

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

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

**September 19, 2023
10:00 AM**

CDFA BOARD OF DIRECTORS PRESENT: Cynthia Harrington, *Chair*; Benjamin Gaetjens-Oleson, *Vice Chair*; John Manning, *Secretary/Treasurer*; Mary Ann Kristiansen; Michael Clafin; Robert Tourigny; Peter Rayno; 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*; Molly Donovan, *Director of Economic Development*; Rebecca Boisvert, *Director of Community Center Investment Program*; Kim Pacocha, *Director of Accounting*; Melanie Steenbeke, *Contract Manager*; Priscilla Baez, *Community Center Investment Program Contract Manager*; Nate Olson, *Data & Compliance Specialist*; Kristin Steidel, *Accountant I*; Felicity Winters, *Executive Assistant*; and Maureen Quinn, *Board Relations and Tax Credit Program Manager*.

PUBLIC: Evan Stowell, Angela Zakon, and Christine Chrysafidis, *Leone, McDonnell and Roberts, P.A.*

Ms. Harrington called the meeting to order at 10:01 AM. She noted members of the public in attendance, and she welcomed Evan Stowell, Angela Zakon, and Christine Chrysafidis, of *Leone, McDonnell and Roberts, P.A.*

Ms. Harrington reviewed the meeting agenda; she called for any questions, comments, or changes. Mr. Gaetjens-Oleson requested the review of a CDBG Planning Grant be added as an item under section 4, Action Items. It was noted that the Planning Grant will be considered as item 4.4, and the Executive Director Compensation item will be considered as item 4.5. Ms. Harrington called for additional requests, and there being none, she called for a motion.

Motion – 10:03 AM

Mr. Manning moved to approve the meeting agenda, as amended. Mr. Clafin 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 the following minutes, agreements, and reports:

- August 8, 2023, Board of Directors Minutes;
- May 30, 2023 Community Development Advisory Committee Minutes;
- May 2, 2023 Credit Committee Minutes;
- Belknap County Economic Development Council (BEDC) Loan Agreement;
- CDFA Base Lending Rate; and
- Quarterly Loan Report.

Ms. Fitzpatrick moved to approve the Consent Agenda, as presented. Mr. Gaetjens-Oleson seconded and the motion carried by a unanimous vote of the Board of Directors.

B. Audit Presentation – Leone, McDonnell & Roberts, P.A. 10:03 AM

Mr. Hart welcomed Mr. Stowell, Ms. Zakon, and Ms. Chrysafidis to the meeting. He thanked the auditors for their thorough review of CDFA's financial materials. Mr. Hart signaled out the efforts of Ms. Kim Pacocha to ensure the audit process was smooth and timely and he thanked Ms. Quinn and Ms. Easterly Martey for their contributions to the process as well. Mr. Hart also acknowledged the leadership of the Board and each of the Board Committee's for their leadership and for utilizing processes which yielded strong oversight and ready transparency.

Mr. Stowell thanked CDFA for the collaborative effort in working alongside the Leone, McDonnell & Roberts team to ensure all materials and information were provided timely and he noted the audit process went smoothly. He stated the audit of financial statements yielded an audit report with an unmodified opinion, the highest level of assurance that CDFA's financial statements are fairly stated.

Ms. Zakon and Ms. Chrysafidis reviewed some specifics around the audit with the Board and staff, highlighting some of the following details:

- Internal controls over Financial Reporting are sound; the report yielded an unmodified opinion;
- Compliance with Federal programs regulations is strong; the report yielded an unmodified opinion;
- Financial Statements
 - A significant increase in cash on hand is due to the Community Centers Investment Program (CCIP);
 - The Loan Loss Reserve is healthy, with a reduction in nonperforming debt
 - A surplus of \$1.3 million reflects a very strong financial position
 - Personnel costs continue to be the major expense of the organization, but that is to be expected based on the programs CDFA administers, and which is the organization's primary work.

Mr. Rayno thanked the auditors and complimented Mr. Hart for his work on a very complex audit. Mr. Stowell noted that providing sound quarterly financials makes a significant impact on having strong year end financials and he thanked Mr. Hart for his consistent adherence to this practice.

