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

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

**June 13, 2023
10:00 AM**

CDFA BOARD OF DIRECTORS PRESENT: Cynthia Harrington, *Chair*; Benjamin Gaetjens-Oleson, *Vice Chair*; Michael Claflin; Robert Tourigny; Peter Rayno; Jared Reynolds; and Diane Fitzpatrick.

STAFF: Katherine Easterly Martey, *Executive Director*; Ian Hart, *Chief Financial Officer*; Melissa Latham, *Director of Communications and Policy*; George Hunton, *Director of Tax Credit Program*; Molly Donovan, *Director of Economic Development*; Scott Maslansky, *Director of Clean Energy Finance*; Mollie Kaylor, *Director of Community Development and Housing*; Melanie Steenbeke, *Contract Manager*; and Maureen Quinn, *Board Relations, and Tax Credit Program Manager*.

PUBLIC: Shelley Hadfield, *CDFA Consultant*; Audrey Frater and Pastor Stanley Choate, Jr., *New England Pentecostal Ministries*.

Ms. Harrington called the meeting to order at 10:05 AM. She noted one announcement. Ms. Harrington informed the Board that CDFA will be hosting an awards ceremony for this year's tax credit awardees. The event is being held at the Kimball Jenkins Estate on Wednesday, June 21st at 9:30 AM. All Directors are invited to attend and to recognize this year's tax credit recipients.

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

Motion – 10:06 AM

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

Ms. Harrington called for any public comment. Ms. Audrey Frater requested permission to address the Board.

Ms. Frater of New England Pentecostal Ministries (NEP Ministries) summarized the project brought forth by NEP Ministries through a Community Centers Investment Program application. She stressed the challenges in the Pelham community, noting NEP Ministries had to close a nursery school after nineteen years of operation. The organization has pivoted and has worked collaboratively with the Pelham School District and the Pelham Police Department to create a youth center targeted towards middle school and high school students. The Board thanked Ms. Frater, and Pastor Choate, for their comments.

A. Consent Agenda

Ms. Harrington reviewed the Consent Agenda, which included the following materials:

- May 9th, 2023, Board of Directors Minutes;
- May 4th, 2023, Community Development Advisory Committee Minutes;

- May 9th 2023 Finance Committee Minutes;
- February 7th, 2023 Credit Committee Minutes;
- Approve CDFA Base Lending Rate.

Ms. Harrington called for any questions or comments regarding the consent agenda. None were offered.

Motion – 10:38 AM

Mr. Gaetjens-Oleson moved to approve the consent agenda, as presented. Mr. Rayno seconded, and the motion carried by a unanimous vote of the Board.

B. FY2024-25 Tax Credit Round

Ms. Easterly Martey provided an overview of the tax credit round. Of particular note:

- Staff engaged in significant outreach efforts to reach a broad audience;
- This was the second year a Grant Writing Assistance Program was offered, designed to fund grant writing efforts working on behalf of organizations in need of capacity support;
- CDFA received a diverse set of applications from across the State;
- There was significant interest and demand for the Community Economic Development program; CDFA recognizes these investments in capacity are critical to an organization's stability, growth, and ability to fulfill its mission and serve the community.

Ms. Easterly Martey thanked the Directors who participated in this year's Investment Review Committee (IRC). Mr. Clafin, Mr. Gaetjens-Oleson, and Mr. Reynolds all engaged with staff in conducting thorough reviews and analysis of all applications in this competitive round. Thresholds, purpose/alignment, capacity, and readiness were critical components of the review process.

The Board noted the IRC process provides Directors with a firsthand view of the funding round, the impact of tax credit investments, and a greater perspective of the work CDFA staff does.

Ms. Easterly Martey reviewed the tax credit allocation for the Board. Proposed allocations have been calculated as follows:

- Tax Credit Awards (Regular)
 - FY2024 \$1,916,250
 - FY2025 \$1,193,750
- Community Economic Development (CED) Awards
 - FY2024 (CDFA to sell) \$380,951
 - FY2024 (Awardee to sell) \$330,000
 - FY2025 Allocation \$707,040
- Gap Fund Commitment
 - FY2024 \$600,000

A total of \$5.1 million in Tax Credits has been allocated for SFY2024.

