

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

**The Rocks
113 Glessner Road
Bethlehem, NH 03574**

**November 14, 2023, 10:53 AM
MINUTES**

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

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*; George Hunton, *Director of Tax Credit Programs*; Scott Maslansky, *Director of Clean Energy Finance*; Molly Donovan, *Director of Economic Development*; Rebecca Boisvert, *Director of Community Center Investment Program*; Felicity Winters, *Executive Assistant*; and Maureen Quinn, *Board Relations and Tax Credit Program Manager*.

PUBLIC: Sonya Salanti, *Director of Tillotson Funds, New Hampshire Charitable Foundation*.

Ms. Harrington called the meeting to order at 10:53 AM. She announced that Mr. Michael Clafin, recently retired from the Board of Directors, would join the meeting at noon and invited the Directors to consider sharing remarks in recognition of Mr. Clafin's service to the Board of Directors.

Ms. Harrington reviewed the meeting agenda and called for any questions or comments. None were offered. She called for a motion.

Motion – 10:54 AM

Ms. Fitzpatrick 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. She noted members of the public in attendance, and she welcomed Ms. Sonya Salanti, Director of the Tillotson Funds at the New Hampshire Charitable Foundation.

A. Consent Agenda

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

- September 19, 2023, Board of Directors Minutes;
- August 8, 2023, Executive Committee Minutes;
- August 8, 2023; Finance Committee Minutes;
- September 12, 2023, Credit Committee Minutes; and
- September 7, 2023, Community Development Advisory Committee Minutes.

Motion – 10:55 AM

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

B. Discussion

Tillotson Fund Strategic Plan

Ms. Easterly Martey welcomed Ms. Sonya Salanti, Director of the Tillotson Fund from the New Hampshire Charitable Foundation (NHCF) to the meeting. It was noted that the Neil & Louise Tillotson Fund is over \$100 million dollars, the largest fund at NHCF and among the largest charitable gifts in the history of the state of New Hampshire. Ms. Easterly Martey invited Ms. Salanti to share her perspective on building leadership and community in the North Country, and noted much of the capacity work CDFA is looking to advance is consistent with themes embedded in the Tillotson Fund work.

Ms. Salanti thanked Ms. Easterly Martey and the Board of Directors for welcoming her to the meeting.

Ms. Salanti noted the Tillotson Fund's ethos is rooted in community, listening, and learning from the people in these communities to better understand what is needed in communities, and consistent with Mr. and Mrs. Tillotson's commitment to support Coos County and bordering communities. The Tillotson Fund honors a commitment to place-based philanthropy. Ms. Salanti noted a breadth of unique approaches to building community leadership and voice to create meaningful impact, as well as shift philanthropic practices to be community-led. She noted this process takes time and respects the voices and the people of the communities served. The 2022-2027 strategic plan incorporates perspective from the Tillotson Fund staff and advisory committee, and dozens of community partners. Ms. Salanti noted the Tillotson Fund staff hold themselves accountable to the strategic plan and this helps guide their work.

Ms. Salanti shared examples of initiatives undertaken by the Tillotson Fund. Overarching strategies which have emerged from many years of work include:

- Investments in capacity are critical, particularly early investments intended to strengthen emerging organizations;
- Effective strategies must foster inclusive community building; and
- Strategies used are intended to improve their approach.

The Tillotson Fund has endeavored to ensure community voice is always a priority; the Fund has moved from a leadership model to a community model, offering a broader opportunity for engagement from all voices in the Community. The Fund has three (3) stewards in the region who work within communities to build trust and listen and convene community members. A focus on meeting people in their space – rather than hosting meetings in traditional spaces – has fostered trust and garnered more participation. Mr. Gaetjens-Oleson noted the Tillotson Fund has been tremendously supportive and important in the North Country. The Fund is a catalyst for engagement and positive impact and change, particularly because of the willingness of the Fund's stewards to include all community voices.

Ms. Easterly Martey thanked Ms. Salanti for her presentation.

Ms. Salanti left the meeting at 11:30 AM.

