the consent agenda, as presented. Mr. Clafin seconded, and the motion passed with four (4) yeas and three abstentions.

**B. Community Development Block Grant Housing and Public Facilities Funding Round – 10:13 AM**

Mr. Gaetjens-Oleson reviewed the applications reviewed and approved for funding by the Community Development Advisory Committee at the April 6<sup>th</sup>, 2023 meeting. He summarized the round, noting the Committee approved \$2.5 million of CDFA investment in housing projects, leveraging nearly \$50 million of investment in 147 units of affordable housing. Mr. Gaetjens-Oleson noted the housing projects presented were impressive and promising and the Committee was enthusiastic about funding impactful projects. In summary, the following housing awards were approved by the CDAC:

- City of Concord – Concord Coalition to End Homelessness - \$500,000 – Creation of eight units of permanent, supportive housing;
- Town of Antrim – Antrim Commons Development, LLC - \$500,000 – Creation of thirty-five units of affordable housing;
- County of Belknap – Laconia Area Community Land Trust, Inc. dba Lakes Region Community Developers - \$500,000 – Creation of twelve units of permanent, supportive housing;
- Town of Hillsborough – Hillsborough Heights Limited Partnership - \$500,000 – Creation of forty-two units of affordable housing;
- County of Rockingham – The Housing Partnership - \$500,000 – Creation of at least fifty units of affordable housing

Mr. Gaetjens-Oleson noted the Committee also reviewed and approved one public facility application.

- City of Concord – Crisis Center of Central New Hampshire - \$500,000 – Rehabilitation and renovation of a building into a larger space with capacity to serve a greater number of clientele (1,228 people served in 2022), The new space will be handicapped accessible and will be able to better serve this vulnerable population.

The Committee asked whether any of these projects, or others which come before CDFA, have been impacted by rising interest rates. It was noted many of these projects have been in development for a period of time and have locked in interest rates. Ms. Easterly Martey noted that staff will continue to monitor any challenges projects encounter due to the current lending rates and environment. The Board asked whether CDFA would ever consider a program, funded by tax credits or other funds, to buy down interest rates to help stabilize project affordability.

Ms. Harrington called for additional questions or comments. None were offered.

**Motion – 10:17 AM**

Mr. Clafin moved to approve the CDAC recommended and approved applications, as presented. Mr. Manning seconded.

Mr. Tournigny noted he would abstain from the vote. Laconia Area Community Land Trust, Inc. dba Lakes Region Community Developers is a partner agency of NeighborWorks of Southern New Hampshire.

Ms. Harrington called for a vote. The motion passed with six (6) yeas and one (1) abstention of the Board of Directors.

**C. CDBG Draft Action Plan – 10:18 AM**

Ms. Kaylor summarized the CDBG Draft Action Plan process for the Board, noting the New Hampshire Housing Finance Authority and the New Hampshire Department of Health and Human Services participate in a collaborative effort with CDFA to draft the Action Plan. Ms. Kaylor noted a public hearing was held in March; the thirty day public comment period has now concluded and the Action Plan will be presented to each of the three organization’s Boards and/or Steering Committees. The Plan will then be reviewed by the Governor’s Office prior to submission to the US Department of Housing and Urban Development by May 15<sup>th</sup>, 2023.

The draft Action Plan proposes to allocate CDBG funding in the same was as in previous years. Assuming approval, CDFA would be charged with administering approximately \$9.4 million, with a 3% administration fee provided. Funds will be divided equally between Housing, Public Facilities, and Economic Development (which includes the Micro program).

Updated scoring criteria has been included to ensure preservation of affordability and the intent of impact investment is realized. HUD requires a minimum of five (5) years affordability, but CDFA is proposing a minimum of ten (10) years. An effort to support permanent, supportive housing – and attract more applicants - is being addressed by increasing the maximum award to \$750,000. This should help these types of projects be

more viable. Planning grants will also see an increase in award amounts up to \$100,000 for projects which seek to pursue a broader impact – such as a housing initiative being considered for a region.

Ms. Kaylor noted the State is generally very supportive of the Action Plan. Ms. Easterly Martey noted elements of the Action Plan are discussed at Governor & Council meeting and so there is familiarity and support for the Action Plan.

Ms. Harrington called for additional questions or comments.

#### **Motion – 10:33 AM**

Mr. Gaetjens-Oleson moved to approve the draft CDBG Action Plan. Ms. Kristiansen seconded and the motion carried by a unanimous vote of the Board of Directors.

Ms. Easterly Martey noted Ms. Kaylor is working collaboratively with her colleague Ms. Donovan on workforce development strategies. She also noted it is Community Development week in the State. Staff are promoting projects with photos, a press release will be shared with the Board and media outlets, and it is hoped the Governor will provide a Proclamation to draw attention to the importance of community development.

#### **D. Clean Energy Fund – 10:37 AM**

Mr. Maslansky presented an application from the Town of Gorham – Department of Public Works. The loan, for \$59,000, is intended to fund a roof top solar array which is expected to generate sufficient power to support the Department of Public Works and portions of the town's Fire Station and Town Hall's electricity use. The loan is a six-year term at 3%

The Board asked if the interest rate is intended to be 4% (as listed in the write-up) or 3%. Mr. Hart and Mr. Maslansky confirmed the interest rate is intended to be 3% based on prime, less discounts the applicant is eligible for under CDFA's lending policy.

