



# CDFA

COMMUNITY DEVELOPMENT FINANCE AUTHORITY

## TAX CREDIT

# APPLICATION AND PROGRAM GUIDE

**For additional program details or questions contact:**

George Hunton, Director of Tax Credit Programs

Community Development Finance Authority

Main: 603-226-2170 | Direct: 603-717-9116

Email: [ghunton@nhcdfa.org](mailto:ghunton@nhcdfa.org) | [www.nhcdfa.org](http://www.nhcdfa.org)

Published: January 24, 2020

## TABLE OF CONTENTS

COMMUNITY DEVELOPMENT FINANCE AUTHORITY .....	3
PROGRAM OVERVIEW AND OBJECTIVES.....	3
ELIGIBILITY .....	3
GUIDELINES.....	4
HOW TO APPLY .....	6
KEY DATES .....	6
EVALUATION.....	6
ADMINISTRATION.....	7
APPENDIX A: APPLICATION OUTLINE.....	8
APPENDIX B: HOW TO REGISTER ON CDFA'S GRANTS MANAGEMENT SYSTEM.....	13
APPENDIX C: TIPS FOR USING CDFA'S GRANTS MANAGEMENT SYSTEM .....	14
APPENDIX D: RECENT TAX CREDIT AWARD RECIPIENTS .....	15
APPENDIX E: CDFA ENERGY POLICY 2020.....	17
APPENDIX F: CDFA BRIDGE LOAN PROGRAM .....	21

## COMMUNITY DEVELOPMENT FINANCE AUTHORITY

The Community Development Finance Authority (CDFA) is a statewide nonprofit authority focused on maximizing the value and impact of community development, economic development and clean energy initiatives throughout New Hampshire. The organization leverages a variety of financial and technical resources, including the competitive deployment of grant, loan and equity programs.

### CDFA'S VISION & MISSION

Our mission is to maximize the value and impact of community development, economic development and clean-energy initiatives throughout New Hampshire.

We see a future New Hampshire whose communities are economically and socially resilient, reflect and respect their natural surroundings, and are places where people want to live, work, and play.

CDFA invests in the people of New Hampshire by:

- deploying a well-tuned, effective investment system;
- enabling partners to make transformational and sustainable changes; and
- taking an innovative approach to development finance.

## PROGRAM OVERVIEW AND OBJECTIVES

CDFA's Tax Credit Program is a competitive community economic development investment program. The investments seek to advance community economic development projects that show a high degree of community support, build partnerships and leverage other resources.

Grants made to organizations are in the form of tax credit equity. New Hampshire businesses support awarded projects by purchasing the credits resulting in the nonprofit receiving a donation and the company receiving a 75 percent New Hampshire state tax credit against that contribution. The credit can be applied against the Business Profits Tax, Business Enterprise Tax or Insurance Premium Tax. The donation may also be eligible for treatment as a state and federal charitable contribution.

CDFA's founding legislation and foundational guidance for the Tax Credit Program can be found in [New Hampshire RSA 162-L](#).

In accordance with the foundational guidance, CDFA's tax credit funds are allocated to specific projects that are of public benefit, for a public purpose and can reasonably be expected to address one or more of the following objectives:

- Contribute to the development or redevelopment and economic well-being of target areas or target populations;
- Contribute to the economic development of the state;
- Increase or maintain threatened primary employment;
- Provide affordable housing opportunities to low- and moderate-income people.

## ELIGIBILITY

Eligible applicants include community development corporations, other nonprofit organizations involved in community development, and employee and other types of cooperatives.

New Hampshire RSA 162-L:1, definitions for eligible applicants are as follows.

- **Community development corporation** means a nonprofit corporation, organized under the laws of the state to carry out certain public purposes and with bylaws providing that:
  - a) The corporation shall be organized to operate within specific geographic boundaries.
  - b) Membership in the corporation shall be open to all residents of the target area who are 18 years of age or older; membership may be open to persons outside the target area, but voting

- membership of persons not residing in the target area shall be limited to 10 percent of the total membership.
  - c) The corporation shall have a board of directors, a majority of whom reside in a target area or are members of a target population, 2/3 of whom are elected by the membership, with each member having an equal vote.
  - d) The corporation shall make a demonstrable effort to hire low income or underemployed residents of the operating area.
  - e) The corporation shall impose an annual individual membership fee of not less than \$1 nor more than \$10.
- **Other nonprofit organizations and municipal governments involved in community development** means a nonprofit organization organized under the laws of the state or municipal government to carry out purposes related to community development, improvement, revitalization, or other consistent activities.
  - **Employee cooperative** means a corporation in which the power to elect at least 2/3 of the corporation's directors is held by the employees and in which such elections are held on a one person-one vote basis.
  - **Other type of cooperative** means any corporation in which the power to elect the governing body is held by the members of the corporation and in which elections are held on a one person-one vote basis. This may include cooperatives such as housing cooperatives and consumer cooperatives.

