



March 4, 2021

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 Lynne Ober and Finance Committee members:

Over the next two fiscal years, the Community Development Finance Authority (CDFA) will administer approximately \$18.66 million in Community Development Block Grant (CDBG) funds from the Department of Housing and Urban Development. This total does not include the additional resources CDFA is deploying from CARES Act 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 in **the amount of \$400,000** over the next biennium. The request of \$200,000 per year represents a required match of state funds for New Hampshire's annual allocation of federal block grant funds under the CDBG program. CDFA has the responsibility to administer this program under RSA 162-L:11-L:19.

In calendar years 2018 and 2019, funds from the state CDBG program have improved the lives of 2,455 people through public facility improvements and 613 people through emergency grants, created or retained 98 livable wage jobs with benefits, created or rehabilitated 260 affordable and workforce housing units, and provided technical assistance to 602 micro businesses. CDFA has administered the annual allocation of federal CDBG funds on behalf of the State since July 2003, guiding the investment of more than \$150 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 including childcare, rural transportation, downtown revitalization and redevelopment.

State CDBG funds are highly sought by municipalities and counties throughout New Hampshire, making the program highly competitive and resulting in impactful projects. CDFA has consistently sought out ways to improve its operating efficiency to reduce costs and is effectively staffed to fulfill its statutory obligations. The budget request being considered by the Finance Committee has not impacted CDFA staffing and is a required commitment to deploy significant federal resources in New Hampshire. [CDFA's Annual report](#) provides a comprehensive overview of the organization's work over the past year and plans to continue to support community economic development initiatives across the state with your support. It is our current understanding that CDFA does not have any items in HB2.

With the state's financial support, municipalities and counties within New Hampshire will benefit from more than \$18 million in federal funds to improve the lives and well-being of low- and moderate-income citizens of the state. I look forward to meeting with you and your colleagues on the Committee on Finance to answer any outstanding questions.

Respectfully,

Katherine Easterly Martey  
Executive Director