



CDFA

COMMUNITY DEVELOPMENT FINANCE AUTHORITY

ANNUAL REPORT

State Fiscal Year 2022

14 Dixon Ave | Concord, New Hampshire | 03301
603.226.2170 | www.nhcdfa.org

Table of Contents

Introduction.....	1
The Community Development Finance Authority.....	2
CDFA Staff.....	2
CDFA Board of Directors.....	3
Community Development Advisory Committee.....	4
State Fiscal Year 2022 Impacts.....	5
Case Study Spotlights.....	6
Delivering Critical Services to Our Communities	6
Impact of CDBG-CV Resources in New Hampshire.....	7
Program Snapshot.....	7
.....	7
Supporting Wholistic Community Economic Development Revitalization	7
Organizational Initiatives.....	8
Community Navigator Pilot Program.....	8
New Hampshire Council on Housing Stability.....	9
Building Data Capacity.....	11
Recovery Housing Pilot Program.....	12
Private Investment to advance Community Impact.....	12
COVID-19 Crisis Response.....	13
<i>Housing and Public Facilities</i>	13
<i>Supportive Housing</i>	14
<i>Continued Deployment of CARES Act Funds</i>	14
<i>Additional Resources to Support Projects Impacted by COVID-19</i>	14
Tax Credit Program.....	16
Business Donor and Nonprofit Engagement.....	17
State Fiscal Year 2022 Tax Credit Awards.....	17
L5 Capacity Building Program.....	19
State Fiscal Year 2022 L5 Capacity Building Awards.....	20
Economic Development Capacity Program.....	21
Tax Credit Business Donors.....	22
Community Development Block Grant Program.....	25
Program Impact.....	25
Background on the Community Development Block Grant Program.....	25
Distribution of Funds.....	26
Program Priorities.....	26
State Fiscal Year 2021 Community Development Block Grant Awards.....	27
<i>Housing and Public Facilities</i>	27
<i>Economic Development</i>	28
<i>Microenterprise (Economic Development)</i>	30
<i>Planning Grants</i>	31
<i>Emergency Grants</i>	32
Clean Energy Fund.....	33
Background on the Clean Energy Fund.....	33
State Fiscal Year 2022 Clean Energy Fund Loans.....	33
Energy Audit Program.....	34
Community Facilities Energy Assessment & Technical Assistance Grant Program.....	34
New Hampshire Energy Week 2022.....	35
Future Energy Initiatives.....	35
Additional Initiatives.....	36
Pre-Development Loan Program.....	36
Job Retention Fund.....	36
Bridge Loans.....	36
Financial Reports for CDFA.....	37

Introduction

September 1, 2022

The Honorable Christopher T. Sununu, Governor
The Honorable Chuck Morse, Senate President
The Honorable Sherman Packard, Speaker of the House
The Honorable Monica Mezzapelle, State Treasury Commissioner

Dear Governor Sununu, President Morse, Speaker Packard, and Commissioner Mezzapelle:

In accordance with RSA 162-L:6, we are providing you with this annual report on the Community Development Finance Authority's operations and outcomes for the fiscal year ending June 30, 2022.

State Fiscal Year 2022 continued to demand creativity and resiliency from New Hampshire residents, businesses and our communities. The Community Development Finance Authority (CDFA) maintained a steady focus on adapting to the evolving needs of our partners, effectively and efficiently deploying significant resources, and leading statewide efforts critical to addressing housing instability and homelessness.

Throughout the last fiscal year, the organization made 87 investments in community-based projects, infusing more than \$20 million into community development, economic development and clean energy projects throughout New Hampshire. In 2022, CDFA's investment resulted in reported impacts of 94,799 people served; 521 housing units rehabbed, preserved or created; 455 small businesses supported, and 102,495 square feet developed or rehabilitated. In addition, business donors remained committed to making investments in New Hampshire communities despite continued economic uncertainty.

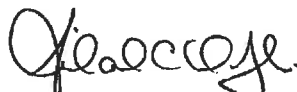
Projects awarded resources have supported nonprofits, municipalities, businesses and microenterprises as they continued to navigate an evolving and difficult socioeconomic landscape, delivered critical services to their communities, provided new jobs, created healthy and safe affordable housing, helped strengthen Main Streets, improved public facilities, and increased energy efficiency.

We continue to strive towards a New Hampshire whose communities are economically and socially resilient. We look forward to continuing to accomplish our goals with your support and the support of our partners.

If you have any further questions, comments, or ideas, please do not hesitate to contact us.



Katherine Easterly Martey
Executive Director



Michael Clafin
Chair, Board of Directors

The Community Development Finance Authority

The Community Development Finance Authority (CDFA) is nonprofit state authority that is uniquely positioned to work in partnership with state and federal initiatives to strengthen New Hampshire communities through the distribution of resources to municipalities, nonprofits, and businesses.

In the thirty-five years since our formation, CDFA's investments have helped to revitalize downtowns, ensure high-quality childcare facilities, expand job opportunities through business expansions, and increase the supply of clean, renewable energy in New Hampshire. We realize these impacts through the deployment of technical assistance and competitive grant, loan and equity programs, including Community Development Block Grants (since 2003), the State Tax Credit Program (since 1991); and the Clean Energy Fund (since 2015). Our innovative, collaborative and dynamic approach to development finance helps our partners to make transformational and sustainable changes.

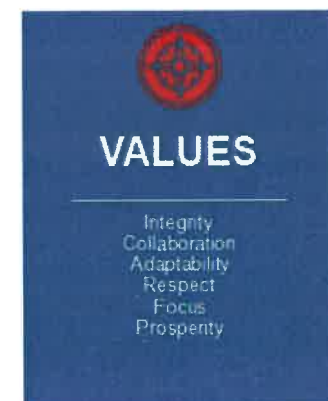
In state fiscal year 2022, CDFA continued to focus on a number of initiatives to increase the organization's capacity to positively impact and strengthen New Hampshire communities. Through this work, CDFA aims to:

- Base investments in data, trends and public participation efforts;
- Increase funds available and integration of those resources; and
- Develop the capacity of our partners to leverage multiple funding sources.

CDFA receives a limited allocation from the State General Fund,¹ which results in the organization providing the State of New Hampshire with an exceptionally cost-efficient system for deploying these resources to its communities. CDFA is financially self-sufficient and relies on fees from the programs it administers as revenue.

CDFA Staff

CDFA's professional staff administers several state and federal programs, performs extensive programmatic and financial reviews on all applicants, and works with partners to ease the burden of compliance and protect the investment of funds. In addition, CDFA staff provide expert technical assistance in multiple forms to partners across the state.



¹ The State provides a federally-mandated 2% administrative match of approximately \$200,000 to operate the Community Development Block Grant program. This is further explained in the Community Development Block Grant section of this report.

Our team brings together a diverse background of experiences and expertise to deliver value to CDFA's partners. This includes a depth of experience in project development and implementation, grant making and impact investing across community economic development and clean energy sectors, as well as financial and compliance expertise.

CDFA staff members include:

Joshua Ahmad-Kahloon, Community Development Manager;
Katherine Easterly Martey, Executive Director;
George Hunton, Director of Tax Credits;
Mollie Kaylor, Director of Housing and Community Development;
Missy Lackey, Contract Manager;
Melissa Latham, Director of Communications and Policy;
Scott Maslansky, Director of Clean Energy Finance;
Jacqueline Matthews, Data Capacity Builder;
Christopher Monroe, Community Development Manager;
Deborah Morin, Chief Financial Officer;
Jennifer Near, Capacity Building Manager;
Kimberly Pacocha, Senior Accountant;
Kevin Peterson, Director of Economic Development;
Melanie Steenbeke, Contract and Loan Assistant; and
Maureen Quinn, Office Manager and Board Relations Manager.

CDFA Board of Directors

CDFA is governed by an eleven-member Board of Directors appointed by the governor and council for five-year terms. These are volunteer positions with no salary provided to directors.

The Board of Directors collaborates closely with leadership and staff to guide the organization's strategic direction, as well as provide oversight on the operations and fiscal health of the organization. The Legislature determined CDFA should be guided by representatives from several sectors, each bringing their professional expertise, including: four representatives from community development organizations; two representatives of small business; one from organized labor; one from employment and training; two from financial institutions; and the Commissioner of the New Hampshire Department of Business and Economic Affairs or his/her designee.

CDFA's Board of Directors includes:

Michael Clafin, **Chair** (representing Community Development);
Cynthia Harrington, **Vice Chair** (Department of Business and Economic Affairs designee);
Mary Ann Kristiansen, (representing Small Business);
John Manning (representing Community Development);
Benjamin Gaetjens-Oleson (representing Small Business);
Peter Rayno (representing Financial Institution);
Jared Reynolds (representing Employment and Training);

Robert Tourigny (representing Community Development); and
Richard Wyman (representing Financial Institutions).

Community Development Advisory Committee

The Community Development Advisory Committee provides strategic counsel on CDFA's administration of the Community Development Block Grant program. The Committee also reviews and recommends applications for funding relative to the program. Projects that are approved by the Committee are then advanced to the New Hampshire Executive Council for final approval.

According to RSA 162-L:15, the Community Development Advisory Committee shall consist of eleven voting members. They include the chairperson of the CDFA Board of Directors, or designee; director of the NH Office of Strategic Initiatives, or designee; executive director of the NH Housing Finance Authority, or designee; the director of the Division of Economic Development at the Department of Business and Economic Affairs, or designee; and an executive director of a regional development organization. The Committee also includes six public members appointed by the Governor, among them are three municipal officials.

