



CDFA
COMMUNITY DEVELOPMENT FINANCE AUTHORITY

PREDEVELOPMENT LOAN PROGRAM

APPLICATION AND PROGRAM GUIDE

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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.

We envision a future New Hampshire composed of communities that are economically and socially resilient, reflect and respect their natural surroundings, and represent places where people want to live, work, and play.

To achieve this vision, CDFA invests in the people of New Hampshire by:

- Enabling its partners to make transformational and sustainable changes;
- Meeting the evolving needs of New Hampshire communities;
- Deploying a well-tuned, effective investment system which directly impacts local communities; and
- Taking an innovative and collaborative approach to development finance.

OUR APPROACH

We believe that all people in New Hampshire should have their basic human needs met, access to opportunity, and be a part of sustainable, vibrant communities. Our role at the Community Development Finance Authority is to provide communities with capital and technical assistance to achieve this vision. Success for us means showing up in ways that are relevant, impactful, and center the existing assets in a community.

CDFA is committed to diversity, equity, and inclusion by engaging partners of diverse backgrounds and voices to foster collaboration, innovation, and opportunity. This commitment embodies our shared mission and vision to build vibrant and equitable communities across New Hampshire. [Learn more](#) about CDFA's inclusivity commitment.

HOW DATA SHAPES OUR STRATEGY

Data plays a pivotal role in our work. CDFA's Community Progress Indicators, a set of 13 metrics that assist in measuring socioeconomic well-being and community need at the municipal level in New Hampshire, assist the organization in meeting the evolving needs of New Hampshire communities by informing our strategic priorities and guiding the allocation of resources to the places that need those resources the most.

Identifying quality metrics in alignment with our vision and using them to identify and better understand statewide, regional and local trends helps CDFA support our partners in creating lasting impact within New Hampshire communities. Additional information on CDFA's Community Progress Indicators can be found on the [Resource Hub](#).

PROGRAM OVERVIEW AND OBJECTIVES

CDFA seeks to help communities, businesses, and nonprofit organizations advance projects from concept initiation and planning to funding and implementation, by providing:

1. Sophisticated technical assistance; and
2. Dependable funding at the beginning phases of project development.

These two areas of identified need, coupled with CDFA's mission to invest in New Hampshire's people and communities, led to creation of the Predevelopment Loan Program (PLP).

The program offers loans for predevelopment activities, such as studying the feasibility of renovating a downtown building, gathering public input on a project idea, developing a business plan for a new facility, creating architectural drawings, or seeking planning and zoning approval. Loans of up to \$100,000 are available. Eligible projects must stand a reasonable chance of being financed and initiated within two years of the award.

The PLP seeks to achieve the following objectives:

- Provide financial and technical resources to explore and refine potential community economic development projects that might not otherwise move forward;
- Help move qualifying projects to final approval and financing;
- Develop a more robust community economic development technical assistance and financing network; and
- Use successful results to promote the program and expand its reach and effectiveness.

In its pilot phase, the PLP supported two projects. The first: an \$85,000 loan to fund the documentation, design, and draft programming of a downtown revitalization project that included a historic theatre. These predevelopment activities set the stage for the eventual purchase and renovation of the subject buildings. The second: a loan of \$24,000 supported the historic assessment of a mill building central to the applicant community's downtown economic revitalization plan. The completed assessment led to a successful capital campaign to renovate the mill.

In each case, a predevelopment loan enabled the project to move forward more quickly and helped solidify a case for large-scale financing to complete the project and repay the predevelopment loan. Both resulted in renovated buildings that have helped anchor downtown rejuvenation, spur additional economic development, and create new jobs in the heart of their community.

DEFINITIONS

Definitions of key program terms and should be used to further clarify the program priorities. A full list of CDFA definitions is available [here on our Resource Hub](#).

ELIGIBILITY

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

GUIDELINES

Each borrower will be evaluated to assure that they have the financial capacity to repay the loan within the terms of their agreement. The final decision will consider the overall financial condition of the borrower and the reasonableness of the financial projections provided with the application. Required financial documents are listed in Appendix B.

LOAN TERMS

Loan Amount

Eligible organizations may apply for \$30,000 to \$100,000 in loan funds.

