



MARGARET WOOD HASSAN  
GOVERNOR

**STATE OF NEW HAMPSHIRE**  
**OFFICE OF ENERGY AND PLANNING**  
107 Pleasant Street, Johnson Hall  
Concord, NH 03301-3834  
Telephone: (603) 271-2155  
Fax: (603) 271-2615



December 5, 2016

Her Excellency, Governor Margaret Wood Hassan  
and the Honorable Council  
State House  
Concord, New Hampshire 03301

**REQUESTED ACTION**

The Office of Energy and Planning requests to place this item on the Consent Calendar.

The Office of Energy and Planning (OEP) respectfully requests authorization to amend a **SOLE SOURCE** agreement with the Community Development Finance Authority (CDFA) (VC #177292), Concord, NH to continue to operate the existing revolving loan fund program known as the Enterprise Energy Fund (EEF) under the terms of the American Recovery and Reinvestment Act – State Energy Program from the U.S. Department of Energy (US DOE), by extending the completion date from April 30, 2017 to December 31, 2021 and changing the terms of the Scope of Service, effective upon approval of Governor and Executive Council. The original agreement was approved by Governor and Executive Council on April 18, 2012, Item #5. No additional funding is requested in this request.

**EXPLANATION**

Under this agreement, CDFA agrees to continue to operate EEF according to guidelines imposed by US DOE through the State Energy Program for revolving loan funds. Under the authority of a contract (PO #1005654) between OEP and CDFA and approved by the Governor and Executive Council on December 9, 2009, Item #9, subsequently amended and approved on November 17, 2010, Item #13. CDFA and its partners have loaned approximately \$6.6 million to 33 qualified New Hampshire businesses and nonprofit organizations. To date, only one of these loans has defaulted.

Adjustments to the Scope of Service include the following: eliminating terms and conditions that are no longer relevant to the continued operation of the program (the need to maintain a separate program management plan; and to provide grants for energy audits and retrofits of buildings); increasing the reimbursement rate from 2.0% to 3.0% of the value of the revolving loan fund to cover additional technical assistance for building owners in the planning and evaluating of energy projects; and to update references to US DOE program guidance to the most recent versions providing regulatory oversight to the operations of the program including recognition of the Uniform Grant Guidance contained in 2 CFR 200.

CDFA and its partners will receive principal and interest payments on the outstanding loans for up to the next 20 years. Additional loans will be made with funds revolving back into the program for purposes identified in the accompanying agreement, and for similarly-termed loan periods, until such time the two parties agree to terminate the revolving loan program. The importance of maintaining continuity in these long-term lender-borrower relationships is the reason OEP seeks a five-year contract renewal at this time.

The intent of this agreement is to ensure a continued source of funding for the implementation of cost effective energy efficiency and renewable energy buildings improvements by New Hampshire businesses and nonprofits, according to the terms and conditions accompanying the award from US DOE, and to allow for continued reporting on the impact of such funds to US DOE. This agreement is to ensure continued compliance with federal funding restrictions and requirements.

This agreement is **SOLE SOURCE** as CDFA has successfully managed the Enterprise Energy Fund program under the original ARRA-SEP award, and is uniquely suited to manage these public funds for the purposes of supporting energy efficiency investments in New Hampshire

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Amanda Merrill". The signature is fluid and cursive, with a large initial "A" and a long, sweeping tail.

Amanda Merrill  
Director

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**NHRECOVERY**  
putting new hampshire to work



**AMENDMENT to CONTRACT**  
**between**  
**The New Hampshire OFFICE of ENERGY and PLANNING**  
**and the**  
**Community Development Finance Authority**  
**for**  
**American Recovery and Reinvestment Act – State Energy Program - Enterprise Energy Fund**

This Amendment is between the State of New Hampshire, Office of Energy and Planning, 107 Pleasant Street, Johnson Hall, Concord, Merrimack County, New Hampshire 03301 (OEP) and the Community Development Finance Authority, Authority (CDFA), 14 Dixon Avenue, Suite 102, Concord, Merrimack County, New Hampshire, 03301 (hereinafter referred to as the "Contractor").

Pursuant to a Contract originally approved by the State of New Hampshire Governor and Executive Council on December 9, 2009, Item #9, Amendment #1 approved on November 17, 2010, Item #13, and Amendment #2 approved on April 18, 2012, Item #5, the Contractor agrees to perform certain services, per the terms and conditions specified in the contract, at no further cost to the State and in consideration of payment previously made by the State to CDFA.

WHEREAS, pursuant to the provisions in Paragraph 18 of the Contract, the contract may be modified or amended only by a written instrument executed by the parties thereto and only after approval of such modification or amendment by the Governor and Council;

WHEREAS, OEP and the Contractor have agreed to amend the Contract in certain respects;

WHEREAS, A revolving loan fund known as the "Enterprise Energy Fund" (EEF) was established with funds from the American Recovery and Reinvestment Act (ARRA) State Energy Program (SEP) grant DE-EE-0000228, CFDA 81.041, provided to OEP by the federal Department of Energy (US DOE);

WHEREAS, A contract was executed between OEP and CDFA stipulating the terms and conditions under which the Enterprise Energy Fund was to be established and administered;

WHEREAS, OEP provided at total of \$6.6 million to CDFA for the Enterprise Energy Fund in order to lend and/or grant "funds to businesses for energy efficiency measures for their buildings and/or processes and/or renewable energy systems. Non-profit organizations were included in the definition of business" and such funds were expended and committed in their entirety in the form of loans and grants to New Hampshire based businesses and nonprofits by April 30, 2012, as required by US DOE. No additional funds will be provided by OEP to CDFA for the Enterprise Energy Fund; and

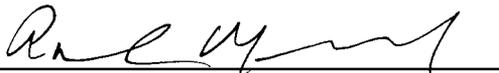
WHEREAS, State Energy Program Notice 10-008E, originally issued on December 7, 2009 and subsequently revised on May 20, 2016 stipulates that "federal funds used to capitalize a revolving loan fund (RLF) . . . maintain their federal character in perpetuity" and that "After the close of the Recovery Act award period, grantees [OEP] with funds remaining in financing programs would prospectively be required to report basic information on the program on an annual basis until the funds are either: (1) rolled into another eligible activity and expended; or (2) fully expended through default."

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions in the Contract and set forth herein, the parties agree to the following:

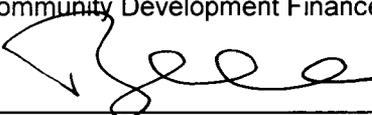
- 1 Amendment and Modification of Agreement: This Agreement is hereby amended and modified as follows:
  - 1.1. Change to Scope of Services: Amend Exhibit A of the Agreement, initialed and dated by CDFA on April 4, 2012, by replacing it in its entirety with the amended Exhibit A, initialed and dated on December 5, 2016 by CDFA.
  - 1.2. Change the completion/end date: to December 31, 2021 wherever it occurs in the Agreement.
  - 1.3. Exhibit B of the Agreement, initialed and dated by CDFA on April 4, 2012 will no longer be in effect for any work performed after January 1, 2017,
- 2 Continuance of Agreement: Except as specifically amended and modified by the Terms and Conditions of the Amendment, obligations of the parties hereunder shall remain in full force and effect in accordance with the terms and conditions set forth in the Contract as it existed immediately prior to this Amendment.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

STATE OF NEW HAMPSHIRE  
Office of Energy and Planning

By:   
Amanda Merrill, Director

Community Development Finance Authority

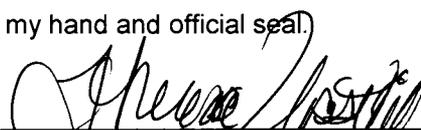
By:   
Taylor Caswell, Executive Director

State of New Hampshire

County of Merrimack

On this day of December 5, 2016, before me, Theresa Upstill, the undersigned officer, personally appeared Taylor Caswell, who acknowledged himself/herself to be the Executive Director of CDFA, a Nonprofit, and that he/she, as such Executive Director being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as Executive Director

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

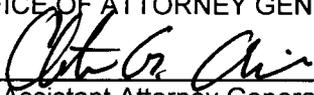
  
Notary Public/Justice of the Peace

My Commission expires: July 11, 2017



Approved as to form, execution, and substance:

OFFICE OF ATTORNEY GENERAL

By:   
Assistant Attorney General

Date: December 6, 2016

I hereby certify that the foregoing Contract was approved by the Governor and Council of the State of New Hampshire at their meeting on \_\_\_\_\_.

OFFICE OF THE SECRETARY OF STATE

By: \_\_\_\_\_

Title: \_\_\_\_\_



### Exhibit A – Scope of Services

#### American Recovery and Reinvestment Act - State Energy Programs Enterprise Energy Fund Continued Operation

This amendment to the agreement (“Agreement”) is made this 5<sup>th</sup> day of December, 2016 by and between the State of New Hampshire, Office of Energy and Planning, Johnson Hall, 107 Pleasant Street, Concord, New Hampshire 03301 (“OEP”) and the Community Development Finance Authority organized under the laws of the State of New Hampshire, having an address of 14 Dixon Avenue, Suite 102, Concord, NH 03301 (“CDFA”).

