

**CITY OF CONCORD  
COMMUNITY DEVELOPMENT ADVISORY COMMITTEE  
MINUTES OF NOVEMBER 28, 2018**

The Community Development Advisory Committee (CDAC) met on November 28, 2018, in the Second Floor Conference Room, City Hall, 41 Green Street.

**Attendees:** Chair Jeff Bart, Councilor Byron Champlin, Councilor Allan Herschlag, Councilor Linda Kenison, Councilor Jennifer Kretovic, Nadine Salley, and Janet Sprague

**Absent:** Councilor Mark Coen and Michael Gfroerer

**Staff:** Matt Walsh, Director of Redevelopment, Downtown Services, and Special Projects  
Donna Muir, Community Development Specialist

**Guest:** Tara Reardon, Director, ROC-NH  
Tyler Labrie, Housing Cooperative Specialist, ROC-NH

### **1. Minutes of October 3, 2018 Meeting**

The Chair asked that the minutes of October 3, 2018, be reviewed and approved. Ms. Sprague stated that she was not in attendance at the October 3<sup>rd</sup> meeting, but was included in the list of attendees. Councilor Champlin moved to accept the minutes with the change to the attendees. Ms. Salley seconded the motion. Motion passed unanimously.

### **2. Revolving Loan Fund**

- a. Pending Requests – Ms. Muir stated she has received three inquiries regarding the Revolving Loan Fund:
  - i. Karen Reid, of 12 Greenwich Trail, came into the office and received information and an application packet. She was working to obtain estimates for the replacement of exterior doors for her manufactured home.
  - ii. Jim & June Sheppard, of 41 Fairfield Drive, called to obtain information and were sent an application packet. They are looking for assistance to replace/repair the roof on their manufactured home.
  - iii. Bryan & Meghan Ward, of 45 Summer Street, called to get information about the Revolving Loan Fund. They are looking for funding to have lead and asbestos abated at their home. Their income is approximately \$25,000 above the HUD income limits. CDAC discussed a variety of issues relating to this request:
    1. Additional information would be needed, such as HUD income limits, the income to debt ratio, the debt to value ratio, the amount of equity in the home, etc.
    2. CDAC's ability to be flexible and whether there is precedent for going over HUD income limits. PIRP guidelines were discussed.
    3. The fact that the City is considered the lender of last resort, which may not be the case here.
    4. The consensus was to have the Wards apply for a private loan and if turned down, CDAC would entertain an application to the Revolving Loan Fund; CDAC would probably be inclined to charge a higher interest rate because of the income limits.

- b. Revolving Loan Fund Status & Account Balance Report
  - i. CDAC discussed why the emergency loan fund was so low and how it is funded.
  - ii. CDAC discussed the process for the re-appropriation of funds from principal and interest repaid.
  - iii. A suggestion was made to incorporate the emergency loan fund monies into the Revolving Loan Fund monies and whether this could be accomplished either as a consent agenda item at Council or simply via a transfer done by Finance.

### **3. 190 Manchester Street – Revolving Loan Fund & CDBG**

Ms. Salley recused herself from this agenda item, as she is an employee of the NH Community Loan Fund.

Tara Reardon, Director, ROC-NH, introduced herself and Tyler Labrie, ROC-NH's Housing Cooperative Specialist. Ms. Reardon explained that ROC stands for Resident Owned Communities. The organization, consisting of ten individuals, works with manufactured housing parks in the state. According to NH law, manufactured housing park residents are offered first-right-of-refusal to purchase the park, when parks are put on the market. ROC-NH assists the resident park owners with governance of the park. There are 127 resident-owned parks in NH. Currently ROC-NH is working with seven parks to assist them in becoming resident-owned. The park at 190 Manchester Street has recently been put on the market. Ms. Reardon provided CDAC members with a marked-up copy of a tax map showing the location of the park and the lots. She stated that the residents' first step is to purchase the property and then do the repairs/rebuilding of the infrastructure. There are four pad sites that are empty, one site is located above a bomb shelter and another site has a manufactured home that may have been tax deeded by the City and needs to be demolished. Further conversation would need to take place between the City and the Co-op regarding ownership and possible demolition of this home as part of the entire project. There is a consignment shop located at the entrance to the park, which would be converted to a community center.

Tyler Labrie distributed a draft financial pro forma for the park, which modeled finances for the fledgling cooperative for its first seven years. The pro forma projected a total investment of \$1,533,427; of which \$722,977 was associated with the Co-op's acquisition of the park and \$800,000 was associated with proposed water and sewer infrastructure improvements for the property.

Of the \$800,000 for infrastructure, \$400,000 was proposed to be a loan from the City's Revolving Loan Fund with a 30-year term and 3% interest rate. The residual \$400,000 would be a Community Development Block Grant which ROC-NH would like the City to secure on the Co-op's behalf.

The exact scope and cost of infrastructure improvements is unknown at this time. ROC-NH and the Co-op have engaged Holden Engineering to conduct an assessment of the park's existing infrastructure, as well as cost estimates for the replacement of water and sewer facilities.

CDAC discussed the terms for a possible ROC-NH's loan. It was noted that ROC-NH's \$722,977 loan to the Co-op would be amortized as a 40-year term with balloon payment in year 20, at a 6.5% interest rate. The loan would be interest-only for the first seven years of the note.

Mr. Walsh stated that ROC-NH is scheduled to meet with the City's Development Team on Thursday to discuss how the park's current infrastructure would be able to tie into the City's infrastructure, if there are any Code issues, potential zoning issues associated with "re-activation" of unused pad sites, as well as any other issues that might be identified by City staff. Ms. Reardon explained that they are doing due diligence regarding the infrastructure and should have the final results from the engineer soon.

CDAC also discussed the following:

1. The current park infrastructure;
2. The residents' ability to absorb the scheduled increase to the lot rent over a period of years; and,
3. Including the engineering assessment as part of the final pro forma.

Mr. Walsh explained to CDAC that the time frame for this project is tight, as CDBG applications are due at the end of January 2019. The project would request a total of \$500,000 in CDBG funding, with \$25,000 of that amount set aside to pay the City's CDBG grant consultant. The remaining \$475,000 would be available for infrastructure improvements. Between now and the January CDBG application due date, ROC-NH, along with the residents, would apply for a Revolving Loan Fund loan. The project would be able to count the acquisition price (RLF loan) toward the CDBG grant match.

Mr. Walsh reviewed the schedule for this potential project. He reiterated that the CDBG application for this project will be due at the end of January. In order to count the City's potential loan as match for the CDBG application, ROC-NH will then need to have a completed Revolving Loan Fund application to the City by January 14<sup>th</sup> for a CDAC meeting on January 23<sup>rd</sup>. CDAC would need to make a decision at that meeting so that, if approved, a commitment letter from the City would be included with the CDBG grant application.

Councilor Kretovic moved to have ROC-NH go forward with their application for a \$500,000 CDBG grant for the January 2019 CDBG grant round. Councilor Champlin seconded the motion. Motion passed with six (6) CDAC members for and one (1) member abstaining from the vote.

Councilor Champlin moved to adjourn the meeting. Councilor Kretovic seconded the motion. The meeting adjourned at 12:48 p.m.

*Respectfully Submitted,*

*Donna Muir  
Community Development Specialist*