



# CITY OF CONCORD

New Hampshire's Main Street™

## COMMUNITY DEVELOPMENT ADVISORY COMMITTEE

### MEETING MINUTES

May 25, 2022

- Attendees: Chair Jeff Bart; Mayor Jim Bouley; Councilor Erle Pierce; Councilor Zandra Rice-Hawkins; Councilor Candace Bouchard; and Councilor Stacey Brown
- Absent: Janet Sprague and Michael Gfroerer
- Staff: Matt Walsh, Director of Redevelopment, Downtown Services, and Special Projects  
Crayton Brubaker, Community Development Specialist
- Public Attendees: Donna Kerwin Lane, City's CDBG Consultant; Kathy Furlong and Chris Emond with Boys and Girls Club / Penacook Community Center; Charlie Burr, Christ the King Parish

#### 1) **Welcome and Introductions**

Mr. Jeff Bart opened the meeting at 12:00 pm. Each Committee member and staff representative went around and introduced themselves.

#### 2) **Overview of Community Development Advisory Committee's Responsibilities**

Matt Walsh provided an overview of the Community Development Advisory Committee's (CDAC) role and responsibilities. He explained that CDAC has two primary responsibilities.

First, CDAC is responsible for providing policy recommendations concerning for the City's Community Development Block Grant (CDBG) Program, including review of proposals for potential CDBG projects, as well as recommending proposals to the City Council for application to the NH Community Development Finance Authority.

Secondly, CDAC is responsible for providing policy recommendations regarding the City's Revolving Loan Fund Program. Specifically, CDAC reviews potential modifications of the City's Program Income Reuse Plan, which serves as the City's guidelines for the Revolving Loan Fund Program, to the City Council. Secondly, CDAC reviews and votes on all loan applications.

### 3) **Adoption of Minutes**

#### a) **November 18, 2020 Minutes**

Mayor Bouley motioned the adoption of the November 18, 2020 Committee meeting minutes. Councilor Erle Pierce seconded the motion. The motion passed with a unanimous voice vote.

### 4) **Community Development Block Grant (CDBG) Proposals for July 2022 Application Round**

Mr. Walsh provided a brief overview. He explained that Community Development Block Grants (CDBG) are administered by the NH Community Development Finance Authority. The City, as a Non-Entitlement Community, is eligible to apply to the NHCDFA for the following CDBG funds annually:

Each year, the NHCDFA holds two CDBG application rounds, typically in January and July, to support housing and public facility projects that primarily benefit low- and moderate-income individuals and households. Types of CDBG grants available are as follows:

- **Housing:** This type of CDBG provides funding for the preservation and construction of affordable housing. Counties and non-entitlement communities, such as Concord, are eligible to apply for up to \$500,000 annually.
- **Public Facilities:** This type of CDBG provides funding for the construction of public facilities, such as water and sewer infrastructure, as well as other types of facilities including daycares, homeless shelters, and soup kitchens. Counties and non-entitlement communities, such as Concord, are eligible to apply for up to \$500,000 annually.

In addition to housing and public facilities, the NHCDFA also offers other types of Community Development Block Grants, as follows:

- **Emergency Grants:** These funds are available for projects to address emergencies and unanticipated events that have a serious and immediate threat to public health and safety, which primarily benefit low- and moderate-income people. Counties and non-entitlement communities, such as Concord, are eligible to apply for up to \$500,000 annually. Applications are accepted on a first-come, first-served basis throughout the calendar year.
- **Feasibility/Planning Grants:** These funds are available to conduct needs assessments, income surveys, preliminary architectural and engineering designs, cost estimates, and market analyses for potential CDBG projects, which primarily benefit low- and moderate-income individuals. Counties and non-entitlement communities, such as Concord, are eligible to apply for up to \$25,000 annually.
- **Economic Development Grants:** The City is also eligible to apply for up to \$500,000 in a calendar year to support economic development projects, which benefit low / moderate income persons. Such projects may include business loans, real estate development, infrastructure improvements, job training and similar activities. Applications are accepted on a first-come, first-served basis throughout the calendar year.