The Board discussed the Community Builders Hub initiative, a newer program designed to foster leadership development through a Community Practitioners Network, engaging a broad cohort of community members, nonprofit practitioners, and others to more fully participate in and influence the kind of decisions meant to create positive impact in communities. The Board expressed enthusiasm for this model and discussed whether this type of program might have success in other regions of the State. The challenge of attracting funders – who typically want to understand results and outcomes from initiatives – was considered and acknowledged.

Learnings: Engagement, Convenings, and Partnerships

Ms. Easterly Martey invited Ms. Molly Donovan, CDFA's Director of Economic Development, to address the Board on the topic of outreach and engagement. She noted that engagement, convening, and partnership are key principles to and in alignment with CDFA's Tax Credit Community Economic Development (CED) initiative.

Ms. Donovan stated that she believes the foundation of community development is predicated on listening to community members; engagement is relationship building over time. She noted there are three key principles involved with relationship building, and they are:

- Community members are informed with the information they need;
- Community members are participating through focus groups, listening sessions, one on one discussions, and crowd sourced maps; and
- Through informed participation, people are working together to influence change and/or create initiatives and policy.

Organizational commitment to carryout engagement is essential. Ms. Donovan shared CDFA efforts focused on engagement.

- Informed: How does CDFA impart important information? Research, data, webinars and workshops, guides and program evaluation.
- Participation: Who are CDFA's community partners? Identify and support them and offer training on a range of methods, development of trust, time invested.
- Influence: CDFA must be open to change, feedback loops, cultural curiosity and program evaluation.

Ms. Donovan noted the Manchester City Center initiative is an example of how CDFA is trying to engage the community more broadly. Local leaders are convening community members and listening sessions to help provide CDFA with a better understanding what the community wants and needs from an investment in the area. Fundamental to this process is the establishment of trust. Ms. Easterly Martey and Ms. Donovan noted they will ask for Board feedback on what is learned from the Manchester City Center process.

Influencing – and knowing if community voices have been heard correctly – will continue to be a priority. CDFA currently does well with informing people and getting broad participation from people, but influencing should be a focus. Influencing can come from community leaders but as importantly, it can come from an engaged community member. Ms. Donovan noted there will always be change, and a commitment to active listening is critical.

Ms. Easterly Martey noted CDFA will be deploying a community partner survey to help inform CDFA about what is working and what changes may be beneficial. An open table approach – many voices sharing ideas on issues – is critical to community engagement. She pointed to the Governor's report on the Council for Housing Stability is a good example of learning gleaned from many voices – which will lead to impactful change. The Board noted that sometimes faith-based groups are an avenue from which the community voice may be clearly heard.

The Board thanked Ms. Donovan for her presentation.

Lunch Break 12:00 PM

C. Quarter End 9/30/2023 Financial Statements

Mr. Hart reviewed the quarter end 9/30/2023 financial statements. He reviewed some changes on the balance sheet and income statement, with explanations for those changes. Mr. Hart noted there are no areas for concern and he will continue to monitor all financial indicators to identify opportunity and/or challenges. He asked for any questions or concerns. None were offered.

Motion – 12:25 PM

Mr. Tourigny moved to approved the quarter end 9/30/2023 Financial Statements, as presented Ms. Fitzpatrick seconded and the motion carried by a unanimous vote of the Board.

D. Program Updates

Ms. Easterly Martey stated due to time constraints, she would present an update on the Community Progress Indicators (CPI) and Index.

She noted that the use of data has strengthened CDFA's ability to identify and understand relevant data for the CDBG program, particularly as that program utilizes a scoring system for applications. The CPIs, and the overall index number assigned to a community, has enabled staff to evaluate projects because a uniform set of data is used in each application analysis. Ms. Easterly Martey noted that when CDFA publishes its annual Notice of Funds Available (NOFA), a broad explanation of CPI and the Index will be provided so applicants understand why and how CDFA uses the data set. CDFA will also begin to offer training around the CPI and Index. It was noted that in the summer of 2024, CDFA will review the variables which comprise the CPI and Index to ensure the best variables are being used.

Ms. Easterly Martey stated the Board is asked to adopt the latest CPI and Index data set.

Motion – 12:32 AM

Mr. Gaetjens-Oleson moved to approve the CPI and Index data set, as outlined and presented. Mr. Bartlett seconded and the motion carried by a unanimous vote of the Board.