## GUIDELINES

All Tax Credit Program applicants are subjected to a substantial programmatic and financial review. Among other requirements, projects must provide a public benefit and demonstrate that similar funding was not otherwise available. A project is considered based on its own merits and as it compares to the other applicants in the same grant round.

CDFA may invest in or lend to any projects sponsored by an eligible applicant as defined above and that meet the following conditions:

- The project must be interpreted by the CDFA Investment Review Committee (IRC) to be within the scope of CDFA's defining legislation (RSA 162-L) and as outlined in the Program Objectives.
- The project must be of a public purpose and for a public benefit. Such benefits shall be quantifiable and must be presented to CDFA at time of application in a form described in the application.
- Private industry shall not have provided sufficient capital required for the project. CDFA shall determine that its participation is necessary to the successful completion of the proposed project because adequate funding is determined to be unavailable in traditional capital markets or because credit has been offered on terms that would preclude the success of the project.
- Awarded organizations shall guarantee long-term community and targeted population benefit through legal mechanisms such as deed restrictions, equity limitation formulas, land leases, or other approved forms.
- The project must provide evidence that it has a reasonable chance to succeed by providing evidence of funding commitments, public support, organizational capacity, and sufficient capital for sustained operations.
- The project must conform to all applicable environmental, zoning, building, planning, or sanitation laws and have a plan for addressing energy efficiency and building sustainability in accordance with CDFA Energy Policy 2020. See Appendix E for additional information.

## FUNDING PRIORITIES

---

Applications for the following activities are encouraged:

- Projects that focus on underserved people or communities;
- Place-based strategies that reinvest in underserved places, fundamentally impacting communities and strengthening local economies; and
- Advancing projects that use funding from multiple resources including but not limited to banks, private donations, capital campaigns and other CDFA grants and/or loan funds.

While not expressly disallowed, applications for the following activities may not be given priority:

- Operating expenses, deficit-reduction or expenses already incurred.
- Requests that are typically the responsibility of federal, state, or municipal funding sources.
- Municipal projects that do not demonstrate a significant level of private enterprise. Private enterprise is defined by a project that shows planned economic benefit.
- Replacement of typical revenue sources (contributions, grants or earned income, etc.).
- Organizations possessing the financial capacity to complete a proposed project without a tax credit investment.
- Capital campaign activities not explicitly tied to a specific project or program.
- Applicants with an active CDFA tax credit project.
- Requests for a large sum of funds compared to other projects in the same round and/or available tax credit resources.
- Projects whose primary beneficiaries are not New Hampshire residents/individuals and/or whose primary activities are not located in or benefit New Hampshire communities.

CDFA will apply the following principles when considering tax credit applications from eligible non-profit faith-based organizations:

- Project activities must be related to community development, improvement, revitalization or other activities consistent with the purposes of RSA 162-L.
- Recipients may not discriminate against a project beneficiary on the basis of religion or religious belief.
- Funds may not be used for explicitly religious activities (including activities that involve overt religious content such as worship, religious instruction, or proselytization). Such activities may be offered outside of activities that are supported with CDFA resources.
- Participation in any explicitly religious activities must be voluntary.

## HOW TO APPLY

All applications must be completed and submitted on CDFA'S Grants Management System ([www.nhcdfragrants.org](http://www.nhcdfragrants.org)). The application requires details on the specific project, to what extent it aligns with the objectives and information that will help determine the applicant's capacity to complete a successful project.

An outline of CDFA's Tax Credit Program application can be found in Appendix A of this document. Information on using CDFA's Grants Management System can be found in Appendices B and C of this document.

CDFA staff provide applicants technical assistance to support the successful completion of community economic development projects. The staff can also provide guidance on program objectives and how to successfully complete an application for funding. Technical assistance is provided in workshops, trainings, and Pre-application meetings. Call the CDFA office to schedule a Pre-Application meeting.

## KEY DATES

Applicants should note the following dates and deadlines as they relate to the 2020 Tax Credit Round.

### Application Workshops

CDFA conducts application writing workshops for organizations interested in applying for or learning more about its Tax Credit and L5 Capacity Building Programs. 2020 Tax Credit Round workshops will be held at the following dates and locations:

- January 16, 2020 – The Common Man Restaurant – Plymouth, NH  
(Snow date – January 17, 2020)
- January 22, 2020 – The Manchester Community Resource Center – Manchester, NH  
(Snow date – January 23, 2020)

### Online Application Available

Applications will be available on CDFA's Grants Management System (GMS) beginning January 23, 2020.

### Application Deadline

Applications for the 2020 Tax Credit Round are due Friday, March 6, 2020 by 4:00 PM. Late submissions and incomplete applications will not be accepted.

### Award Announcement

CDFA will notify tax credit applicants the week of June 8, 2020 regarding funding decisions.

All award recipients are invited to attend a press conference announcing the funded projects the following week (specific date to be announced).

