

On Thursday, April 27, 2017, New Hampshire Housing Finance Authority held its monthly Board meeting at the Authority's offices located at 32 Constitution Drive, Bedford, NH. Vice Chair Lockwood called the meeting to order at 10:02 a.m. The meeting adjourned at 11:40 a.m.

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**Members Present:**

John Cuddy  
Pauline Ikawa  
Connie Lane  
Amy Lockwood  
Mary Beth Rudolph  
Stephanye Schuyler  
Donald Shumway

**Members Absent:**

Stephen W. Ensign  
Kendall Buck

**Authority Counsel Present:**

Thomas Collins, Bond Counsel  
Chelsea Tryder, McCarter & English

**Others Present:**

Andy Boyle  
Dean Christon  
Rob Dapice  
Pat Donahue  
Ben Frost  
Debi Granfield  
Grace Lessner  
Lynn Lippitt  
Ignatius MacLellan  
Jim Menihane  
Chris Miller  
Heather Morgan  
Gloria Paradise  
Dee Pouliot  
Colette Provencher  
David Sargent

Michael Baumrin, RBC Capital Markets  
Barbara Feldman, BAML  
Jim Stretz, G.K. Baum  
Jennifer Vadney, NeighborWorks Southern New Hampshire

Vice-Chair Lockwood called the meeting to order at 10:02 a.m.

**Approval of the Minutes of the March 23, 2017 Meeting:** Ms. Rudolph moved, seconded by Ms. Ikawa, and the Board unanimously approved the following motion:

2017-15        The minutes of the March 23, 2017, meeting are approved as presented.

**COMMITTEE REPORTS:**

**Finance and Administration Committee**

**Approval: New Hampshire Community Loan Fund Investment:** Ms. Schuyler discussed the request for an investment in the New Hampshire Community Loan Fund (NHCLF). Mr. Christon reviewed the Authority's history with the NHCLF, and provided details of the investment. He answered members' questions and reported the Authority's total investment in NHCLF, including this request, would be \$750,000. Ms. Schuyler moved, seconded by Ms. Ikawa, and the Board unanimously approved the following motion:

2017-16        The Board of Directors approves an investment of \$500,000 in the New Hampshire Community Loan Fund.

**Homeownership Committee**

The Homeownership Committee did not meet in April.

**Multi-Family Housing Committee**

**Approval: Assisted Housing Division Program Rule Changes:** Mr. Christon provided an overview of staff's process of re-evaluating the Authority's rules. He then reported on the review of the Assisted Housing Division Rules, noting the rules to be repealed. Mr. Christon also discussed the amendments proposed to the active programs' rules providing details of the review process. He answered members' questions and noted no existing client or program would be impacted by the repealed rules. Mr. Cuddy moved, seconded by Mr. Shumway, and the Board unanimously approved the following motion:

2017-17        The Board of Directors approves the repeal of the Rules listed in Exhibit A and approves the revised Rules in Exhibit B.

Consistent with New Hampshire Housing rulemaking policy, the Executive Director will determine an effective date for the revised Rules; and the Repeals list and revised Rules will then be filed with the Office of Legislative Services.

**Approval: Project Financing – Londonderry Townhomes at Whittemore Place Phase II:** Mr. Dapice reported on the Londonderry Townhomes at Whittemore Place Phase II project. He provided details of the proposed use of funds, other sources of funding and answered members' questions. Mr. Cuddy moved, seconded by Ms. Lane, and the Board unanimously approved the following motion:

2017-18 The Board of Directors approves the following financing for the Londonderry Townhomes at Whittemore Place Phase II project located in Londonderry, New Hampshire, in the amounts and terms as follows:

<u>Amount</u>	<u>Source</u>	<u>Type</u>	<u>Rate</u>	<u>Term</u>
\$570,888	HOME	Deferred	0%	30 years

The Executive Director or designee is authorized and directed to execute the security documents for each transaction and shall add such conditions as are determined necessary. All documents shall be reviewed and approved by the Authority's legal counsel.