In addition to these funding opportunities, the NHCDFE has also implemented a temporary CDBG program to respond to the Covid-19 Pandemic. Under this program, applicants may seek up to \$750,000 of funding for qualified projects.

Mr. Walsh explained that, on April 19, 2022, City Administration, on behalf of the Community Development Advisory Committee (CDAC), issued a Request for Proposals (RFP) to solicit potential CDBG eligible projects from CDBG eligible entities. Approximately three dozen organizations received the City's RFP. Proposals were due on May 13, 2022. Proposals were received from the Boys and Girls Club and Christ the King Church.

**a) Boys and Girls Club (Penacook Community Center)**

Mr. Chris Emond, the Boys and Girls Club CEO, spoke to the Committee briefly about the Boys and Girls Club's proposal for the July 2022 CDBG application round. He explained that the Boys and Girls Club recently merged with the Penacook Community Center (PCC) and plan to build a new 9,000 square foot facility to replace the PCC's current structures located at 76 Community Drive. This building would be able to host an early childhood program, an after-school program, and have both an indoor and outdoor recreation area. The total cost of the project is estimated at \$4.3 million. Construction is scheduled to begin in spring 2023. Mr. Emond indicated that, to date, the Boys and Girls Club has raised approximately \$2 million of the total project costs. He also noted that the Club is pursuing other funding opportunities.

The new facility will house an early learning center and after school program, as well as designated space for community meetings small gatherings of residents. Subject to ongoing negotiations with the City, the community room may also host part-time library services vis-à-vis the current model used for part-time library services for the Heights at the City-wide Community Center at 14 Canterbury Road. Prior to the Covid-19 Pandemic, the Penacook Branch Library served 3,000 patrons annually.

The PCC's infant, toddler and preschool classrooms will hold 46 children. The after school/summer camp program space will accommodate an additional 45 youth.

The Boys and Girls Club anticipates serving 135-145 Penacook children and youth each year in our various programs. Per recent income surveys, approximately 55% of families served by the Boys and Girls Club are low to moderate income (i.e. earning less than 80% of the area median income)

Mr. Walsh explained the CDBG application process. If the City's application is successful, funds would be available in early 2023. He noted this timeline is conducive with the current construction schedule.

**b) Christ the King Church Food Pantry**

Mr. Charlie Burr, the Business Manager for Christ the King Parish, spoke to the Committee about Christ the King Food Pantry's CDBG proposal for the July 2022 application round. He explained that the Church recently received a \$1 million donation earmarked for this project from a parishioner.

The Food Pantry currently serves around 1,500 people per quarter. Mr. Burr estimated that 90-95% of the people served are from Concord. Mr. Burr noted that the food pantry does not discriminate based on race, color, sex, marital status, disability, age, national origin, or

religion. He also said that there is no evangelization at the food pantry and no users are required to make religious declarations.

The Food Pantry facility currently operates out of a small two-story house on the Christ the King campus. The Food Pantry currently operates with 60 volunteers and no paid staff. Food is acquired from non-profit and government agencies, such as the New Hampshire Food Bank in Manchester and the Community Action Program. Mr. Burr said that some discount programs are available for various food items. Mr. Burr presented pictures to CDAC showing the storage area in the existing Food Pantry facilities.

Currently, the pantry is operated in a former residential building at the property, which was constructed circa 1900. The facility is not handicap accessible. Due to the building's configuration, pantry operations are conducted on multiple floors, and foodstuffs are stored in the basement. This is problematic due to lack of elevators in the building.

Councilor Pierce asked if the current Food Pantry facility is the same facility as in the 1990s and Mr. Burr confirmed that it is.

Mr. Burr outlined the existing plan, which is to make the Food Pantry into a one-story, 5,000 square foot facility. Mr. Burr noted that the setting would be similar to a small grocery store and designed to allow for social distancing in response to the recent Covid-19 Pandemic. Mr. Burr emphasized that the Christ the King Food Pantry is seeking for Covid-19 CDBG funding because the current facility does not allow for social distancing. He stated that only one family at a time can be helped and standing in outdoor conditions for long periods of time may be harmful to some residents. Mr. Burr stated he would like to have more people in the building, better ventilation, and solar panels on the building with the ultimate goal of serving more food to more people.

