

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

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

**February 13, 2024, 10:00 AM
MINUTES**

CDFA BOARD OF DIRECTORS PRESENT: Cynthia Harrington, *Chair*; Benjamin Gaetjens-Oleson, *Vice Chair*; John Manning, *Secretary/Treasurer*; Mary Ann Kristiansen; Peter Rayno; Diane Fitzpatrick; and Ross Bartlett.

STAFF: Katherine Easterly Martey, *Executive Director*; Ian Hart, *Chief Financial Officer*; Melissa Latham, *Director of Communications and Policy*; Rebecca Boisvert, *Director of Community Center Investment Program*; Priscilla Baez, *Community Center Investment Program Contract Manager*; Justin Parker, *Community Center Investment Program Administrator*; George Hunton, *Director of Tax Credit Programs*; Scott Maslansky, *Director of Clean Energy Finance*; Julius Peele, *Community Development Program Administrator*; Nate Olson, *Grants Management System and Data Consultant*; and Maureen Quinn, *Board Relations and Tax Credit Program Manager*.

PUBLIC: Phil Sletten, *New Hampshire Fiscal Policy Institute*.

Ms. Harrington called the meeting to order at 10:06 AM. She noted a guest in attendance, Mr. Phil Sletten of the New Hampshire Fiscal Policy Institute, and welcomed him to the meeting. She noted there were no announcements.

Ms. Harrington reviewed the meeting agenda and called for any edits or changes. None were requested.

Motion – 10:05 AM

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

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

A. Consent Agenda

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

- December 12, 2023, Board of Directors Minutes;
- January 11, 2024 Community Development Advisory Committee Minutes;
- November 14, 2023 Executive Committee Minutes;
- December 12, 2023; Finance Committee Minutes; and
- CDFA Accounting Policy Update.

She called for a motion.

Motion – 10:08 AM

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.

B. Data Trends and Forecast Discussion 10:08 AM

Ms. Easterly Martey welcomed Mr. Phil Sletten to the meeting. She noted Mr. Sletten and Mr. Nate Olson, CDFA's Data & Compliance Specialist, would be providing an update on CDFA's Community Progress Indicators (CPIs) and leading a discussion and breakout sessions focused on CPI trends and whether these data sets align with CDFA's current strategic priority narratives and initiatives.

Ms. Easterly Martey reviewed the development of the CPIs and how they have been used to inform CDFA's work. She stated the CPIs are thirteen (13) indicators (things such as SNAP, reduced and free lunch programs, housing costs, wages, uninsured population) published annually, which reflect what is happening to people in communities across the State. CPIs have been used in scoring applications in funding rounds, particularly in the CDBG program and the Community Center Investment Program.

The CPIs are intended to inform the strategic plan, but also should be used to update the Ecosystem of the Strategic Plan so that both guiding documents are reflective of changing demographics in the State and position CDFA to be more responsive to these changes. Two areas to be considered for updates include:

1. Data; the data CDFA uses has become more universally understandable and CDFA needs to also ensure it is accessible, and
2. CPIs; the thirteen indicators CDFA has used for the last five years should be reviewed and consideration should be given to other topics which could be incorporated into the CPIs to broaden and enhance their effectiveness.

Mr. Olson stated the Board would be asked to engage in a brainstorming session to develop ideas for how to best update the ecosystem. The idea is to meld the CPIs into strategy, not just the living strategic plan. Mr. Sletten noted the development of the CPIs began in 2018, and they were introduced in 2019. After five years, it is worth a lookback for analysis to identify areas for improvement and/or change. Mr. Sletten also noted the CPIs roll into a 'core index' number which can be assigned to each community. A lower score reflects a community has less need and a higher score reflects a community has greater need for investment to create opportunity and growth. It was noted some scores are weighted to create alignment with CDFA priorities and values.

The Board discussed several ideas and considered topics germane to this issue. They discussed the wide range of cost of living in communities across the State and noted it is difficult to compare rural vs. urban communities, and equally challenging to consider wages from community to community. Ms. Easterly Martey noted a more complete set of analysis will be completed by Summer 2024 and this analysis will be coupled with CPIs in the hope that these data sets inform broad and impactful investment.

The Board worked in small groups to develop ideas for an updated Ecosystem as part of the living strategic plan. Ideas shared included:

- Engagement is exciting work;
- CPIs can be connected to broader trends, providing a macro view of communities and how investments may help;
- Perspective -professional and/or volunteer experience help informs approach;
- Effort to connect CPIs to other work is good;
- Correlations between CPIs and other data trends are good and thought provoking;
- Task of merging strategic priorities and goals is good but challenging;
- CPIs can be an important tool in developing the strategic plan, but there are other tools which can also be incorporated;
- Group work is good; fresh perspectives from idea exchange;
- CPIs focused on people are good, but can business CPIs be developed too; and

- It is hard work to make an impact on problems that challenge communities; this is important work.

Mr. Bartlett left the meeting at 11:46 AM

C. Community Center Investment Program 11:47 AM

Mr. Gaetjens-Oleson provided a brief summary of the Community Center Investment Program (CCIP). He thanked staff for their hard work and noted CDFA was tasked with deploying \$20 million in a year. This required development of a program and offering two rounds of funding for interested applicants. The program was unique and required addition of staff and engagement with consultants to accommodate the broad interest in the CCIP.