Mr. Maslansky noted this is a Municipal Energy Reduction Fund (MERF) loan; there has not been much demand for these funds so there is reason to be optimistic there may be renewed interest. The Board asked whether CDFA asks towns and/or municipalities whether they have energy plans in place. Staff noted that is not typically asked but that it is a good idea and may help contribute to additional energy efficiency investments.

#### **Motion – 11:28 AM**

Mr. Gaetjens-Oleson moved to approve the Clean Energy Fund loan to the Town of Gorham, as amended to reflect an interest rate of 3%, rather than 4%. Ms. Kristiansen seconded and the motion carried by a unanimous vote of the Board of Directors.

#### **E. Predevelopment Loan – 10:43 AM**

Mr. Maslansky presented a predevelopment loan application from the Laconia Area Community Land Trust, Inc. dba Lakes Region Community Developers for the Mill Pond Apartments project in Ashland, NH. The loan request is for \$100,000 at 4%, with all principal and interest due in the form of one balloon payment due on or before the 15<sup>th</sup> day of the thirteenth month following the first draw of funds. Interim payments are not required.

Mr. Maslansky noted the applicant is planning to purchase a 34.9 acre lot, with approximately 15.58 acres of buildable area, close to Interstate 93, with the intent to build a three phase affordable housing development. The phased project will create affordable family housing, elderly housing, and four single family homes to be built in partnership with Pemi Valley Habitat for Humanity.

The applicant has already invested over \$143K in predevelopment costs but additional funds are needed to complete the predevelopment work.

The Board noted their appreciation for CDFA's support of this project, which will help address the ongoing shortage of affordable housing. Ms. Harrington called for additional questions or comments. She called for a motion.

#### **Motion – 10:48 AM**

Mr. Clafin moved to approve the predevelopment loan, with an amendment to the payoff term to reflect the option for LACLT to have up to two years (24 months) to pay the loan off. This should accommodate for any delays in closing on the property. Mr. Manning seconded and the motion passed with six (6) yeas of the Board of Directors. Mr. Tourigny abstained from the vote as the Laconia Area Community Land Trust, Inc. dba Lakes Region Community Developers is a partner agency with NeighborWorks of Southern New Hampshire.

The Board discussed the challenges organizations face when trying to use Federal Funds in a project. Certain environmental reviews take time and in the current real estate market, sellers typically are not inclined to wait on a purchase when they can sell with immediacy. It was noted it would be extremely helpful to allow projects to purchase property using non-Federal funds. Ms. Easterly Martey noted this is a challenging issue as HUD has been sued on multiple occasions due to property being contaminated. Ms. Easterly Martey also noted this particular issue is not unique to New Hampshire and COSCDA continues to seek solutions and provide additional guidance, recognizing this issue can be a barrier to creating important and impactful projects.

#### **F. Board of Directors Visioning Kickoff Exercise – 10:57 AM**

Ms. Easterly Martey informed the Board the visioning exercise is part of the work on the living strategic plan; it is an opportunity for the Board to share ideas and concepts about how current trends and challenges in New Hampshire can help inform initiatives CDFA may want to pursue to create meaningful and transformative change.

Ms. Kristiansen shared her perspective on this particular approach, which was used within the organization she runs. Ideas were developed considering New Hampshire values, core attributes and the strengths and weaknesses in the State. She suggested the Board consider community economic development in the State and what can change, what can be improved, and how to facilitate change.

The Board engage in work on ideas and topics which are critical to the current state of affairs in New Hampshire.

The Board agreed to work on a visioning statement using ideas shared; a draft will be presented at the May meeting, additional work will be done, and then a final vision statement will be brought forward in June and the Board will be asked to vote on it.

#### **G. Community Center Program Update – 11:41 AM**

Ms. Easterly Martey provided an update on the Community Center Investment Program. She stated staff provided three (3) informative webinars in March, engaging over two hundred people. Ms. Easterly Martey noted it has been a challenge to develop the base program guidance – with particular Federal requirements in place – which is consistent with best practices but ensuring eligibility and accessibility. She suggested program guidance will be better developed in the second round of funding. CDFA staff has been providing technical guidance and assistance to help interested organizations understand the program criteria and requirements. To date, staff has provided about fifty (50) technical assistance meetings for interested applicants.

Ms. Easterly Martey stated the significant interest in the program points to the vast need for financial support and investment in community centers across the State. Community Centers are critical to public infrastructure in all communities, particularly in a state like New Hampshire where there are fewer governmental entities providing the type of support which is often offered by community centers. Ms. Easterly Martey noted there is also interest from communities which are trying to improve or develop outdoor community spaces to serve the community.

Programmatic guidance was gleaned from both the CDBG program and the Tax Credit Program in an effort to create openness and accessibility.

Hiring efforts are ongoing, and albeit challenging because the positions are for a two year period, the hires are critical as additional staffing is needed due to the demand on current staff capacity.

**H. Executive Director Update – 12:00 PM**

Ms. Easterly Martey noted she had shared those topics which were pertinent. The Board asked whether CDFA was aware that NCIC would be closing. Ms. Easterly Martey noted she is aware of this situation and she has had a number of conversations with people and organizations who are likely going to be impacted by this development. Areas of concern include ensuring important services are still available and how to provide seamless transition without creating a duplication of services. Ms. Easterly Martey noted it is likely important to maintain a CDFI certification, especially in the North Country where resources are critical.

**I. Adjourn – 12:05 PM**

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

Respectfully submitted,



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Maureen Quinn, Board Relations Manager



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Cynthia Harrington, Chair Board of Directors