Loan Term

Up to 24 months, based on anticipated closing of final construction/project financing, with ability to extend based on satisfactory progress and ability to close within a proposed extension period.

Interest Rate

CDFA sets its base lending rate ("CDFA Base Rate") by considering the prime rate (also known as the Wall Street Journal Prime Rate), cost of capital, and potential impact on borrowers. Applicants may qualify for one or more discounts with a maximum discount of 3.0%. At no point will the lending rate be below 2.0%. An interest rate calculator is available on the CDFA website. See CDFA Interest Rate Calculator (<https://resources.nhcdfa.org/interest-rate-calculator/>). CDFA reserves the right to adjust the offered rate based on project risk, term, community or economic development impact, or other factors.

Origination Fee

A sliding fee equal to 1% of the CDFA loan amount (see the fee table below) is charged to cover loan underwriting and full application review. This fee is due at the time of loan closing. If your application is denied due to underwriting or eligibility, this fee is refundable.

	Origination Fee	Minimum Fee	Cap
Municipality	1.0%	\$350	\$700
Non-profit	1.0%	\$350	\$1,100

Closing Costs

CDFA charges pass-through fees for security recording/filing and for any attorney fees. In a typical loan, these fees total less than \$250.

Other Costs

CDFA reserves the right to charge for special requests (e.g., loan reamortization; amendments that require changes to loan documents) or other extenuating circumstances that may result in additional direct costs or staff time.

Collateral

CDFA requires security on predevelopment loans. CDFA will accept a mortgage on real property, a UCC filing on the other assets of the borrower or a combination where warranted.

Note: The terms listed above are subject to change.

Permitted Uses of Funds

All reasonable, third-party predevelopment costs are permitted, including: preliminary feasibility assessment, architectural and engineering studies, environmental assessment, energy audit, renewable energy consultation, historic and development consultants, schematic or other drawings, option payments or property acquisition, legal fees, pre-authorized staffing costs by the applicant organization, and any other costs approved by CDFA.

Up to 15% of the total loan amount (not to exceed \$15,000) may be spent on preliminary feasibility assessment, including early market scoping, market studies, cost estimates, community meetings, etc. Funds may not be used for prepayment of developer fees or for costs incurred before the Predevelopment Loan application is submitted.

HOW TO APPLY

Pre-application consultation with CDFA staff is required before submitting a formal application. To discuss your project idea and possible loan needs, please contact CDFA at 603-226-2170, or email Scott Maslansky, Director of Clean Energy Finance, smaslansky@nhcdfa.org.

All applications must be completed and submitted on CDFA's Grants Management System (www.nhcdfagrants.org). Information on using CDFA's Grants Management System can be found on CDFA's Resource Hub: <https://resources.nhcdfa.org/working-with-cdfa/grants-system/>.

KEY DATES

Online Application

Applications are available on CDFA's Grants Management System (GMS) throughout the year. Once submitted, completed applications will be considered on a first-come, first-served basis. Program funding is subject to availability.

Loan Application Review Timeline

Once a complete loan application is submitted, we will make every effort to complete project review and underwriting within three weeks. Final approval subject to Board review and approval.

Following Board approval, borrowers will receive a Commitment Letter and will complete the loan documents process.

Loan applicants should expect the entire process (completed loan application to loan closing) to take approximately 45-60 days. Incomplete information may extend this time period.

EVALUATION

Proposed projects for predevelopment loan funding must meet the following conditions:

- The proposed project must have a public purpose or provide a clear public benefit. Such benefits must be quantifiable and presented as part of the application.
- CDFA's support is necessary to enable predevelopment activities and to help advance the proposed project to the final planning and financing stage.
- The proposed project has a reasonable chance to proceed to final planning and financing, including defined community interest/support, demonstrated organizational capacity to move the project forward, preliminary funding commitments, etc.
- The applicant has received or is seeking approval for all applicable environmental, zoning, building, planning, and sanitation laws and regulations needed for the proposed project.
- The applicant has the management and financial capacity to coordinate and oversee predevelopment activities and can benefit from technical assistance.

An outline of CDFA's PLP application can be found in Appendix A.