Community Development Advisory Committee members include:

Benjamin Gaetjens-Oleson, Chair (CDFA Board of Directors designee);
Anne Duncan-Cooley (Representing a Regional Development Organization);
Elizabeth Fox (Municipal official);
Carmen Lorentz (Public member);
Nancy Merrill (Municipal official);
Ignatius MacLellan (NH Housing Finance Authority designee);
Matt Sullivan (Public member);
Matthew Walsh (Municipal official);
Theresa Pinto (Department of Business and Economic Affairs designee).

State Fiscal Year 2022 Impacts

\$20 million infused into New Hampshire communities

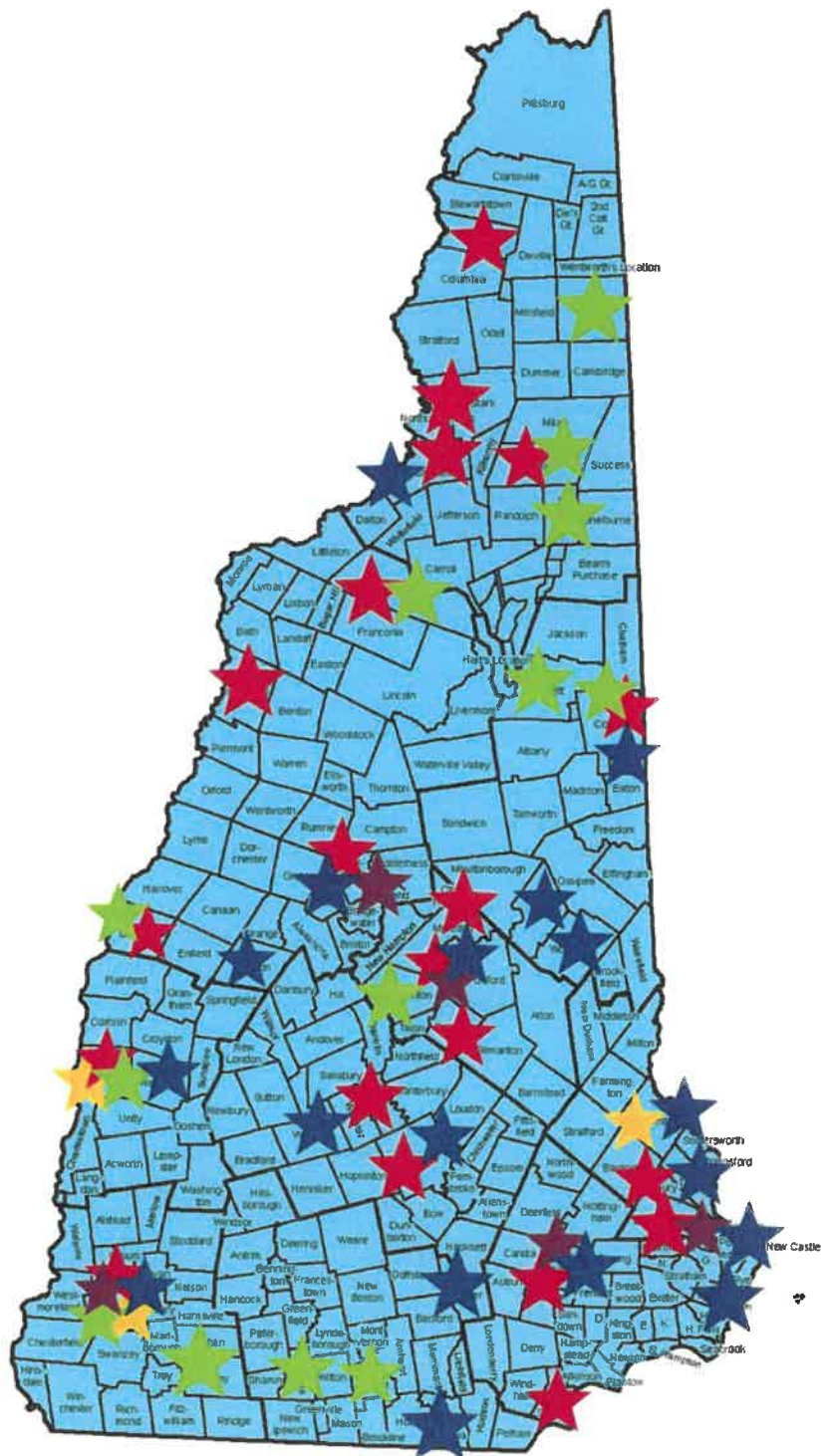
87 community-based projects funded

189 business donors engaged

Initiatives supported by CDFA reported the following impacts:

- Assisted **94,799 people**
- Rehabbed, preserved or created **521 housing units**
- Created or retained **2,305 jobs**
- Supported **455 micro businesses**
- Developed or rehabbed **102,495 square feet**

- ★ Tax Credit Program
- ★ Community Development Block Grant Program
- ★ Clean Energy Fund
- ★ CARES Act Funds
- ★ Community Navigator Pilot Program



Case Study Spotlights

Delivering Critical Services to Our Communities



Hundred Nights, Inc. provides shelter and crisis related services to those at risk of or experiencing homelessness in the Monadnock region of New Hampshire. The organization's year-round emergency shelter and resource center currently operates out of three separate locations throughout Keene.

To more effectively and efficiently serve individuals and families at risk of or experiencing homelessness, Hundred Nights, Inc. is leveraging Community Development Block Grant resources from the Department of Housing and Urban Development to develop a new, 48-bed emergency shelter and resource center.

The new building will provide a centralized, permanent home for a safe and accessible emergency shelter alongside supportive and case management services to help individuals and families throughout the Monadnock Region regain stability. The COVID-19 pandemic has exacerbated the need for the critical emergency shelter and services provided to the community by Hundred Nights, Inc.



The mission of Hundred Nights, Inc. is to provide shelter and crisis related services to those at risk of or experiencing homelessness.

Our goal is to collaborate with and educate the community to see, hear and support those among us who are equally deserving of dignity but who currently lack the means to live independently.

Our vision is a community whose members, regardless of means, are equally valued and supported.

Impact of CDBG-CV Resources in New Hampshire

Program Snapshot

Grantee: Town of Conway, New Hampshire

Program Component: Public Services

Program Description: Conway Village Congregational Church has provided free community dinners and a food pantry to the community for over 20 years. The COVID-19 pandemic impacted their work significantly. Due to the pandemic all indoor food and meal distributions had to be discontinued. There was also an increased need for food within the community, therefore an upgraded stove and freezer were needed to keep up with demand. A van was also needed to help transport food donations from the New Hampshire Food Bank and USDA facilities. The Church previously needed to regularly rent a U-Haul van to transport the food donations which was a significant cost and inconvenience.

To meet these needs and enable the community to carry on this important work, the Town of Conway was awarded \$37,000 to purchase a van, new appliances, and other supplies.

Current Status and Next Steps: The Conway Village Church has continued to provide free community dinners to-go and provided their food pantry clients with their food outside the facility throughout the pandemic. They have served 823 low- and-moderate income beneficiaries. They have purchased the van, as well as a commercial stove and freezer, to continue to meet the increased needs of the community. They continue to provide these critical services to the community.

Supporting Wholistic Community Economic Development Revitalization

The City of Franklin is in the midst of a significant revitalization effort (InDepthNH, [Visionaries are Bringing Back the Mill City](#), July 7, 2021).

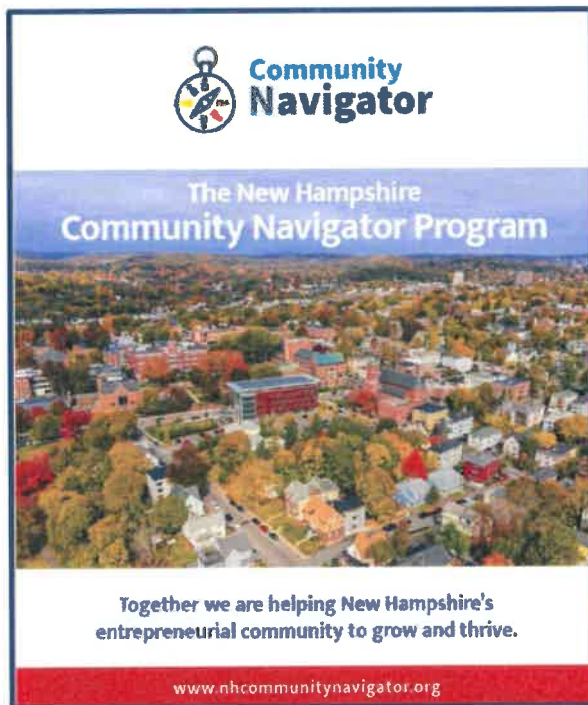
CDFA has invested more than \$3.8 million in resources since 2010 to support community economic development and clean energy initiatives in Franklin, more information can be [found here](#).



Organizational Initiatives

CDFA undertook a number of significant initiatives in State Fiscal Year 2022 to align with its [strategic goals](#), support critical statewide initiatives, and increase the organization's capacity to assist municipal, nonprofit and business partners to advance community-based projects. Organizational priorities continued to include basing investments in data, trends and public participation efforts; increasing funds available to partners and integration of those resources; and developing the capacity of our partners to access and leverage multiple funding sources (grants, loans, equity). Highlights of these efforts included leading the New Hampshire Community Navigator Pilot Program, Council on Housing Stability, continuing to build data capacities, and supporting increased access to CDFA's applications and resources.

Community Navigator Pilot Program



The [SBA Community Navigator Pilot Program](#) (CNPP) is an American Rescue Plan initiative designed to reduce barriers that underrepresented and underserved entrepreneurs often face in accessing the programs they need to recover, grow, or start their businesses. CDFA received \$2.5 million in "Tier 2" funding to enhance the existing small-business technical-assistance ecosystem across the entire State of New Hampshire.

