

On Thursday, January 25, 2018, New Hampshire Housing Finance Authority held its monthly Board meeting at the Authority's offices located at 32 Constitution Drive, Bedford, NH. Chair Ensign called the meeting to order at 10:30 a.m. The meeting adjourned at 11:43 a.m.

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**Members Present:**

Stephen W. Ensign  
Kendall Buck  
John Cuddy  
Pauline Ikawa  
Connie Lane  
Mary Beth Rudolph  
Stephanye Schuyler

**Members Absent:**

Amy Lockwood  
Donald Shumway

**Authority Counsel Present:**

John Deachman, General Counsel

**Others Present:**

Andrew Cadorette  
Dean Christon  
Rob Dapice  
Pat Donahue  
Natasha Dube  
Ben Frost  
Debi Granfield  
Jane Law  
Grace Lessner  
Ignatius MacLellan  
Heather McCann  
Jim Menihane  
Chris Miller  
Gloria Paradise  
Dee Pouliot  
Bill Ray  
George Reagan  
David Sargent  
Samantha Smiley

Tim Cadigan, TD Bank  
Misty Dalke, G.K. Baum  
Ben Etheridge, CCA  
Marcia Franklin, CATCH  
Jack Franks, Avanru Development  
Mitch Gallo, RBC  
Rosemary Heard, CATCH

Michelle Kim, Bank of America Merrill Lynch  
Janet Taft, TD Bank  
Ashley Taylor, William H. Craig Fellow

Chair Ensign called the meeting to order at 10:30 a.m.

**Approval of the Minutes of the December 13, 2017 Meeting:** Mr. Cuddy moved, seconded by Ms. Ikawa, and the Board unanimously approved the following motion:

2018-01        The minutes of the December 13, 2017, meeting are approved as presented.

**COMMITTEE REPORTS:**

**Finance and Administration Committee**

**Approval: The Partnership Grants Program:** Ms. Schuyler reported on the Finance and Administration Committee's recommendation to move forward with staff's proposal regarding the Partnership Grants Program. She and Mr. Christon answered members' questions. Ms. Schuyler moved, seconded by Ms. Ikawa, and the Board unanimously approved the following motion:

2018-02        The Board of Directors approves the Partnership Grants Program to replace the previous Sustaining Grant Program. Funding for this program is included in the FY 2018 Program Plan.

**Approval: Amendment to Surplus Lands Housing Program Rules:** Members discussed staff's recommendation. Ms. Schuyler moved, seconded by Ms. Rudolph, and the Board unanimously approved the following motion:

2018-03        The Board of Directors adopts the following amendment to HFA 602.08(a) to clarify the commencement of the term of affordability in the Surplus Lands Housing Program.

HFA 602.08 Continued Affordability

- (a) The Authority shall ensure the continued affordability of Surplus Land transferred to Eligible Persons for a period of time described in RSA 204-D:4. ***The term of affordability shall commence upon the sale of the property to an Eligible Person by the Authority, or as the Authority shall otherwise determine.***
- (b) Any continued affordability controls for Surplus Land property shall be in a form specified by the Authority and recorded at the Registry of Deeds.

**Homeownership Committee**

**Approval: Amendment to Homeownership Program Rules:** Mr. Buck reviewed the Rules revisions recommended by staff. Mr. Christon reported on the history of the Scamman Estates property. Mr. Buck moved, seconded by Ms. Rudolph, and the Board unanimously approved the following motion:

2018-04 The Board of Directors adopts the following amendment to HFA 333.06(a) to clarify the commencement of the term of affordability on Scamman Estates properties:

HFA 333.06 Resale Price and Continued Affordability

(a) During the period of these covenants, subsequent resales of properties located in Scamman Estates shall meet the resale requirements of RSA Chapter 204-D to ensure affordability. ***The term of affordability shall commence, as determined by the Authority, upon the initial sale of the housing to an Eligible Borrower by the Authority, or upon the sale or transfer of the underlying land through deed or lease to an Eligible Borrower by the Authority.***

(b) Any continued affordability controls for Scamman Estates property shall be in the form of a recorded document at the Registry of Deeds.

**Multi-Family Housing Committee**

**Approval: 2018 LIHTC Reservations:** Ms. Dube provided a presentation on the 2018 Low Income Housing Tax Credit (LIHTC) funding round. She reviewed the allocation recommendations, project types, locations, and proposed funding and/or denials for each project. She provided details on the disqualified projects noting a desire to wait until the appeals time-period passes before all tax credit allocations are made. She noted that additional projects may be recommended for funding at a later date if funds are determined to be available. She then reviewed the specific recommended allocation details for four projects. Mr. Cuddy moved, seconded by Ms. Lane, and the Board unanimously approved the following motion:

2018-05 The Board of Directors approves the following Low Income Housing Tax Credit Reservations:

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|--------------------|--------------------------|
| 1. Project:        | Claremont Goddard Block  |
| Developer:         | Kevin Lacasse            |
| LIHTC recommended: | \$596,000                |
| 2. Project:        | Tracy Street Apartments  |
| Developer:         | Twin Pines Housing Trust |
| LIHTC recommended: | \$648,235                |

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|--------------------|--------------------------|
| 3. Project:        | Bradley Commons Phase II |
| Developer:         | The Housing Partnership  |
| LIHTC recommended: | \$219,477                |
| 4. Project:        | St. Regis House          |
| Developer:         | Berlin Housing Authority |
| LIHTC recommended: | \$450,000                |

**Approval: 2018 LIHTC Denials:** Mr. Cuddy moved, seconded by Ms. Lane, and the Board unanimously approved the following motion:

2018-06 The Board of Directors denies the following Low Income Housing Tax Credit applications.

