



CITY OF CONCORD

New Hampshire's Main Street™

COMMUNITY DEVELOPMENT ADVISORY COMMITTEE DRAFT MEETING MINUTES

November 16, 2022

Attendees: Chair Jeff Bart; Mayor Jim Bouley; Councilor Candace Bouchard; Councilor Stacey Brown; Councilor Zandra Rice-Hawkins; Councilor Erle Pierce; Michael Gfroerer; Janet Sprague

Absent: None

Staff: Matt Walsh, Interim Deputy City Manager - Development
Crayton Brubaker, Community Development Specialist

Public Attendees: Gregory Lessard, Director of Housing Initiatives, Concord Coalition to End Homelessness (CCEH)
Ellen Groh, Executive Director, CCEH
Karen Jantzen, Incoming Executive Director, CCEH
Jessica Vaughn-Martin, Executive Director, Crisis Center of Central NH
Debbie Johnson, Development Director, Crisis Center of Central NH
Donna Kerwin Lane, City's CDBG Consultant

1) **Welcome and Introductions**

Mr. Jeff Bart opened the meeting at 12:03PM.

2) **Adoption of Minutes**

a) **June 22, 2022 Minutes**

Councilor Bouchard moved the adoption of the June 22, 2022 CDAC minutes. Councilor Pierce seconded the motion. The motion passed by unanimous voice vote

3) **Community Development Block Grants (CDBG)**

a) **Proposals for January 2023 Application Round:**

Mr. Walsh explained that the City issued a Request For Proposals (RFP) to approximately three dozen organizations seeking potential proposals for CDBG for the upcoming January 2023 grant round. Proposals were received from the Concord Coalition to End Homelessness (CCEH) and the Crisis Center of Central NH (CCCNH). He noted both organizations had representatives to present their respective proposals at the meeting.

1. Concord Coalition to End Homelessness: Proposal to acquire real estate to develop 8 dwelling units to serve individuals exiting homelessness

Mr. Michael Gfroerer recused himself from this item.

Mr. Greg Lessard, Director of Housing Initiatives at CCEH, and Ms. Ellen Groh, Executive Director at CCEH, presented CCEH's proposal.

Specifically, they explained that the CCEH desires to acquire a mixed-use property located at #6 South State Street for the purpose of renovating structures at the premises into an 8-unit transitional housing project for individuals experiencing chronic homelessness.

The property is located in the City's Central Business District, is walkable, and has convenient access to public transit, employment opportunities, and medical providers including Riverbend Community Mental Health.

The property, which was built in 1896, is currently owned by the South Congregational Church. CCEH and South Congregational Church are currently working to finalize an option agreement to purchase the property. The full congregation will vote on the option agreement on November 20, 2022. If approved, the option will have an 18-month term to allow sufficient time for CCEH to secure financing and development permits / approvals.

The property is currently occupied by one commercial and two residential tenants. These tenants will likely trigger CDBG relocation requirements. As such, a Uniform Relocation Act consultant would be hired to comply with applicable US Housing and Urban Development (HUD) requirements.

No significant changes to the exterior of the building are proposed.

CCEH plans to engage the Concord Housing and Redevelopment Authority to operate the property. Tenants will likely use Section 8 Vouchers to pay for housing. A case manager would connect the tenants to needed individualized services. Currently, there is 1 case manager to every 15 tenants CCEH has.

CCEH's attorney met with the City Zoning Administrator and noted the property would not need variances for zoning. A major site plan review is required because of the change of use. CCEH submitted a major site plan application to the City's Planning Department on Friday, November 11, 2022. The only major changes to the site would be increasing water capacity for fire suppression and repainting and restriping the parking lot. CCEH hopes to go before the Planning Board at their December 21, 2022 meeting.

The total estimated development cost of the project is \$2.3 million. The purchase price is \$610,000.

In addition to CDBG, other funding sources will likely include:

- NH Housing Finance Authority (NHHFA) Multifamily Supportive Housing Funds
- NH Community Development Finance Authority (CDFA) Tax Credit Program
- Congressionally Directed Spending Grants

Mr. Walsh noted that CCEH's application will be categorized as a CDBG "Housing" project. He noted that CDBG funds will likely be very competitive. He also noted that South State Street was recently paved and subject to the City's 5-year "no cut" moratorium per the City's Street Excavation Regulations. This may present challenges relative to upgrading water services to facilitate development of the property.

Mayor Bouley asked if CCEH had conducted any outreach to neighbors in the area. Mr. Lessard responded that they did not have an option agreement in place yet, but CCEH intends to conduct outreach once the option agreement is executed.

Ms. Sprague asked if there are any plans for developing the garage into housing. Mr. Lessard responded not at the present time.