**Approval: Project Financing – Gilford Village Knolls Phase 3, Laconia Area Community Land Trust, Gilford:** Mr. Dapice reported on the Gilford Village Knolls Phase 3 project, noting the previous phases of the project and providing details of the current phase. He provided details of the proposed use of funds and answered members' questions. Following discussion and suggestions by members, staff will adjust the official name of the project to Gilford Village Knolls 3 going forward. Mr. Cuddy moved, seconded by Mr. Shumway, and the Board unanimously approved the following motion:

2017-19 The Board of Directors approves the following financing for the Gilford Village Knolls 3 project located in Gilford, New Hampshire, in the amounts and terms as follows:

<u>Amount</u>	<u>Source</u>	<u>Type</u>	<u>Rate</u>	<u>Term</u>
\$994,335	HOME	Deferred	0%	30 years
\$2,700,000	TBD <sup>(1)</sup>	Construction	3.65 % <sup>(2)</sup>	18 Months
\$428,000	Operating fund	Permanent	5.10%	40 Years

The Executive Director or designee is authorized and directed to execute the security documents for each transaction and shall add such conditions as are determined necessary. All documents shall be reviewed and approved by the Authority's legal counsel.

Additionally, the Board of Directors approves an additional Low Income Housing Tax credit amount of \$28,385 from the 2017 LIHTC allocation. This will increase the project's total 2017 tax credit amount to \$406,685.

<sup>(1)</sup> Operating Fund and/or Authority line of credit as determined to be appropriate.

<sup>(2)</sup> Variable; cost of funds plus 150 basis points.

**Approval: Project Financing – Bridgeview Apartments, Pittsfield:** Mr. Dapice reported on the Bridgeview Apartments project, noting the history of this project. He provided details of the funding request, noted the rental assistance contract will remain in place for an addition 13 years

and answered members' questions. Mr. Cuddy moved, seconded by Ms. Lane, and the Board unanimously approved the following motion:

2017-20 The Board of Directors approves the following financing for the Bridgeview Apartments project located in Pittsfield, New Hampshire, in the amount and term as follows:

<u>Amount</u>	<u>Source</u>	<u>Type</u>	<u>Rate</u>	<u>Term</u>
\$896,400	FFB <sup>(1)</sup>	Permanent	4.50% <sup>(2)</sup>	40 years

The permanent loan will be credit enhanced under the FHA Risk Sharing Program and accordingly the Board approves the credit enhancement under that program, conditional upon FHA approval.

The Executive Director or designee is authorized and directed to execute the security documents for each transaction and shall add such conditions as are determined necessary. All documents shall be reviewed and approved by the Authority's legal counsel.

#### **Executive Committee**

The Executive Committee did not meet in April.

#### **UNFINISHED BUSINESS:**

There was no unfinished business to bring before the Board.

#### **NEW BUSINESS:**

**Staff Presentation: Technical Assistance Program:** Mr. Miller gave a presentation on the Authority's Technical Assistance Program, reviewing the purpose and origins of the program. He discussed the funds, and provided information on the activity and loans granted to date. Mr. Miller reported on the statewide distribution of funds, potential program changes and answered members' questions throughout the presentation.

#### **EXECUTIVE DIRECTOR'S REPORT:**

Mr. Christon provided an update on Legislative activities, the Affordable Housing Fund (AHF) and the lead remediation bill. He provided details and answered members' questions. Mr. Christon then provided an update on the federal budget reporting staff continues to await a decision on the 2017 budget and noting the potential implications to the voucher and other programs.

Mr. Christon then briefly reviewed the Fact Sheets from the Center on Budget and Policy Priorities, noting New Hampshire has a higher percentage of elderly and disabled and families with children in the voucher program compared to other states.

#### **PROGRAM ACTIVITY REPORTS:**

Mr. Christon reviewed the Single Family Mortgage Program reports noting that volume has met staff's plan expectations through March, however, the total number of loans is now showing

signs of slowing. He reported April reservations have been light but the dollar amounts continue to exceed last year by significant amounts due to higher prices. Mr. MacLellan advised staff is working on strategies to address and understand volume and inventory issues.