The Board discussed the audit with Mr. Stowell, Ms. Zakon and Ms. Chrysafidis.

Ms. Harrington called for a motion.

Motion – 10:45 AM

Mr. Tourigny moved to accept the draft audited financial statements, as presented. Mr. Clafin seconded and the motion carried by a unanimous vote of the Board.

The Auditors left the meeting.

C. Discussion – 10:45 AM

Year In Review

Ms. Easterly Martey stated CDFA had a successful year, and the next year looks to be busy with the opportunity for continued impact investing. She invited Board and staff to introduce themselves. She also thanked Mr. Hart and Ms. Pacocha for their efforts on the audit.

Ms. Easterly Martey noted that this year was characterized by growth, focus on mission, and collaboration and partnership with community partners statewide. Highlights from SFY 2023 include:

- 97 community-based projects were funded by CDFA;
- \$29.78 million was infused into New Hampshire communities;
- 122 business donors engaged with CDFA to support CDFA programs;
- Initiatives supported by CDFA reported the following impacts:
 - Assisted 41,123 people
 - Rehabbed, preserved or created 203 housing units
 - Created to retained 240 jobs
 - Supported 241 micro businesses
 - Developed or rehabbed 13,180 square feet.

Ms. Easterly Martey noted that new initiatives and strategies, such as the home-based childcare program, can take years to evolve – from concept initiation and thought leadership to implementation – into a practice or program. Deliberate development of ideas which serve a breadth of communities requires patience, collaboration, and leadership to create meaningful impact. She noted that CDFA's Board and staff adhere to a set of meaningful values which provide the framework for what CDFA does, particularly with respect to diversity, equity, inclusion and justice.

Ms. Easterly Martey stated CDFA continues to be looked to for program initiation, which is supported by CDFA's Funding Ecosystem, a deliberate roadmap for how to access and deploy various funding sources. She noted CDFA has more planning and development resources than ever before. CDFA's continued efforts to engage communities from across the State in listening sessions has helped develop strategies for strong impact investing. Four special funding allocations which CDFA has helped to deploy in the last year include:

- Council for Housing Stability
- Community Navigator Pilot Program
- Recovery Housing Program
- Community Center Investment Program

It was noted that CDFA leads in improving access to resources, and Ms. Easterly Martey cited the grant writing assistance program as an example of a new program designed to create greater access and opportunity to CDFA funding. She thanked Mr. George Hunton for his leadership in this area and noted that CDFA will continue to try to ensure broad access to these types of resources. Ms. Easterly Martey noted other initiatives, including:

- Planning & Development grants – larger award amounts have been made available, recognizing planning for a broader project requires more funding.
- CDBG-CV - The CDBG program received funds in response to the COVID-19 pandemic. These 'CV' funds were targeted to community service organizations; demand was significant and numerous investments were made, contributing to community strengthening.

Statewide Family Child Care Workforce Pilot Program-- 11:28 AM

Ms. Latham provided an update on the Family Child Care Workforce Pilot Program. She noted there is \$1.4 million allocated to CDFA from NH DHHS; guidance is also being provided from the UNH Preschool Collaborative Resources. Ms. Latham noted there are many existing providers, statewide, and efforts to advance this new initiative need to be done without adversely impacting the existing childcare infrastructure. There is recognition that home-based childcare providers play a critical role in the State.

The intent of this pilot program is to have a phased development of both short and long term plans and to support both existing and emerging childcare programs which may come out of the pilot program. Ultimately, it is hoped learnings from this pilot program can be delivered to the State to strengthen the homebased childcare network of providers. The Board suggested not all providers will want to engage in this program, particularly

where a provider has an established and successful program. The Board also noted that some providers may view licensing requirements as an added burden.

Ms. Latham suggested a strong resource development strategy, based on trusted relationships in communities, may be key in accessing a greater network of providers willing to engage in this pilot program. Ideally, these existing providers can be incented to engage in the program with the hopes of developing a stronger and improved business model. The Board asked whether any incentives exist to entice providers to participate in the program. Ms. Easterly Martey noted the State is considering a TANF waiver for providers.

