AGENDA

Welcome and Introductions
Overview of CDFA
How the Tax Credit Works
Tax Credit Program
Community Economic Development Capacity Building Program
OVERVIEW OF CDFA
MISSION
Maximizing the value and impact of community development, economic development and clean energy initiatives throughout New Hampshire.

VISION
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.

VALUES
Integrity
Collaboration
Adaptability
Respect
Focus
Prosperity
CDFA’s FUNDING ECOSYSTEM

**CONCEPT INITIATION**
- Pre-Application Assistance
- Tax Credit Grant Writing Grants
- Community Economic Dev. Capacity Tax Credits

**PLANNING & DEVELOPMENT**
- CDBG Planning Grants
- Predevelopment Loans
- Energy Assessment Grants

**IMPLEMENTATION**
- Community Dev. Block Grants
- Tax Credits
- Clean Energy Loans
- Community Development Loans

**ENGAGEMENT**
- Network Building
- Asset Management
- Data & Outcome Analysis
- Technical Assistance
$19.8 million infused into New Hampshire communities

87 community-based initiatives supported

189 business donors engaged

Initiatives supported by CDFA reported the following impacts:

- Assisted 94,799 people
- Rehabbed, preserved or created 521 housing units
- Created or retained 2,305 jobs
- Supported 455 micro businesses
- Developed or rehabbed 102,495 square feet
BUILDING CAPACITY
BUILDING CAPACITY
INVESTING IN COMMUNITY FACILITIES
“This is something that’s very important to our community, and we felt we had the ability to do this…We thought we could step up to the plate and produce a wonderful building, which we did, and a program that will have a huge impact on families in this catchment area.”

Dr. Robert McCloud, CEO, Mid-State Health Center
REVITALIZING DOWNTOWNS
BUILDING VIBRANT COMMUNITIES
HOW THE TAX CREDIT WORKS
Competitive Environment

Flexible

Conditions
Securing Tax Credits is a highly-competitive process.
HOW THE TAX CREDIT WORKS

Businesses receive a tax credit of 75% of the donation made to an approved project

Applied against New Hampshire business taxes
- Business profits tax
- Business enterprise tax
- Insurance premium tax

May carry forward the credit for up to five years
A business can make a $10,000 impact for a net cost of less than $1,710.

## TAX SAVINGS FOR BUSINESSES

<table>
<thead>
<tr>
<th>Contribution from Donor</th>
<th>$10,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>NH State Tax Credit Savings</td>
<td>$7,500</td>
</tr>
<tr>
<td>NH BPT Savings</td>
<td>$790</td>
</tr>
<tr>
<td><strong>Total State Tax Savings</strong></td>
<td><strong>$8,290</strong></td>
</tr>
<tr>
<td><strong>Net Percentage Cost to Donor</strong></td>
<td><strong>17.1%</strong></td>
</tr>
</tbody>
</table>

Business may be eligible for Federal Tax Savings on the net contribution.
TAX CREDIT PROGRAM
TOOLS & RESOURCES

Application Guidance

Ongoing Technical Assistance

CDFA Resource Hub
http://resources.nhcdfa.org/
GRANT WRITING ASSISTANCE

Support organizations with limited grant-writing experience or capacity

Up to $2,500 per award, with no match required from applicant

Pre-application consultation with CDFA

Applications for assistance accepted on a rolling basis until January 31, 2023 CDFA provides list of consultants or applicant can propose own consultant
ELIGIBLE APPLICANTS

Community development corporations
Nonprofit organizations involved in community development
  ◦ Fiscal Sponsor guidance
Municipal governments
Employee cooperatives
Other type of cooperatives
PROGRAM OBJECTIVES

Public Benefit – Public Purpose

- Contribute to economic well being of target areas or populations
- Contribute to economic development in New Hampshire
- Increase or maintain threatened primary employment
- Provide affordable housing opportunities
PROGRAM GUIDELINES

Evaluation Criteria

- Quantifiable public benefit and purpose
- Demonstrated need for Tax Credit resources
- Guaranteed long-term benefit
- Capacity to succeed
- Compliance with applicable local/state regulations
- Adherence to CDFA's 2023 Clean Energy Policy
- Evaluation by Investment Review Committee
CDFA ENERGY POLICY 2023

**Intent:** Projects evaluate energy opportunities in order to inform a design that:
1) Reduces future operating and maintenance costs;
2) Improves occupant comfort and health; and/or
3) Improves facility durability.