Councilor Brown asked whether the location of the facility is still at 72 South Main Street. Mr. Burr confirmed that is the address, but also noted the police address is 60 South Main Street.

Councilor Brown asked if there are vegetables available at the pantry. Mr. Burr confirmed and noted that the Food Pantry participated in the Feed New Hampshire program that helped collect freshly grown vegetables.

Councilor Bouchard asked how many people are served at the Food Pantry. Mr. Burr indicated 1,500 people were served every quarter year.

Mr. Bart asked how much the Christ the King Pantry is applying for in funding. Mr. Burr stated they are seeking the maximum grant of up to \$750,000. Mr. Burr also emphasized that they have the \$1 million earmarked in reserve through the diocese.

Councilor Rice-Hawkins complimented the Food Pantry on its non-discrimination when serving people and asked if the self-shopping area be ADA accessible. Mr. Burr confirmed that it will be accessible.

Councilor Pierce asked if the current building will be removed and Mr. Burr explained that the current building will be raised and replaced. Councilor Pierce asked if the Food Pantry expects any historic building regulations. Mr. Walsh clarified that the City Heritage

Commission and New Hampshire Division of Historic Resources will need to be consulted with for the project.

Mr. Bart asked whether the Boys and Girls Club and Christ the King Food Pantry will score well at the NH Community Development Finance Authority (NHCDFA). Ms. Lane stated that she believed they would score well.

Mayor Bouley motioned for a recommendation to the City Council to authorize the City Manager to apply for the maximum amount of both grants presented. Councilor Bouchard seconded the motion. The motion passed with a unanimous voice vote. Ms. Lane noted that City staff should use the verbiage “up to \$X amount” in the public hearing reports.

## **5) Community Development Block Grant (CDBG) Program Status Reports**

Mr. Walsh introduced Donna Lane, the City’s CDBG consultant. He noted that approximately 5% of each CDBG grant is used to compensate Ms. Lane for her consulting services. Ms. Lane provided updates on all of the following projects.

### **a) Top of the Hill Cooperative (\$475,000 / 2019)**

This project involves the connection of a manufactured housing park into the municipal sewer system. The manufactured housing park has 25 units. The project was recently completed. Mr. Walsh noted this park is by Integra Drive and Airport Road.

### **b) Crisis Center of Central New Hampshire (\$357,290 / 2020)**

The Crisis Center of Central New Hampshire (CCCNH) originally intended to use CDBG funds to renovate their offices at 79 South State Street, as update their HVAC system at their downtown shelter. Upon review, architects and engineers determined the proposed renovation of the 79 South State property was not viable. As a result, CCCNH sold the building.

Also, the CCCNH determined renovation of the HVAC system at their shelter facility would be more involved than originally anticipated. As such, they have elected not to proceed with HVAC improvements as this time.

Due to these circumstances, the CDBG project is being cancelled.

Ms. Lane provided information who designed the heating system at the CCCNH shelter.

Councilor Pierce and Mr. Bart asked what happens to the funding if the project is cancelled. Mr. Walsh explained that unused funds are forfeited to the NHCDFA. In turn, NHCDFA makes the unused CDBG funds available in future grant rounds.

### **c) Fellowship Housing (\$77,000 / 2020) (Cancelled)**

Improvements to the heating system were completed using grants from utility companies in lieu of CDBG funding. Therefore, the project has been cancelled and unused funds have been forfeited to the NHCDFA. The \$77,000 is gone, except for the administrative portion. Mr. Walsh noted that this property is at the corner of Pleasant Street and State Street.

**d) Covid-19 CDBG Grants (\$499,899 / 2020)**

On November 24, 2020, the NHCDFA awarded the City \$499,899 of special Covid-19 Pandemic CDBG funds. The funds were sub-granted to the following entities. Status reports for each entity are as follows. This grant sunsets on December 31, 2022. Any unused funds will be forfeited to the NHCDFA.