Ms. Easterly Martey called for any conflicts to be divulged. Mr. Tourigny stated he would recuse from consideration and action on the Community Economic Development (CED) projects, noting he has a tangential relationship with several applicants.

Ms. Easterly Martey reviewed the list of proposed tax credit awards.

Colebrook Kiwanis Foundation	Revitalization of South Main Street Park Colebrook	Colebrook	\$50,000	\$50,000	Strong community and economic benefit, increasing access to outdoor recreation opportunities and economic activity downtown. High capacity.
Concord Coalition to End Homelessness	South State Street	Concord	\$625,000	\$625,000	Strong community and economic benefit, creating permanent supportive housing
Granite State Children's Alliance	Redevelopment of Hallsville Elementary School	Manchester	\$1,250,000	\$750,000	Strong community and economic benefit, increasing access to critical services for children and youth in one central location, development of affordable housing for seniors and community space. Demonstrated capacity.
Granite VNA	Community Engagement and Benefit Initiative	Concord	\$187,500	\$187,500	Demonstrated community and economic benefit, increasing access to community space and programming. High capacity.
Lebanon Opera House Improvement Corporation	LOH@100: Lighting Up Our Community	Lebanon	\$350,000	\$350,000	Strong community and economic benefit, increasing access to arts programs for underserved populations and in public spaces, impact on downtown Lebanon. High capacity.
Lisbon Area Historical Society	Museum Renovations	Lisbon	\$322,500	\$322,500	Strong community and economic benefit, increasing access to community spaces, driver for the regional rural economy. High capacity.
Monadnock Economic Development Corporation (MEDC)	Bringing It Home	Keene	\$500,000	\$500,000	Strong community and economic benefit, increasing access to quality, affordable childcare. Demonstrated capacity.
SEE Science Center, Inc.	Milkyard Design Zone: Interactive Engagement	Manchester	\$150,000	\$150,000	Strong community and economic benefit, increasing access to play space and learning opportunities for children and youth. High capacity.
The Children's Museum of New Hampshire	Facility Expansion	Dover	\$175,000	\$175,000	Strong community and economic benefit, increasing access to play space and learning opportunities for children and youth. High capacity.
TOTAL			\$3,610,000	\$3,110,000	

The Board asked questions about several of the proposed projects:

- They asked about the purpose of the Granite VNA renovation project, and whether the renovations are for creation of office space. Mr. Maslansky stated the project will enable Granite VNA to focus on community health programming and enable the organization to offer functional meeting space to other community and civic groups.
- The Board noted they would like to be kept apprised of the MEDC-Bringing It Home Project progress and results. The Board acknowledged appreciation and enthusiasm for the collaborative and creative approach in the proposed project. Ms. Easterly Martey thanked the Board for their leadership in working with MEDC during their leadership team transition several years ago. She noted the effort to remain engaged with this organization's transformation seems to be yielding positive change and the opportunity for new and innovative impact.
- The Board asked about the fee structure and accessibility for The Children's Museum. It was noted the museum offers free use of its outdoor space. Additionally, the museum offers several free and reduced admission programs, with a particular focus on early childhood education.

Ms. Easterly Martey called for additional questions or comments. None were offered. She called for a motion.

Motion – 10:44 AM

Mr. Gaetjens-Oleson moved to approve the recommended tax credit award allocations, in the amount of \$3,110,000, as presented. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Board.

Ms. Easterly Martey reviewed the tax credit applications which were not recommended for funding.

Sandwich Children's Center	Facility Renovation	Sandwich	\$337,500	—	Organization needs to align with CDFA compliance requirements.
Friends of Wakefield NH Parks and Recreation	Multi-Generational Community Center	Sanbornville	\$625,000	—	N/A
Community Gallery, Inc. dba Ava Gallery	Cultural Anchor of the Upper Valley	Lebanon	\$625,000	—	Premature for a tax credit investment.