The Board of Directors also acknowledges that of the projects listed below, two applications met threshold requirements and are eligible for future 2018 credits should any project granted a reservation above fail to meet the requirements of the 2018 QAP:

<u>Project name</u>	<u>Town</u>	<u>Sponsor</u>	<u>Reason</u>
Abenaki Springs Phase II	Walpole	Avanru Development	Failure to meet threshold; market demand
Bethlehem Workforce Housing	Bethlehem	AHEAD, Inc.	Failure to meet threshold; financial feasibility
Boulder Point Veterans' Housing	Plymouth	Harbor Homes, Inc.	Project is feasible with 4% LIHTCs
Penacook Landing	Concord	Caleb Development Group	Met threshold; failure to score competitively
Harvey Heights Phase I	Ashland	LACLT	Met threshold; failure to score competitively

### **Executive Committee**

Chair Ensign noted the Executive Committee met immediately before the Board Meeting and approved the continuation of the current auditing firm noting the partner rotation requirement. He noted the approval was for a new four-year term with the same audit company of Baker, Newman, Noyes, and the vote will come before the Board at the February Board Meeting.

### **UNFINISHED BUSINESS:**

There was no unfinished business to bring before the Board.

**NEW BUSINESS:**

**Staff Presentation: Emerging Opportunities Grant Update – Rosemary Heard, CATCH/Alliance Management:** Ms. Heard provided a presentation on the structure and goals of CATCH/Alliance Management. She reported that receiving the Emerging Opportunities Grant was influential in the growth and diversification of their portfolio, which led Alliance to becoming a full service property management company and helped support affordable housing development and job creation.

**EXECUTIVE DIRECTOR'S REPORT:**

Mr. Christon updated members on the impact of the recently passed tax revision and of the focus on Private Activity Bonds and the federal budget. He noted staff awaits key policy decisions on Federal Financing Bank (FFB), Project Based Contract Administration (PBCA), and Moving to Work (MTW). Mr. Christon also reported on key state-level housing related legislation. He provided details on Bill 1682 concerning judicial foreclosures; and Bill 537, which would provide the Authority, New Hampshire Higher Education Assistance Foundation (NHHEAF), and the Business Finance Authority (BFA) bonding authority in other jurisdictions; Bill 557 regarding board of housing development appeals had support at a recent Senate hearing. Mr. Christon then advised the Lead Bill was passed and signature by the governor is expected.

**PROGRAM ACTIVITY REPORTS:**

Mr. Christon reviewed the Homeownership Activity Reports. He noted a 5-11% decline from last years' numbers, which is a result of several factors contributing to a slower market in September and October. He also noted that the Mortgage Credit Certificate (MCC) Program has rebounded; revenue stream is on budget; and the first New Hampshire Community Loan Fund (NHCLF) Resident Owned Community (ROCs) funding reservation has been received.

Mr. Christon reviewed the Rental Assistance Program Report. He reported staff achieved 99.4% utilization for the year, and expended all funds available for this purpose, which puts the Authority in good standing for funding for next year. Mr. Christon also noted staff has received preliminary budget information for 2018 from Housing and Urban Development (HUD) and is evaluating the impact of different funding scenarios. He reported the Family Self Sufficiency (FSS) grant was recently renewed and that program will continue.

Mr. Christon then reviewed the Multi-Family Development Reports, providing details. He noted NHHFA recently received six applications for Housing Trust Funds and a special needs housing RFP is out for response. The forum on the 2018 QAP took place on January 22 and was well attended, staff will return to the 2016 QAP schedule. Mr. Christon reported a PBCA audit was recently completed with no findings, a final letter is expected from HUD.

Finally, Mr. Christon reviewed the financial reports, noting a slight rise in delinquencies, which historically tend to rise seasonally. He also noted foreclosures are slightly up and there are no multi-family delinquencies, although a few properties are on the watch list. He reported staff worked hard to close a bond issue the last week in December and this bond will support three projects.

**COMMITTEE MEETING MINUTES:**

The Board had no comments on the Committee minutes as presented.

Mr. Christon then reviewed the upcoming meetings and events asking members to let staff know if they were attending the Legislative Conference.

There being no further business to bring before the Board, the Board unanimously voted to adjourn at 11:43 a.m.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Dean J. Christon", is written over the text "Respectfully submitted,".

Dean J. Christon  
Executive Director