### Tax Credit 101 Workshop

Tax Credit award recipients are required to attend the Tax Credit 101 Workshop on the week of June 22, 2020. The workshop will inform awardees about program logistics, resources, as well as helpful information for crafting a successful tax credit fundraising campaign.

## EVALUATION

All applicants are subjected to a substantial programmatic and financial review. Among other requirements, projects must provide a public benefit and demonstrate that similar funding was not otherwise available.

The first step in the review process is to review the Threshold requirements. Then reviewers will complete a desk review of the application, a comprehensive underwriting of the applicant and the project, an energy evaluation and

a site visit to evaluate the proposed project. A project is considered based on its own merits and as it compares to the other applicants in the same grant round.

Recommendations for funding will be based upon the goals, measurable objectives, activities, and evaluation components of the proposal and organizational need. Recommendations for funding will be made by the Investment Review Committee to CDFA's Board of Directors.

## ADMINISTRATION

### **Reporting Requirements**

Tax credit award recipients will be required to report on the outcomes of the investment.

### **Conditions of Default**

It is at the sole discretion of CDFA to automatically eliminate an applicant from consideration if there are existing or prior conditions of default in any agreements between CDFA and the applicant.

### **Contract Requirements**

Successful applicants will be required to execute a grant agreement with CDFA.

### **Bridge Financing for Tax Credit Projects**

Should your project receive an allocation of Tax Credits, your organization may be a position to begin project implementation but lacks readily available financial resources to so. If this is the case your organization may qualify for bridge financing through CDFA. Please see Appendix F for additional information.

## APPENDIX A: APPLICATION OUTLINE

Below you will find an outline of the application for the 2020 Tax Credit Round for state fiscal year 2021 and 2022 tax credits. Applications must be submitted by 4:00 PM on Friday, March 6, 2020 through CDFA's online Grants Management System [www.nhcdafagrants.org](http://www.nhcdafagrants.org). Hard copy or emailed applications will not be accepted.

### I. Applicant Information

- **Primary Contact**
- **Grant Writer (If applicable)**
- **Authorized Official/Authorized Official email**
- **Organization Information**
- **DUNS#/Executive Council District/CCR#**

### II. Statutory Eligibility

- **Eligible Applicant Type (select ONE)**
  - Community development corporation
  - Nonprofit organization involved in community development
  - Municipal government
  - Employee cooperative
  - Other type of cooperative
- **Project Type**
  - Housing
  - Community/Economic Development
  - Both
- **Eligibility Threshold Attachments**
  - Articles of Incorporation
  - By Laws
  - IRS Determination Letter
  - Proof of Good Standing – New Hampshire Secretary of State

### III. Tax Credit Request

The CDFA Tax Credit program allocates approximately \$5 million worth of tax credits to community development projects through a competitive award process. Projects receiving an award must seek donors with certain tax liability for the awarded credits.

Enter the amount of tax credit funds your project will need to be successful. The application will calculate the amount of tax credit donations you will need to raise.

Please note: CDFA cannot guarantee tax credit awards in the year(s) you have requested. CDFA reserves the right to award tax credit funding as a grant, loan, equity, or a combination thereof.

- **Year 1 Requested Allocation**
- **Year 2 Requested Allocation**
- **Total Project Cost**

#### **IV. Project and Readiness Information**

- **Project Name**

- **Project Address**

- **Executive Summary**

Briefly describe the project you are seeking tax credits for, why you are seeking them, the problem you are addressing and the outcome you are expecting.

- **Property Description**

If this project involves the acquisition, construction, or renovation of real estate, provide detailed information on the property. Describe the property, its ownership structure, and the status of site control.

Please describe the historic significance of your project property if applicable. Is it listed on the National and/or State Register of Historic Places? Is it located in a local historic district?

List any mortgages or deed restrictions that are on the property. Is there anything that would prevent CDFA from putting a use-restricting mortgage lien on the property?

Please upload a recent property appraisal, planning and zoning approvals and an asset management plan (see attachment for description) if applicable in the "Project Information and Public Benefit Attachments" component of the application.

- **Performance Security**

CDFA places a 10-year performance lien on any property purchased, developed or renovated with tax credit funds. Please indicate the type of performance security you will provide if you are awarded CDFA Tax Credits. CDFA reserves the right to reject any offer it determines insufficient to ensure performance security.

- **Project Timeline and Readiness**

When will the project begin? When will it be complete? Include key tasks, estimated completion dates, and who is responsible for completing tasks.

If your proposal includes construction, discuss status of architectural and engineering plans and cost estimates.

What permits, approvals, agreements, or other requirements are necessary to complete the project? Have they been secured? If not, describe your strategy and timeline for securing them.

Applicants are expected to adhere to the CDFA Energy Policy guidelines. (See Appendix E)

In the box below please:

1. Indicate whether you have completed an energy audit (retrofit projects) or energy design charrette (new construction) in the past 3 years or your plans for completion (required prior to a tax credit award).
2. Briefly describe any communication with the relevant utility regarding potential energy incentives.
3. Indicate if your project plans to meet any of the "recommendations" from the energy policy.

