

February 17, 2023

House of Representatives - Committee on Finance, Division I 33 North State Street Legislative Office Building, Rooms 210-211 Concord, NH 03301-6334

Dear Honorable Representative Kenneth Weyler and Finance Committee members:

Over the next two fiscal years, the Community Development Finance Authority (CDFA) will administer approximately \$21 million in Community Development Block Grant (CDBG) funds from the Department of Housing and Urban Development (contingent on confirmation of federal funding levels). Please note this total does not include the additional resources CDFA is deploying through special allocations made through the CDBG program. CDFA deploys CDBG funds to eligible municipalities to support the development of viable, sustainable and equitable communities by expanding economic opportunities, providing decent housing and a suitable living environment for persons of low- and moderate-income in New Hampshire.

The CDFA Board of Directors respectfully requests continued match funding from the State of New Hampshire in **the amount of \$540,000** over the next biennium. The request of \$260,000 in Fiscal Year 2024 and \$280,000 in Fiscal Year 2025 represents the federally required match of state funds towards program administration for New Hampshire's annual allocation of federal block grant resources under the CDBG Program. CDFA has the responsibility to administer this program under RSA 162-L:11-L:19.

Between January 1, 2020 and June 30, 2022, New Hampshire's Community Development Block Grant program: assisted 15,436 people through public services, public facility improvements, and emergency grants; created or retained 76 jobs; rehabilitated or preserved 605 housing units; and provided technical assistance to 895 microenterprises.

CDFA has administered the annual allocation of federal CDBG funds on behalf of the State since July 2003, guiding the investment of more than \$180 million into New Hampshire communities. These critical resources have been deployed across the state and have made a significant impact on economic development, housing and community-based initiatives.

State CDBG funds are highly sought by municipalities and counties throughout New Hampshire, making the program highly competitive and resulting in highly effective projects. In addition, CDFA has consistently sought out ways to improve its operating efficiency to reduce its costs.

With the state's financial support, municipalities and counties within New Hampshire will benefit from approximately \$21 million in federal funds to improve the lives and well-being of low- and moderate-income citizens of the state.

Respectfully,

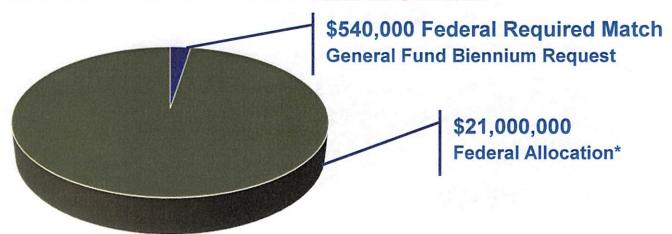
Katherine Easterly Martey Executive Director



COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Supporting the development of viable, sustainable and equitable communities in New Hampshire by expanding economic opportunities, providing housing for persons of low- and moderate-income.

INVESTMENT IN NEW HAMPSHIRE



*Two-year estimate contingent on confirmation of federal funding levels.

IMPACT IN NEW HAMPSHIRE

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PROJECT SPOTLIGHT

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 had been providing childcare services for 18 children at a leased space.

Using Community Development Block Grant planning funds, the organization commissioned a feasibility study on child-care 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 leveraged Community Development Block Grant public facility and economic development resources to build a new childcare center.

Mid-State Health Center now has a state-of-the -art, energy efficient childcare facility. The new center enables 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.



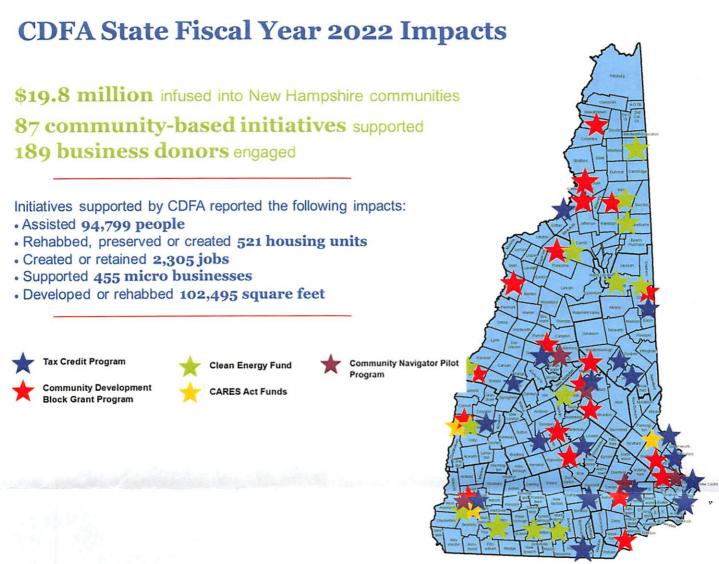
PROJECT SPOTLIGHT

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 services 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 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.





CDFA ANNUAL REPORT

Additional details on CDFA's annual impact can be found in our <u>State Fiscal Year 2022 Annual Report</u>. nhcdfa.org/who-we-are/our-impact

Information about the Community Development Block Grant Program can be found on CDFA's Resource Hub.