Staff provided the following updates:

- i) Concord Coalition to End Homelessness (\$178,905): Approximately \$137,313 (77%) has been spent to date. Funds have been primarily spent on staffing at the Homeless Resource Center and Winter Shelter. These facilities were heavily staffed with volunteers prior to the Pandemic; however, that staff modeling became obsolete at the height of the Pandemic. Funds have also been used on enhanced cleaning services and equipment necessitated by the Pandemic.
- ii) Family Promise (\$43,200): Approximately \$37,908 (87%) has been spent to date. Funds have been utilized on supplies and temporary lodging for individuals experiencing homelessness during the Pandemic.
- iii) The Friends Program (\$83,599): Approximately \$12,027 (14%) has been spent to date on temporary housing for individuals during the Pandemic, as well as supplies and materials for their senior program (primarily grocery shopping for homebound seniors) and youth reading program (to address learning gaps created by stay at home learning during the height of the Pandemic).
- iv) The Friendly Kitchen (\$115,810): Approximately \$64,946 (56%) has been spent to date. Funds have been spent on equipment to help respond to the Pandemic, as well as take out service. In addition, the Kitchen has started supplying meals to food insecure families via partnerships with the Boys and Girls Club of Central New Hampshire, Merrimack Valley Day Care, and Senior Residences at Horseshoe Pond Place.
- v) City Human Services Department (\$53,385): Allocation was intended to support temporary housing for individuals during the Pandemic, as well as rent support. Due to other programs enacted by the State and Federal government during the pandemic, as well as conflicts between State privacy laws for welfare recipients and CDBG reporting requirements for beneficiaries receiving temporary housing support from these funds, these moneys have not been expended.

The money for these Covid-19 CDBG projects can be spent until December 2022. Unused funds will be forfeited to the NHCDFA.

Councilor Rice Hawkins asked if CDAC could direct the City to use the unused money in the Human Services Department for housing vouchers. Ms. Lane suggested it might be possible to seek approval from the NHCDFA regarding use of the City's Human Services Covid-19 CDBG funds. However, that process would be time consuming, and recognizing that the funds must be spend by December 31, 2022, it might not be viable to complete that process in time. In addition, conflicts between State Welfare laws and CDBG reporting requirements, which have thwarted use of this allocation, could continue to be an obstacle for using these funds by the Human Services Department. Donna Lane also explained that the conflict between CDBG reporting requirements and privacy rights in State Law for

welfare recipients has been a stumbling block for other Human Services Departments in the State, such as Laconia, for using these funds.

Mayor Bouley asked if staffing services were anticipated for these projects and Ms. Lane confirmed it was anticipated. Mr. Walsh clarified that CDBG money is usually for brick and mortar projects and usually does not allow for services. Ms. Lane noted that it is difficult for organizations to spend smaller amounts of money with federal regulations like having to show comparable alternatives for each item bought for the agencies, etc.

**e) Riverbend Mental Health Services – Housing (\$386,242 / 2021)**

This project involves renovation of Twitchell House (111 Pleasant Street) and Fayette House (4-6 Fayette Street). Both properties are operated by Riverbend Community Mental Health, Inc. to provide residential based mental health treatment to patients.

The Fayette House features nine rooms for residents, as well as a shared living area, dining area, and kitchens. Improvements include paint, lighting and new flooring, kitchen renovations to improve the energy efficiency and functionality, as well as bathroom renovations to improve handicap accessibility. Renovations are currently scheduled to be completed in August 2022.

Twitchell House is a group residence for 15 clients. It features a shared living room, dining room and kitchen. Renovations are similar in scope of work for the Fayette House, and are currently scheduled to be completed in October 2022.

Due to cost overruns due to inflation, the City plans to seek supplemental CDBG funds for this project.

**f) Riverbend Mental Health Services – Public Facilities (\$348,700 / 2021)**

This project involves the renovation three properties owned and operated by Riverbend Community Mental Health Public as outpatient treatment facilities. The properties are located at: 40 Pleasant Street, 42 Pleasant Street, and 10 West Street. These buildings provide mental health services to 3,132 people, of which 76% are low- and moderate-income. The project is currently out to bid, with bids expected to come back in June 2022. Construction will begin shortly thereafter. Due to cost overruns due to inflation, the City plans to seek supplemental CDBG funds for this project.