E. Community Development Block Grant (CDBG) Funding Round Summary and Review

Mr. Gaetjens-Oleson stated the Community Development Advisory Committee met on Thursday, November 2nd to review and consider funding for twelve (12) applications received as part of the Housing and Public Facilities round. He noted four (4) housing applications, creating 96 units of affordable housing – and key to leveraging additional investments – were recommended for funding. Three applications did not receive funding due to insufficient funds available in this round. Mr. Gaetjens-Oleson also noted that the award for the City of Keene (\$750,000) is higher than the other awards (\$500,000) because the project is for supportive housing, which qualifies for higher award amounts.

Mr. Gaetjens-Oleson stated four (4) public facilities were recommended for funding. He noted the City of Franklin's HealthFirst Family Care Center project was encouraging because the project was able to hire two (2) physicians to help staff the facility. There were insufficient funds for a fifth applicant. Another applicant withdrew their application on November 1, 2023, due to an inability to secure a site location for the project.

The Board asked whether staff anticipates the Town of Warren will come back with another application since they were not funded in this round. Staff stated they do not know what the Town of Warren plans to do. The Board commented on the wide geographic distribution of projects funded.

Motion – 12:38 PM

Mr. Bartlett moved to approved the CDBG Housing and Public Facilities applications, as recommended by the Community Development Advisory Committee on November 2nd, 2023, and as presented to the Board of Directors. Ms. Kristiansen seconded and the motion passed by a unanimous vote of the Board.

Ms. Easterly Martey stated the application from Families Flourish was withdrawn because they were not able to secure a project site. She noted CDFA will continue to offer any guidance to this project as requested, particularly since this is a meaningful project for recovery housing.

F. Credit Committee Appointment

Mr. Hart stated that the Credit Committee needs to add a non-Board member to its membership. He stated that he had invited Mr. Kyle Schneck, Executive Vice President and Chief Lending Officer, from St. Mary's Bank to observe the last Credit Committee meeting. Mr. Hart stated that Mr. Schneck was very interested in the

Committee's role and their discussions and noted he recommends the appointment to the Committee. A number of Directors noted they also know Mr. Schneck and they commented he would be an asset to the Credit Committee, with a breadth of experience and a passion for the type of work that CDFA does.

Motion – 12:42 PM

Mr. Tourigny moved to approve Mr. Schneck as a non-Board member appointee to the Credit Committee. Ms. Fitzpatrick seconded and motion carried by a unanimous vote of the Board.

G. Tax Credit Program

Granite State Children's Alliance Amendment

Mr. Hunton noted on June 13, 2023 the Board of Directors approved a tax credit award to the Granite State Children's Alliance (GSCA) to renovate the vacant Hallsville School in Manchester, NH into a multi-use facility. The project proposed development of a Model Regional Child Advocacy Center (CAC) serving the greater Manchester area. This project was proposed as a collaboration between Southern New Hampshire Services (SNHS) and GSCA. SNHS had proposed development of twenty (20) apartments for income eligible senior citizens and a Head Start classroom serving income-eligible families. The City of Manchester had planned to continue to offer community use of the gymnasium space and had planned to continue to do so as part of this project.

On July 10, 2023, CDA was informed that the Hallsville Project did not receive \$4 million in ARPA funding from the State of New Hampshire.

Due to this challenge, GSCA identified a property located at 607 Chestnut Street in Manchester which provides roughly the same amount of space for the GSCA portion of the project. The site (and funding) are not able to accommodate the original proposal for senior housing or the Head Start program. The GSCA has received approval from the Hillsborough County Commissioners to reallocate ARPA funding for the Hallsville project to the new, dual location (Manchester and Nashua – where a similar project will be developed) project.

Mr. Hunton noted CDFA staff recommends the Board accept the change of scope of project for the following reasons:

- While the new proposal does not include key elements of the original Tax Credit application (senior housing and Head Start), the need for long term accommodations to provide model child advocacy services is compelling for this vulnerable population.
- Tax Credits totaling \$200,000 for SFY24 and \$400,000 for SFY25 were initially approved and budgeted for the Hallsville Project and therefore will not change the tax credit allocation as it currently stands.