Ms. Easterly Martey noted an Advisory Committee for the Childcare Pilot program is being assembled and she asked the Board whether anyone would like to participate. Ms. Fitzpatrick volunteered to be on said Advisory Committee

Manchester City Center – Targeted Tax Credit Round – 11:43 AM

Ms. Easterly Martey summarized the recovery of tax credit funds from a project which was not successful. To ensure funds are invested in a way which is consistent with the intent of the original project, CDFA wants these funds to be deployed in the Center City area of Manchester, with an emphasis on youth programming. Initial efforts to develop this round of funding did not align to a program consistent with development of youth mentoring, youth services, and the development of youth leadership skills. To better understand the opportunities for investment of this neighborhood, CDFA has engaged Deo Mwano Consulting (DMC), an organization familiar with this neighborhood and the particular challenges and needs, particularly as they relate to youth.

DMC will be completing a feasibility study in the next several months to help CDFA better understand how it can have a positive impact. The special application round will be aligned with the regular timeframe and deadlines for tax credit applications. Assuming there is sufficient demand and no unanticipated obstacles, awards would be determined and announced in June 2024. Ms. Easterly Martey noted Mr. Mwano will be engaging with existing and emerging nonprofits in this neighborhood and leaders in the neighborhood. CDFA anticipates having strong applications to consider funding through this special tax credit opportunity.

LUNCH BREAK 11:50 AM – 12:10 PM

D. Action Items 12:11 PM

Ms. Harrington noted there are resolutions to be considered and acted upon as part of the Annual Meeting. She noted each resolution will be considered separately and voted on separately as well.

Authorization of Limited Power of Attorney

Ms. Harrington reviewed the Authorization of Limited Power of Attorney. She called for questions or comments. None were offered. She called for a motion.

Motion – 12:13 PM

Ms. Kristiansen moved to approve the Authorization of Limited Power of Attorney, as presented. Mr. Gaetjens-Oleson seconded and the motion carried by a unanimous vote of the Board of Directors.

Certificate of Authority

Ms. Harrington reviewed the Certificate of Authority. She called for questions or comments. None were offered. She called for a motion.

Motion – 12:14 PM

Ms. Fitzpatrick moved to approve the Certificate of Authority, as presented. Ms. Kristiansen seconded and the motion carried by a unanimous vote of the Board of Directors.

Certificate of Signing Authority

Ms. Harrington reviewed the Certificate of Signing Authority. She called for questions or comments. None were offered. She called for a motion.

Motion – 12:15 PM

Mr. Rayno moved to approve the Certificate of Signing Authority, as presented. Mr. Gaetjens-Oleson seconded and the motion carried by a unanimous vote of the Board of Directors.

Slate of Officers

Ms. Harrington reviewed the Slate of Officers. She called for questions or comments. None were offered. She called for a motion.

Motion – 12:15 PM

Mr. Tourigny moved to approve the Slate of Officers, as presented. Mr. Manning seconded and the motion carried by a unanimous vote of the Board of Directors.

Committee Assignments

Ms. Harrington reviewed the Committee Assignments. She called for questions or comments. None were offered. She called for a motion.

Motion – 12:16 PM

Ms. Fitzpatrick moved to approve the Committee Assignments, as presented. Mr. Rayno seconded and the motion carried by a unanimous vote of the Board of Directors.

E. Employee Handbook – 2023 Update

Mr. Hart stated a number of updates have been proposed for the Employee Handbook. Any changes which are accepted by the Board will be incorporated into the handbook and will go into effect on January 1, 2024. Mr. Hart stated the proposals reflect the Board's leadership and targeted efforts to help the organization attract and retain employees.

Mr. Hart addressed the proposed changes to the handbook. The Board asked for a correction on page 15, as it relates to carry forward of unused PTO for employees with five and ten years' tenure. The carry forward of 20 and 25 hours should be 20 and 25 days.