**Timeline:** Application threshold requirement

**Project Types:** Alterations, new construction

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

Place-based strategies that reinvest in underserved people and communities

Encourage collaboration among multiple organizations

Leveraged funding
FUNDING PRIORITIES

Activities that may not be given priority in a competitive grant round:

- Operating expenses, deficit-reduction, expenses already incurred
- Federal, state or municipal funding responsibilities
- Replacement of typical revenue sources
- Organizations with financial capacity
- Capital campaign activities not tied to specific project
- Applicants with an active CDFA tax credit project
- Large funding requests compared to other projects, available resources
- Primary beneficiaries and activities outside New Hampshire
COMMUNITY ECONOMIC DEVELOPMENT CAPACITY BUILDING PROGRAM
PROGRAM OBJECTIVE

Support communities, cooperatives, and nonprofits in building their capacity to advance community economic development and infrastructure projects focused on meeting the needs of vulnerable community members.
FUNDING PRIORITIES

Increase collaboration across organizations and stakeholders

Resource projects led by and/or directly benefiting vulnerable populations

Resource projects in places with a high percentage of vulnerable people.
FUNDING PRIORITIES

Activities that may NOT be given priority in a competitive grant round:

◦ Operating expenses, deficit reduction, costs already incurred
◦ Typical pre-development expenses including those supported through other CDFA funding streams
  ◦ Eg. Architectural design, energy audits, market studies, appraisals
◦ Support of existing/underway organizational strategy
◦ Replacement of typical revenue sources
◦ Capital campaign activities not explicitly tied to a specific project or program.
◦ Primary beneficiaries and/or activities not based in NH
PROGRAM DETAILS

Eligible applicants
- Same as tax credit program

Applications must be submitted on CDFA Grants Management System

Funding range: Up to $150,000 over 2 years, maximum of $75,000 per year

CDFA will sell up to 100% of program tax credit equity for first year

Pre-application technical assistance

Guidance on fiscally sponsored projects

Grant writing support
PROJECT EXAMPLES

An organization or set of partners that have a community asset (for example a building, community space, piece of land, a loan, etc..) in place and need to deepen community engagement or bring in additional relationships to figure out how to engage that asset in ways that will drive the greatest benefit to target populations.

An organization or set of partners that have an asset or are looking to acquire an asset and need to identify the right legal, financial, and governance structure to manage the asset.

A group that is looking to establish a new leadership or governance structure for its organization or project to address a community economic development challenge.

A well-established organization looking to deepen or build a partnership with a smaller organization so that both have the capacity to engage in a traditional infrastructure project.
2023 KEY DATES

January 11 & 17       Tax Credit Program Overview Workshops
January 12 & 18      Tax Credit Application Writing Workshops
January 19          Application Available
March 9             Application Due by 4:00 PM via GMS
March – April        Application Evaluation
Week of June 12      Award Notifications
Week of June 19      Awards Presentation
Week of June 26      Tax Credit 101 Workshop
NEXT STEPS

STEP ONE: Attend a Tax Credit & Community Economic Development Capacity Building Program Application Workshop on January 12 or 18

Topics to be covered include:
- Timeline and a step-by-step overview of the application;
- Details on 2023 Energy Policy; and
- Pre-application meetings.

STEP TWO: Pre-application Meeting with CDFA staff