#### **V. Public Benefit and Purpose**

- **Community Development Problem Statement**

Describe the community development issue your organization will address. Please use the attached Core Data Index to provide context for your discussion.

- **Proposed Community Development Solution**  
How does your project address or solve the community-development issue described above, and why is your organization qualified to address it? How does the project fit within the community's broader strategy or plan? How does your project address the following community indicators: Basic Human Needs, Access to Economic Opportunity, Vibrant Communities?
- **Community Input and Support**  
Provide evidence of community input and support for your project? What process was used to bring community members together to design this project? Provide the names and roles of any other organizations that will be involved in the completion of this project and provision of the public benefit it will provide.
- **Outcome Measures**  
What are the goals and measurable outcomes of your project, and what is your methodology for tracking them? How will success be measured or evaluated?

Where applicable, enter the totals of the proposed project or program outcomes:

- ❖ **Total housing units created**
- ❖ **Type of housing dropdown:**
  - Family
  - Senior
  - Transitional
  - Supportive
  - Permanent
- ❖ **Housing affordability period**
- ❖ **Total Number of persons served**
- ❖ **Total Number of low income persons served**
- ❖ **Total Number of new jobs created**
- ❖ **Total Number of jobs retained**
- ❖ **Total Number of square feet of commercial/community facilities space developed**

➤ **Project Information and Public Benefit Attachments**

- Photos and/or renderings of project property
- Map of project location or area
- Evidence of planning, zoning, and/or any other state or local approvals (if applicable)
- Evidence of site control (Purchase and Sale or Lease Agreement) (if applicable)
- Independent Property appraisal completed within the past 5 years (if applicable)
- Asset Management Plan (Plan for long term sustainability of the project asset with a view to operating, maintaining and renewing the assets in the most cost effective manner possible. Address how the implementation of your project will affect the operating and maintenance costs?)
- Letters, news articles, studies in support of project (Use "other attachments" for additional documentation)
- Historical Information (if applicable)
- Completed Energy Audit Report or Design Charrette notes (if available)
- Evidence of communication with your utility regarding the project (if available)

**VI. Project Finance and Development/Fundraising Capacity**

- **Project Funding**  
Why does your project need tax credit funding? Are you pursuing other sources of financing? If so, what other sources are you pursuing and what is the current status?
- **History with CDFIA (all programs)**  
Provide all funding history with CDFIA. Include program, amount of grant/loan and current status.

- **Other Public/Private Investments**  
Has your organization received or administered grant funds or loans from other sources in the past five years? If so, please describe.
- **Project Implementation**  
Describe your organization's current staff and capacity to carry out the implementation of your proposed project. What will their responsibilities be?
- **Fundraising Plan – Project Specific**  
What is your plan for obtaining tax credit commitments? Have any business donors expressed an interest in purchasing CDFA tax credits from you if you are awarded? Does your organization have the capacity to raise tax credits from businesses outside of your region? If you are hiring a consultant, how much have you budgeted?
- **Finance and Development Capacity Attachments**
  - List of or link to Board of Directors (including affiliation)
  - Letters from committed donors
  - Other Funding
    - Status of non-tax-credit funding sources
    - Timeline for securing non-tax-credit funding sources
    - Letters of agreement from committed non-tax-credit funding sources (including contact information and loan terms, equity agreements or other details)
  - Planning and/or feasibility study performed for this project (if applicable)
  - Fiscal Year start and end dates
  - Financial Statements for most recently completed Fiscal Year (provide ONE of the following, listed in order of priority)
    - Audited Financial Statement (required for organizations with operating budgets > \$1 M)
    - Review Financial Statement (required for organizations with operating budgets \$500,000 - \$1 M)
    - IRS Form 990 (required if no Audited or Review Financial Statement available)
  - Management Prepared Financial Statements for current Fiscal Year (Balance Sheet, Profit and Loss, Cash Flow)
  - Operating Budget
    - Budget-to-actual for most recent completed fiscal year
    - Current fiscal year operating budget
    - Proposed operating budget, including new revenue and expense assumptions related to the proposed tax-credit funding project or program *after* it is completed.
  - Financial Status Overview (narrative describing applicant's financial situation)
  - Operating Reserve (Yes/No – If Yes, amount)
  - Endowment (Yes/No – If Yes, amount)
  - Line of Credit (Yes/No – If Yes, amount)
  - Other Attachments – Applicant may upload any other relevant documents not listed in other attachment sections.

## **VII. Project Budget**

The applicant organization must provide a complete and detailed budget for the proposed project. The budget must include:

- Sources and Uses – detailed list of all proposed funding sources, including CDFA Tax Credits, and project expenses/funding uses (table provided in the online application).
- Budget narrative – detailed description of each line item, underlying budget assumptions, additional information to help explain the project budget.