The Board thanked Mr. Hart for incorporating suggestions which enhance employee benefits and will hopefully assist in hiring processes. The Board asked whether CDFA would hire an Human Resources professional to review the new proposals to ensure they are not discriminatory. Ms. Easterly Martey and Mr. Hart suggested they would first ask CDFA's Benefits Administrator provider and, if necessary, an HR professional will be consulted. Ms. Harrington called for additional questions or comments. None were offered. She called for a motion.

Motion – 12:29 PM

Mr. Claffin moved to approve the updated and revised employee handbook, with changes as proposed. Mr. Manning seconded and the motion carried by a unanimous vote of the Board of Directors.

F. Succession Plan – 12:30 PM

Ms. Easterly Martey reviewed the Succession Plan, as presented. She noted the intent of the plan is to prepare the organization for a planned or unplanned absence of the Executive Director so that the organization may transition to new leadership, if needed. She stated she proposes that Mr. Ian Hart, Chief Financial Officer, be the designated successor in the event the succession plan needs to be implemented.

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

Motion – 12:31 PM

Mr. Claffin moved to approve the Succession Plan as presented, with Mr. Hart as the designated successor should the need arise. Mr. Tourigny seconded and the motion carried by a unanimous vote of the Board of Directors.

G. CDBG Planning Grant – Town of Derry – The Upper Room, A Family Resource Center – 12:31 PM

Mr. Gaetjens-Oleson reviewed the planning grant application from the Town of Derry, to be subgranted to The Upper Room, A Family Resource Center, in the amount of \$25,000. Mr. Gaetjens-Oleson noted the subrecipient has seen a significant increase in demand for services. A planning grant will be used to hire an architect to determine the viability of facility expansion. He noted the application was recommended for funding by the Community Development Advisory Committee.

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

Motion – 12:32 PM

Mr. Tourigny moved to approve the CDBG Planning Grant application from The Town of Derry, on behalf of the subrecipient The Upper Room, A Family Resource Center, in the amount of \$25,000. Mr. Rayno seconded and the motion passed by a unanimous vote of the Board of Directors.

H. Executive Director Compensation – 12:33 PM

Ms. Harrington requested the Board will move into nonpublic session to discuss the Executive Director Compensation. She cited:

RSA 91-A:3, Paragraph II

Section (a): dismissal, promotion, or compensation of any public employee or the disciplining of such employee, or the investigation of any charges against him or her, unless the employee affected (1) has a right to a meeting and (2) requests that the meeting be open, in which case the request shall be granted.

Ms. Harrington called for a motion.

Motion – 12:33 PM

Mr. Gaetjens-Oleson moved to enter into nonpublic session, pursuant to RSA 91-A:3, Paragraph II, Section (a). Mr. Tourigny seconded. Ms. Harrington called for roll call vote:

- Ms. Harrington Yes
- Mr. Gaetjens-Oleson Yes
- Mr. Manning Yes
- Ms. Kristiansen Yes

- Mr. Tourigny Yes
- Mr. Clafin Yes
- Mr. Rayno Yes
- Ms. Fitzpatrick Yes

Staff left the meeting.

Public Session resumed at 12:49 PM

I. Executive Director Update

Ms. Easterly Martey provided the Board of Directors with several updates.

Ms. Easterly Martey informed the Board that CDFA is likely to be the lead applicant on behalf of the State for a new HUD program called ProHousing. There is a competitive grant application, with award amounts ranging from \$1 million to \$10 million. The State of New Hampshire would likely submit an application, with much of the funding to be subgranted to the partners Business Economic Affairs and New Hampshire Housing Finance Authority. CDFA would likely look to also invest in redevelopment of some building through the Fair Housing Council and support for the administration of the Council on Housing Stability.

Ms. Easterly Martey stated she was elected to the Board of the Council of State Community Development Agencies (COSFDA). The Board expressed their enthusiasm for this appointment and asked about time commitment. The Board noted this will offer good visibility for the organization and the State.

J. Adjourn – 1:01 PM

There being no further business before the Board of Directors, Mr. Gaetjens-Oleson moved to adjourn the meeting. Mr. Manning 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