APPENDIX A: APPLICATION OUTLINE

Below is an application outline for the Predevelopment Loan Program. Applications are accepted on a rolling basis until funds are expended. Applications may be submitted at any time through our online Grants Management System ('GMS') (www.nhcdfa.org). Information on using CDFA's Grants Management System can be found on CDFA's Resource Hub: <https://resources.nhcdfa.org/working-with-cdfa/grants-system/>. Hard copy or emailed applications will not be accepted.

I. Applicant Information

- **Primary Contact**
- **Authorized Official/Authorized Official email**
- **Organization Information**
- **UEI #**

II. Eligibility

- **Choose Eligible Applicant Type (select ONE)**
 - Community development corporation
 - Nonprofit organization involved in community development
 - Employee cooperative
 - Other type of cooperative
 - Municipality
- **Eligibility Threshold Attachments**
 - Articles of Incorporation
 - Bylaws
 - IRS Determination Letter (if applicable)
 - Proof of Good Standing – New Hampshire Secretary of State

III. Proposed Project Information

- **Project Name**
- **Project Address** (if identified)
- **Loan Amount Requested**
- **Executive Summary**

Briefly describe the proposed final project and the predevelopment activities this loan request would support.

- **Property Description**

Provide detailed information on the subject property, its ownership structure, and the status of site control.

Provide copies of any existing studies, reports, agreements, purchase-and-sales documents, engineering information, etc.

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

- **Proposed Project Timeline and Readiness**

Provide a proposed technical assistance/predevelopment timeline, including the anticipated closing date for final project financing.

Provide a list and status of Federal/state/local permits, approvals, agreements, or other requirements necessary to complete the project (i.e. environmental, historical, zoning, planning, site-plan review). If not yet secured, describe the strategy and timeline for securing them.

IV. Public Benefit and Purpose

- **Project Information and Public Benefit Attachments**

- Map of project location or area
- Photos and/or renderings of project property
- 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)
- Letters, news articles, studies in support of project (Use "other attachments" for add'l documentation)
- Historical Information (if applicable)

- **Community Input and Support**

What process was used or is proposed to gather community input on the proposed project?
Has this project been the subject of any public hearings or forums? Explain with relevant detail.

V. Management Capacity

- **Management Team**

- **Staff** - Describe your organization's current staff and their capacity to carry out/oversee the proposed pre-development and implementation work. Please describe who will be responsible for oversight, reporting, and other compliance activities. In addition to staff, what roles will your Board of Directors, volunteers, consultants, and others have in the implementation of the feasibility and/or predevelopment activities?
- **Board** - List of or link to Board of Directors (including individual board member affiliations)

VI. Finance and Development Capacity Attachments (For further information consult CDFA's Resource Hub)

- Fiscal Year start and end dates
- Operating Budget – Current Fiscal Year
- Operating Budget-to-Actual – Most Recently Completed Fiscal Year
- Financial Statements from the past 2 years (inclusive of most recent fiscal year end).
Submit one of the following for each year:
 - Audited financial statement (required for orgs w/annual operating budget >\$2M); or
 - Reviewed financial statement (required for orgs w/annual operating budget of \$500K-\$2M); or
 - IRS Form 990 (required for orgs w/annual operating budget <\$500K)
 - The above list outlines the minimum requirements, but please submit the most detailed and comprehensive document that you have. For instance, if your organization has \$400,000 in annual operating revenue, and you have an audited financial statement prepared each year, please submit the most recent audit (NOT the IRS 990). There is no need to submit multiple documents for this section.
- Management-prepared financial statements for the current Fiscal Year (Balance sheet, profit-and-loss statement, cash flow statement)
- Organization Financial Overview – A narrative describing the organizations' current financial situation.
- Operating Reserve – Does your organization have one (Y/N). If yes, amount & status.
- Endowment – Does your organization have one (Y/N). If yes, amount & status.
- Line of Credit – Does your organization have one (Y/N). If yes, amount & status.

VII. Project Funding and Budget

- **Need for Predevelopment Funding**

Why does the proposed project need technical assistance and/or predevelopment funding?
What other sources have you pursued and what is the status of other funding for predevelopment work?

- **Feasibility/ Predevelopment Budget (Sources and Uses)**

Provide a line-item budget. Show all proposed technical assistance, feasibility and predevelopment expenses. Include a description/ explanation for each line item. Indicate CDFA and other sources.