**VIII. CERTIFICATION**

I certify that I am one of the persons named above, and am authorized by the applicant organization to submit this application. I certify that all statements are true and accurate to the best of my knowledge.

I acknowledge this application is being submitted with the full knowledge and approval of the organization's Board of Directors and that the organization will comply with:

- New Hampshire conflict of interest laws as defined by RSA 7:19-a and RSA 292:6-a;
- CDFA's Privacy Policy by which you acknowledge all information and documents created, accepted or obtained by, or on behalf of, CDFA are potentially subject to disclosure in compliance with RSA 91-A, New Hampshire's Right-to-Know law.

I further acknowledge that should my organization be awarded CDFA Tax Credits, CDFA will require a ten-year performance security instrument be placed on my organization's assets concurrent with contract signing, and prior to disbursement of Tax Credit equity to my project.

**Certification**

**Full Name of Certifying Officer**

**CEO/Executive Director/Board Officer Certification Form**

DRAFT

## APPENDIX B: HOW TO REGISTER ON CDFA'S GRANTS MANAGEMENT SYSTEM

### Registration Instructions

These instructions are designed to help guide you through the registration process for CDFA's online grants management system (GMS) at [www.nhcdfragrants.org](http://www.nhcdfragrants.org). If you encounter any problems, please do not hesitate to contact CDFA at 603-226-2170.

- 1) Go to [www.nhcdfragrants.org](http://www.nhcdfragrants.org).
- 2) Click on **Register Here**.
- 3) Complete the form. This will become your personal profile information and includes your contact information as well as information about your organization. Your profile will be used for all grant communication, so make sure it is accurate and up-to-date.
- 4) Fields with a red star (\*) are required, and must be completed or you will not be able to submit your registration.
- 5) Once complete, click the Register link at the top of the form.
- 6) CDFA will be notified of your registration and will review and approve within 2 business days. You will then receive an email from GMS with your user ID and password. You can change your password after you log in, under the My Profile on the main menu page.
- 7) Note: All individuals working on an application in GMS must register. If your organization hires a grant writer, they must register as well, under their business. They must submit a GMS authorization form to be associated with the applicant organization. This form can be found in the Funding Opportunity under attachments.

### Application Instructions

- 1) Once you are registered, login to GMS.
- 2) Click on **Funding Opportunities**.
- 3) Select the appropriate funding opportunity from the **Opportunity Title** column.
- 4) Click on **Start a New Application**.
- 5) Fill in the General Information and click **Save**.
- 6) When you have finished all the components, click **Submit**.

## APPENDIX C: TIPS FOR USING CDFA'S GRANTS MANAGEMENT SYSTEM

These tips are designed to help guide you while using CDFA's online grants management system (GMS) at [www.nhcdfragrants.org](http://www.nhcdfragrants.org). If you encounter any problems, please don't hesitate to contact CDFA at 603-226-2170.

- 1) The best browsers to use are Mozilla Firefox or Google Chrome.
- 2) To edit a component, click "edit" near the top of the form. Fields and text boxes will open for you to answer the question(s). Be sure to click on Save after answering questions.
- 3) You can copy and paste from a Word document to a question in GMS. Use the "Paste from Word" feature in each text box banner to avoid copying hidden characters.
- 4) To add a required document, click on the green plus sign to the right of the document. You will then be prompted to browse and attach a file.
- 5) Only attach .pdf or .jpeg documents. If you don't have Adobe software you can use cutewriter to pdf any document. You can download cutewriter software at [www.cutepdf.com](http://www.cutepdf.com).
- 6) If you mark a component complete you can still edit that component until the application is submitted, however, you can't submit your application until all components are marked complete.
- 7) Once you click submit your application will be submitted for review and is only accessible through negotiation. If there is information missing or that needs to be corrected, the respective component(s) will be negotiated back to you for correction.
- 8) After the corrections are made, you must submit the component(s) back to CDFA for review.
- 9) If multiple questions in one component are required fields, you can save the component without answering all of the questions by adding at least one (1) character to each of the required boxes and save. Remember to return and answer these questions before the application is submitted.
- 10) Be sure to "Save" early and often.
- 11) The system will "time out" after three (3) hours of inactivity.
- 12) If you click the back button before you click save your information will be lost.
- 13) Before submitting your application, we recommend that you preview your application, print to pdf and save it to your computer.

## APPENDIX D: RECENT TAX CREDIT AWARD RECIPIENTS

In 2019, CDFA awarded tax credits to the following organizations for their respective projects:

**Affordable Housing, Education and Development (AHEAD) Inc. (Bethlehem)** – Support the development of a 28-unit low-income housing development. The development includes a community building, solar array and conserved land with public trail access. The project will address an established need for affordable housing in the North Country, providing a strong community and economic benefit.