Ms. Easterly noted the following with respect to each of these applications not recommended for funding:

- The Sandwich Children's Center's application was premature; additionally the organization is not currently in compliance with requirements and their own proposed outcomes from a previous tax credit award;
- The Town of Wakefield's application was never finalized; the Community Bond, which would have structured needed financing for this project, was not approved by the Community;
- Community Gallery, Inc. dba Ava Gallery's application did not demonstrate a strong community benefit, especially in comparison to other applications; the application was deemed premature.

Ms. Easterly Martey called for additional questions or comments. None were offered. She called for a motion.

Motion – 10:47 AM

Mr. Rayno moved to approve the recommendation to not fund the three tax credit applications, as listed above. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Board.

Community Economic Development Tax Credit Round

Ms. Easterly Martey reviewed the purpose of the Community Economic Development (CED) tax credit round, and stated the CED program is targeted towards organization which need support and capacity to develop the ability to successfully manage community economic development projects, a critical part of New Hampshire's infrastructure. She noted that there has been significant federal funding available as a result of the pandemic and many new and/or small nonprofits need better capacity to secure and administer this type of funding.

Ms. Easterly Martey noted this year's funding recommendations includes two groups, with awards structured as follows.

1. CDFA will sell tax credits (totalling \$375,000) for the first group in FY24.
2. The second group of nonprofits will be responsible for selling tax credits in both award years (FY24 and FY25).

The Board discussed challenges for the CED projects, noting that oftentimes smaller nonprofits lack a development culture; fundraising can be a struggle. This can adversely impact the ability of an organization to sell tax credits. Those applicants in the first group were determined to likely have the greatest need of capacity support in the form of CDFA selling the tax credits. Organizations in the second group demonstrated greater capacity and were thought to have the ability to sell tax credits in both fiscal years.

Ms. Easterly Martey stated there are eleven projects recommended for funding. They are as follows:

NH Coalition to End Homelessness	NH Coalition to End Homelessness Capacity-Building Program.	Manchester	\$150,000	\$150,000
Androscoggin Community Cooperative	Androscoggin Food Coop Capacity & Strategy Grant	Berlin	\$31,250	\$31,250
Positive Street Art	Building Staff Capacity for Positive Street Art	Nashua	\$96,740.95	\$96,740.95
Our Place, Inc.	Our Place NH Capacity Building Initiative	Dover	\$150,000	\$150,000
Victory Women of Vision	Raising Community Leaders	Manchester	\$150,000	\$150,000
Plymouth State University	Director of Sustainability, Youth Success Project	Durham	\$149,997.50	\$150,000
Plymouth Area Renewable Energy Initiative	Vision 2030: A New Home for PAREI	Plymouth	\$150,000	\$150,000
Mountain Top Music Center	MTMC Majestic Theatre & Cafe Expansion	Conway	\$150,000	\$150,000
Coos Economic Development Corporation (Coos EDC)	Coos and Grafton County RDC Business Development Capacity Grant	Lancaster	\$150,000	\$150,000
New Hampshire Preservation Alliance	Preservation Trades Workforce Development Pilot	Concord	\$90,000	\$90,000
1269 Cafe Ministries	1269 Cafe Capacity Building Project	Manchester	\$150,000	\$150,000
TOTAL			\$1,417,988	\$1,417,988

Ms. Easterly Martey called for additional questions or comments. None were offered. She called for a motion.

Motion – 10:56 AM

Mr. Gaetjens-Oleson moved to approve the recommended CED tax credit award allocations, in the amount of \$1,417,988, as presented. Ms. Fitzpatrick seconded and the motion passed with a majority vote of the Board. Mr. Tourigny abstained from the vote.

Ms. Easterly Martey presented the slate of CED tax credit applications not recommended for funding. These projects tended to be premature and lacking in readiness, as compared to other projects received in a competitive funding round.

Gather	Strengthening Internal Capacity to Conduct Capital Campaign to Create a Community Food Center	Portsmouth	\$150,000.00	—
Indonesian Community Connect	Capacity Building Investment to Bring Little Indonesia to Life	Somersworth	\$150,000.00	—
Manchester Housing Alliance	Manchester Housing Alliance Land Trust Capacity Building	Manchester	\$145,000.00	—
The Waysmeet Center/ United Campus Ministry to UNH (Legal)	The Waysmeet Center Revitalization Program	Durham	\$149,352.54	—
Twenty-One Senses	Improving the Mental Health of New Hampshire's Communities	Madbury	\$150,000.00	—
White Horse Addiction Center, Inc.	White Horse PHP/IOP Capacity Tax Credit	Ossipee	\$75,000.00	—
TOTAL			\$819,352.54	—

Ms. Easterly called for further questions or comments. None were offered. She called for a motion.

