



April 12, 2021

Senate of the State of NH – Finance Committee
107 North Main Street
Concord, NH 03301-6334

Dear Honorable Senator Gary Daniels 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,

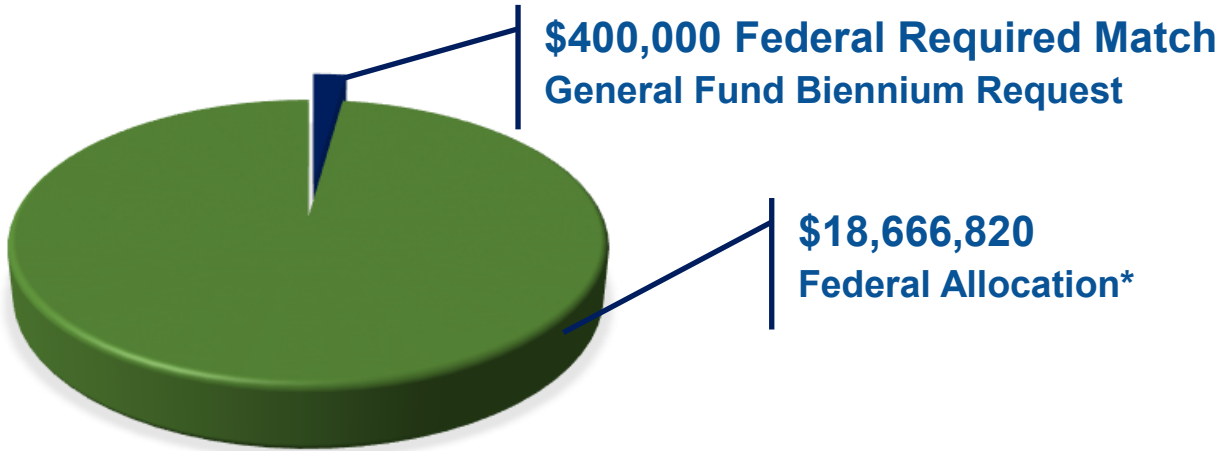
Katherine Easterly Martey
Executive Director



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.