**Aviation Museum of NH (Manchester)** – Build a full-scale flyable aircraft with Manchester students in the coming school year, which will allow the training to be self-sustaining in the following years. The organization will work in partnership with the Manchester School of Technology and Tango Flight of TX, which is a nonprofit organization that inspires students to pursue careers in aviation. The project provides strong community and economic benefit through workforce development.

**Boys & Girls Club of Greater Nashua (Nashua)** – Renovate indoor pool facility and locker rooms. The project provides a strong community and economic benefit by rehabilitating an important community resource that provides the local community with a safe, indoor recreation space for their children.

**City of Franklin (Franklin)** – Support development of a whitewater park along the Winnepesaukee River in Franklin. The project will be a driver for the downtown revitalization of Franklin by creating a tourism destination and increased economic activity, including the creation of new jobs and spurring local investments.

**City of Nashua (Nashua)** – Support the development of the Nashua Performing Arts Center, a 750-seat, flexible, multi-function performing arts center to anchor an emerging arts and entertainment district. The project renovates a vacant building, providing a strong economic benefit to the local community through downtown redevelopment, access to arts and culture and job creation.

**GALA Community Center (Wolfeboro)** – Renovate the Carroll County Makerspace and Incubator in downtown Wolfeboro. Plans for the revitalized facility include wood and metal shops, fine arts studio space, a computer lab, light auto and general repair, co-working space, career development facilities and a commercial kitchen. The project will provide strong economic benefit to Carroll County residents through increased access to workforce development tools and training, as well as downtown revitalization.

**Lakes Region Community Developers (Laconia)** – Support the development of the Court Street Neighborhood Center in downtown Laconia. The center will provide a strong community impact by enabling the organization to provide community building and engagement programming for the families in the local community.

**Nashua Soup Kitchen and Shelter, Inc. (Nashua)** – Support the renovation of the elementary school adjacent to St. Patrick's Church in downtown Nashua. The new facility will provide strong community benefit through increased access to critical services, including a homeless shelter with 24 units for single women and families, supportive services and 11 new units of permanent housing.

**NeighborWorks Southern New Hampshire (Manchester)** – Redevelop and preserve 14 units of housing in five buildings located in a three-street area on the West Side of Manchester. The project demonstrates strong community and economic development by contributing to neighborhood revitalization and the development of much needed affordable housing.

**New England Healing Sports Association (Newbury)** – Renovate and expand the organization’s lodge on Mt. Sunapee, which supports the participation of those with a wide range of disabilities in a variety of sports year-round. The project will provide strong community impact and increased access to services.

**Northern Forest Center (Lancaster)** – Redevelop the historic, three-story Parker J. Noyes building in downtown Lancaster. The project will provide strong economic benefit to the local community through the creation of six market-rate rental housing units, a marketplace for 85 regional food producers and artisans, and support for the revitalization of Lancaster’s historic downtown.

**Palace Theatre Trust (Manchester) – \$250,000:** Support the revitalization of a 10,000 square foot vacant and blighted Rex Theatre in downtown Manchester. The building will be transformed into a state-of-the art, 300-seat venue for musicians, theatre, films and community events. The project will provide strong economic benefit to the Manchester area through increased access to arts and culture, as well as downtown revitalization.

**The Homeless Center for Strafford County (Rochester)** – Support the development of a new homeless shelter as the current shelter is losing its long-time leased space. The project will provide strong community impact through increased access to critical housing and supportive services.

**Vaughan Community Services (Conway)** – Renovate to its child care facility and construct a new food pantry near North Conway village. Renovations will improve energy efficiency and the overall learning environment while reducing operating costs. The project will provide strong community impact through increased access to critical services including affordable, quality child care.

**West Claremont Center for Music and the Arts (Claremont)** – Redevelop building in downtown Claremont to create a new facility that will provide a single, central location for West Claremont Center for Music and the Arts programs. The new space is planned to include performance and gallery spaces, an art studio, practice rooms, a screening room, recording facility and commercial kitchen. The project will provide strong economic benefit to the Claremont area through increased access to arts and culture, as well as enhance downtown revitalization.

## APPENDIX E: CDFA ENERGY POLICY 2020

CDFA is providing the following requirements and recommendations for CDBG, Tax Credit and Clean Energy Fund applications. These policies apply to any project proposing a physical alteration to existing energy systems (building envelope, mechanical systems, lighting, etc.) or for new construction (includes additions and gut rehabs).

**Intention:** Projects will complete appropriate evaluation of comprehensive energy opportunities prior to, or concurrent with, the planning/design of the project in order to inform a design that: 1) reduces future operating and maintenance costs; 2) improves occupant comfort and health; and/or 3) improves building durability.