Motion – 10:58 AM

Ms. Fitzpatrick moved to approve the recommendation to not fund the CED tax credit applications as listed above. Mr. Clafin seconded and the motion passed with a majority vote of the Board. Mr. Tourigny abstained from the vote.

Ms. Easterly Martey thanked the Board for their engagement and consideration of the slate of tax credit applications. She noted each year staff works diligently to bring forth a robust set of applications for the Board's consideration. There is a conscientious and consistent effort to improve the process. This year, it is proposed that an inclusion initiative, focused on the fundamental principles of diversity, equity, inclusion, and justice be added to the tax credit program policy. The goal is to ensure inclusivity becomes further ingrained in the application process.

Motion – 11:00 AM

Mr. Clafin moved to adopt an inclusion policy – with a focus of DEIJ principles – into the CDFA Tax Credit program policy. Mr. Rayno seconded and the motion passed with a unanimous vote of the Board.

Gap Funding

Ms. Easterly Martey noted that CDFA is aware that there are a number of existing tax credit projects which have encountered construction funding shortfalls, largely driven by the economic fallout and supply chain issues realized in the pandemic. She noted the CDBG program made gap funding resources available to eligible projects; this funding was in significant demand and was critical to ensuring these projects came to fruition, even with significant cost increases. The same model is proposed for the tax credit program, designed to promote successful completion of projects.

Ms. Easterly Martey stated the Investment Review Committee recommends a \$600,000 pool of gap funds for existing tax credit projects. She called for further questions or comments. None were offered. Ms. Easterly Martey called for a motion.

Motion – 11:01 AM

Mr. Clafin moved to approve a pool of tax credits in the amount of \$600,000, available to existing tax credit projects which have realized funding shortfalls due to escalating construction costs. Ms. Fitzpatrick seconded and the motion passed by a unanimous vote of the Board.

C. Community Center Investment Program Round

Ms. Easterly Martey noted she and Mr. Gaetjens-Oleson would be providing the Board of Directors with an update on the first round of funding applications and the recommendations brought forth from CDFA's Community Development Advisory Committee. She stated CDFA has received inquiries about the decision making process and how allocations were determined.

Ms. Easterly Martey informed the Board that CDFA used its 35 year history and experience with the CDBG program, as well as elements of the Tax Credit program, to develop a process whereby all applications could be reviewed fairly and equitably. In addition to this approach, staff deployed over three hundred hours of technical assistance to applicants to help interested organizations with the application process.

CDFA created basic threshold criteria for the program, and this information was shared with over two hundred potential applicants. Five criteria were established as threshold criteria, and these were required from all applicants. The criteria were:

- Construction must begin within six (6) months of the award;
- All other funding sources must be secured and available, including the 15% match of project costs;
- Compliance with CDFA's energy policy;
- The facility must be ADA accessible at project completion; and
- The project must be a multi-faceted project, meeting at least two of the following five community activities:
 - Community
 - Civic
 - Recreation
 - Social
 - Other

Forty-six applications, seeking in excess of \$31 million were received. It was determined eighteen (18) applications demonstrated consistency with the above threshold requirements. The eighteen projects which passed threshold were scored, with a maximum number of 200 points available. Two projects failed to score 100 points, and therefore, are not recommended for funding.

Ms. Easterly Martey stated CDFA will continue to offer organization technical assistance to potential applicants; there is approximately \$7 million remaining in CCIP to award in a second round of funding. She also noted UNH is conducting a study to better understand the need for this type of investment, with the hopes of ensuring broad geographic distribution and strong, positive impact.