#### WITNESSETH:

WHEREAS, the U.S. Department of Energy (“US DOE”) awarded \$3.5 million under the American Recovery and Reinvestment Act State Energy Program (DE-EE-0000228) to the State of New Hampshire in 2009 to create the Enterprise Energy Fund (“EEF” or “Program”) to establish an initiative to achieve transformative energy savings, and reductions in fossil fuel use and greenhouse gases through deep energy retrofits and sustainable energy solutions for businesses and nonprofits; and

WHEREAS, the OEP contracted with CDFA (Contract #1005654) dated December 9, 2009 to administer the Enterprise Energy Fund under the terms and conditions as described in the agreement between US DOE and OEP, and

WHEREAS, the original contract was subsequently amended on November 17, 2010 to increase the funding for the program to \$6.6 million; and

WHEREAS, on April 18, 2012 the Governor and Executive Council approved an extension of the contract for CDFA to continue to administer the program through April 30, 2017; and

WHEREAS, CDFA and its partners have successfully managed the Enterprise Energy Fund under the original ARRA award that has resulted in 33 projects receiving \$6.6 million in financing in the form of loans and grants for energy efficiency and renewable energy projects; and

WHEREAS, OEP wishes to have CDFA continue to, and CDFA wishes to continue to, administer the Enterprise Energy Fund for the State of New Hampshire;

NOW THEREFORE, in consideration of the premises contained herein, and other good and valuable consideration, OEP and CDFA hereby modify the Agreement as follows:

## 1. Program Guidance

This Program shall be administered in accordance with all federal guidelines included in the Code of Federal Regulations and program guidelines as issued by US DOE including SEP Program Notice 10-008E.

## 2. Definitions

2.1 The definitions outlined in the Code of Federal Regulations (“CFR”), as may be updated from time to time, shall apply to the administration of this agreement. Specific attention shall be paid to 2 CFR 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and 10 CFR – Code of Federal Regulations for Department of Energy.

2.2 Qualified Business: A for-profit or nonprofit entity that at the time of loan or incentive is:

2.2.1 Registered with the NH Secretary of State’s office and physically located in New Hampshire

2.2.2 Not debarred from receiving federal funds as determined by their appearance on the federal excluded parties list system ([www.sam.gov](http://www.sam.gov));

2.2.3 Proposing to use Enterprise Energy RLF funds for an Allowable Project Purpose; and

2.2.4 Meets all program requirements as may be in effect at the time of the loan.

2.3 Allowable Project Purpose: Enterprise Energy Fund projects must meet the programmatic requirements as outlined in program guidance, including but not limited to:

2.3.1 A minimum 15% energy savings must be achieved for installed measures on a per project basis;

2.3.2 Allowable measures include:

a. Air sealing and insulation

b. HVAC equipment replacement

c. Photovoltaics and solar hot water systems that are categorically excluded under the National Environmental Policy Act (NEPA)

d. Energy recovery systems

e. Energy efficient lighting, windows, doors, fans, motors, equipment

f. Energy audits to buildings located in New Hampshire

g. Any other project purpose as approved in writing by OEP in advance of the project commencing work.

2.3.3 Project paybacks:

- Energy efficiency projects will have an expected simple payback of 10 years or less
- Renewable energy projects will have an expected simple payback of 20 years or less
- No loan shall exceed the project’s expected simple payback

**3. Term:**

This Agreement is effective from the date of Governor and Executive Council approval through December 31, 2021 except as it may be terminated within the terms of Form P-37, Section 8 – “Event of Default/Remedies”, Form P-37, Section 10 – “Termination” and section 8, below, “Termination.”

**4. Administration:**

- 4.1 CDFA will administer the EEF in accordance with US DOE and OEP program guidance.
- 4.2 CDFA shall administer the funds separately from the funds of other programs.
- 4.3 CDFA’s responsibilities shall include, but are not limited to:
  - 4.3.1 Providing Technical Assistance (TA) to potential projects that are contemplating the implementation of energy efficiency or renewable energy measures to help them better understand the scope of work, financial implications, relevant federal regulations and impacts of the project they are seeking to undertake.
  - 4.3.2 Underwrite all applications for loan financing through one of the Financial Products to ensure that the loan meets program requirements and that there are reasonable expectations that it will be repaid.
  - 4.3.3 Monitor all work performed using program funds to ensure that it is installed correctly and that all federal regulations are complied with.
  - 4.3.4 Servicing all loans including accounting for the receipt and disbursement of all program funds in accordance with Generally Accepted Accounting Principles and Program requirements.
  - 4.3.5 Report to OEP the financial and programmatic activity in the program on a quarterly basis and complete other reports as may be required to meet US DOE program requirements as outlined in section 5.
  - 4.3.6 Marketing the program to maximize the use of program funds.
  - 4.3.7 Balancing management expenses charged to the funds and income generated by the funds to extend the productive life of the funds.
  - 4.3.8 All other activities associated with administering the program so that it is successful.

## 5. Management Reports:

CDFA shall provide Management Reports to OEP as required to meet US DOE program reporting requirements. Reports are due within 15 days after the end of each calendar quarter. OEP shall provide CDFA any concerns and requests for additional information within 7 days following the submission of each report. Reports shall include:

- 5.1 Financial reports detailing the financial transactions taking place in the quarter broken out by each Financial Product as identified in section 4.3.5. The report shall be submitted in form and content as specified by OEP.
- 5.2 Cost detail reports identifying the costs incurred, by Financial Product, in administering the program that will be reimbursed out of program funds. CDFA shall provide to OEP supporting documentation as requested.
- 5.3 Program narrative report describing the previous quarter's activities including projects funded, TA provided, monitoring and oversight activities and outcomes, energy savings anticipated from completed projects, and other requirements as may be requested from time to time.
- 5.4 Other reports as required by US DOE, including the following, will be due on the dates specified:
  - 5.4.1 Davis-Bacon and Related Acts due each April 15 and October 15 on projects completed in the prior six months.
  - 5.4.2 Historic Preservation – Section 106 review due each October 15 for the prior year.
  - 5.4.3 Equipment and Real Property purchased with Program funds shall be due each January 30 for equipment and real property purchased in the prior year.
- 5.5 Annual financial audit report to comply with 2CFR 200, Subpart F – Audit Requirements

## 6. Cost Reimbursement:

- 6.1 CDFA shall be reimbursed their costs of carrying out their responsibilities for administering the EEF program as outlined in section 4, above. Costs may include, but are not limited to personnel salaries, payroll taxes and fringe benefits; travel; verification and compliance with all federal, state rules; supplies; legal filings; and indirect costs at CDFA's federally approved indirect cost rate. CDFA shall provide OEP with a copy of their federally approved indirect cost rate document on an annual basis. CDFA should strive to cover these costs with income generated by the Financial Products.

- 6.2 Reimbursements shall be drawn from the pool of funds available in the EEF RLF. Should there be insufficient funds available in EEF to fully reimburse CDFA, then the unreimbursed balance will be eligible to be reimbursed when funds become available in the RLF.
- 6.3 At any time during the performance of the Program, OEP may review the costs reported as incurred and reimbursed with program funds. OEP reserves the right to disallow any items of expense which are unallowable cost under 2 CFR 200, Subpart E – Cost Principles which cost was not used to carry out the administration of the program, or which costs were in excess of the maximum amount allowed.
- 6.4 Costs incurred by CDFA may not exceed 3.00% of the value of the Revolving Loan Funds on the valuation date for each calendar year of this project. The valuation date shall be the September 30 of the year immediately preceding the calendar year in which the costs were incurred. In consideration of variations in program activity that may occur due to the amount of funds available to lend, demand for program funds, or other factors, unused funds at the end of any calendar year may be carried forward to the following calendar year to be used for eligible administrative costs or new loans.