**Exceptions:** CDFA will consider any exceptions or adjustments on a case by case basis.

**Note:** *Italicized* Terms are defined at the end of the appendix.

Alterations			
	CDFA Program		
	CDBG	CEF	Tax Credit
Requirements	<i>Level II Energy Audit</i> if project impacts any energy-related building system <b>Timeframe:</b> <i>Application threshold</i> <b>Note:</b> <i>Level II Energy Audit</i> will be a Recommendation only for the CDBG 2020 January application round		<i>Level II Energy Audit</i> if project impacts any energy-related building system <b>Timeframe:</b> Prior to/concurrent with Design; Condition of disbursement of CDFA funds
	Documented consultation with appropriate utilities for incentives <b>Timeframe:</b> <i>Application threshold</i>		
	Implementation must meet 2015 NH State Energy Code		
Recommendations (may improve scoring or likelihood of full award)	Projects incorporate reasonable recommendations from <i>Energy Audit</i> that exceed current NH State Energy Code		
	<i>Commissioning</i> of any new energy system		
	High performance construction (LEED, Energy Star, Passive House, or Net Zero)		

## New Construction – Goal is to Exceed 2015 IECC

	CDFA Program		
	CDBG	CEF	Tax Credit
<b>Requirements</b>	<i>Energy Design Charrette</i> <b>Timeframe:</b> <i>Application threshold</i> <b>Note:</b> <i>Energy Design Charrette</i> will be a Recommendation only for the CDBG 2020 January application round		<i>Energy Design Charrette</i> <b>Timeframe:</b> Prior to/concurrent with Design; Condition of disbursement of CDFA funds
	Consultation with appropriate utilities for implementation incentives <b>Timeframe:</b> <i>Application threshold</i>		
	Meet 2015 NH State Energy Code – Plus <i>Commissioning</i> on any new energy system		
<b>Recommendations</b> (may improve scoring or likelihood of full award)	Project incorporates reasonable recommendations from <i>Energy Design Charrette</i> that exceed current NH State Energy Code		
	High performance construction (LEED, Energy Star, Passive House, or Net Zero)		

## Water/Wastewater Projects

	CDFA Program		
	CDBG	CEF	Tax Credit
<b>Requirements</b>	<i>Energy Audit<sup>ii</sup></i> <b>Note:</b> Energy Audit will be a Recommendation only for the CDBG 2020 January application round		NA

### TERMS

**Accredited Energy Professional or Organization** - Work must be completed or signed off by a professional with one of the following designations appropriate to the work being completed, and with experience having completed at least two ASHRAE Level II energy audits: Professional Engineer (PE), Certification from the Association of Energy Engineers (AEE), or certification from the Building Performance Institute (BPI).

**Application Threshold** – Must be included as part of the initial application submittal.

**ASHRAE Level I Energy Audit** - Includes interviews, a preliminary energy use analysis and a walkthrough of the facility. A preliminary report details low-cost/no-cost measures, areas of concern, and potential capital improvements for further study. This level of detail is adequate for prioritizing energy efficiency projects and to assess whether a more detailed audit is necessary.

**ASHRAE Level II Energy Audit** – This includes the ASHRAE Level I analysis, but adds detailed energy calculations and financial analysis of proposed energy efficiency measures. Energy consumption is broken out by end-use, identifying areas which present the greatest efficiency opportunities. Utility rates are analyzed to determine if there are rate change opportunities, and key building representatives are interviewed for insights into building operational characteristics, potential problem areas, and to define financial and non-financial goals of the audit. This level of detail is adequate to justify project implementation.

The term “Energy Audit” in CDFA’s policy refers to an ASHRAE Level II Energy Audit.

**Commissioning** - A process that verifies and documents that the selected building systems have been designed, installed, and function according to the owner's project requirements and construction documents, and to minimum code requirements. Refers to the 2015 International Energy Conservation Code (IECC) requirement for Building Commissioning (Section C408 - System Commissioning) that was amended from the 2015 NH State Energy Code; Occupants must be trained on the Commissioning Plan and system operation.

**Energy Design Charrette** consists of a meeting of the design team and utility representative(s) to discuss energy efficiency opportunities and potential incentives.

- 
- I. Consists of an ASHRAE Level II Energy Audit completed by Accredited Energy Professional or Organization.
  - II. Level I or Level II Energy Audit as recommended by an Accredited Energy Professional or Organization.
- 

## CDFA Energy Policy Resources

### [CDFA Energy Policy](#)

**Contact:**

**Scott Maslansky, C.E.M. | Director of Clean Energy Finance  
Community Development Finance Authority**  
Direct: 603.717.9123  
[smaslansky@nhcdfa.org](mailto:smaslansky@nhcdfa.org)  
[www.nhcdfa.org](http://www.nhcdfa.org)

### **NHSAVES Program Contacts** [www.nhsaves.com](http://www.nhsaves.com)

UTILITY	PROGRAM ADMINISTRATOR	E-MAIL ADDRESS	PHONE NUMBER
Eversource	Mark Toussaint	mark.toussaint@eversource.com	(603) 634-2301
Liberty Utilities	Bob Reals	bob.reals@libertyutilities.com	(603) 216-3634
New Hampshire Electric Co-op	Joe Lajewski	lajewskij@nhec.com	(603) 536-8663
Unitil	Joe Van Gombos	vangombosj@unitil.com	(603) 294-5023

---

## Energy Consultants Serving NH

Below are companies that provide third party energy audits and other energy consulting services. This is not an exhaustive list.