**g) Concord Makerspace (\$25,000 / 2021)**

The Concord Makerspace Planning Study is almost complete. The consultant preparing the study has conducted several interviews with the Makerspace's staff and users, as well as area entrepreneurs. A survey of the project's target audience was also initiated. Data has been collected regarding the identified service gaps and opportunities associated therewith within the Concord region, and potential models to address identified gaps have been compiled for review. A draft of the study will be released shortly for stakeholders to review, following which the study will be finalized and made available to the public.

Subject to the results of the study, Concord Makerspace intends to partner with the City, or another eligible organization, to apply for CDBG Microenterprise Funds to finance technical support services and related resources for low and middle-income entrepreneurs and small businesses owners in the Capital Region. To make any such program viable, the City and

Concord Makerspace anticipate said funds would be secured annually on a long-term basis from the NH Community Development Finance Authority.

If determined to be viable, Making Matters NH's entrepreneurial and business technical support program would likely serve to implement some of the concepts and recommendations contained within the 2011 Arts Incubator and 2017 Business Incubator studies.

**h) Other**

Discussion of the CDBG program continued. Councilor Rice-Hawkins asked staff to send the RFP list to CDAC. Mr. Walsh stated that he would and that staff would be happy to add any additional non-profit organizations to the RFP mail list suggested by CDAC. Mr. Bart spoke in support of expanding the RFP mailing list.

Discussion regarding the CDBG application process ensued. Mr. Walsh explained that the City has to be the applicant for any CDBG application, and that nonprofits are ineligible to apply. Mr. Walsh also briefly explained the City of Concord's history with CDBG.

Elaborating on Mr. Walsh's comments, Mayor Bouley noted that there are five entitlement communities for CDBG in New Hampshire which receive a direct allocation of CDBG funds annually. Concord is not an entitlement community. The entitlement designation dates to the program's inception in 1974. The Mayor discussed how the City's non-entitlement status caused Concord to miss out on millions of dollars of Covid-19 relief funds as compared to other communities in the State.

Councilor Brown asked if CDBG projects could be used for environmental justice projects. Mayor Bouley and Ms. Lane indicated that CDBG projects are more directed towards projects related to physical buildings and services like childcare. Ms. Lane stated that organizations like the Merrimack Valley Day Care, YCMA, Boys and Girls Club, and Children's Place have all been successful prior applications.

Mr. Bart asked Ms. Lane to explain the CDBG scoring. Ms. Lane indicated there are set need factors, such as per capita income and other demographic factors. She broadly explained various elements of the CDBG scoring criterion, including the number of low-moderate income beneficiaries served, as well as matching funds leveraged by a project. A high priority is set on projects that relate to childcare, water and sewer connections, and basic life needs. Projects that have low priority include recreation, parks, and facilities.

A discussion also briefly ensued regarding Economic Development CDBG. Staff explained that said "grants" are typically secured in partnership with regional economic development agencies and infused into projects as gap financing in the form of repayable loans. In order to qualify, projects must result in job creation or preservation primarily for low-moderate income persons.

Discussion also ensued regarding Merrimack County's efforts to secure CDBG funds. The Mayor noted that the County's CDBG program had waned in past years. However, the County has recently become more active regarding CDBG. Donna Lane noted that she has referred some potential CDBG projects to the County whenever said projects are not viable for the City due to remaining available CDBG allocation or other issues.

Councilor Rice-Hawkins asked if the economic development pool of money is in a different bucket from other CDBG funds. Mr. Walsh explained that the State typically receives \$10 million of CDBG funds from the US Department of Housing and Urban Development annually. This total is then allocated by the State to various CDBG programs. Of this total, approximately \$1.5+/- million is available for CDBG projects annually. Because Economic Development CDBG is typically infused into a project as a loan, and due to historically low interest rates, coupled with required job creation / preservation guarantees, there has been relatively low demand for these funds in recent years.

Mayor Bouley asked Ms. Lane who else does CDBG consulting for other communities and Ms. Lane noted she was only one of a few consultants in the state.