- **Interest Rate Discounts:** Please indicate which Interest Rate “Discounts” may apply to your organization. Explain why your entity meets each discount or upload documentation (see CDFA Interest Rate Calculator).

- Nonprofit or Municipality
- Project located in a CDFA priority community
- Project serving a CDFA priority population

- **Proposed Security for loan (i.e. mortgage on property, UCC on business assets)**

Describe any potential collateral that may be available to secure the loan.

VIII. Application Certification

Prior to application submission, CDFA requires an Authorized Official of the applicant organization to sign a 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; and
- 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.

APPENDIX B: LOAN DOCUMENTATION AND ADMINISTRATION

LOAN DOCUMENTATION

The following documents will be required for closing of an approved loan.

Loan Commitment Letter

This letter states the amount of the approved loan, loan terms, and any special conditions pertaining to the loan commitment.

Loan Agreement and Promissory Note

Borrowers must enter into a Loan Agreement and Promissory Note with CDFA using CDFA's standard form. The Loan Agreement and Promissory Note includes the 'maximum loan amount' that CDFA might provide to the project along with the terms governing the loan.

Collateral Documentation

CDFA will determine the appropriate security for the loan (in communication with the Borrower). Examples include a Mortgage and Security Agreement be signed and filed with the County to place a lien on the land and/or building subject to the loan; A UCC Financing Statement will be filed with the County to place a lien on equipment or other business assets. For all projects, a mortgage may be placed in a subordinated position to other mortgages. Additional forms of security may also be considered.

Disclosure of Finance Charges (399-B)

Outlines the basic terms of the loan and any fees to be charged at loan closing.

Corporate Resolution or Municipal meeting minutes

The borrower will be asked to provide documentation expressing the authority for the borrowing organization to borrow up to the 'maximum loan amount', to grant guarantees or assignments (if required), and to designate an individual to sign the documents with CDFA on the borrowing organization's behalf. A written resolution or meeting minutes documenting the corporation or municipality's approval is required.

In cases where the borrower and the developer are separate, legal entities, both the borrower and developer are required to execute the loan documents. In addition, the developer, as the recipient of the construction/final loan proceeds that will retire CDFA's loan, may be required to guarantee repayment. In some cases, the CDFA loan will be closed prior to the creation of the entity that will serve as the developer. In such cases, the loan agreement may stipulate that the borrower will have a separate developer agreement and guarantee executed when the development entity is formed.

Attorney Opinion Letter (Municipalities only)

Verifies the review of the loan documents.

Additional Conditions to Closing

Loan closing may be subject to additional conditions relative to the individual circumstances of the loan.

LOAN ADMINISTRATION

Loan Disbursements

After a loan is executed, the borrower submits claims for reimbursement through CDFA's Grants Management System (GMS) and attaches invoices approved for payment, as well as work products, and other documentation. If all or part of the disbursement will cover the cost of an application or commitment fee, instead of an invoice, borrower attaches a copy of the document indicating the amount to be paid, the date when payment is required and the name and address of the payee. Detailed instructions for submitting claims in GMS are provided with signed loan documents.

Repayment Terms

The full amount of principal and accrued interest is due and payable on or before the earlier of (i) the closing date for the final project financing package, or (ii) the 15th day of the 25th months following the execution of the Loan Agreement and Promissory Note. There is no penalty for prepayment. CDFA may forgive repayment of this loan if, in the sole opinion of CDFA, the project becomes infeasible due to financial, regulatory, or other circumstances beyond the control of the borrower. Borrower must submit a written request to forgive repayment with a detailed explanation why the project will not move forward and why the borrower is unable to repay the balance owed.

CDFA requires that borrowers pay their monthly payments via electronic funds transfer/ACH system (excepting payments during the interest-only period). Borrowers must complete an ACH registration form in GMS following loan approval are asked to provide CDFA with banking information so that CDFA will set up the automated payments with their bank to be drawn on the borrower's bank account on the same day each month.

Loan Modification

If project costs and activities justify, the borrower may request an increase in the loan amount above the approved 'maximum loan amount' in the loan agreement. The request must be submitted in writing via GMS, along with detailed justification and a revised project budget. If CDFA approves an increase above the previously approved loan amount, CDFA will execute a Loan Increase Commitment Letter. The letter revises the schedule of approved costs and disbursements contained in Exhibit A of the loan agreement and serves functionally as a loan amendment. Loan Modifications may be subject to Other Fees as described in the Loan Terms section above.