It was noted that there was some confusion around the multiple community activities required of applicants. Federal guidance, as well as requirements for public facilities in the CDBG program, only require one of the five community activities identified above. The CCIP program had a requirement of a minimum of two of these activities. This distinction was shared with applicants. Ms. Easterly Martey stated CDFA is committed to a transparent process and will review declined applications as needed to confirm if CDFA's application review was consistent with program requirements, including, but not limited to threshold criteria and community center purposes and activities. She also noted there has been consideration of a pre-approval process for thresholds and understanding of activity definitions to help applicants better understand application criteria.

Ms. Easterly Martey shared the proposed award recommendations have the term 'up to' for award amounts. She informed the Board that some of the activities proposed by applicants may not be eligible and may therefore reduce a proposed award amount. The Board was advised that the Community Development Advisory Committee also completed a thorough review of the CCIP applications. The slate of recommendations brought forth has been carefully considered.

Applicants not successful in the first application round will be offered a technical assistance meeting with CDFA staff in July if they choose. The intent is to offer technical assistance to those organizations interested in pursuing funding in the second CCIP round or other funding sources CDFA offers. Additionally, an Administrative Review process will be available to applicants not funded in this round.

Ms. Easterly Martey summarized the projects recommended for funding, and noted the following:

- There is regional diversity with the awards;
- \$11 million is proposed to be awarded to those projects who met thresholds and scored a minimum of 100 points;
- Funded projects include new building, renovations of existing facilities, and outdoor spaces

The Board thanked staff for the work invested into this new program and recognized the abbreviated amount of time in which the work was accomplished.

Ms. Easterly Martey called for additional questions or comments. None were offered. The recommended applications are as follows:

Organization	Project Title	Requested Amount	Recommended Conditional Award
Jaffrey Civic Center	Jaffrey Civic Center Improvement Project	\$402,572	\$402,572
Town of Peterborough	Peterborough Community Center Renovation	\$1,000,000	\$1,000,000
City of Keene	City of Keene - Brian A. Mattson Recreation Center	\$801,250	\$801,250
Hannah Grimes Center, Inc.	Energy Efficiency & HVAC Improvements	\$576,338	\$576,338
Gibson Center for Senior Services	Gibson Senior Center	\$180,265	\$180,265
Town of Exeter	Exeter Multi-generational Community Center	\$841,240	\$841,240
City of Laconia	Leavitt Community Center	\$392,870	\$392,870
G.A.L.A. Community Center	GALA Community Center Phase Two at Makers Mill	\$994,500	\$994,500
Monadnock Area Peer Support Agency	Monadnock Peer Support Community Facility	\$992,753	\$992,753
Town of Wakefield	Wakefield Community Pavilion Project	\$240,000	\$240,000
City of Nashua	Arlington Street Community Center	\$1,000,000	\$1,000,000
Squam Lakes Association	Squam Lakes Association Community Facilities	\$998,947	\$998,947
Claremont Learning Partnership	One-4-All Outdoor Play space	\$213,822	\$213,822
Tapply-Thompson Community Center	A Safe Place to Call Home	\$1,000,000	\$1,000,000
Town of Whitefield	Whitefield Public Library Renovation and Expansion	\$911,400	\$911,400
Tamworth Community Nurse Association	Building for Accessible Rural Health Care	\$1,000,000	\$1,000,000
TOTAL		\$11,545,957	\$11,545,957

Ms. Easterly Martey called for a motion.

Motion – 11:25 AM

Mr. Tourigny moved to approve the Community Center Investment Program applications, as recommended by the Community Development Advisory Committee. Mr. Rayno seconded and the motion passed by a unanimous vote of the Board.

Ms. Easterly Martey summarized the applications not recommended for funding, noting they did not meet thresholds and/or scored too low. Thirty (30) applications are not recommended for funding. She called for further questions or comments. None were offered. Ms. Easterly Martey called for a motion.

Motion – 11:29 AM

Mr. Rayno moved to approve the recommendation from the Community Development Advisory Committee to not recommend funding. Mr. Gaetjens-Oleson seconded and the motion carried with a unanimous vote of the Board.