## 7. Program Monitoring and Compliance:

- 7.1 CDFA will ensure that projects funded with EEF funds are carried out as contracted and in compliance with:
- 7.1.1 Federal procurement requirements
  - 7.1.2 Allowable cost provisions
  - 7.1.3 EECBG rules
  - 7.1.4 Davis Bacon and Related Acts (“DBA”)
  - 7.1.5 National Environmental Policy Act
  - 7.1.6 State Historic Preservation
- 7.2 CDFA shall undertake regular monitoring of Projects to ensure all regulations are followed and make the results of those monitorings available to US DOE and OEP at their request. Compliance monitoring shall include:
- 7.2.1 Ensure that all borrowers have:
    - a. Completed the loan application in full and meet lending criteria
    - b. Provided one-year pre- and post-energy usage data
    - c. Signed Exhibit C containing the ARRA regulations
    - d. Provided a Certificate of Good Standing
    - e. Been checked for Debarment
    - f. A DUNS number

7.2.2 Ensure that all projects:

- a. Meet energy efficiency and/or renewable energy criteria and payback requirements
- b. If applicable, meet National Historic Preservation Act (NHPA) requirements
- c. If applicable, meet National Environmental Policy Act (NEPA) requirements

7.2.3 Ensure that contractor, and any sub and sub-subs have:

- a. A DUNS number
- b. Been checked for Debarment
- c. Provided a Certificate of Good Standing
- d. Signed all ARRA regulatory requirements, including Exhibit C
- e. Acknowledgement with Davis Bacon Wage determination notated
- f. Insurance Certificate
- g. Executed Contract with Davis Bacon wage attached
- h. Fringe benefit report
- i. Journeyman cards

7.2.4 Contractor Duties

- a. Provide CDFA and the borrower a hazardous waste disposal plan
- b. Provide CDFA and the borrower a Project Timeline

7.2.5 Contractor Selection & Contracting

- a. CDFA shall ensure that borrowers comply with ARRA language regarding the competitive selection of contractors
- b. Score Sheets and Interview Notes
- c. Contract includes ARRA language

7.2.6 Davis Bacon Consultant (Partner) will take the lead in:

- a. Working with Contractor(s) to determine Davis Bacon wage
- b. Holding a Preconstruction meeting with project representatives, contractors, subcontractors and CDFA staff to review:
  - a. Reporting requirements and forms
  - b. Poster Requirements
  - c. Davis Bacon certified payrolls weekly – requirements
  - d. Monthly reporting to CDFA on hours per contractor and sub
  - e. CDFA to collect all required paperwork at that time as mentioned above prior to the start of the project is preferred
  - f. Review of weekly payrolls from the entire project
  - g. Performing on site monitoring visits of the project trades & ensure posters are up and visible  
Ensuring that if there isn't a category listed for a trade, then will process paperwork to get the wage determination
  - h. Works with contractors on errors to correct them in a timely manner
  - i. Providing all original Davis Bacon payrolls and restitution paperwork to the OEP weekly

- 7.2.7 CDFA will oversee and monitor the Davis Bacon consultant
- 7.2.8 Historic Preservation – Division of Historic Resources (DHR) is New Hampshire’s State Historic Preservation Office (SHPO) – Section 106. CDFA will ensure that all projects comply with the SHPO programmatic agreement and will prepare and archive all necessary Requests for Project Review forms
- 7.2.9 Collection of energy data one-year prior and annually from project end date, to be archived by CDFA
- 7.2.10 Collection and review annually of Corporate Tax Returns and Personal tax returns and Personal Financial Statement when applicable
- 7.2.11 All American Recovery and Reinvestment Act – Special Terms and Conditions shall remain in force until otherwise indicated by OEP.

**8. Termination:**

If this Agreement is not extended, modified or terminated as of the Completion Date of December 31, 2021, then CDFA shall continue to administer EEF according to the terms of this agreement and any amendments hereto.

Either party may terminate the Program with just cause by sending a termination letter to the other party describing the reasons for termination and identifying a Termination Date on which CDFA will no longer administer the Program not less than 120 days subsequent to the date of the letter.

As of the Completion Date or Termination Date, CDFA shall return to OEP all funds remaining in the EEF RLF, assign all EEF loan repayments to OEP, and transfer all security held on outstanding loans to OEP, unless otherwise agreed to in writing by OEP and CDFA.

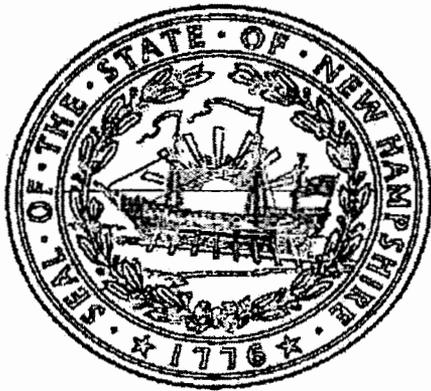
# State of New Hampshire

## Department of State

### CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that COMMUNITY DEVELOPMENT FINANCE AUTHORITY a New Hampshire State Chartered (Legislative) formed to transact business in New Hampshire on July 01, 1983. I further certify that it has paid the fees required by law and has not dissolved.

Business ID: 81003



IN TESTIMONY WHEREOF,  
I hereto set my hand and cause to be affixed  
the Seal of the State of New Hampshire,  
this 22nd day of November A.D. 2016.

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

## CERTIFICATE

I, Robert Tourigny, Chair of the Community Development Finance Authority do hereby certify that: (1) I am the duly elected and acting Chair of the Community Development Finance Authority, a New Hampshire non-profit corporation and public authority ("The Corporation"); I am familiar with the minute books of the Corporation (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) the following are true, accurate and complete copies of the resolutions adopted by the Board of Directors of the Corporation at a meeting of the said Board of Directors held on the 13<sup>th</sup> day of September, 2016, which meeting was duly held in accordance with New Hampshire law and the by-laws of the Corporation.

**Resolved:** That this Corporation authorize Executive Director, Taylor Caswell, on behalf of this Corporation, to take any and all such actions and to execute, acknowledge and deliver for and on behalf of this Corporation any and all documents, agreements and other instruments (and any amendments, revisions or modifications thereto) as he may deem necessary, desirable or appropriate, in the negotiation and execution of any and all contractual obligations and letter agreements;

**Resolved:** That the signature of the Executive Director of this Corporation affixed to any instrument or document described in or contemplated by these resolutions shall be conclusive evidence of the authority of said officer to bind this Corporation thereby;

**Resolved:** That in the absence of the Executive Director, the Chief Financial Officer, Thaddeus Kuchinski, is authorized to execute on behalf of the Corporation any and all checks for payment of obligations of the Corporation and that the signature of said Chief Financial Officer affixed to any such check shall be conclusive evidence of the authority of said officer to bind this Corporation thereby;

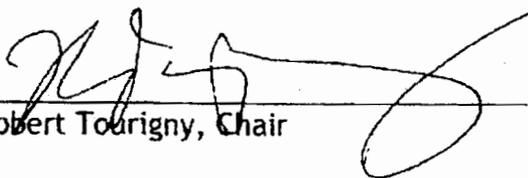
**Resolved:** That the Corporation shall be bound by any decision made by a State of New Hampshire court, or any agreement entered into by the individuals authorized above.

(5) the foregoing resolutions have not been revoked, annulled, or amended in any manner whatsoever, and remain in full force and in effect as of the date hereof:

(6) the following person(s) have been duly appointed to and now occupy the Office(s) indicated below:

Taylor Caswell, Executive Director  
Thaddeus Kuchinski, Chief Financial Officer

IN WITNESS WHEREOF, I have hereunto set my hand as the Chairman of the Corporation this 6th day of December, 2016.

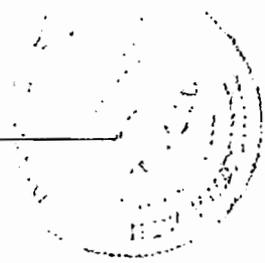
  
Robert Tourigny, Chair

STATE OF NEW HAMPSHIRE  
County of MERRIMACK

On this the 6th day of December, 2016 before me, the undersigned officer, personally appeared Robert Tourigny, who acknowledged himself to be the Chair of the Community Development Finance Authority, a non-profit corporation, and that he as such Chair being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the organization by himself as Chair.

In witness whereof I hereunto set my hand and official seal. 

My commission expires: \_\_\_\_\_  
DIANE JEAN BREWSTER  
Notary Public  
State of New Hampshire  
My Commission Expires  
August 8, 2017

\_\_\_\_\_  
Notary Public (Seal) 





John H. Lynch  
Governor

**STATE OF NEW HAMPSHIRE  
OFFICE OF ENERGY AND PLANNING**

107 Pleasant Street – Johnson Hall  
Concord, NH 03301  
Telephone: (603) 271-2155  
Fax (603) 271-2615



April 3, 2012

His Excellency, Governor John H. Lynch  
And the Honorable Council  
State House  
Concord, New Hampshire 03301

Approval by the Governor  
and Council on 4/18/12  
Agenda Item 5 **NHRECOVERY**  
*amend PO 1005654* putting new hampshire to work

**REQUESTED ACTION**

The Office of Energy and Planning (OEP) respectfully requests authorization to amend a **SOLE SOURCE** Agreement with the Community Development Finance Authority (CDFA) (Vendor #177292), Concord, NH, for a no-cost extension of time to continue CDFA's management of a revolving loan and grant fund entitled the Enterprise Energy Fund ("EEF") in compliance with federal funding restrictions and requirements including the terms of the American Recovery and Reinvestment Act - State Energy Program (ARRA-SEP) from the U.S. Department of Energy. This agreement will be effective as of May 1, 2012 through April 30, 2017, contingent upon Governor and Council approval. The original Agreement (Contract #1005654) was approved by Governor and Council on December 12, 2009, Item #9, and subsequently amended on November 17, 2010, Item #13. No new funding is involved in this request.