Mr. Christon reviewed the Rental Assistance Program Report noting the new report format. He discussed the wait list and reported on the preferences, noting the HUD requirements. Mr. Christon reported staff will continue tracking the data and watch for the budget to be announced.

Mr. Christon then reviewed the Multi-Family Development Reports. He noted there is a lot of project activity with the application funding and added the Board will likely see project financing requests consistently over the next few months. He also discussed the 2018 Qualified Allocation Plan, reviewing the proposed schedule and answering members' questions.

Mr. Christon then advised of an upcoming Frontline program which is scheduled to air next month and focus on the affordable housing crisis in America, specifically on the tax credit program.

Finally, Mr. Christon discussed the financial reports noting staff continues to see changes in the portfolio. He reported delinquency numbers are down and REO numbers continue to decline as well. Mr. Christon noted there are no delinquencies in the multi-family portfolio but briefly reviewed two projects that may be coming forward for restructuring.

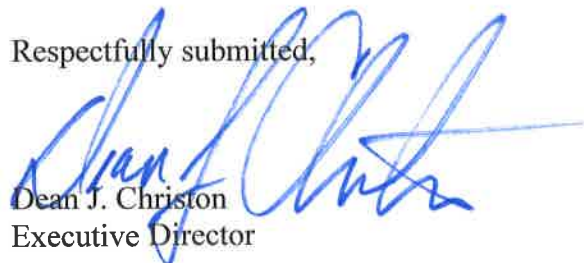
**COMMITTEE MEETING MINUTES:**

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

Mr. Christon discussed the upcoming meetings and events, noting the Board planning session on June 2, 2017, and the upcoming Multi-Family Housing Conference, advising if members wish to attend to please notify Colette as soon as possible. He also discussed the upcoming meeting schedules. He noted that, although the Board has typically not had meetings in July, the upcoming activity is suggesting that it is likely that the Board will meet in July this year. Mr. Christon asked members to let him know if their schedule would conflict with a July meeting.

There being no further business to bring before the Board, the meeting was adjourned at 11:40 a.m.

Respectfully submitted,



Dean J. Christon  
Executive Director

Attachments: Exhibit A – Rules Recommended for Repeal  
Exhibit B – Rules Recommended for Revision

Exhibit A  
Rules Recommended for Repeal

**RULES RECOMMENDED FOR REPEAL**

<b>Rule</b>	<b>Rule Title</b>	<b>Summary</b>	<b>Comments</b>
HFA 501	Security Deposit Guarantee Program	Security Deposit funds to assist extremely low and very low-income NHHFA voucher holders.	Program no longer active or funded.
HFA 502	Owner's Assistance Program	Loans to owners to assist with minor building repairs to bring a unit into compliance with Housing Quality Standards.	Program no longer active or funded.
HFA 503	Family Resident Service Coordinator Initiative Rules	Matching funds to incentivize owners to offer resident service coordination in family housing.	Program no longer active or funded.
HFA 504	Emergency Housing Program Rules	Assistance for households who are homeless or at risk of eviction.	Program administration outsourced to Southwestern Community Services Inc.

Exhibit B  
Rules Recommended for Revision

**RULES RECOMMENDED FOR REVISION**

<b>Rule</b>	<b>Rule Title</b>	<b>Summary</b>	<b>Recommendation</b>
HFA 505	Housing Choice Voucher Program Loan and Grant Rules	Covers eligibility and program requirements for FSS loans and grants and HCV Home Repair grants. The requirements are too disparate to be covered by one rule.	Separate into individual rules the Housing Choice Voucher (HCV) Home Repair Grant Rules into HFA 506 and change title of HFA 505 to Family Self-Sufficiency Program Loan and Grant Rules.
HFA 506	Housing Choice Voucher (HCV) Program Home Repair Grant Rules	Covers eligibility and program requirements for HCV Home Repair grants.	Move the language originally approved in HFA 505 for Housing Choice Voucher (HCV) Program Home Repair Grants to HFA 506.