With the goal of reducing the growing opportunity gap between underserved people/communities and the existing business- and entrepreneurship-support network across New Hampshire, CDFA will serve as the lead or "Hub" organization to expand the reach and effectiveness of the small-business technical-assistance and support ecosystem. Through the Navigator program, CDFA will work with our existing TA partners (serving at "Spokes") to increase their reach and skills to address

barriers to working with underserved people, including Black, Indigenous, People of Color (BIPOC), immigrants and individuals for whom English is not their primary language, veterans, women, rural, formerly incarcerated, and the unemployed ('target populations').

CDFA believes 1) the initiative will strengthen the capacity and coordination within New Hampshire's business TA and community economic development ecosystem; 2) there is significant opportunity for progress in this work; and 2) this effort complements other proposals to strengthen the state's entrepreneurial network.



Why does this matter?

Small Businesses Drive New Hampshire's Economy and Create Pathways to Wealth

According to the U.S. Small Business Administration:

- **99%** of the businesses located in New Hampshire are **small businesses** (less than 500 employees)
- **49.8%** of New Hampshire's private workforce is **employed by a small business** (304,765 total employees)
- **79%** of small businesses in New Hampshire (108,000) **have no employees**, only an owner.

Small businesses and microenterprises offer a **pathway to wealth and asset building**, particularly in New Hampshire, where homeownership is even less accessible due to very limited supply and record-high home prices.

Independent research validates both poverty reduction and increases in family wealth through micro-entrepreneurship.

A five-year study by the Aspen Institute found:

- **72%** of poor micro-entrepreneurs experienced **gains in household income** over five years, rising from \$14,000/yr to more than \$22,000/yr
- **53%** of poor micro-entrepreneurs had household gains large enough to **move out of poverty**
- Poor micro-entrepreneurs **reduced their reliance** on government assistance by an average of **61%**
- The **survival rate of microbusinesses** was **49%** after 5 years, comparable with survival rates for businesses with similar characteristics and owners.

New Hampshire Council on Housing Stability

CDFA was appointed to lead the New Hampshire Council on Housing Stability alongside the Department of Health and Human Services and Department of Business and Economic Affairs. Established by Governor Christopher Sununu with [Executive Order 2020-22](#) on November 18, 2020, the Council brings together a broad base of [diverse stakeholders](#) for the purposes of developing and implementing a plan to create housing stability for all citizens of the State of New Hampshire. In doing so, the Council is tasked with addressing a complex set of challenges and providing short- and long-term recommendations to support planning, policy and resource allocation for statewide, regional and local community-based efforts.

In June 2021, the Council on Housing Stability released a three-year [Strategic Plan](#) to promote housing stability and tackle homelessness for residents of the Granite State. The plan outlines actionable next steps and mechanisms for deploying resources with a focus on two significant goals: address housing needs with an increase of 13,500 units of

housing by 2024 and make homelessness rare, brief and one-time in New Hampshire. An overview and full version of the plan can be accessed via <https://nhchs.org/strategicplan/>.

The Council submitted its first [Annual Report](#) in November 2021 to provide an update on statewide progress to address housing stability. In less than six months since its Strategic Plan was released, the Council made significant progress addressing housing and homelessness challenges across the Granite State. The 2021 Annual Report highlights include:

- Distribution of \$57 million through the NH Emergency Rental Assistance Program to support nearly 8,000 households around the state;
- Focus on statewide efforts to increase housing production through outreach on available funding sources and the deployment of resources including American Rescue Plan HOME block grants and Low-Income Housing Tax Credits;
- On the recommendation of the Council, the first [New Hampshire Housing Caucus](#) was established within the state legislature to educate and inform lawmakers about the necessary steps to increase housing availability and stability for New Hampshire citizens, businesses, and communities. The bicameral, bipartisan caucus is composed of sixteen state senators and representatives that represent a diverse range of geographic areas and committees;
- Secured \$9 million in American Rescue Plan funding from the Governor's Office for Emergency Relief and Recovery to advance best practices and incentives for shelter providers to find stable housing for those experiencing homelessness; and
- Awarded more than \$3.4 million in federal grants by the U.S. Department of Housing and Urban Development's Youth Homelessness Demonstration Program to fund innovative programs and services focused on ending youth homelessness in New Hampshire.

Additional funding has been provided through the Governor's Office for Emergency Relief and Recovery to support: new resources for local community planning; the advancement of comprehensive regional housing needs assessments that will help guide communities in addressing housing challenges and opportunities; and a range of operational and programmatic activities. The Council will continue to coordinate with the Governor's Office for Emergency Relief and Recovery to propose new opportunities for funding that supports the advancement of the goals, objectives, and actions recommended in the Council's Strategic Plan.

"We are encouraged by the significant progress being made to advance the strategic plan recommendations and the level of collaboration we've seen across the state to address the housing challenges."

Katherine Easterly Martey, Council co-lead

Two key principles that continue to guide the Council's work are ensuring planning and implementation is person-centered and informed by lived experience. To that end, the Council's Annual Report emphasized the importance of

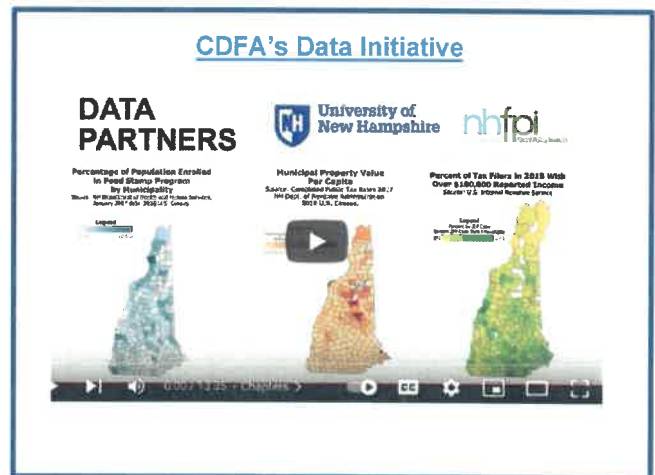
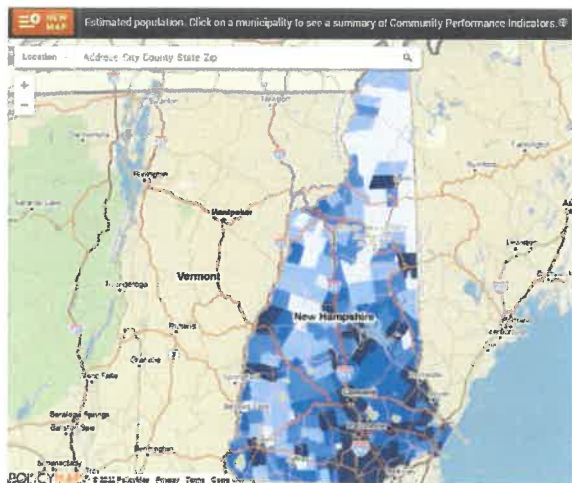
learning from those residents who have experienced housing instability to ensure their voices are prioritized. The report also shared the Council's focus on collecting and aligning data to inform progress toward Strategic Plan goals, objectives, and actions. The public can remain apprised of the Council's progress via its website: www.nhchs.org.

Building Data Capacity

As part of our mission to support community economic development across New Hampshire, CDFA assembles and uses relevant demographic, fiscal and other data, along with public input, to help guide planning and funding priorities, particularly for the federal Community Development Block Grant program. This commitment is articulated in [CDFA's Living Strategic Plan](#):

CDFA looks to meet communities' self-articulated goals, while fostering more coordinated, long-term thinking about the broader needs of communities on a statewide basis. CDFA will increasingly provide its technical and financial resources to all communities, large and small, and notwithstanding the varying capacities of communities.

To meet this goal, in 2019 CDFA embarked on an initiative to update its data collection, analysis and visualization capacity. CDFA engaged the New Hampshire Fiscal Policy Institute and a fellow from the Carsey School of Public Policy at the University of New Hampshire to analyze possible data sources. The recommendations served as the basis for creating a set of 13 [Community Progress Indicators](#) to help illustrate socioeconomic issues across the state. The Indicators also enabled creation of a new [Core Data Index](#) that contributes to the scoring system for Community Development Block Grant applications (replacing a previous system that was based on much older Census data). Both the Indicators and the Index were updated in State Fiscal Year 2021 to include new data, as well as data from 2015 and 2016, which enabled longitudinal analysis of socioeconomic trends. The Indicators and the resultant Index are updated annually and will be analyzed and refined over time.



In 2022, CDFA launched a data-visualization tool to provide access to up-to-date data and information about community-level needs, issues, strengths, and challenges across New Hampshire. The tool is [featured on CDFA's website](#) and builds on our commitment to improve data collection, analysis and visualization capacities to better support New Hampshire communities.

Recovery Housing Pilot Program

The Pilot Program to Help Individuals in Recovery from a Substance Use Disorder Become Stably Housed (Recovery Housing Program) was authorized under Section 8071 of the Support for Patients and Communities (SUPPORT) Act. The Recovery Housing Program (RHP) allows states to provide stable, temporary housing to individuals in recovery from a substance use disorder. New Hampshire Community Development Finance Authority (CDFA), the entity administering New Hampshire's RHP funds, engaged partners and utilized public feedback to inform the creation of an Action Plan. The Action Plan was approved by the Department of Housing and Urban Development in January 2022. The need for additional recovery housing beds was identified as significant. Therefore, New Hampshire will focus on addressing this need through a new Recovery Housing Program funding opportunity in early 2023.

Private Investment to advance Community Impact

In 2022, CDFA advanced our organizational goals of creating strong vehicles for Clean Energy financing by establishing a privately investable fund and providing our partners consistent, flexible capital for long term investments; we met these goals with our first Equity Equivalent Investment (EQ2) into the CDFA Clean Energy Fund. The EQ2 investment supported the purchase of the Enterprise Energy Fund portfolio and will support flexible financing for a wide range of energy efficiency, renewable energy, and clean tech projects serving non-profits, businesses, and municipalities including:

- Clean energy project financing for entities seeking to add clean energy components to larger capital investments in community facilities and housing that serve low-moderate income residents and other underserved New Hampshire residents, and,
- Projects spurring greater adoption of clean technologies newer to NH.