Reporting Requirements

Once a loan is closed, CDFA reserves the right to request and receive annual financial statements from the Borrower. Failure to provide financial information in a timely basis will result in Borrower being in default of the terms of this Loan and result in Lender charging Borrower a late fee as outlined in Loan Agreement and Promissory Note.

Reporting

Borrower must provide a brief progress report on the overall project with each claim request. If the borrower does not have a claim to submit in a calendar quarter, borrower must provide a brief written update on project progress by the end of each calendar quarter (March 31, June 30, September 30, December 31).

APPENDIX C: KEY RESOURCES FOR APPLICANTS

Below find links to relevant resources for applicants, including program guidance, how to use CDFA's Grants Management System, policy and guidance documents, and data resources.

PREDEVELOPMENT LOAN PROGRAM	
Main Resource Hub Page	https://resources.nhcdfa.org/programs/pre-development-loan-program/
Application & Program Guide	https://resources.nhcdfa.org/wp-content/uploads/2024/12/FINAL-CDFA-Predevelopment-Application-and-Program-Guide-2025.pdf

CDFA'S GRANTS MANAGEMENT SYSTEM (GMS)	
How to Register for GMS	https://resources.nhcdfa.org/wp-content/uploads/2021/07/1.-Completing-your-registration-on-WebGrants.pdf
Tips for Using GMS	https://resources.nhcdfa.org/wp-content/uploads/2020/01/Tips-for-Using-GMS.pdf
Recovering Username and Password	https://www.youtube.com/watch?v=lbxg4WUrQEw
Starting an Application	https://resources.nhcdfa.org/wp-content/uploads/2021/05/2.-Applicant-instructions-for-applying-for-funding-in-WebGrants.pdf
GMS Access Form	https://resources.nhcdfa.org/wp-content/uploads/2021/05/FINAL.GMS-Access-Form-for-all-programs.pdf

POLICY & GUIDANCE DOCUMENTS	
Bridge Financing	https://resources.nhcdfa.org/wp-content/uploads/2024/11/FINAL-Bridge-Financing-for-Tax-Credit-Awardees-2025.pdf
CDFAS Interest Rate Calculator	https://resources.nhcdfa.org/interest-rate-calculator/
Energy Policy 2025	https://resources.nhcdfa.org/wp-content/uploads/2024/11/FINAL-CDFA-Energy-Policy-2025.pdf
Energy Resources	https://resources.nhcdfa.org/wp-content/uploads/2021/11/CDFA-Clean-Energy-Resources-Energy-Auditor-List-and-NHSaves-contacts.pdf
Financial Documents Explainer	https://resources.nhcdfa.org/wp-content/uploads/2023/02/Applicant-Financial-Documents-Explanation-2023.pdf
Fiscal Sponsor Guidance	https://resources.nhcdfa.org/wp-content/uploads/2021/11/Tax-Credit-Guidance-Fiscal-Sponsors.pdf
Key Definitions	https://resources.nhcdfa.org/wp-content/uploads/2024/11/CDFA-Key-Definitions.pdf
Additional Policy Resources	https://resources.nhcdfa.org/working-with-cdfa/cdfa-policies-procedures/

DATA RESOURCES	
Main Page	https://resources.nhcdfa.org/working-with-cdfa/data/
Community Progress Indicators Summary Table	https://resources.nhcdfa.org/wp-content/uploads/2021/12/CDFA-CPI-Summary-Table.pdf
Community Progress Indicators Data Dictionary	https://resources.nhcdfa.org/wp-content/uploads/2021/12/Community-Progress-Indicators-Data-Dictionary.pdf
Community Progress Indicators 2024	https://resources.nhcdfa.org/wp-content/uploads/2024/11/Community-Progress-Indicators-CPI-2025.pdf
Community Progress Indicators 2020 – 2024	https://resources.nhcdfa.org/wp-content/uploads/2024/11/Community-Progress-Indicators-CPI-2021-2025.xlsx
Core Data Index 2024	https://resources.nhcdfa.org/wp-content/uploads/2024/11/Core-Data-Index-CDI-Tables-2019-2025.pdf