**EXPLANATION**

OEP initially entered into an Agreement with CDFA to manage the EEF revolving loan and grant fund in the amount of \$3,500,000 from the ARRA-SEP grant. The agreement was subsequently amended by providing an additional \$3,100,000 from the ARRA-SEP grant, giving CDFA a total of \$6,600,000. OEP is respectfully requesting this amendment to continue management of the EEF revolving loan fund by CDFA after April 30, 2012. This Agreement is **SOLE SOURCE** as CDFA is the party responsible for the management of this program. Continued use of the revolving funds must comply with the terms of the American Recovery and Reinvestment Act.

No new funding is involved because CDFA and its partners will continue to receive principal and interest payments on the funds that they have loaned out over the terms of the loans, which are 5 or 10 years in most cases. Additional loans will be made with funds revolving back into the fund for allowable purposes as identified in the accompanying Agreement, which runs for a five year period.

General funds will not be requested to support this program.

Sincerely,

Joanne O. Morin,  
Director

JOM:dmr  
Attachments



**NHRECOVERY**  
putting new hampshire to work



**AMENDMENT to CONTRACT**  
**between**  
**The New Hampshire OFFICE of ENERGY and PLANNING**  
**and the**  
**Community Development Finance Authority**  
**for**  
**American Recovery and Reinvestment Act – State Energy Program - Enterprise Energy Fund**

This Amendment is between the State of New Hampshire, Office of Energy and Planning, 107 Pleasant Street, Johnson Hall, Concord, Merrimack County, New Hampshire 03301 (OEP) and the Community Development Finance Authority, Authority (CDFA), 14 Dixon Avenue, Suite 102, Concord, Merrimack County, New Hampshire, 03301(hereinafter referred to as the "Contractor").

Pursuant to a Contract, originally approved by the State of New Hampshire Governor and Executive Council on December 9, 2009, and subsequently amended and approved on November 17, 2010, the Contractor agrees to perform certain services, per the terms and conditions specified in the contract, at no further cost to the State and in consideration of payment previously made by the State to CDFA.

WHEREAS, pursuant to the provisions in Paragraph 18 of the Contract, the contract may be modified or amended only by a written instrument executed by the parties thereto and only after approval of such modification or amendment by the Governor and Council;

WHEREAS, OEP and the Contractor have agreed to amend the Contract in certain respects;

WHEREAS, A revolving loan fund known as the "Enterprise Energy Fund" (EEF) was established with funds from the American Recovery and Reinvestment Act (ARRA) State Energy Program (SEP) grant DE-EE-0000228, CFDA 81.041, provided to OEP by the federal Department of Energy (DOE);

WHEREAS, A contract was executed between OEP and CDFA stipulating the terms and conditions under which the Enterprise Energy Fund was to be established and administered;

WHEREAS, OEP provided at total of \$6.6 million to CDFA for the Enterprise Energy Fund in order to lend and/or grant "funds to businesses for energy efficiency measures for their buildings and/or processes and/or renewable energy systems. Non-profit organizations are included in the definition of business" and such funds will have been expended and committed in their entirety in the form of loans and grants to New Hampshire based businesses and nonprofits by April 30, 2012, and no additional funds will be provided by OEP to CDFA for the Enterprise Energy Fund; and

WHEREAS, State Energy Program Notice 10-008C, originally issued on December 7, 2009 and subsequently revised on March 14, 2011 stipulates that "federal funds used to capitalize a revolving loan fund (RLF) . . . maintain their federal character in perpetuity" and that "After the close of the Recovery Act award period, grantees [OEP] with funds remaining in financing programs would prospectively be required to report basic information on the program on an annual basis until the funds are either: (1) rolled into another eligible activity and expended; or (2) fully expended through default."

NOW THEREFORE, in consideration of the foregoing, and the covenants and conditions in the Contract and set forth herein, the parties agree to the following:

1 Amendment and Modification of Agreement: This Agreement is hereby amended and modified as follows:

- 1.1. Change to Scope of Services: Amend Exhibit A of the Agreement, initialed and dated by CDFA on November 10, 2009, by replacing it in its entirety with the amended Exhibit A, initialed and dated on April 30, 2012 by CDFA. KBS  
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JMM
- 1.2. Change the completion/end date: to April 30, 2017 wherever it occurs in the Agreement.
- 1.3. Exhibit B of the Agreement, initialed and dated by CDFA on November 10, 2009, will no longer be in effect for any work performed after April 30, 2012.

2 Continuance of Agreement: Except as specifically amended and modified by the Terms and Conditions of the Amendment, obligations of the parties hereunder shall remain in full force and effect in accordance with the terms and conditions set forth in the Contract as it existed immediately prior to this Amendment.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

STATE OF NEW HAMPSHIRE  
Office of Energy and Planning  
By: [Signature]  
Joanne D. Morin, Director

Community Development Finance Authority  
By: [Signature]  
Katharine Bogle Shields, Executive Director

State of New Hampshire  
County of Merriamack

On this day of April 4th, 2012, before me, Theresa Upstill, the undersigned officer, personally appeared Katharine Bogle Shields, who acknowledged himself/herself to be the Executive Director of Community Development Finance Authority a public instrumentality, and that he/she, as such Executive Director being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself/herself as Executive Director.

IN WITNESS WHEREOF, I hereunto set my hand and official seal  
[Signature]  
Notary Public/Justice of the Peace

My Commission expires: Aug. 22, 2012



Approved as to form, execution, and substance:

OFFICE OF ATTORNEY GENERAL

By: SS [Signature]  
Assistant Attorney General

Date: April 4, 2012

I hereby certify that the foregoing Contract was approved by the Governor and Council of the State of New Hampshire at their meeting on 4-18, 2012.

OFFICE OF THE SECRETARY OF STATE

By: [Signature]

Title: Deputy Sec of State



## Exhibit A – Scope of Services

### American Recovery and Reinvestment Act - State Energy Programs Enterprise Energy Fund Continued Operation

#### 1. Program Description and Purpose

This contract is between the State of New Hampshire, Office of Energy and Planning, Johnson Hall, 107 Pleasant Street, Concord, Merrimack County, New Hampshire 03301 (OEP) and the Community Development Finance Authority (CDFA), 14 Dixon Avenue, Suite 102, Concord, Merrimack County, New Hampshire, 03301.

A revolving loan fund known as the "Enterprise Energy Fund" (EEF) was established with funds from the American Recovery and Reinvestment Act (ARRA) State Energy Program (SEP) grant DE-EE-0000228, CFDA 81.041, provided to OEP by the federal Department of Energy (DOE). A contract between OEP and CDFA stipulating the terms and conditions under which the Enterprise Energy Fund was to be established and administered was approved by Governor and Council on December 9, 2009, and was subsequently amended and approved by the New Hampshire Executive Council on November 17, 2010. In total, OEP provided \$6.6 million to CDFA for the Enterprise Energy Fund, including up to 10% to be used to cover administrative expenses by CDFA and its Partners.

The original purpose of EEF was to lend and/or grant "funds to businesses for energy efficiency measures for their buildings and/or processes and/or renewable energy systems. Non-profit organizations are included in the definition of business." The purpose of this contract between OEP and CDFA is to identify the terms and conditions under which the program shall be managed once the original principal amount provided under a previous agreement has been fully expended. For the purposes of this contract, all references to the Enterprise Energy Fund or EEF shall apply to any subsequent or successor revolving loan fund or program administered by CDFA or its assigns that utilizes the capital and/or repaid principal and interest from loans made under the original agreement between CDFA and OEP referenced above. There are no additional monies involved with this contract as stated in Exhibit B.

Per SEP Program Notice 10-008C, originally issued on December 7, 2009 and subsequently revised on March 14, 2011, "federal funds used to capitalize a revolving loan fund (RLF) . . . maintain their federal character in perpetuity." The SEP Program Notice also stipulates that "After the close of the Recovery Act award period, grantees [OEP] with funds remaining in financing programs would prospectively be required to report basic information on the program on an annual basis until the funds are either: (1) rolled into another eligible activity and expended; or (2) fully expended through default." This document is included as an Attachment I to this contract and should be used as reference for administration of EEF.

#### 2. Definitions

##### 2.1. Qualified Business: A for profit or nonprofit entity that is

- a) registered with the NH Secretary of State's office at the time of loan or grant award;
- b) not debarred from receiving federal funds as determined by their appearance on the federal excluded parties list system ([www.epls.gov](http://www.epls.gov)) as of the time of loan or grant award;
- c) proposing to use funds from EEF for Allowable Project Purposes; and
- d) meeting all relevant requirements set by CDFA loan committee or other body duly authorized to make loan decisions under this program.