Staff also recommends that funds be allocated for the change of scope with the following contingency:

- Tax Credits may only be used for the Manchester location because the Nashua location was not in the scope of the original application.

Ms. Harrington called for questions or comments. The Board commented that the Chestnut Street location is ideal as it is centrally located. The Board also noted it is good to see this project find a path forward as it is an important project which provides critically needed services.

Motion – 12:47 PM

Mr. Gaetjens-Oleson moved to approve the amended Granite State Children's Alliance Tax Credit project, as outlined by staff, and with the stated contingency that funds are restricted to the Manchester portion of the project. Ms. Kristiansen seconded and the motion carried by a unanimous vote of the Board.

SFY24 Tax Credit Gap Fund Recommendations

Mr. Hunton stated that at the June 13, 2023, Board of Directors meeting, the Tax Credit Investment Review Committee (IRC) recommended, and the Board accepted and approved, the establishment of a \$600,000 General Assistance and Preservation (GAP) fund. The GAP fund was allocated to SFY24 credits and will assist existing tax credit projects that have encountered construction project implementation funding shortfalls, driven by the economic fallout and supply chain issues realized in the pandemic and post-pandemic environment.

Twenty-six eligible projects received notification of available Gap fund tax credits. CDFA received five (5) applications. All applicants met the intent of the eligibility requirements and therefore, CDFA recommends the allocation of \$640,910 in SFY24 Gap Fund tax credits, as summarized below. Although the recommendation exceeds the original allocation, CDFA is confident the Tax Credit program can accommodate these projects.

Applicant Organization	Project	Gap Fund Request	Gap Fund Recommendation	Comments
Lakes Region Community Developers	Gale School Project	\$250,000	\$250,000	Original cost estimates based on schematics were significantly lower than final construction drawing estimates. Seeking other funding sources to close gap as well.
Boys and Girls Club of Central NH	Penacook Community Center and Daycare	\$200,000	\$200,000	\$1,000,000 increase of construction costs between initial estimates in early 2022 and final budget provided Engineer. Secured all but \$240,000 of overage.
Hope on Haven Hill	Center for Hope and Wellness	\$49,000	\$49,000	Project will allow items that had to be taken out from original scope due to increased cost to be constructed.
Friends of Concord-Lake Sunapee Rail Trail	Concord Sunapee Rail Trail: Phase 4	\$90,410	\$90,410	Budget increased due to contractor availability and additional requirements from the City of Concord.
Kimball Jenkins	Improving Infrastructure and Accessibility	\$51,500	\$51,500	Increased design and implementation costs for accessible wheelchair ramp. Increased HVAC costs.
		\$640,910	\$640,910	

Motion – 12:51 PM

Mr. Manning moved to approve the Tax Credit Gap Fund requests, as presented. Mr. Gaetjens-Oleson seconded and the motion carried by a unanimous vote of the Board.

H. Executive Director Update

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

- A Program Manager has been hired and the employee will work in the CDBG program;
- Representatives from the HUD regional office visited two New Hampshire projects in November and met with CDFA staff. The visit offered HUD the opportunity to see two projects which demonstrate successful deployment of CDBG funding, as well as allow CDFA staff to discuss opportunities to provide greater flexibility and adaptability in the CDBG program.

- The Community Center Investment Program (CCIP) has attracted broad interest; fifty-four technical assistance sessions have been offered to potential applicants; over four hundred people registered for the last CCIP workshop.
- CDFA is bringing together eleven different funders to work towards advancing capacity building activities across New Hampshire.

I. Certificate of Authority

Ms. Harrington noted staff requested an additional item be considered under Action Items. She requested Board acknowledgment of this additional item as an agenda item. The Board conferred approval.

Ms. Easterly Martey stated the State of New Hampshire requires an updated Certificate of Authority for particular funding and contractual arrangements. The Board asked if the Certificate of Authority would replace the Certificate of Authority approved and executed at the Annual Meeting. Ms. Easterly Martey noted this Certificate of Authority would not change any level of authority previously granted; this Certificate will provide the State a Certificate in a format they have requested.

Motion – 1:02

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

J. Adjourn – 1:02 PM

There being no further business before the Board of Directors, Mr. Bartlett moved to adjourn the meeting. Mr. Tourigny 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