COVID-19 Crisis Response

CDFA continues to meet the needs of New Hampshire communities as a result of the COVID-19 pandemic and continues to provide flexibility to our partners while working to understand needs and deploy resources to support critical work within New Hampshire communities. CDFA works with a variety of partners to ensure the organization's resources and response are aligned with the evolving needs of municipalities, nonprofits and businesses.

In FY22, CDFA has continued to deploy additional Community Development Block Grant resources provided through the CARES Act to meet the funding gaps.

AMERICAN RESCUE PLAN ACT OF 2021

CDFA coordinated with a number of statewide organizations on outreach and technical assistance efforts to municipalities surrounding the \$112 million of Coronavirus State and Local Fiscal Recovery Funds to be distributed directly to communities as part of the American Rescue Plan Act. These efforts resulted in 99% of New Hampshire municipalities agreeing to receive the funds, which will assist New Hampshire towns, cities and counties address critical needs that have been exacerbated by the COVID-19 pandemic and provide an opportunity to make strategic investments to support the long-term resiliency of our communities.

Continued collaboration and partnerships across local, regional, state and nonprofit efforts will be key in maximizing the impact of these one-time resources. CDFA will continue to support local and county governments as they undertake efforts to leverage American Rescue Plan Act funds and access additional state, federal and private resources.

Community Development Block Grant CARES Act Funds

Through the CARES Act, the State of New Hampshire was allocated approximately \$14,311,183 in State Fiscal Year 2020, 2021 and 2022 to be deployed under the Community Development Block Grant program to respond to COVID-19. These funds, known as CDBG-CV, are to be used specifically for the prevention of, preparation for, and response to COVID-19.

Based on CDFA's assessment of community needs and broad public input from various stakeholders, CDBG-CV funds are being deployed to support a number of needs across the state. CDFA developed priorities for deployment of these funds based on state, municipal, nonprofit partner and stakeholder feedback.

Housing and Public Facilities

A total \$1,500,000 in CARES Act funds were awarded in 2022 to support three eligible housing and public facilities projects. The following counties and municipalities were awarded CDBG-CV grant funds in 2022.

- **Cheshire County** was awarded \$500,000 on behalf of Hundred Nights, Inc. to acquire two parcels at 122-124 Water Street in Keene for the construction of a 48-bed emergency shelter and resource center. The project will create a centralized, permanent home for the crisis and emergency shelter services provided to individuals and families throughout the Monadnock Region. The project will benefit an estimated 484 individuals, of whom

100% will be low- or moderate-income (LMI). This includes an estimated 60% of beneficiaries with a disabling condition and approximately ten (10) families experiencing homelessness.

- **The City of Keene** was awarded \$500,000 on behalf of Monadnock Community Service Center, Inc. a non-profit affiliate of Monadnock Family Services (MFS), to support the acquisition and rehabilitation of a property that will serve as their new facility. The project will create a centralized, permanent home that will allow MFS to continue to provide mental and behavioral health services. The project will benefit an estimated 2,450 individuals, of whom at least 73% will be LMI.
- **The City of Rochester** was awarded \$500,000 on behalf of the Community Action Partnership of Strafford County (CAPSC) to renovate the Gafney Home in order to create twenty-one (21) units of housing affordable to elderly households at or below 60% of the area median income.

Supportive Housing

CDFA [allocated up to \\$3,000,000 in CARES Act resources](#) for projects that will provide supportive rental housing to extremely low-income and low-income households. This investment is consistent with the Strategic Plan of the Council on Housing Stability with a priority for persons experiencing homelessness. The funding round to award these resources is on-going in State Fiscal Year 2022.

- **The City of Rochester** was awarded \$1,000,000 on behalf of Easter Seals NH/Champlin Place in support of new construction of 65 units of permanent supportive housing. One-hundred percent of the units will benefit low- and moderate-income individuals. The project will provide much needed supportive housing to older adults and veterans facing housing insecurity or who are exiting medical institutions or other support programs. All residents of Champlin Place will be at or below 60% of area median income. Twenty-five of the units will be for extremely low-income households, 29 for low income, and the remaining 11 units will be for households below area median income. Easter Seals New Hampshire currently operates senior services out of an existing facility on the property. Residents will benefit from a variety of long-term sustainable services operating from the existing building, including nursing, counseling, service coordination, transportation, etc.

Continued Deployment of CARES Act Funds

The remaining balance of CARES Act funds will be deployed in FY23 Funding Opportunities. These funds will support projects and activities within public services, housing, public facilities and economic development program areas.

Additional Resources to Support Projects Impacted by COVID-19

CDFA recognized the economic impacts the COVID-19 crisis placed on infrastructure project timelines and costs, creating a significant barrier to their success, particularly for those that were previously approved for funding immediately before and during the pandemic. In some instances, project costs increased almost 40 percent from original estimates. To support partner needs stemming from these challenges, CDFA provided an opportunity for projects previously funded with CDBG resources that fit criteria specific to hardships as a result of the pandemic to apply for gap financing that would ensure their projects were successfully executed.

In State Fiscal Year 2022, CDFA awarded seven projects with CDBG gap funds to address projected cost increases directly due to the impact of COVID-19 on overall construction costs and availability of suitable contractors to complete the project, including:

- **Town of Exeter** on behalf of Icey Hill Cooperative (\$71,000);
- **Hillsborough County** on behalf of the Nashua Soup Kitchen and Shelter (\$175,000);
- **City of Keene** on behalf of The Community Kitchen (\$157,585);
- **City of Keene** on behalf of Southwest Community Services (\$185,091);
- **City of Lebanon** on behalf of Headrest (\$63,677)
- **Town of Salem** on behalf of the Salem Housing Authority (\$46,200); and
- **Town of Wolfeboro** on behalf of G.A.L.A. Community Center (\$390,000).

Tax Credit Program



CDFA's Tax Credit Program brings together worthy nonprofit projects and conscientious businesses to foster community economic development. The funds have a significant impact on initiatives that advance local community economic development goals, build capacity within the New Hampshire nonprofit ecosystem and provide technical assistance to support economic development across the state.

In State Fiscal Year 2022, projects awarded Tax Credit funding are providing increased access to critical services, housing and quality, affordable childcare; revitalizing neighborhoods, downtowns and

historic structures in rural communities; and supporting community economic development efforts.

Tax credit awardees demonstrate a strong commitment to serving New Hampshire through a variety of initiatives vital to the success of our communities. CDFA's Tax Credit Program plays an important role in strengthening the connection between awarded organizations and their local business community. The result: long-lasting public-private partnerships that enable New Hampshire businesses to make investments which have an impact within their communities.

"Organizations awarded Tax Credit resources have demonstrated a strong commitment to their communities – in the midst of uncertainty and significant challenges – that speaks to the resiliency and vibrancy of the Granite State. These community builders are driving positive, long-lasting change within our communities."

"Through public-private partnerships, this year's awardees are addressing critical needs within our communities like access to a broad base of housing opportunities and supportive services; creating new economic opportunities through affordable, quality childcare and job creation; and revitalizing neighborhoods and downtowns." Katy Easterly Martey, Executive Director, CDFA

The program exchanges a 75 percent state tax credit against a donation made to any CDFA approved project. The tax credit may be applied against the New Hampshire business profits tax, business enterprise tax or the insurance premium tax. The donation also may be eligible for treatment as a state and federal charitable contribution. The contributing company may carry forward the credit for up to five years. The company can select which business tax and how much of their credit to apply towards their taxes in any given year.

Tax credit awards are made annually. CDFA is committed by statute to providing support to nonprofit community development organizations, cooperatives and municipal entities. RSA 162-L:10 permits CDFA to accept donations of up to \$5 million in each state fiscal year in exchange for \$3.75 million in state tax credits for CDFA approved community and economic development projects.

Business Donor and Nonprofit Engagement

The CDFA Tax Credit Program continues to be a valuable tool for New Hampshire businesses to engage with local nonprofits and invest in important initiatives within the communities they serve. The number of businesses that participate in the program continues to grow with new businesses supporting CDFA-approved projects each year. CDFA continues to meet the \$5 million threshold for donations from the business community in advance of the June 30 deadline. Even during tumultuous economic times as experienced as a result of the pandemic, during State Fiscal Year 2022, the business community's commitment to nonprofit partners throughout the state remained strong, recognizing the need to support community-based projects now more than ever.

CDFA has also increased the level of technical assistance delivered to nonprofits interested in the Tax Credit Program through its workshops and one-on-one support leading up to a nonprofit organization submitting an application for funding. In doing so, CDFA staff work closely with partners during the pre-application phase to understand their needs, align those needs with our financing resources, as well as make connections with other potential sources of support. This increased level of pre-application support helps community leaders understand the technical and financial resources available, as well as strengthen the project's capacity for success by addressing any potential challenges early on.

State Fiscal Year 2022 Tax Credit Awards

The following organizations have been awarded CDFA tax credits within State Fiscal Years 2022 and 2023 for their respective projects.²

- **Family Promise of Southern New Hampshire (Nashua) – \$400,000:** Funds will support the expansion of the organization's transitional housing program, which provides residency and case management for families temporarily experiencing homelessness. The project includes the addition of sixteen family suites and demonstrates a strong community and economic benefit by increasing access to transitional housing and services.
- **Friends of the Concord-Lake Sunapee Rail Trail (Concord) – \$200,000:** Tax Credits will support the completion of a 2.5-mile section of rail trail in Concord, providing strong community benefit by increasing access to employment, transportation and outdoor recreation opportunities. When completed, the trail will

² CDFA Tax Credit awards to selected projects are often divided and spread over two state fiscal years, as best suits either the project's fundraising timeline and/or CDFA's year-to-year accounting of tax credits sales. Total project awards in any annual round may be over \$5 million; however, the amount of tax credits assigned to New Hampshire businesses does not exceed \$5 million in each fiscal year. Because the tax credits may be carried forward for up to five years, the amount of tax credits claimed by businesses to the Department of Revenue Administration may vary from year to year.

stretch from Horseshoe Pond in Concord to Sunapee Harbor in Newbury.