Discussion ensued regarding the competitiveness of CDBG funds. It was noted that the project is relatively small, and therefore may not be as competitive as other applications. However, Donna Lane, City's CDBG consultant, encouraged the Committee to proceed with the application as potential competition is currently unknown.

Ms. Lane noted that if the CCEH application does not get funded this round, the City may apply again for the CDBG Housing category in the July 2023 round.

Councilor Rice-Hawkins made a motion to recommend to the City Council to support the Concord Coalition to End Homelessness (CCEH) application in the amount of up to \$500,000 for CDBG funds. Ms. Sprague seconded the motion. The motion passed by unanimous voice vote. Mr. Gfroerer abstained from the vote, as he recused himself for this item.

2. Crisis Center of Central New Hampshire: Proposal to acquire real estate for programmatic office space and residential units for survivors of domestic violence

Ms. Jessica Vaughn-Martin and Ms. Debbie Johnson from the Crisis Center of Central NH (CCCNH) presented their proposal.

The Crisis Center of Central New Hampshire has served domestic and sexual violence survivors in Concord and the rest of Merrimack County since 1978. CCCNH serves between 1,500 – 1,700 survivors per year, with the vast majority (75% or higher) coming from Concord and being in the low- and moderate-income categories.

For many years, CCCNH's administrative office was located in the same building as their emergency shelter. CCCNH's emergency shelter can shelter 21 individuals. There

is a housing advocate on CCCNH staff and there are dedicated case managers and specific funding for survivors of violence. In 2017, CCCNH moved administrative offices to 79 South State Street with the assistance of a private donor. Although current administrative offices provide a space for CCCNH to work and their board to meet, more importantly, it is also where survivors come for in-person assistance. This could include confidential advocacy, education, therapeutic workshops, and support groups. Location, parking, and bus accessibility are critically important to CCCNH operations.

Although CCCNH's previous building met the organization's needs at the time, it was not able to accommodate growing needs of their staff and survivors due to expanding client and organizational needs. The building was sold in early Spring 2021, and CCCNH moved our administrative offices to leased space located at 287 South Main Street. The current leased space is approximately 1,350 square feet. In April 2021, when the move was made, CCCNH's intention was to stay at 287 South Main Street for 2 years, while searching for real estate that would provide a long-term home to the Crisis Center operations. CCCNH also wanted a space that would also be able to accommodate 1-2 units of transitional housing for the survivors of violence we serve. The 287 South Main Street lease will end on March 31, 2023, and CCCNH has been actively looking for a new location since April 2022.

CCCNH has been unable to secure a suitable property that would accommodate both their administrative offices and transitional housing. This is primarily due to rising real estate costs and non-negotiable property requirements, such as ADA accessibility, that exist as a result of federal and state funding sources.

CCCNH's original grant proposal included property located at 1 Barberry Lane. However, since the original CCCNH proposal was submitted, a more suitable property has become available. Representatives from CCCNH preferred not to disclose the location of the property until it was voted on by their board.

Mr. Walsh discussed the City's history with a previous CCCNH CDBG application, which was awarded but subsequently did not proceed due to inadequate project planning by CCCNH and readiness issues. He also noted that those issues did not involve the current leadership team at CCCNH.

Mr. Walsh explained to those present that, in order to proceed with a CDBG application for the January 2023 round, CCCNH would need to have a preferred property identified and under agreement. This is critical so that the community and City Council will have full knowledge of the project. A property will need to be identified and under agreement by December 1, 2022 in order to comply with City Council and grant application schedules. Ms. Vaughn stated that she felt negotiations for the undisclosed property could be completed by said deadline.

Ms. Lane overviewed other requirements that would need to be satisfied to proceed with a CDBG application. She also reported that the project would likely be considered a "public facilities" CDBG and would likely be a competitive project.

Mr. Bart recalled that CDAC had previously recommended that the City Council to move forward with other CDBG applications whereby some key details were still in flux.

Mr. Gfroerer asked what the staff recommendation was. Mr. Walsh stated that City Administration would be comfortable proceeding to City Council subject to CCCNH executing an option agreement for a suitable property by December 1, 2022. If CCCNH cannot achieve this deadline, they could consider an application in the subsequent July 2023 grant round.

Mr. Bart asked Ms. Vaughn-Martin and Ms. Johnson if they wanted to wait for the July 2023 round. They preferred to continue with the January round, as CCCNH's current lease expires in April 2023.

Mr. Walsh reviewed the CDBG schedule for the January 2023 funding round.

- Subject to CDAC's recommendation, the authorization to apply would be on the December 2022 Council Agenda as a notice for a January 2023 public hearing.
- Subject to City Council approval, City staff would apply on behalf of CCCNH by the CDFA January 30, 2023 application deadline.
- The NHCDFA CDBG Advisory Committee would convene and review in April 2023 and make recommendations to the Governor and Executive Council (G&EC).
- The G&EC would likely decide whether to approve in June or July 2023. Mr. Walsh is not aware of any time the G&EC denied a CDBG approval.