- 2.2. Partners: Entities that have contractual relationship with CDFA to assist in the execution of EEF work performed under this agreement.
- 2.3. Program Delivery Costs: Costs incurred by CDFA and its Partners in the course of administering the loans and grants provided under EEF program, which include but are not limited to, personnel costs related to program management and monitoring, financial audits, reporting, equipment and software purchase, printing, marketing, dissemination of information or materials, website and database maintenance, travel, and indirect costs based on a federally approved indirect cost rate to be provided to OEP annually for CDFA and its Partners. For those Partners that do not have a federally approved indirect cost rate, CDFA shall provide to OEP for its approval on an annual basis the methodology by which such indirect costs will be charged for that Partner.
- 2.4. Allowable Project Purposes: EEF may fund projects that include the following, provided that the projects in which such measures are undertaken otherwise meet the terms and conditions contained in this agreement: air sealing and insulation; HVAC equipment replacement; photovoltaics and solar hot water systems that are categorically excluded under the National Environmental Policy Act (NEPA); energy recovery systems; energy efficient lighting, windows, doors, fans, motors, equipment; and energy assessments / audits to buildings located in New Hampshire and owned by the for profit or nonprofit borrower. Any other project purposes must be approved in writing by OEP in advance of loans being approved by CDFA and/or its Partners.
- 2.5. Program Income: Payments made to CDFA or its Partners from borrowers in the form of loan payments of principal and/or interest, default payments, late payments, fees and other penalties, or any other payments relating to loans or grants originating with EEF from funds provided by OEP's ARRA State Energy Program.
- 2.6. Portfolio Principal: The total value of funds provided by OEP to CDFA for the Enterprise Energy fund that were subsequently loaned out to Qualified Businesses, and which will be returned as principal to the revolving loan fund. The value of Portfolio Principal upon which allowable Program Delivery Costs shall not exceed \$4,326,000.

### 3. SCOPE OF SERVICES

#### 3.1. Loan and grant programs:

- 3.1.1. CDFA will administer EEF to provide financial resources to Qualified Businesses to improve the energy efficiency of buildings and related systems, and to incorporate cost-effective renewable energy systems. Through its loan application and review process, CDFA will determine the eligibility of Qualified Businesses for funding, and follow all relevant internal policies for lending money to ensure sound investments and minimal losses.
- 3.1.2. CDFA and/or its Partners may leverage additional funds to further capitalize EEF as long as such funds are accounted for distinctly from the ARRA-SEP funds.
- 3.1.3. CDFA shall loan and/or grant Program Income to Qualified Businesses based only in accordance with an OEP-approved Management Plan. No more than 4% of Portfolio Principal shall be used in a two year period by CDFA and its Partners to pay for Program Delivery Costs. Program income collected in excess of the amount allocated for Program Delivery Costs must be used to fund loans and/or grants to Qualified Businesses for Allowable Project Purposes based on the OEP-approved Management Plan.
- 3.1.4. CDFA shall notify OEP in writing regarding any renewable energy projects it seeks to fund consisting of the installation of projects that have not previously received categorical exclusion under NEPA, and will delay a final loan or grant decision until it is determined by OEP that the project complies with federal rules regarding the National Environmental Policy Act (NEPA), including State Historic Preservation rules

and regulations. OEP reserves the right to reject proposals or projects that trigger NEPA or historic preservation rules without seeking DOE approval.

- 3.1.5. No new loan or grant shall be executed by CDFA until OEP has approved in writing of the Management Plan for the period in which the loan or grant is to be executed, as described in section 3.3. of this Agreement.

3.2. Management Reports:

- 3.2.1. CDFA shall provide to OEP Management Reports as described below, until EEF is terminated, unless otherwise mutually agreed upon in writing by OEP and CDFA. Within 30 days of receipt of a Management Report, OEP will identify in writing any and all concerns, recommendations, and requests for additional information required of CDFA relating the Management Report. Once all such requests have been satisfied, OEP will issue approval of the Management Report.

Management Reports shall consist of the following elements:

3.2.1.1. Quarterly Financial Report

- a. Schedules or spreadsheets showing the amount of Program Income received, the entities from which it was received over the previous quarter, broken down by recipient, vendor, or payee, as well as funds leveraged by the program from other sources including private investment.
- b. Schedules or spreadsheets showing the amount of funding that was expended in the form of loans, grants, energy audits, Program Delivery Costs, and any other EEF expenditures over the previous quarter, broken down by loan or grant recipient, Partner, vendor, and/or payee.
- c. Copies of invoices or other documentation of allowable Program Delivery Costs incurred by CDFA and/or its Partners in the previous quarter that were reimbursed from Program Income funds.

3.2.1.2. Quarterly Narrative Report

- a. A description of the previous quarter's activities, including projects funded, Partners engaged, variations from expectations outlined in the current Management Plan, losses suffered, monitoring and oversight activities and outcomes, and any other successes, issues, or problems.
- b. A report on the energy savings anticipated from projects completed during the previous quarter, as well as information regarding actual savings observed in projects that have been previously completed. A reporting template will be provided by OEP to CDFA based on the requirements of the Department of Energy, which may change from time to time.

3.2.1.3. Other Required Reports

- a. By September 15 of each year, CDFA shall provide a report on projects undertaken during the previous year that triggered state historic preservation Section 106 review, the historic preservation requirements imposed on such projects, or the exemptions that were cited to indicate no adverse impact was anticipated by proposed project. This report shall cover the period September 1 through August 30, unless otherwise directed by OEP.
- b. By January 30 of each year, CDFA shall provide a report on equipment or real property valued in excess of \$5,000 per unit that was purchased with EEF funds for use by CDFA and/or Program Partners during the previous calendar year, including a description of the equipment, the market value at time of installation, the address where such equipment was placed in use, the owner of the equipment, and the expected life of the equipment per IRS depreciation schedules. If no such equipment was purchased, CDFA shall provide a statement to that effect as its report.

3.3. Management Plans:

3.3.1. CDFA shall provide to OEP a written Management Plan covering a two-year period, until EEF is terminated, unless otherwise mutually agreed upon in writing by OEP and CDFA. The first of these Management Plans shall be provided to OEP by May 31, 2012 and subsequent plans shall be provided by May 31 every second year. Within 30 days of receipt, OEP will identify in writing any and all concerns, recommendations, and requests for additional information required of CDFA relating to the proposed Management Plan. Once all such requests have been satisfied, OEP will issue written approval of the Management Plan. No loans or grants shall be executed by CDFA or its Partners unless a Management Plan covering the period in which the loan or grant is to be executed has been approved in writing by OEP.

Management Plans shall consist of the following:

- 3.3.1.1. The number and type of Qualified Businesses that are anticipated to be served in the subsequent 24 months, and the type of projects CDFA anticipates funding, and expected application deadlines.
- 3.3.1.2. The breakdown of funding and projects between for-profit and non-profit businesses.
- 3.3.1.3. A description of CDFA's current and anticipated Partners and the role CDFA anticipates they will play in carrying out the contract, including documentation relating to any new Partners showing their qualifications to receive federal funding (e.g., DUNS number, non-inclusion on the EPLS list, A133 or other financial audits).
- 3.3.1.4. A monitoring plan showing that CDFA is providing sufficient oversight of Partners, borrowers, and borrowers' contractors to identify fraud, waste and abuse. Such plans shall ensure that at least 10% of active projects receive financial and program monitoring, and that monitoring of Davis Bacon and Related Act compliance is sufficiently robust.
- 3.3.1.5. Any major changes anticipated to CDFA and/or its Partner's EEF-related loan application, review or decision making process, including membership of the loan committee.

3.3.2. Projections regarding the loan program will conform to the following, unless otherwise approved by OEP:

- The monetary value of at least 75% of new commitments will be in the form of loans.
- The value of all EEF-funded energy audits shall not exceed 5% of available loan and grant expenditures in any Management Plan period.
- Program Delivery Costs of CDFA and all its Partners shall not exceed 4% of portfolio principal in any two-year Management Plan period.
- Energy efficiency projects funded will have an anticipated simple payback of 10 years or less.
- Renewable energy projects funded will have an anticipated simple payback of 20 years or less.