- **Hope on Haven Hill (Rochester) – \$500,000:** Funds will help to build the organization's Center for Hope and Wellness, enabling Hope on Haven Hill to significantly expand programming, create community convening space, offer childcare and develop a workforce training program space for mothers in recovery. The new building will also house all of the organization's administrative and clinical offices at one location. The project demonstrates strong community and economic benefit by increasing access to critical services and economic opportunities for low-income women.
- **Hundred Nights, Inc. (Keene) – \$750,000:** Tax Credits will help the organization purchase a Keene property and build a forty-eight bed emergency shelter and resource center in which to offer safer, more efficient, cost-effective, and appropriate shelter and crisis-related services to individuals and families in the Monadnock region. The project provides strong community benefit by increasing access to shelter and services for homeless individuals.
- **Kimball Jenkins (Concord) – \$325,000:** The organization will leverage Tax Credits to improve the accessibility and efficiency of the historic facilities, which serves as an important cultural and economic hub for artists and events within the region. The project demonstrates strong community and economic benefit by increasing visitors to the facility and improving economic opportunities for artists.
- **Lakes Region Community Developers (Belmont) – \$750,000:** Funds will support the Gale School Redevelopment Project to transform a dilapidated, historic property into a vibrant community facility housing a childcare center operated by Boys & Girls Club of Central NH and a program center operated by Lakes Region Community Services. The project demonstrates a strong community and economic benefit by increasing access to quality, affordable childcare, supporting the creation of 21 jobs and expansion of vital community services.
- **Mascoma Valley Preservation (Grafton) – \$300,000:** Tax Credits will support the rehabilitation of three historic buildings in East Grafton. The project demonstrates strong community and economic benefit by rehabilitating an affordable housing unit and community space in a rural, under-resourced area.
- **Mid-State Health Center (Plymouth) – \$300,000:** The organization will leverage Tax Credits for the construction of a state-of-the-art childcare center to address the region's unmet childcare needs. The project has strong community and economic benefit by increasing access to quality, affordable childcare.
- **Palace Theatre Trust (Manchester) – \$63,000:** Funds will support safety and accessibility improvements to the organization's Forever Emma Studios, demonstrating strong community benefit by increasing access to arts for youth.

- **Southwestern Community Services (Keene) – \$475,000:** Tax Credits will support the organization's collaborative approach to the "21 in 21" neighborhood revitalization program in Keene's East Side. The project demonstrates strong community and economic benefit through the rehabilitation and weatherization of twenty-one workforce housing units.
- **Sullivan County (Newport) – \$108,500:** Tax Credits will support the Sullivan County Lead Abatement Program, a county-wide effort to remove lead hazards from sixty low- to moderate-income housing units in the next three years. This pilot program demonstrates strong community and economic benefit through the creation of safer and improved housing stock and a job training program within the region.
- **The Music Hall (Portsmouth) – \$63,000:** The organization will leverage funds to install a new, state-of-the-art lighting system. The Music Hall is an important community hub and economic driver within the region. The project demonstrates strong community and economic benefit by increasing access to arts and improving energy efficiency.
- **Town of Lancaster (Lancaster) – \$155,500:** Tax Credits will support the replacement of aging, outdoor playground equipment and add a covered pavilion at the Colonel Town recreation area in downtown Lancaster, which serves the surrounding region. The project demonstrates strong community and economic benefit by increasing access to outdoor recreation opportunities and driving economic activity by bringing residents and visitors downtown.
- **Waypoint (Rochester) – \$115,000:** Funds will support the development of a drop-in center in Rochester that will provide prevention and early intervention services for youth and young adults who are homeless or at-risk of becoming homeless. The project demonstrates a strong community benefit by creating a physical space that will allow Waypoint to connect with a wider range of youth, provide immediate basic needs and better support youth in changing their lives.

L5 Capacity Building Program

CDFA's L5 Capacity Building Program is a subset of CDFA's Tax Credit Program that provides a one-time infusion of capital at a pivotal point in a nonprofit organization's development. The program is aligned with the intent of section 162-L:5 of CDFA's enabling legislation, which states "the authority may award grants to...fund their operating costs or other costs of projects including, but not limited to, costs incurred for planning, feasibility or other studies, consultants, technical assistance, or educational or publicity programs."

The L5 Capacity Building Program seeks to provide resources to CDFA partner organizations to deepen their mission through the strengthening of their organizational infrastructure or development of new or enhanced programs. These resources further enable partner organizations to deliver increased value and meaning to the communities they serve.

CDFA has identified a continued need to assist New Hampshire's nonprofits in becoming more resilient during this time of significant economic disruption. New Hampshire needs a strong, effective nonprofit network with the capacity to support our communities and envision, create, and implement broad-based community economic development projects as we recover from the lasting impact of the pandemic. CDFA also recognizes that fundraising for capacity building can be challenging, particularly for organizations serving New Hampshire's most vulnerable communities and populations, as well as those under resourced or hindered by geographic challenges. Therefore in 2022, CDFA supported nonprofits awarded through our L5 Capacity Building Program by raising the L5 Tax Credits for state fiscal year 2022. Support from New Hampshire business donors is critical to advancing the nonprofit sector and building a strong, resilient New Hampshire for generations.

State Fiscal Year 2022 L5 Capacity Building Awards

CDFA awarded and raised state fiscal year 2022 Tax Credit funds to the following nonprofit organizations.

- **Ascentria Care Alliance (Statewide) – \$75,000:** Funds will support the expansion of the organization's Good News Garage and Wheels to Work programs. The programs accept vehicle donations to be refurbished and awarded to families in need.
- **Family Promise of Southern New Hampshire (Nashua) – \$50,000:** Funds will be used to hire a Diversion Program case manager. With this position in place, Family Promise will be able to successfully divert more individuals and families into more stable situations by offering financial assistance, as well as case management, to get them through their crisis.
- **Granite State Adaptive (Tuftonboro) – \$40,000:** Resources will support the growth and strengthening of the organization, specifically as it assesses its ability to purchase and develop an accessible, multi-use facility that will enable them to grow their programs which serve individuals with disabilities.
- **Hannah Grimes Center, Inc. (Keene) – \$74,575:** Funds will be used for a multi-pronged capacity building effort to strengthen the organization and deepen its ability to collaborate and grow programs that serve the community.
- **Hope on Haven Hill (Rochester) – \$60,000:** Resources will be used to develop and pilot a new program, "Pathways to Employment," to secure meaningful employment for mothers with substance use disorder who are parenting young children.
- **The Homeless Center for Strafford County (Rochester) – \$45,500:** Funds will be used to hire an Aftercare Case manager, which will add critical capacity to the organization's case management team and overarching efforts to help keep families in permanent housing following shelter stays.
- **YWCA New Hampshire (Manchester) – \$50,000:** In partnership with the Manchester Community Action Coalition, resources will help YWCA New Hampshire to expand the Virtual Tutoring program and transition

from an all-volunteer to a staffed program. The program provides important, family-centered support to the local community.

Economic Development Capacity Program

In addition to the selected projects, CDFA's Tax Credit program supports New Hampshire's Regional Development Corporations. The funds will provide capital for the nonprofit Regional Development Corporations throughout the state to collaborate on fostering and encouraging economic development and job creation.

Tax Credit Business Donors

The CDFA Tax Credit Program continues to be the best performing tax credit program offered by the state. Investment tax credits have been fully subscribed for the last sixteen fiscal years.

Per RSA 162-L:10, \$5,000,000 in donation receipts were applied to state fiscal year 2022. The following businesses invested in New Hampshire community and economic development projects with the purchase of tax credits in state fiscal year 2022.

670, LLC	CENTURY 21 Highview Realty
82-86 Congress, LLC	Chapman Construction/Design Company
A-D Archambault Plumbing & Heating, Inc.	Chestnut Family Dental
Alexander B Choquette	Chutters LLC
Altus Engineering, Inc.	Claremont Savings Bank
Apple Therapy Services, LLC	Clearwater Performance Group
Attitash Mountain Service Company, Inc.	Cleveland, Waters and Bass, P.A.
Autex Mazda	Cohos Advisors
Automotive Supply Associates, Inc. D/B/A Sanel Auto Parts Company	Cook Little Rosenblatt & Manson PLLC
AVA Restoration Services, LLC	Cooper Cargill Chant, P.A.
Bagel Works Inc.	Coventry Assets, LLC
Bank of New Hampshire	Cross Financial Corporation
Bar Harbor Bank & Trust	Crown Point Manufacturing Corp
Bassinger Limited, PC	D.F. Richard Energy
Bayberry Financial Services Corporation	Davis & Towle Group
Belknap Landscape Company, Inc.	Dorr Fabrics
Belletetes Inc.	Dovetail Dental Associates
Bio X-Cell, Inc.	East Coast Electronic Material Supply, LLC
Bonnette, Page & Stone Corp.	ECDC Holdings LLC dba My Handyman Dover
Boothby Therapy Services	Portsmouth Rochester
Bow Junction Associates, Inc.	Eichenauer, Inc.
Brau Inc.	Electronic Imaging Materials, Inc.
Brophy Wealth Management	Elektrisola, Inc.
Bryant Paving, LLC	Enterprise Bank and Trust
C & J Trailways	Enxing Auto Holdings, LLC
C&S Wholesale Grocers, Inc.	Filtrine Manufacturing Co.
Cabot Hill Naturals, LLC	Fisichelli, Beach & Brar DDS, PA
Cambridge Trust	Franklin Savings Bank
Careno Construction Company, LLC	Frazier and Son Furniture
Cartographic Assoc. Inc dba CAI Technologies	Fred H. Hamblet, LLC
Cathartes	General Linen Service, LLC
	Geo. M. Stevens & Son Co.