Councilor Brown made a motion to recommend to the City Council to support the Crisis Center of Central New Hampshire (CCCNH) application in the amount of up to \$500,000 for CDBG funds. Ms. Sprague seconded the motion. The motion passed by unanimous voice vote.

b) Recent Awards

1. Boys and Girls Club Penacook Facility (\$750,000 / 2022) & Christ the King Food Pantry (\$750,000 / 2022)

Mr. Walsh reported that at the November 3, 2022 NHCDFA CDBG Advisory Committee meeting both the Boys & Girls Club Penacook Facility and Christ the King Food Pantry projects were tentatively awarded \$750,000 of CDBG funds, each. Both of these applications were for a special COVID category. Both projects are expected to start construction in spring 2023.

c) Status Reports

1. Covid-19 CDBG Grants (\$499,899 / 2020)

- ***Coalition to End Homelessness (\$178,905)***
- ***Family Promise (\$43,200)***
- ***Friendly Kitchen (\$115,810)***
- ***Friends Program (\$83,599)***
- ***City of Concord Human Services (\$53,385)***

Ms. Lane provided an update to the committee on how much has been spent in each of the above categories. She noted each recipient has done well with spending their

allocations. Mr. Walsh noted that these CDBG projects will expire on December 31, 2022.

Councilor Rice-Hawkins asked about the status of the City of Concord Human Services portion of CDBG funds. Mr. Walsh noted that the Human Services portion has been cancelled due to conflicts between federal reporting requirements and NH State Law pertaining to nondisclosure of welfare recipients.

2. Riverbend Mental Health Services – Housing (\$386,242 / 2021) & Riverbend Mental Health Services – Public Facilities (\$348,700 / 2021)

Mr. Walsh provided a brief update on both Riverbend Mental Health Services projects, which were successfully approved in 2021. Both projects are going well and are under construction. Requests for additional CDBG gap funds are in process due to cost issues related to post Covid-19 supply chain challenges and inflation.

4) Revolving Loan Fund (RLF) Program

a) Applications

No complete applications were submitted, so there is no update for pending applications.

b) Status Reports

1. Top O' the Hill Manufactured Housing Co-Operative: Authorize Extension of January 23, 2019 Loan Approval (\$335,000 @ 3%, 30 Years)

Mr. Walsh provided a brief history of the Top O' the Hill Manufactured Housing Co-Operative RLF application. CDAC approved this loan on January 23, 2019. The project was to be funded in part with City RLF funds. However, the RLF loan could not proceed due to title issues. As such, ROC provided temporary gap funds to replace the City's loan until title issues could be resolved. Efforts are ongoing to resolve the title issues.

In accordance with the City's Program Income Reuse Program (PIRP) rules, all loans are supposed to close within 90 days. Otherwise, the loan approval becomes null and void.

Recognizing that efforts to resolve title issues are ongoing, Mr. Walsh requested CDAC re-affirm approval of the loan for up to year due in order to comply the PIRP.

Councilor Bouchard made a motion to re-affirm the January 23, 2019 approval of the Top O' the Hill loan and extend its eligibility for disbursement until January 31, 2024. Councilor Pierce seconded the motion. Mayor Bouley was not present at the time of the vote. The motion passed by unanimous voice vote.

2. Caleb Penacook Landing Phase 2 Update

Mr. Walsh provided an update on the loan and financing for the Caleb Penacook Landing Phase 2 Project. The Caleb Group recently was awarded \$698,000 from the Invest NH program. As such, the total development budget for the project is now \$6.2 million. Construction of the 20-unit project is now underway and should be completed in late 2023. The City supported the project with a \$600,000 RLF loan.

3. Payment Status Report

Mr. Walsh noted the handout provided in the agenda packet, which includes the RLF Payment Status report updated as of November 10, 2022.

Ms. Sprague noted that not many RLF applications have come forward to CDAC recently. She discussed a property located at 30 Penacook Street which was in disrepair and suggested that staff should contact the property owner to see whether the City's RLF could help remedy issues at the property.

Mr. Gfroerer discussed the history of the RLF Program and past marketing efforts related thereto. He also discussed the ebb and flow of demand for the RLF Program. Mr. Bart noted that with interest rates being low during COVID, the RLF program may not have been as needed during those times. However, now with interest rates recently rising, it may be more needed.

5) Other Business

a) Next Meeting

No other business was discussed. City staff will reach out to the committee regarding the next meeting when it is needed.

6) Adjournment

Councilor Pierce moved to adjourn the meeting. Jeff Bart seconded the motion. The motion passed by unanimous voice vote. The meeting adjourned at 1:15 pm.

Respectfully Submitted,

Crayton Brubaker
Community Development Specialist

Matt Walsh
Interim Deputy City Manager – Development