3.4. Program Monitoring and Compliance

- 3.4.1 CDFA will ensure that projects funded with EEF funds, including those managed by its Partners, are carried out as contracted and in compliance with federal procurement requirements, allowable cost provisions, State Energy Program rules, including prohibitions of investment in certain types of activities, and American Recovery and Reinvestment Act provisions including but not be limited to Davis Bacon and Related Acts, Buy American, National Environmental Policy Act, State Historic Preservation, federal procurement rules, and that all flow down provisions are included in relevant contracts, loan and grant documentation etc.
- 3.4.2. American Recovery and Reinvestment Act Exhibit C – Special Terms and Conditions and DOE Assurances D - I remain in force until otherwise indicated by OEP and is included as an Exhibit to this agreement for reference.
- 3.4.3. CDFA shall undertake regular monitoring of its Partners, borrowers, and contractors employed in making energy efficiency improvements sufficient to ensure that the opportunity for waste, fraud and abuse is minimized.
- 3.4.4. CDFA shall provide access to OEP, DOE and others for the purposes of monitoring and auditing all records relating to the execution of EEF, and ensure that its Partners, and all borrowers, grantees, and contractors compensated with EEF funds to undertake projects, shall also provide access to OEP, DOE and others upon request until EEF is terminated.

3.4.5. Within 30 days of the completion of each EEF-funded project, CDFA shall have delivered to OEP's office all records associated with that project pertaining to Davis Bacon and Related Acts (DBA) compliance and enforcement, including original signed weekly payroll records, copies of all DBA-related communication, original documentation of employee interviews, conformances, restitutions, etc. Such records shall be provided in an organized format that is mutually agreed upon by CDFA and OEP.

3.5. Promotion of Program

3.5.1. CDFA shall ensure New Hampshire businesses and nonprofits are aware of the funding opportunities provided by EEF. CDFA will share copies of all outreach and publicity efforts with OEP.

4. Termination

4.1 Conditions of Continuation and No-Default Termination

- 4.1.1. If this agreement is not extended or modified by the Completion Date of April 30, 2017, OEP is entitled to collect from CDFA all remaining funds within EEF. OEP is also entitled to require that CDFA and its Partners assign all EEF loan repayments, including principal and interest, to OEP, or to some other designee named by OEP.
- 4.1.2. The Terms of Default/Remedies described in the P37 Section 8 shall apply to this contract.
- 4.1.3. CDFA may terminate the program with just cause by sending by certified mail to OEP a Termination Letter describing the reasons for termination and identifying a Termination Date not less than 90 days subsequent to the date of the Termination Letter. As of the Termination Date, CDFA and its Partners shall return to OEP all funds remaining in EEF, and assign all EEF loan repayments, including principal and interest, to OEP or its designee, unless otherwise agreed to in writing by OEP and CDFA.
- 4.1.4. If this agreement is terminated in accordance with paragraphs 4.1.2 or 4.1.3 above, or by the mutual agreement of the two parties, as of the Termination Date, OEP is entitled to collect from CDFA all remaining funds within EEF. OEP is also entitled to require that on or subsequent to the Termination Date, CDFA and its Partners assign all EEF loan repayments, including principal and interest, to OEP, or to some other designee named by OEP in the Termination Letter.

# Attachment I

SEP Program Notice 10-008C  
Revision date March 14, 2011



**Department of Energy**  
Washington, DC 20585

SEP PROGRAM NOTICE 10-008C  
EFFECTIVE DATE (Revised): March 14, 2011  
ORIGINALLY ISSUED: December 7, 2009

**SUBJECT: GUIDANCE FOR STATE ENERGY PROGRAM GRANTEES ON FINANCING PROGRAMS.**

**PURPOSE**

To provide guidance to the Department of Energy's (Department or DOE) State Energy Program (SEP) grantees on financing programs. This guidance supersedes SEP Program Notice 10-008B, which was issued on August 10, 2010.

**SCOPE**

The provisions of this guidance apply to grantees of SEP funds, pursuant to Formula Grant or American Recovery and Reinvestment Act of 2009 (Recovery Act).

**LEGAL AUTHORITY**

SEP is authorized under the Energy Policy and Conservation Act, as amended (42 U.S.C. § 6321 et seq.) All grant awards made under this program shall comply with applicable law including the Recovery Act and other procedures applicable to this program.

**GUIDANCE**

**Eligibility of revolving loan funds**

A revolving loan fund is an eligible use of funds under the SEP Program to the extent that the activities supported by the loans are eligible activities under the program. The implementing regulations for SEP expressly identify revolving loan funds as an eligible use of SEP funds. 10 CFR 420.18(d).

**Leveraging Funds under the SEP: Purpose and Type of Leveraging under SEP**

Grantee arrangements for leveraging additional public and private sector funds, including rebates, grants, and other incentives, must be arranged to ensure that federal funds go to support eligible activities listed in 42 USC 6322(d)(5)(A). The leveraging of funds may be accomplished through mechanisms such as partnerships with third party lenders, co-lending, third party administration of loans, and loan loss reserves.

### **Loan Loss Reserves under the SEP**

SEP funds may be used for a loan loss reserve to support loans made with private and public funds and to support a sale of loans made by a grantee or third-party lenders into a secondary market, subject to the following conditions. In order to ensure that a use of SEP funds to leverage additional public and private sector funds furthers the stated purposes of SEP, the activities supported by the leveraged funds are limited to those activities specifically listed as eligible activities in the SEP regulations. Additionally, a grantee must ensure that the following conditions are met:

- a) a grantee shall have the right to review and monitor loans provided by third party lenders to ensure that loans are being made for the “purchase and installation of energy efficiency and renewable energy measures” and comply with all conditions of ARRA funds (e.g., Davis Bacon, Buy American and NEPA) where applicable;
- b) a grantee establishing a loan loss reserve has no legal or financial obligation beyond the funds committed to the reserve and is not subject to further recourse in the event losses exceed the amount of the reserve;
- c) any SEP funds used to establish a loan loss reserve not used in connection with loan losses paid to third party lenders or secondary market investors must be used by or at the direction of the grantee and for an eligible use under the SEP Program, including capitalization of a RLF; and
- d) under no circumstances shall SEP funds be released to a third party lender or secondary market investor for any purpose not pertaining to loan losses.

A grantee cannot use more than 50% of their SEP funds for loan loss reserves.

### **Interest Rate Buy-Downs**

SEP funds may be used for interest rate buy-downs subject to the conditions identified in this section. An interest rate buy-down is when one party (e.g., grantee) provides a lump-sum payment based on the net present value of the difference between a target return to the lender or loan investor and the borrower’s interest rate. This has two primary purposes: (1) increase project affordability and demand by reducing monthly payments and (2) maintaining or increasing lender / investor interest in making loans by yielding higher returns.

In order to ensure that a use of SEP funds for interest rate buy-downs furthers the stated purposes of SEP, the loans supported by the interest rate buy-downs must be for the purchase and installation of energy efficiency and renewable energy measures consistent with the SEP regulations.

### **Third Party Loan Insurance**

SEP funds may be used for the purchase of third party loan insurance subject to the conditions identified in this section. Third party loan insurance is a financial arrangement whereby a third party bears some portion (or all) of a loss on a specific portfolio. This typically takes the form of a lender or investor purchasing an insurance policy from a third party against losses on a portfolio of loans up to a fixed percentage (the stop loss) of the sum of all the original loan amounts. The maximum insurance payout is determined by the value of the portfolio and not the value of individual loans.

In order to ensure that a use of SEP funds for third party loan insurance furthers the stated purposes of SEP, the loans supported by the third party loan insurance must be for the purchase and installation of energy efficiency and renewable energy measures consistent with the SEP regulations.

### **Obligation & Drawing Down of Funds**

#### Revolving loan funds (RLF)

##### *Obligation*

Program monies advanced for a RLF are considered obligated by the grantee once they have been used to capitalize a RLF. A RLF may be capitalized in any of the following circumstances:

- a) Receipt of a loan application from potential borrowers;
- b) State or local requirements (regulatory, statutory, or constitutional) dictate that funds be available in advance;
- c) The distribution account is operated by a third party; or
- d) If grantee establishes and operates RLF, funds would be considered obligated by the grantee upon submitting a letter to the Project Officer and receiving a confirmation response from the Project Officer. The letter must: (1) provide the strategy for the RLF and (2) identify the scope and size of the loan program.

##### *Draw Down*

Funds may be drawn down from the Department of the Treasury's Automated Standard Application for Payments (ASAP) system to fund the revolving loan fund at the time the fund is obligated. ASAP is the system by which grantees receiving financial assistance from DOE can draw down the funds that have been pre-authorized by the agency for payment. If a grantee requires a draw down under requirements "b" or "c" listed above, the grantee should document the relevant requirement and provide that documentation to their Project Officer.

##### *Expenditure*

Self-administered: Funds are considered fully expended (outlaid) for grantees operating an RLF when the RLF has loaned to specific borrowers for an amount equal to or greater

than the SEP funds that initially capitalized the fund. The value of loans issued in any reporting quarter is to be reported as expenditures (outlays) for that quarter.

Third party-administered: For revolving loan funds administered by a third party, grantee funds are considered expended (outlaid) when the funds are transferred to the third party for operation of the RLF. Funds transferred to a third party administrator in any reporting quarter are to be reported as expenditures (outlays) for that quarter.