George E. Sansoucy, P.E., LLC
Global Rescue LLC
Good Digs, LLC
Goosebay Sawmill & Lumber, Inc.
Granite State Hospitality, LLC
Grappone Hyundai, Inc.
Grappone Imports, Inc
Grappone Management Company
Grappone Toyota, Inc.
Great Bay Staffing LLC
Greater Concord Chamber of Commerce
Green Mountain Communications, Inc.
Hampton Ford Hyundai
Hamshaw Lumber
Hart's Restaurant, Inc.
Harvey Construction Corporation
HEB Engineers, Inc.
HLF ATS, LLC
HLF Corporation
HLF East, LLC
HLF South, LLC
Hodges Development Corporation
HOK, LLC
Hubert's of Claremont
Hubert's of New London, Inc.
Hvizda Team LLC
Jake Kaplans of Milford
Jake's Market & Deli
John Grappone Leasing, Inc.
John Grappone, Inc. dba Grappone Ford
Kapiloff Insurance Agency, Inc
KDF, LLC
Keene Chrysler Inc.
Keene Publishing Corporation
Kheops International, Inc.
Label Tech, Inc.
Lakeside Development Corp
LaValley Building Supply, LLC
Ledgewood Wealth Advisors, LLC
Ledyard National Bank

Leone, McDonnell & Roberts P.A.
Littleton Chevrolet Buick, Inc.
Littleton Coin Co. LLC
Littleton Consumer Cooperative Society Inc.
Logical Innovations, LLC
Lori Keller Lambert
Lovering Volvo
Main Street America Assurance Company
Main Street America Protection Insurance Company
MARBUCCO Corp. dba Granite State Glass
Maroun Landscaping Inc.
Martingale, LLC
Martini Northern, LLC
Mascoma Bank
McLane Middleton
McSills Realty
Meredith Village Savings Bank
Merrimack County Savings Bank
Milestone Engineering & Construction, Inc.
Minus33
Miracle Farms Landscaping
Monadnock Ford
Nader Moavenian, DDS, PA
Nancy Phillips Associates Inc.
Nault's Powersports
New Business Directions, LLC
New Hampshire Association of Realtors
New Hampshire Trust Company
Newburyport Five Cents Savings Bank
Newport Sand & Gravel Co., Inc. dba Carroll Concrete
NGM Insurance Company
North & South Custom Builders LLC
North Country Motor Sales
Northeastern Sheet Metal Inc.
Northland Forest Products Inc
Northway Bank
Novo Nordisk US Bio Production Inc
Orchard Medical Mgt, LLC
Paragon Digital Marketing
Passumpsic Savings Bank

Piscataqua Savings Bank
Prime Source Foods
PT United, LLC
QA Technology Co Inc.
Rainboth Murphy Lown, P.A.
Rath, Young and Pignatelli, P.C.
RDS Machine, LLC
Reflections Auto Paint & Bodyworks
Resilient Buildings Group, Inc.
ReVision Energy Inc.
Richmond Financial Services LLC
Robinson Smith Wealth Advisors, LLC
Rockingham Fireworks Mfg. & Display Co. Inc. Dana
Noise-R-Us
Ron Currier's Hilltop Chevrolet
RPWM Partners LLC dba Rise Private Wealth
Management
Salem Co-operative Bank
Salon Systems Partners, LLC
Santa's Village, Inc.
Savings Bank of Walpole
Secure Planning LLC
Secured Network Services, Inc.
Seufert Professional Association
SLC Group Holdings, LLC

Studio Buteo
Sugar River Bank
Summit Land Development, LLC
Tech Transport Inc.
TFG Tree Free Inc.
The Melanson Company, Inc.
The Provident Bank
The Rowley Agency, Inc.
Tod Von Mertens, LLC
Tofts Design, Inc.
True North Networks, LLC
Turbocam, Inc.
Union Bank
Union Bank
Vanessa Stone Real Estate LLC
Waste Management of New Hampshire
Wescott Law, PA
White Mountain Footwear Group
White Mountain Properties, LLC
Whitney Bros Co
William F. Fenton, LLC
Wire Belt Company of America, Inc.
Wit-Way Supply, Inc.
Wood & Clay, Inc.

Community Development Block Grant Program

The Community Development Block Grant program is focused on the development of viable, sustainable and equitable communities by providing decent housing, suitable living environments, and expanding economic opportunities, principally for low- and moderate-income people in New Hampshire.

CDFA receives its allocation directly from the Department of Housing and Urban Development and administers Community Development Block Grant (CDBG) funds for non-entitlement municipalities. All eligible municipalities and counties have the opportunity to access up to \$1.5 million in resources annually, in addition to requests for emergency and planning resources as available.

Program Impact

CDBG projects in New Hampshire have leveraged tens of millions of dollars in matching capital. Many of the state's most important and most prominent initiatives have been partly financed by these resources. CDFA has awarded more than \$180 million in CDBG funds since 2003. These critical federal resources have been deployed to communities throughout New Hampshire and have a significant impact on economic development, housing and community-based initiatives across the state.

Between July 1, 2021 and June 30, 2022, the Community Development Block Grant program assisted 13,479 people through public services and public facility improvements, created or retained 38 jobs, rehabilitated or preserved 453 housing units, and provided technical assistance to 455 microenterprises.

Background on the Community Development Block Grant Program

The program was created in 1974 with the passage of the Housing and Community Development Act, Public Law 93-383. The U.S. Department of Housing and Urban Development administered the Community Development Block Grant program until 1983 when the individual states were provided the funding to administer directly within their communities.

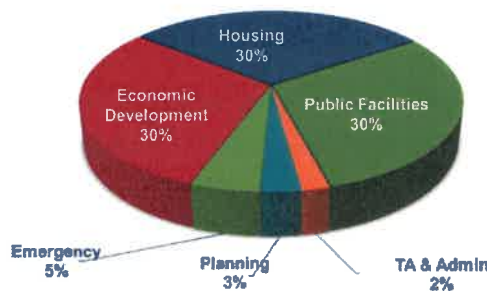
For New Hampshire to receive its annual allocation of federal funds under the Community Development Block Grant program, federal rules require the State to provide match funds to support the administration of the program. This figure is no more than three-percent of the Department of Housing and Urban Development's allocation. In fiscal years 2022 and 2023, the State allocated a total of \$400,000 through the General Fund to support the deployment of approximately \$18 million in block grant funds to New Hampshire communities. CDFA supplemented the General Fund allocation with its own reserves to meet the federally mandated match funds.

Distribution of Funds

Funding levels for each state are determined by a formula from the Department of Housing and Urban Development based on socioeconomic factors including population and poverty rate. The allocation for the statewide CDBG program deployed throughout State Fiscal Year 2022 was \$9,470,915. Any leftover resources are committed to the next funding round.

CDFA awards grants directly to New Hampshire's cities, towns, and counties,³ which often sub-grant the money to a nonprofit agency or other entity conducting the work. New Hampshire's program focuses on funding projects in the following areas:

- Economic Development;
- Housing;
- Public Facilities;
- Emergencies and Unanticipated Events; and
- Planning.



After set-asides of approximately \$300,000 for planning and \$500,000 for emergency grants, CDFA divides the remaining allocation in three equal parts for economic development, housing and public facilities projects. Grants for affordable housing and public facilities are awarded twice a year in competitive rounds; economic development, planning and emergency grants are awarded on a rolling basis.

Program Priorities

To establish priorities for the program and 2021 – 2025 Consolidated Plan, CDFA undertook a multiyear, comprehensive process that was based on data, trends and public participation, including:

- Hosting listening sessions across the state;
- Participating in public hearings;
- Conducting multiple surveys of municipalities, nonprofits, grant administrators and other stakeholders;
- Researching and evaluating best practices and program models;
- Developing a new data set to better understand socioeconomic needs, challenges and opportunities across the state;
- Engaging expert consultants to help guide new program strategies and scoring updates.

CDFA is committed to increasing the resources available for municipalities to accomplish their community economic development goals. The program updates outlined in the 2021 – 2025 Consolidated Plan will advance this commitment and are important measures towards increasing the impact of New Hampshire's program. CDFA will continue to

³ There are five "entitlement communities" which receive money directly from HUD as a special set-aside (Manchester, Nashua, and the combined communities of Portsmouth-Rochester-Dover). Projects located in these communities can apply either directly to the city or to CDFA through their county if they can demonstrate a regional benefit.

engage with federal, state and local partners to deploy Community Development Block Grant resources to meet New Hampshire's needs and update plans as appropriate to reflect any evolving priorities. It's critical to ensure New Hampshire's program is well-positioned to make the most impact possible.

State Fiscal Year 2021 Community Development Block Grant Awards

The following counties and municipalities were awarded grants between July 1, 2021 and June 30, 2022.

Housing and Public Facilities

The Housing and Public Facilities Program awards funds to support community development projects that primarily benefit low- and moderate-income persons or households.