**Mike Coty**, CEM | Analyst  
**GDS Associates, Inc.**  
Manchester, NH  
603-656-0336 (Office) | 603-391-0050 (Direct)  
[matt.siska@gdsassociates.com](mailto:matt.siska@gdsassociates.com)

**Margaret Dillon**, MS, BPI, LEED AP, CEM  
**S.E.E.D.S.**  
Sustainable Energy Education & Demonstration Services  
603-532-8979  
[mdillon@myfairpoint.net](mailto:mdillon@myfairpoint.net)

**Carl Edin**  
**Energy Management Consultants, Inc.**  
Portland, ME  
207-767-1513  
[cedin@emcinc-online.com](mailto:cedin@emcinc-online.com)  
[www.emcinc-online.com](http://www.emcinc-online.com)

**Dana Nute**, General Manager  
**Resilient Buildings Group, Inc.**  
Concord, NH  
603-226-1009, extension 212  
[dnute@resilientbuildingsgroup.com](mailto:dnute@resilientbuildingsgroup.com)  
[www.resilientbuildingsgroup.com](http://www.resilientbuildingsgroup.com)

**Michele Sopher**  
**Sopher Energy Analysis and Design**  
Rye, NH  
603-502-2120  
[sopherenergy@gmail.com](mailto:sopherenergy@gmail.com)  
<https://www.linkedin.com/in/michele-sopher-677b2a1b>

## APPENDIX F: BRIDGE FINANCING FOR TAX CREDIT PROJECTS

As part of its Tax Credit program, CDFA is now offering bridge financing to projects that receive an award of CDFA Tax Credits.

There are a variety of circumstances in which an organization that receives a CDFA Tax Credit award may be in the position to begin project implementation but lacks readily available financial resources to do so. It may be advantageous to the project to be implemented as soon as possible because:

- There is a critical need to provide the service that is the subject of the tax-credit award.
- The cost of construction increases dramatically over time.
- The organization has secured all other (non-CDFA) funding/pledges/financing needed to complete the project.
- The organization is depending on future operating funds that cannot be fully realized until the project is completed and the facility is in operation.

As an example, an organization that is awarded CDFA Tax Credits in June of 2019 could receive tax credits for SFY 20 (July 1, 2019 – June 30, 2020) and/or SFY 21 (July 1, 2020 – June 30, 2021). Even if the organization secured pledges for the entire tax-credit award amount, that organization might not receive all of the cash from the tax credits until up to two years after the award. Such a delay could significantly affect the organization's ability to complete the project on time and on budget.

To address this important timing and funding gap, CDFA will offer bridge loans to organizations that receive tax credits, under the following conditions:

- The tax-credit award is greater than \$75,000.
- It is advantageous for the project to get started before all of the committed funds needed to complete the project are available.
- Staff/underwriting review of the tax-credit application determines that the applicant has the financial and organizational capacity to take on the temporary debt.

Bridge loan parameters:

- Amount: Minimum \$60,000, up to the total tax-credit award\*.
- Term: The bridge-loan term will be tied to the timing of the tax-credit award (up to two years plus one calendar quarter), for up to the net tax-credit award amount.
- Interest rate: 4% (Interest would accrue only on drawn funds.)
- Repayment: Interest to be billed and paid quarterly. Principal repayment to be withdrawn from cash received by CDFA from project donors. No pre-payment penalty. Interest will be recalculated as principal is 'repaid' (through redemption of donor pledges to the project).
- Priority: Priority for bridge financing will be determined by staff based on the percentage of committed tax-credit pledges secured by the organization (regardless of the year of the pledge) and overall project need.

\* CDFA will consider expanded bridge financing (above and beyond the net tax-credit award amount) to organizations that have other committed future contributions to tax-credit projects (such as capital-campaign pledges). This 'expanded financing' would be available ONLY if the organization meets CDFA underwriting standards for total debt needed (in excess of the net tax-credit award amount), and ONLY for the same term as tax-credit bridge financing (two years plus one calendar quarter).

Bridge loan process:

- 
- A proposed term sheet would be provided to the organization with the tax-credit award letter. If the organization accepts the loan terms, final review and approval would be required pursuant to the CDFA Credit Policy. Final loan documents generally would occur within sixty days after an organization notifies CDFA that it will accept the loan offer.
  - Once a bridge loan is approved by CDFA and final loan documents are executed, the organization would be able to draw funds on a monthly basis, up to the amount of secured tax-credit pledges (regardless of the SFY of the tax-credit pledge).
  - 'Interim' draws on tax-credit awards would only be permitted through the bridge-loan program for tax-credit awards greater than \$75,000. For awards of \$75,000 or less, interim draws on secured pledges may be allowed at the discretion of the CDFA project manager

DRAFT