If an RLF is administered by the grantee, all funds must be loaned out (initial round of funding) within the timeframe specified in the terms and conditions of the award agreement; converted for use of approved program activities after submitting and finalizing an amendment through a DOE Project Officer; or returned to DOE.

If an RLF is administered by a third party (subgrantee or vendor), all funds should be loaned to specific borrowers (initial round of funding) within the timeframe specified in the terms and conditions of the award agreement; converted for use of approved program activities after submitting and finalizing an amendment through a DOE Project Officer; or returned to DOE.

Regardless of whether an RLF is administered by a grantee or a subgrantee, if the RLF does not loan out funds for eligible activities under the program then DOE may take an enforcement action against the grantee and/or subgrantee, as applicable, for noncompliance of the terms of the award agreement and disallow all or part of the cost of the activity or action not in compliance or other allowable remedies against the grantee and/or subgrantee, as applicable. 10 CFR 600.243

#### Loan loss reserves

##### *Obligation*

Loan loss reserve funds are considered obligated when they are committed as a credit enhancement to support a loan or portfolio of qualifying loans under the SEP guidelines.

For loan loss reserves supporting a new or existing Recovery Act or non-Recovery Act funded financing program operated by the grantee, loan loss reserve funds are considered obligated by sending a letter to the Project Officer indicating the establishment of the loan loss reserve.

For loan loss reserves supporting third party loans, loan loss reserve funds are considered obligated when the grantee enters into a signed agreement with the third party.

##### *Draw Down*

Once loan loss reserve funds have been obligated the funds may be drawn down from ASAP.

*Expenditure*

Self-administered: Loan loss reserve funds are considered expended after they have met the above requirements for obligation, the grantee has drawn down funds from the ASAP system to fund the loan loss reserve account and committed them to support (a) individual loans or (b) a portfolio of loans that a third-party commits to issue. The value of funds committed to support loans in any reporting quarter is to be reported as expenditures (outlays) for that quarter.

Third party-administered: For loan loss reserve funds operated by a third party, the grantee's funds are considered expended when they are transferred to the third party for operation of the fund.

Interest rate buy-downs and third party loan insurance

*Obligation*

Funds for interest rate buy-downs and third party loan insurance are considered obligated by the grantee once they have been committed to support a loan or loan program. These funds may be committed in any of the following circumstances:

- a) Receipt of a loan application from potential borrowers;
- b) Where state or local requirements (regulatory, statutory or constitutional) dictate that funds be available in advance;
- c) When the grantee enters into a signed agreement with the third party to support an ongoing loan program with interest rate buy-downs or third party loan insurance; or
- d) The distribution account is operated by a third party and the grantee enters into an agreement with the third party.

*Draw Down*

Funds may be drawn down at the time they are committed to an interest rate buy-down program or third party loan insurance. If a grantee requires a draw down under requirements "b" through "c" listed above, they should document the relevant requirement and provide that documentation to their Project Officer.

*Expenditure*

Interest rate buy-downs and third party loan insurance are considered expended after they have met the above requirements for obligation and the grantee has funded the buy-down or insurance and should be reported as such.

### **Loan Defaults**

Grantees are not required by DOE to replenish or replace any amounts which were lost to loan default. Loans involve risk by their very nature, therefore loss due to default of a borrower is an anticipated and allowable cost under an SEP grant. Grantees should utilize prudent lending practices to minimize the risk of defaults.

### **“Close Out” of Financing Programs**

Grantees may end or reduce funding for a RLF program, loan loss reserve program, or other eligible financing program at any time as long as any remaining funds are used by the grantee for an eligible purpose after submitting and finalizing an amendment through the DOE Project Officer. Alternatively, the funds may be returned to DOE.

### **Interest Income from Advances**

Any interest earned on funds which have been drawn down but not expended (outlaid) by a State grantee may be rolled back into the RLF, loan loss reserve account, interest rate buy downs or third party loan insurance; used for another approved, eligible activity; or returned to the federal government and is subject to the terms and conditions of its original grant. See 31 CFR 205.15 and 205.25; 10 CFR 600.225(g).

### **Program Income**

All program income (including interest earned) paid to grantees is subject to the terms and conditions of the original grant. See 10 CFR 600.225(g)

### **Federal Requirements Applicable to Financing Programs**

Generally, federal funds used to capitalize a RLF or fund loan loss reserves, interest rate buy downs and third party loan insurance maintain their federal character in perpetuity. As a result, federal requirements that apply to the funds such as the National Environmental Protection Act (NEPA) and the National Historic Preservation Act (NHPA) would be applicable at each revolution of the RLF or on any residual funds from loan loss reserves. Federal requirements that apply to Recovery Act funds, such as the Davis-Bacon Act (DBA) requirements, Buy American provision requirements, and Recovery Act reporting requirements would be applicable at each revolution of a RLF or on any residual funds from loan loss reserves that were funded through the Recovery Act.

The grantees who administer financing programs can expedite compliance with these statutory requirements.

### **NEPA**

#### ***Revolving Loan Funds***

If the grantee uses the SEP NEPA Template that DOE has provided to grantees to obtain categorical exclusions under NEPA, then DOE can complete a NEPA review for entire RLF programs without having to later conduct a NEPA review of individual projects.

### *Loan Loss Reserves*

Recovery Act-funded loan loss reserves can occur in three phases:

1. DOE expends Recovery Act funds that are used to establish and capitalize a grantee's loan loss reserve account;
2. A grantee approves an application from a third party lender requesting coverage from a loan loss reserve to support a loan or a portfolio of qualifying loans (in this case, commitment of a loan loss reserve); and
3. A grantee draws funds from the loan loss reserve account to pay third parties for the financing of privately-funded projects, in the event of a loan default.

DOE does not need to complete a NEPA review in advance of phase (1) above. However, DOE must complete a NEPA review for this loan loss reserve activity prior to phase (2) above, at the latest. To that end, DOE must complete a NEPA review before SEP grantees commit funds to cover a third party's loans. While the requirements of DBA and the Buy American provision do not apply during phase (1), such requirements apply prior to phase (2) above.

For instances in which grantees intend to use SEP funding for loan loss reserves supporting underlying projects that do *not* qualify for a categorical exclusion (CX) determination (*e.g.*, large, commercial-scale geothermal or wind projects), DOE will typically have to complete a NEPA review for the individual proposed projects. At the time that a third party lender applies to the grantee for coverage from a loan loss reserve, the grantee must identify the project(s) that will receive the loan. DOE will then commence a NEPA review of such project(s), which will most likely result in an Environmental Assessment or Environmental Impact Statement. A grantee cannot approve third party loans for coverage under the loan loss reserve program until DOE completes a NEPA review for particular projects that benefit from the loan loss reserve. Should the project proponent move forward with activities that are not authorized for Federal funding by the DOE Contracting Officer in advance of the final NEPA determination, you are doing so at risk of not receiving Federal funding and such costs may not be recognized as allowable cost share.

Even in those instances in which DOE must complete a NEPA review for individual projects that do not qualify for a CX determination, DOE may be able to expedite the NEPA review process by using a single NEPA document for multiple, similar projects. Also, if the total amount of Federal financial assistance (including federal funding reserved for the loss on the loan) for a project is less than 10 percent of project costs, then the grantee should consult with DOE about whether DOE will have to prepare a NEPA determination for the project.

For grantees that anticipate seeking approval for loan loss reserves that support

projects which cannot obtain a CX determination, DOE encourages such grantees to submit a complete project description simultaneously with the third party lender application for a credit enhancement. Otherwise, DOE may condition its approval of the loan loss reserve on a NEPA review and that conditional approval may serve as an insufficient guarantee to the lender.

#### Categorical Exclusions

Grantees should consider restricting their financing programs to activities categorically excluded from NEPA review (e.g., including this restriction in any third party loan loss reserve contracts).

For further information about the SEP NEPA Template, please review guidance that DOE has previously issued on streamlining compliance with NEPA. That guidance and the SEP NEPA Template itself can be found at [http://www1.eere.energy.gov/wip/pdfs/nepa\\_program\\_guidance\\_notice\\_10-003.pdf](http://www1.eere.energy.gov/wip/pdfs/nepa_program_guidance_notice_10-003.pdf) and [http://www1.eere.energy.gov/wip/pdfs/template\\_nepa\\_review.pdf](http://www1.eere.energy.gov/wip/pdfs/template_nepa_review.pdf), respectively. Further, assuming that DOE exercises no control over projects that receive loans from a RLF, DOE *may* not have to prepare a NEPA determination for a project if the total amount of Federal funding for the project is less than 10 percent of project costs.

#### Historic Preservation, DBA, and Buy American

DOE has worked with the Advisory Council on Historic Preservation to provide States with programmatic agreements in order to streamline compliance with the NHPA requirements.

Individual homeowners receiving loans under a RLF program or supported by Recovery Act-funded credit enhancements (e.g., loan loss reserves, interest rate buy downs, third party loan insurance) would not be required to comply with the DBA. Grantees may wish to consider restricting their financing programs to activities for which compliance is not required under the DBA.