- **The Town of Salem** was awarded \$500,000 on behalf of Depot & Main, LLC to acquire property that is currently a parking lot and construct seventy-four (74) units of new affordable housing. All of the housing units being built as part of the project will be affordable and 100% of the units will benefit low-and moderate- income individuals.
- **The Town of Belmont** was awarded \$500,000 on behalf of Lakes Region Community Developers to complete renovations for the adaptive reuse of the historic Gale School. The project will transform the Gale School into a social service center, housing a childcare center and program space for a non-profit that provides life skills training for clients who have intellectual disabilities and acquired brain disorders. The project will serve one hundred and thirty-five (135) beneficiaries, of whom 51% qualify as low- and moderate-income.
- **The Town of Colebrook** was awarded \$500,000 on behalf of Colebrook Homeowners Cooperative, Inc., a non-profit manufactured home cooperative, to make improvements to their failing water infrastructure. There are thirty (30) units within this project service area; twenty-seven (27) units are within the cooperative and three (3) additional homes are not a part of the cooperative. Based upon income surveys, at least 60% of the sixty-six (66) total beneficiaries from the 30 units house low- and moderate-income individuals.
- **The City of Berlin** was awarded \$500,000 on behalf of TKB Properties, LLC to rehabilitate a vacant school building into new rental housing units. A total of twenty rental units will be created; five of those units are proposed as market rate and the remaining fifteen (75%) will be affordable housing that will benefit low- and moderate-income households. The project provides much needed affordable housing in Berlin through the renovation of the former Brown School, a facility that closed in 2019 due to the city downsizing the number of elementary schools. The project will redevelop this unused building that is costing tax money to maintain and will enable it to be added to tax rolls. It will also add severely needed new rental housing units to the community. The multi-family project will include a mix of 20 one- and two-bedroom units.
- **The Town of Conway** was awarded \$495,000 on behalf of The Bluebird Project, LLC to acquire the property at 213 Seavey Street in North Conway. The property contains four cottage style buildings that will be converted from vacation rental units to permanent housing. Three of the four units will be affordable (HUD Fair

Market Rent) to low- and moderate-income households (< 80% Area Median Income) for a period of at least 10 years. CDBG funds will be used to purchase the property and owner equity of \$62,000 will be used for rehabilitation. The affordable units include one two-bedroom and two one-bedroom cottages which will need minimal improvements to assure they meet HUD Housing Quality Standards. Those units can be quickly rehabilitated and rented to low- and moderate-income households. The last unit is currently two Inn rooms with bathrooms. More extensive work will be required to rehabilitate these two spaces into a one-bedroom cottage. This unit will take longer to complete, and this will be the market rate unit.

- **The City of Laconia** was awarded \$488,000 on behalf of the Laconia Housing and Redevelopment Authority (LHRA) to renovate 4,500 sq. ft. of currently unoccupied commercial space it owns in downtown Laconia. Plans are in place for the space to be leased and occupied by The Partnership for Public Health (PPH) for a minimum of 10 years. The space being renovated is a former senior center; it also houses the administrative offices of the LHRA. This renovation will transform the space into offices to accommodate the programs of the PPH. Renovations proposed will: provide ADA accessibility, and thereby reduce barriers to services; build relationships with organizations that serve disparate populations to improve equity of healthcare in the community; and add a shared multi-purpose space which will allow for enhanced community health education and emergency preventative clinics for PPH and LHRA.
- **The Town of Madbury** was awarded \$500,000 on behalf of the Bunker Lane Condominium Association to replace a 40 plus year old water distribution system which is no longer functioning properly, plagued by frequent water line breaks and low water system pressure. The Bunker Lane Condominium Association (BLCA) is a 51-unit manufactured home condominium association where at least 56% of the residents are of low- and moderate-income.

Economic Development

The Economic Development Program awards funds to support the creation or retention of jobs for low- and moderate-income residents that provide good wages, benefits and training programs.

- **Grafton County** was awarded \$490,000 on behalf of Mid-State Health Center (MSHC) to renovate an existing building into a children's learning center. The project will significantly increase Mid-State Health Center's capacity to provide quality childcare from eighteen (18) positions to sixty (60). Additionally, the project will preserve six (6) jobs and create eight (8) new jobs, of which 64% will be reserved for individuals who qualify as low- and moderate-income.

This project is an example of layered investment by CDFA. Mid-State Health Center has previously been awarded a CDBG planning grant, a CDBG implementation grant and CDFA tax credit awards. The project is located in an area designated by the State as an opportunity zone.

Increasing Access to Affordable, Quality Childcare

Mid-State Health Center, a Federally Qualified Community Health Center in Plymouth, New Hampshire, recognized a significant demand for high-quality, affordable childcare among its employees and within the organization's service area. The health center is currently providing childcare services for 18 children at a leased space.

The organization commissioned a feasibility study on childcare in the Plymouth area in 2020 to better understand the community need for this service. The final report indicated current local capacity for licensed childcare was only meeting 25 percent of the region's need.

To strengthen Mid-State Health Center's capacity to provide affordable, quality childcare for its employees and the greater Plymouth community, the organization is leveraging Community Development Block Grant resources from the Department of Housing and Urban Development to build a new childcare center.

Mid-State Health Center's state-of-the-art, energy efficient childcare facility project is currently underway. The new center will enable the organization to increase enrollment significantly to serve a total of 60 children, a majority of whom are from low- and moderate-income households. The project will also enable Mid-State Health Center to retain six jobs and create eight new jobs, for a total of fourteen permanent full-time jobs in the new facility. Nine of the jobs will be filled by individuals who qualify as low- or moderate-income.



- **Grafton County** was awarded \$267,000 on behalf of New Hampshire's nine Regional Development Corporations across the state. These resources are designed to provide capital to the nonprofits which have the primary goal to foster and encourage economic development. The funds are focused on assisting these organizations to fulfill their missions and provide technical assistance to New Hampshire businesses. Specifically, technical assistance to a business will be for one of the following eligible activities:
 - Establishing and managing a budget for the business;
 - Helping the business to prepare a loan request;
 - Marketing or development of a marketing plan;
 - Developing signage, marketing materials or a logo; and/or
 - Creating a plan to provide, or partner to provide, workforce training and development.

Microenterprise (Economic Development)

The Microenterprise Program, a subset of the Economic Development Program, is an annual set-aside used to aid entities that provide assistance to start-ups and very small businesses. The 2022 allocation of CDBG funds for support of microenterprise technical assistance programs is \$1,315,400, awards were allocated to Grafton County, Cheshire County and Sullivan County. The funds are subsequently divided among economic development centers from every corner of the state. Collectively, the program will serve approximately two hundred eighty-three businesses in New Hampshire.

By definition of the U.S. Department of Housing and Urban Development, the term "microenterprise" means a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise. Microenterprise funding has enabled many New Hampshire small businesses to receive much-needed technical assistance for business planning, marketing, financial management and business structuring in order to develop and expand their businesses.

A grant in the amount of \$500,000 has been made to **Grafton County** on behalf of four organizations to provide a full range of entrepreneurial training and technical assistance services to low- to moderate-income microenterprise owners and others who are planning to start microenterprises in northern New Hampshire:

- \$199,500 to the **Belknap Economic Development Council** in Laconia. Belknap EDC will collaborate with **Wentworth Economic Development Corporation** to assist thirty-eight low- to moderate-income individuals throughout Belknap and Carroll Counties through lending advice, one-on-one counseling and trainings geared toward small business development.
- \$132,000 to the **Grafton Regional Development Council (GRDC)** in Plymouth. GRDC will collaborate with **Coos Economic Development Corporation** to assist twenty-five low- to moderate-income individuals throughout Grafton and Coos Counties through lending advice, one-on-one counseling and trainings geared toward small business development.
- \$87,000 to the **Women's Rural Entrepreneurial Network (WREN)** in Bethlehem. Technical assistance from WREN includes a full range entrepreneurial training service, including programs in graphic and website design, financial management, farm and food marketing, business planning, online marketing and analytics, product pricing, business start-up basics, and photography. The organization will serve twenty low- to moderate-income business owners.
- \$81,500 for the **Northern Community Investment Corporation (NCIC)** in Lancaster. Approximately twenty start-up businesses will be able to take advantage of NCIC's financial management and business coaching, marketing seminars, and training in customer service, among other benefits.

A grant has been made to **Cheshire County** in the amount of \$414,000 on behalf of two organizations to provide a full range of entrepreneurial training and technical assistance services to low- to moderate-income microenterprise owners and others who are planning to start microenterprises in southern New Hampshire and statewide:

- \$295,000 to the **Hannah Grimes Center** in Keene. The center will provide access for fifty microenterprises to its training, one-on-one counseling and technical assistance, as well as other services.
- \$119,000 to the **NH Small Business Development Center** to support a full range of entrepreneurial training and technical assistance services to thirty-five unemployed and underemployed low- to moderate-income individuals. Services provided include classes on how to start a small business, as well as e-courses on finance, management and marketing.

A grant has been made to **Sullivan County** on behalf of two organization to provide a full range of entrepreneurial training and technical assistance services to low- to moderate-income microenterprise owners and others who are planning to start microenterprises in/near Sullivan County:

- \$317,000 for the **Regional Economic Development Center** in Raymond. Activities funded include one-on-one meetings with business advisors, support for business start-up, marketing, accounting, finance and personnel issues, as well as loan applications for business financing. An estimated seventy-five low- to moderate-income small business owners will use their many resources.
- \$84,400 to **River Valley Community College** in Lebanon to provide technical assistance, support and resources, including capital access, to twenty low- and moderate-income microenterprises in Greater Sullivan County and adjacent communities in Southern Grafton and Cheshire Counties. The program offers two pathways – one designed for micro-entrepreneurs in the start-up phase of their business and the other for those in the early growth phase of their business. In addition, Capital Region Development Corporation is making up to \$100,000 in loan capital available for potential loans to qualified micro-clients in Sullivan County

Planning Grants

The Planning Grant Program funds planning and feasibility related activities to determine whether or not a proposed project is viable.