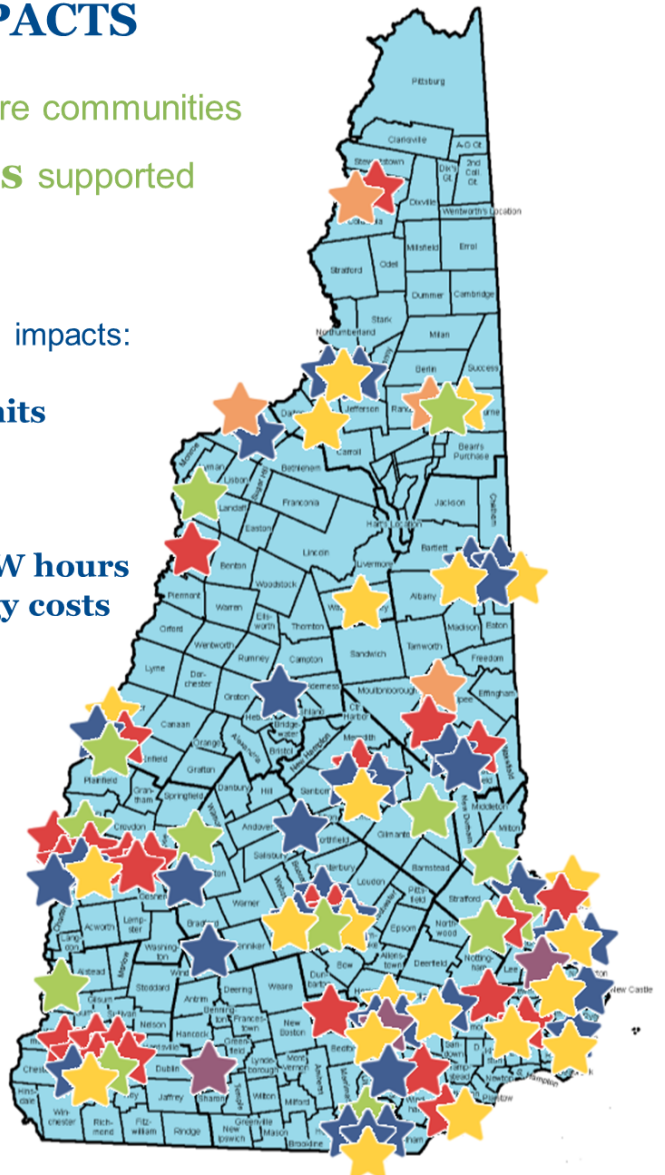
STATE FISCAL YEAR 2020 IMPACTS

\$17.8 million infused into New Hampshire communities
109 community-based initiatives supported
214 business donors engaged

Initiatives supported by CDFA reported the following impacts:

- Assisted **179,920 people**
- Rehabbed, preserved or created **159 housing units**
- Created or retained **269 jobs**
- Supported **340 micro businesses**
- Developed or rehabbed **133,773 square feet**
- Estimated annual energy savings of **1,252,542 kW hours**
- Saved an estimated **\$143,000 in annual energy costs**

- Tax Credit Program
- Community Development Block Grant Program
- Clean Energy Fund
- Nonprofit Response Fund
- i2i
- Predevelopment Loan Fund



CDFA ANNUAL REPORT

Additional details on CDFA's annual impact can be found in our [State Fiscal Year 2020 Annual Report](#).

Information about the Community Development Block Grant Program can be found on [CDFA's Resource Hub](#).



CDFA Project Spotlight

Reducing Energy Costs for Low-Income Seniors

Maple Manor is an independent housing complex in Newport, New Hampshire that provides high-quality housing options for qualifying low-income elderly and disabled persons. All residents of the 42 one-bedroom, single-level, apartment complex belong to the low- and middle-income strata.

To strengthen the organization's ability to provide services to low-income seniors, with the assistance of CDFA's Clean Energy Fund and Community Development Block Grant funds from the Department of Housing and Urban Development, Maple Manor has significantly reduced energy consumption and energy costs.

By leveraging these critical federal resources, Maple Manor installed a 87 kW solar photovoltaic system to produce electricity. Additional energy efficiency work completed throughout the community included LED lighting replacements, air sealing, insulation of attic space, as well as the installation of mini-split electric heat pumps and new hot water heaters.



[Drum, LLC](#)

[Peterborough](#)



CDFA Project Spotlight

Building the Capacity of Microenterprise Technical Assistance Providers

The Community Development Block Grant (CDBG) Microenterprise Program helps foster economic development by supporting organizations that provide a full range of entrepreneurial training and technical assistance services to low- and moderate-income micro-business owners and start-ups (those with fewer than five employees). New Hampshire's Microenterprise program, as administered by the Community Development Finance Authority, has aided in creating resilient communities and empowered small business owners throughout the state to reach their goals.

From a small gourmet burger shop in Conway to an organic farm in Colebrook that provides foods to local markets and local food banks, the Microenterprise program provides ongoing, integral funding to build the capacity of technical assistance providers across the state. Without this funding, these small businesses would be unable to acquire critical services, loan and business consulting among them, at a reasonable cost.

The Microenterprise Program is a subset of the CDBG Economic Development Program. Funding for the program is provided to New Hampshire through the U.S. Department of Housing and Urban Development.



CDFA Project Spotlight

Bridging the Workforce Development Gap

Since 1968, River Valley Community College (RVCC) has been providing students throughout the Connecticut River Valley with the skills and knowledge necessary to be successful in the workforce. To strengthen this commitment, with the assistance of Community Development Block Grant funds from CDFA, RVCC recently transformed a 19,000 square foot facility in the heart of downtown Lebanon into a hub for workforce development.

After four months of intensive renovation, the Lebanon Academic Center opened its doors in January 2016 with enrollment far exceeding initial estimates. RVCC is offering a variety of educational and business training programs, partnering with area employers to help develop a skilled workforce. The Lebanon Academic Center is on track for an official opening in the Fall of 2016 and is well on the way to meeting enrollment projections of 500 students.

These new workforce development resources in the Upper Valley – for local students, employees and businesses alike – will help New Hampshire continue to develop and retain a stronger workforce.