Mr. Gaetjens-Oleson reviewed the Conflict-of-Interest procedure with the Board. He called for disclosure of any conflicts. There were none.

The second round of funding requests was reviewed. Mr. Gaetjens-Oleson noted thirty-six applications (36) were received; twelve (12) applications are recommended for funding. It was noted that of the twenty-four applications not recommended for funding, five (5) did not score well enough to be eligible for funding and nineteen (19) did not meet the program thresholds. Mr. Gaetjens-Oleson informed the Board there are only sufficient funds to award six (6) of the twelve applications recommended for funding, The remaining six applications were recommended for contingent funding. Ms. Easterly Martey stated CDFA has requested additional funding in the amount of \$4 million from the Governor's Office for Emergency Relief and Recovery (GOFERR) in the hopes that additional projects can be funded.

The Board asked whether staff expects any appeals from applicants not funded. Ms. Easterly Martey noted that there is an Administrative Review process available to all applicants. Submission of an administrative review request will trigger a review of scoring to ensure all factors were appropriately scored. Ms. Easterly Martey also noted a handful of projects recommended for funding do have contingencies and should any of those contingencies fail, there will be a change in projects recommended for funding.

Mr. Gaetjens-Oleson stated he would present the Board with the recommendations from the Community Development Advisory Committee but that any questions regarding any of the applications recommended or not recommended for funding would be addressed.

Mr. Gaetjens-Oleson presented the second round of CCIP applications recommended for funding and noted all twelve (12) applications have staff recommended conditions outlined. He called for questions or comments. None were offered.

Motion – 11:56 AM

Mr. Rayno moved to approve twelve (12) CCIP applications, as recommended by CDFA's Community Development Advisory Committee, and will all staff recommended conditions. Mr. Manning seconded, and the motion carried by a unanimous vote of the Board.

Mr. Gaetjens-Oleson presented the second round of CCIP applications not recommended for funding. He called for questions or comments. None were offered.

Motion - 11:57 AM

Ms. Fitzpatrick moved to not recommend funding for twenty-four (24) CCIP applications, as recommended by CDFA's Community Development Advisory Committee. Ms. Kristiansen seconded, and the motion carried by a unanimous vote of the Board.

D. Credit Committee

Mr. Rayno stated that the Credit Committee recommended approval of a Clean Energy Fund loan for Ambix Manufacturing in the amount of \$309,015 for 10 years at a rate of 5.5%. Mr. Rayno stated this is a strong application from a woman-owned business in Albany, New Hampshire. Being a woman-owned business located in a priority area of the state qualified the business for a 2% discount. He noted the applicant is financially sound and the installation of a solar array is projected to yield an annual savings of \$24K. Mr. Rayno called for questions or comments. None were offered.

Motion – 12:00 PM

Mr. Gaetjens-Oleson moved to approve the recommended Clean Energy Loan to Ambix Manufacturing, in the amount of \$309,015 with all staff recommended conditions, and as recommended by the Credit Committee. Ms. Fitzpatrick seconded, and the motion carried by a unanimous vote of the Board.

Mr. Maslansky provided an overview of a predevelopment loan application from Gateway Community Services. He noted this applicant qualified for three discounts in the lending rate, citing nonprofit status, serving a priority community, and serving a priority population. Ms. Easterly Martey noted this particular project is aligned with State priorities, particularly with respect to the State's initiative and work on the Council for Housing Stability. Ms. Easterly Martey stated this application does not require Board approval under CDFA's Credit Policy since the loan amount is \$100,000. The loan will be ratified as part of the Board's quarterly lending program review.

Mr. Rayno left the meeting at 12:06 PM

E. Quarterly Financials

Mr. Hart presented the Fiscal Year 2024 Quarter 2 financials. He noted for the Board that tax credit pledges and sales are slower than typical, which reflects a softening economy – particularly reflected in tax credit purchases from banks – as well as the Tax Credit Gap funds, which weren't approved until late fall 2023. The Board asked whether there are any strategies being deployed to sell the tax credits. Ms. Easterly Martey stated staff continues to offer support to projects still fundraising. It is anticipated those organizations awarded gap funds will be successful in selling the newly awarded tax credits. Mr. Hart highlighted additional elements in the Income Statement, Working Capital Report, and recently revised Cash Flow.

Mr. Hart called for additional questions or comments. None were offered.

Motion – 12:10 PM

Mr. Gaetjens-Oleson moved to approve the quarterly financials, as presented. Mr. Manning seconded and the motion carried by a unanimous vote of the Board.

F. Executive Director Update

Ms. Easterly Martey provided a brief update on several ongoing program activities at CDFA, including:

- She introduced two new hires, Mr. Julius Peele and Mr. Justin Parker, both of whom will contribute to expanding staff capacity in their respective areas (CDBG and CCIP).

G. Adjourn – 12:13 PM

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

Respectfully submitted,

Maureen Quinn

Maureen Quinn, Board Relations Manager

Cynthia Harrington

Cynthia Harrington, Chair Board of Directors