D. FY2024 Budget

Mr. Hart provided an overview of the proposed FY2024 budget. He noted the Finance Committee voted to recommend the budget, as presented, to the Board of Directors for approval. Mr. Hart stated the proposed budget is consistent with what was planned and several variables, including an increase of flow-through funds, operations (hiring, consulting, staff vacancies) and sustainability have been planned for to ensure the budget remains reasonable. He offered to walk through any of the details of the budget about which there are questions. None were offered. Ms. Harrington called for a motion.

Motion - 11:34 AM

Mr. Clafin moved to approve the FY2024 budget as reviewed and recommended by the Finance Committee. Ms. Fitzpatrick seconded and the motion carried by a unanimous vote of the Board of Directors.

E. FY2024 Living Strategic Plan Goals

Ms. Easterly Martey shared staff and organization accomplishments with the Board of Directors. She stated the Executive Committee will work on particular topics in each quarter of the year, and report back to their fellow directors. The areas of focus will include governance, community impact, partnerships, and operational capacity and sustainability. Ms. Easterly Martey encouraged the Board to reflect on strategic initiatives and goals and to share feedback, ideas, and questions as they contemplate these topics.

F. Statewide Family Childcare Workforce Project

Ms. Latham presented an overview of the new Statewide Family Childcare Workforce Project. She noted CDFA has partnered with the NH Department of Health and Human Services (DHHS) to create a greater and more favorable impact on the childcare sector statewide. Outreach and engagement in this program is to be focused on family-based providers, with an understanding that these providers are able to offer greater flexibility of hours and can oftentimes better align with families' cultural needs.

The focus of this collaborative effort between CDFA, DHHS and the Preschool Development Grant team at the University of New Hampshire is intended to advance a statewide initiative to increase the supply and access to family child care programs, with a focus on engaging with new and existing child care providers and providing services that would include:

- Assessment of providers ability and readiness for start-up or expansion;
- Delivering business technical assistance and training;
- Connections to childcare program start-up training and mentoring; and
- Referral to a DHHS's administered provider start-up/expansion funding grant program.

The Memorandum of Understanding (MOU) reflects that CDFA would serve as the convener and help to administer funding. It is hoped best practices will be identified and implemented. The initial proposal is that this is a one year program, with the opportunity of extension to a three year program.

Ms. Latham noted this program should allow for different approaches to be tested, with the goal of creating a greater number of childcare providers, which will yield more childcare slots. Ms. Easterly Martey noted the State's Childcare scholarship fund has been under-utilized; it is hoped at home providers will access this fund, providing financial relief. Saved money can then be used for expanded services and overhead costs. There has been good legislative momentum in the last session, including support for home based providers accessing the State's scholarship fund and the opportunity to lease/rent commercial space while maintaining a home based childcare licensing status. DHHS funding can be used to fit up space.

As more young families can find quality and affordable childcare, it is anticipated that a significant number of women between the ages of 25 – 34 can more fully participate in the workforce, thereby contributing to a more robust economy.

Ms. Harrington called for a motion.

Motion – 12:02 PM

Mr. Claflin moved to accept the Memorandum of Understanding with DHHS, as outlined in the memo to the Board of Directors. Mr. Gaetjens-Oleson seconded and the motion carried by a unanimous vote of the Board.

G. CDFA Vision

Ms. Harrington discussed the Board's ongoing work around a vision statement and advised the Board that there is still work to be finished and further input and feedback is welcome. Next steps include a final review of the vision statement in August, and adoption of the statement thereafter.

H. Executive Director Update

Ms. Easterly Martey provided a brief update on areas of work, including:

- 2nd Round of CDBG Housing and Public Facilities applications will be due in July;
- CDFA recently completed a successful audit with HUD of the CDBG-CV program area;
- Tax Credit Round Review will be undertaken in July; the process is typically evaluated to determine where improvements may benefit the program and to also identify best practices;
- A Resource Workshop – a focus on all of CDFA's funding – will be readied for the Fall; 2022 was the inaugural year for this workshop and it proved to be helpful and impactful.

Ms. Easterly Martey thanked the Directors for their commitment to review and consideration of a broad range of funding, which required significant work.

I. Adjourn – 12:10 PM

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

Respectfully submitted,



Maureen Quinn, Board Relations Manager



Cynthia Harrington, Chair Board of Directors