- **The City of Concord** was awarded \$25,000 on behalf of Making Matters NH d/b/a Concord Makerspace. Concord Makerspace will coordinate and oversee an assessment of the current entrepreneurial and small-business-support ecosystem in Concord and the Capital region. As part of the project, Makerspace staff will conduct a survey of its current clients. The survey and assessment results will guide the Makerspace's work to revise programs, expand services, reach more clients (especially LMI and underserved businesses and entrepreneurs), and plan for additional capacity to serve microenterprises in Concord and the Capital Region.
- **Grafton County** was awarded \$25,000 to assist 19 municipalities with their last-mile planning efforts to design solutions to expand fiber into each town. CDBG funding will represent half the total consultant costs needed for project development and planning, and the project intends to benefit at least 51% low- to moderate-income individuals.
- **The Town of Northumberland** was awarded \$25,000 on behalf of Brookview Moblie Homeowners Cooperative, Inc., a 20-unit manufactured housing park located in Northumberland. Currently eighteen (18) of

the twenty (20) units are occupied with 90% of the 43 residents being individuals of low- to moderate-income. The Cooperative proposes to hire an engineer to assess the condition of the water and sewer systems and to develop preliminary plans and cost estimates to replace/upgrade the systems to address issues and decrease costs.

- **The Town of Whitefield** was awarded \$25,000 in CDBG Planning Grant funds to support developing architectural and engineering plans necessary to lead to renovations that will create additional accessible space in the existing lower level of the library. Whitefield residents are the primary users of the facility, and 55% of the population qualifies as persons who are of low- to moderate-income.

Emergency Grants

The Emergency Program funds projects that will provide immediate relief due to unanticipated events which have a serious and immediate threat to public health and safety or unanticipated actions which jeopardize the economic stability of the community.

- **Cheshire County** was awarded \$500,000 on behalf of Monadnock Affordable Housing Corporation (MAHC), an affiliate of Keene Housing, to rehabilitate a building damaged by fire in March 2021. The building, located within the Harper Acres housing development project, serves as a community center and primary laundry facility for the residents of the development. The nonprofit Monadnock Collaborative also leases space within the building to provide services to elderly and disabled individuals and their caregivers. The project will benefit an estimated 568 individuals, of whom 560 or 99% qualify as low- or moderate-income.

Clean Energy Fund

CDFA's Clean Energy Fund is dedicated to financing energy-efficiency improvements, clean technology and renewable energy initiatives throughout New Hampshire. It merges multiple state and federal funds into an efficient, deployable resource. These investments provide financing for eligible initiatives being undertaken by businesses, nonprofits and municipalities.

The Clean Energy Fund is focused on delivering the following value to its partners:

- Provide technical assistance to borrowers and contractors;
- Develop public-private partnerships, de-risking private investment;
- Coordinate with other funding sources to enable a creative approach to financing; and
- Structure loans to ensure project savings are equal to or greater than annual debt service payments.

Since 2015, the Clean Energy Fund has awarded approximately \$7.8 million in financing to support 48 clean energy initiatives throughout New Hampshire. Loans ranged from \$19,000 to \$470,000 with an average loan amount of \$162,725. Collectively, these projects are estimated to save over \$768,000 per year in energy expenses.

Background on the Clean Energy Fund

The Clean Energy Fund utilizes a combination of Federal, State and CDFA resources to offer a single energy-focused revolving loan fund program. These program resources include BetterBuildings, the Energy Enterprise Fund, and the Municipal Energy Reduction Fund. The Clean Energy Fund continues to be recapitalized as loans are repaid. Using resources from the Clean Energy Fund, organizations will be directed to financing from one or more of these programs. CDFA also works with private sector lenders to create credit enhancement products to leverage our public funds and provide additional resources.

State Fiscal Year 2022 Clean Energy Fund Loans

As the revolving loan funds are being recapitalized, CDFA is able to redeploy funds to businesses and municipalities for energy improvement initiatives. In State Fiscal Year 2022, CDFA made the following loans under the Clean Energy Fund.

- 310 Marlboro St., LLC was awarded a \$320,000 Clean Energy Fund loan to install a 143kW photovoltaic (PV) array as part of a hybrid system that will reduce the operational carbon footprint of the 84,000 SF commercial property in Keene. The project is expected to provide over \$20,000 in avoided annual utility costs and will also include roof upgrades, improving the insulation value of one portion of the building.

- AVA Gallery was awarded a \$33,501 Clean Energy Fund loan for an LED lighting upgrade at their 11 Bank Street, Lebanon location. The project is expected to provide \$8,540 in annual energy cost savings, \$850 in estimated maintenance savings, and will reduce lighting kWh usage by almost 75%.
- Bear Investments was awarded \$146,000 in clean energy financing for installation of a 106 kW solar array on the roof of their commercial property at 136 Rt 106 in Gilmanton NH. The array is expected to save \$16,000 annually in avoided energy costs.

Energy Audit Program

CDFA launched the Small Business Energy Audit Fund under the Clean Energy Fund in State Fiscal Year 2017. Using resources from the USDA Rural Energy for America Program (REAP) grant program, CDFA began offering funds to assist agricultural producers and rural small businesses throughout New Hampshire in receiving comprehensive energy audits. Grants cover seventy-five percent of the comprehensive energy audit costs with eligible participants required to pay the remaining twenty-five percent.

Under the program, CDFA works with qualifying business owners to identify an eligible energy auditor, as well as incentives and financing opportunities available for implementing the recommended energy upgrades. In State Fiscal Year 2022, CDFA provided \$20,280 in resources to support energy audits for seven rural businesses throughout New Hampshire.

Community Facilities Energy Assessment & Technical Assistance Grant Program

CDFA launched the Community Facilities Energy Assessment and Technical Assistance Grant Program in October 2020. Through this program, New Hampshire municipalities and nonprofit organizations have the opportunity to apply for grant funding to reduce the cost of energy-related studies. Through technical assistance and the support of energy assessments, the program provides expertise that will help guide organizations to impactful decisions about their facility improvements. Grants cover 75% of the cost of eligible studies and support energy analysis at various stages of design.

Funded studies identify and support the implementation of projects that reduce future operating and maintenance costs and improve building comfort and health, allowing organizations and communities to better support their core missions. In State Fiscal Year 2022, CDFA provided \$10,575 in resources to support energy studies for four nonprofits and municipalities throughout New Hampshire. Funding for this program is provided by a USDA Community Facilities Technical Assistance and Training grant.

2022 New Hampshire Energy Week



New Hampshire Energy Week 2022

CDFA was an organizing partner for the fifth annual New Hampshire Energy Week and has been since its inception in 2017. Energy Week 2022 was completely virtual and featured a series of events that highlighted important energy topics and opportunities, provided a forum to discuss solutions, and brought together leading experts to share knowledge.

In 2022, Energy Week with an exciting line-up of national and local speakers, and closed on April 15 with a recognition of four [Energy Champions in New Hampshire](#). Events this year focused on

addressing a variety of energy-related topics relevant to New Hampshire today and accelerating our energy transition.

CDFA led an event, [Opportunities in NH Clean Energy Financing](#), which featured three CDFA-supported New Hampshire small businesses who shared insights on strategically planning for and implementing energy efficiency and renewable energy projects that deliver a return-on-investment. The event provided information about the value – from an economic, energy and environmental perspective – of investing in energy efficiency and renewable energy technologies, as well as the variety of financial and technical resources available in New Hampshire to successfully undertake these initiatives.

Organizing Partners to be Recognized by New Hampshire Businesses for Social Responsibility

The New Hampshire Energy Week organizing partners were recognized with a Partnership for Innovation Award by the New Hampshire Businesses for Social Responsibility. The organizing partners were selected for their work on Energy Week over the years, which has advocated for clean energy policy in New Hampshire.

The Partnership for Innovation Award recognized a collaboration that created synergy and progress on a sustainability initiative where it might not otherwise have been possible. This collaboration demonstrated a creative approach and measurable results that inspired other business leaders in New Hampshire to take action.

Future Energy Initiatives

CDFA continues to look for new opportunities for strategic collaborations to advance economically-viable investments in clean energy, and particularly those that benefit low-income households. Engaging with the New Hampshire Housing Finance Authority, as well as owners and managers of rental properties serving low-income residents, CDFA is identifying gaps in other energy financing resources where the Clean Energy Fund can support a more comprehensive approach to energy efficiency and renewable energy technologies for capital projects in affordable housing.

Additional Initiatives

CDFA demonstrates its commitment to community development by creating additional programs that complement the work of our many recipients and public/private partners.

Pre-Development Loan Program

The Pre-development Loan Program is designed to help communities, businesses and nonprofit organizations to advance projects from concept initiation and planning to funding and implementation, with a focus on more sophisticated technical assistance and access to funding at the beginning phases of project development.

Job Retention Fund

The CDFA Job Retention Fund helps New Hampshire businesses which lack access to existing credit or equity resources. Loans are made to qualified economic development entities (EDEs), to meet the immediate needs of area businesses. These EDEs then make loans or offer lines of credit to be used solely to assist businesses in remaining open and operating. Money from the CDFA Job Retention Fund has been used to retain employment in a variety of sectors across the state.

Bridge Loans

Government often does not move as quickly as the private sector . The required process of making capital available can take weeks or months, which may be time that the nonprofits, municipalities, economic development entities, or job-creating businesses do not have. CDFA's bridge loan program allows approved grant sponsors to borrow against awarded Community Development Block Grants and have access to money while the government process is completed. Additionally, the program allows approved awardees of the Tax Credit Program to borrow against awarded tax credits while they are securing those pledges.

Financial Reports for CDFA

On the following pages are the financial statements for the Community Development Finance Authority for State Fiscal Year 2022. The financials were audited by Leone, McDonnell & Roberts, Certified Public Accountants. The final audited report will be presented to the CDFA Board of Directors at the annual meeting on September 13, 2022, after which the report will be resubmitted.