Councilor Brown asked for a document showing how scoring was determined to be sent to CDAC. Ms. Lane indicated that it would be better if specific questions were asked instead of explaining the lengthy and complex process. Mr. Bart briefly explained some previous successful projects.

## **6) Revolving Loan Fund (RLF) Program**

Mr. Bart explained that CDAC can distribute RLF funds without needing City Council approval. Mr. Walsh briefly explained the history of RLF program, including the Program Income Reuse Plan (PIRP) document from 2015. Mr. Walsh explained that the RLF program will need to be re-authorized for Fiscal Year 2023.

### **a) Status Reports**

Mr. Walsh presented an update regarding the City's Revolving Loan Fund Program. The updated included a status report of all loans currently in the City's portfolio.

Mr. Bart explained that if Committee members know of anyone in their Ward that they need loans, they can direct people to CDAC to apply for a loan from the City's RLF Program.

Mr. Bart also explained that the RLF Program has previously provided gap financing for high profile economic development projects. Mr. Walsh noted some prior economic development projects that have utilized RLF, including Blue Cross Blue Shield, the SMILE building, and Eastern Analytical. He noted these higher profile projects typically pay more in interest.

Councilor Brown asked if the RLF has been used for housing projects. Mr. Bart explained that the RLF is used for a variety of projects, including housing provided that primarily benefits low-moderate income persons. Councilor Brown asked what the process to apply is and Mr. Walsh indicated that contacting him may be the best way to explain. It was emphasized that CDAC has lots of flexibility with the Revolving Loan Fund program. Ms. Lane noted that the Community Action Program has loans available as well for particularly low-income homeowners.

Councilor Pierce asked if there were any guidelines for the loan program. Mr. Walsh explained that the RLF Program is governed by the City's "Program Income Reuse Plan" (PIRP). He noted that the Program was established in 1984 and initially capitalized with Community Development Block Grant Funds. As such, loans must be used for housing, social service agency, and economic development projects which primarily benefit low-moderate income persons and achieve other community development goals, such as

removing blight. Low-moderate income persons are those that earn less than 80% of the Area Median Income, as determined by their household size.

**b) Top of the Hill Cooperative**

Mr. Walsh noted The Top of the Hill Cooperative (CDL #1278) is currently pending disbursement. The loan was approved on January 23, 2019, but the closing was delayed due to a title issue. The Cooperative is currently pursuing a “quiet title” action in Court to rectify this issue. It is unclear if / when this will be resolved.

**7) Reauthorization of Revolving Loan Fund Program by City Council for Fiscal Year 2023**

Mr. Walsh noted that the City Council is scheduled to hold a public hearing at its June 13, 2022 meeting to reauthorize City’s Revolving Loan Fund Program for Fiscal Year 2023, as well as re-appropriate \$1,131,746 of loan income back into the Program. Mr. Walsh also noted that, per the City’s Finance Department, the Revolving Loan Fund is now a lapsing fund which must be re-appropriated and reauthorized by the City Council annually.

**8) Next Meeting**

Mr. Walsh indicated that the CDAC will meet on June 22, 2022. He expressed that at the June meeting, CDAC will discuss a Revolving Loan Fund application for Phase 2 of the Penacook Landing development in Penacook. Mr. Walsh also noted that there may also be a deferred loan request for the property at 82 Fisherville Road.

**9) Other Business**

**a) Committee Vacancies**

Mr. Walsh noted that there are currently two vacancies on CDAC. He asked for committee members to think of suggestions and noted it may be helpful to reach out to get a representative from the banking industry as well as a general public representative.

Mr. Bart asked City staff to provide the CDAC committee members with a copy of the Revolving Loan Fund’s Program Income Reuse Plan (PIRP). He also noted that CDAC should potentially update the plan since the document has not been updated in 7 years.

**10) Adjournment**

Mr. Bart motioned to adjourn. Councilor Pierce seconded the motion. The motion passed with a unanimous voice vote and the meeting adjourned at 1:12 pm.

Respectfully Submitted,

Crayton Brubaker  
Community Development Specialist

Matt Walsh  
Director of Special Projects, Redevelopment  
& Downtown Services