Neither loan loss reserve funds nor third party loan Insurance are subject to the DBA, because the funds are not being loaned/used for construction/installation work. Providing that the loan loss reserve fund is used only for the purposes of providing a fund for the third party lender in the event of default by the borrower, the DBA is not applicable to the loan loss reserve fund.

Also, provided that the third party loan insurance is used only for the purpose of providing a lender or investor purchasing an insurance policy from a third party against losses on a portfolio of loans up to a fixed percentage (the stop loss) of the sum of all the original loan amounts, the DBA is not applicable to the third party loan insurance.

DBA does apply to interest rate buy downs when the interest rate buy down is for a loan to a corporate entity to support construction/installation work for eligible activities under SEP.

Loan loss reserve funds are used to protect the third party lender in the event of a default. The third party lender obtains reimbursement from a loan loss reserve fund only in the event of a default by the borrower. Loan loss reserve funds are not used for the construction, alteration, maintenance or repair of a public building or public work. Therefore, the Buy American provisions of the Recovery Act do not apply to loan loss reserve funds.

Similarly, the Buy American provision requirements apply to "public buildings" and "public works" and thus would not be applicable to projects performed on homes owned by individuals.

#### **Grantee Reporting of Financial Programs**

Following close of the Recovery Act award period, DOE intends to require basic reporting to confirm the funds are being used in accordance with their federal character. After the close of the Recovery Act award period, grantees with funds remaining in financing programs would prospectively be required to report basic information on the program on an annual basis until the funds are either: (1) rolled into another eligible activity and expended; or (2) fully expended through default.

Pursuant to Section 210(c) of OMB Circular A-133, third party lenders should generally be characterized as vendors providing financial services. As such, third party lenders (e.g., commercial banks) would not be required to report any information directly to DOE. Prime grantees would retain reporting authority and would not delegate any reporting responsibility to the third party lenders.

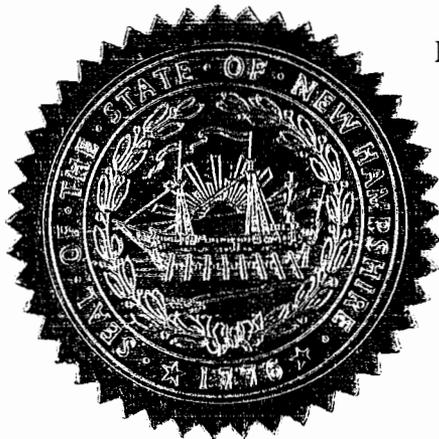


LeAnn M. Oliver  
Program Manager  
Weatherization and Intergovernmental Program  
Energy Efficiency and Renewable Energy

# State of New Hampshire

## Department of State

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that COMMUNITY DEVELOPMENT FINANCE AUTHORITY was established, and made a body corporate and politic effective July 1, 1983 under the laws of 1983 Chapter 162-L, and as provided in the repeal and reenactment of Chapter 162-L, Laws of 1991 effective June 28, 1991.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 28th day of July, A.D. 2011

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State

**CERTIFICATE OF VOTES**

**(Corporate Authority)**

I, Brian Hoffman, Secretary/Treasurer of the Community Development Finance Authority (hereinafter the "Corporation"), a New Hampshire corporation, hereby certify that: (1) I am the duly elected and acting Secretary/Treasurer of the Corporation; (2) I maintain and have custody and am familiar with the minute books of the Corporation; (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) that the Board of Directors of the Corporation have authorized, on September 13, 2011, such authority to be in force and effect until September 11, 2012.

The person(s) holding the below listed position(s) are authorized to execute and deliver on behalf of the Corporation any contract or other instrument for the sale of products and services:

Katharine Bogle Shields

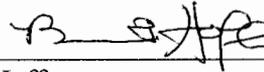
Executive Director

Ted Kuchinski

Chief Financial Officer

(5) the meeting of the Board of Directors was held in accordance with New Hampshire law and the by-laws of the Corporation; and (6) said authorization has not been modified, amended or rescinded and continues in full force and effect as of the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand as the Secretary/Treasurer of the corporation this 29<sup>th</sup> day of March, 2012.

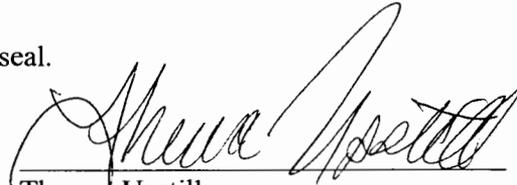


Brian Hoffman  
Secretary/Treasurer

STATE OF NEW HAMPSHIRE  
COUNTY OF MERRIMACK

On this 29<sup>th</sup> day of March, 2012, before me, Theresa Upstill, the undersigned Officer, personally appeared Brian Hoffman, who acknowledged her/himself to be the Secretary/Treasurer of the Community Development Finance Authority, a corporation and that she/he as such Secretary/Treasurer being authorized to do so, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



Theresa Upstill  
Notary Public/Justice of the Peace

Commission Expiration Date: August 22, 2012



**CERTIFICATE OF AUTHORITY**

I, Brian Hoffman, Secretary of the Community Development Finance Authority do hereby certify that:

- (1) I am the duly elected and acting Secretary of the Community Development Finance Authority, a New Hampshire nonprofit corporation and public authority ("The Corporation") established by legislation (RSA 162-L) in 1983 to address the issues of affordable housing and economic opportunity for low and moderate income New Hampshire residents;
- (2) I am familiar with the minute books of the Corporation;
- (3) I am duly authorized to issue certificates with respect to the contents of such books;
- (4) The following is a true, accurate and complete copy of the resolution adopted by the Board of Directors of the Corporation. Said meeting was held in accordance with New Hampshire law and the by-laws of the Corporation, upon the following date: September 13, 2011.

**Resolved:** To appoint the slate of officers, as presented:

David Wood, Chair  
Janet Ackerman, Vice-Chair  
Brian Hoffman, Secretary/Treasurer



**Resolved:** That the signature of the officers of this Corporation affixed to any instrument or document described in or contemplated by these resolutions shall be conclusive evidence of the authority of said officers to bind this Corporation thereby:

**Resolved:** That the Corporation shall be bound by any decision made by a State of New Hampshire court, or any agreement entered into by the individuals authorized above.

- (5) the foregoing resolutions have not been revoked, annulled, or amended in any manner whatsoever, and remain in full force and in effect as of the date hereof;
- (6) the following person(s) have been duly appointed to and now occupy the Office(s) indicated below:

David Wood, Chair  
Janet Ackerman, Vice-Chair  
Brian Hoffman, Secretary/Treasurer

IN WITNESS WHEREOF, I have hereunto set my hand as the Secretary of the Corporation this 13 day of September, 2011.

Brian Hoffman, Secretary/Treasurer

STATE OF NEW HAMPSHIRE

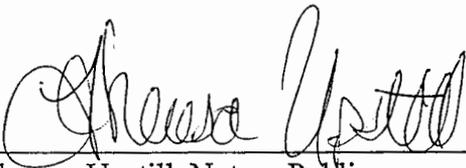
County of Merrimack

On this the 13 day of September, 2011 before me, the undersigned officer, personally appeared Brian Hoffman, who acknowledged himself to be the Secretary of the Community Development Finance Authority, a non-profit corporation, and that he/she as such Secretary being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the organization by himself/herself as Secretary.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My commission expires: August 22, 2012



  
\_\_\_\_\_  
Theresa Upstill, Notary Public

**CERTIFICATE**

I, David Wood, Chair of the Community Development Finance Authority do hereby certify that: (1) I am the duly elected and acting Chair of the Community Development Finance Authority, a New Hampshire nonprofit corporation and public authority ("The Corporation"); (2) I am familiar with the minute books of the Corporation (3) I am duly authorized to issue certificates with respect to the contents of such books; (4) the following are true, accurate and complete copies of the resolutions adopted by the Board of Directors of the Corporation at a meeting of the said Board of Directors held on the 13th day of September, 2011, which meeting was duly held in accordance with New Hampshire law and the by-laws of the Corporation.

**Resolved:** That this Corporation authorize Executive Director, Katharine Bogle Shields, and in her absence the Chief Financial Officer, Thaddeus Kuchinski, on behalf of this Corporation to take any and all such actions and to execute, acknowledge and deliver for and on behalf of this Corporation any and all documents, agreements and other instruments (and any amendments, revisions or modifications thereto) as he/she may deem necessary, desirable or appropriate, in the negotiation and execution of any and all contractual obligations and letter agreements.

**Resolved:** That the signature of the Executive Director or Chief Financial Officer of this Corporation affixed to any instrument or document described in or contemplated by these resolutions shall be conclusive evidence of the authority of said officers to bind this Corporation thereby:

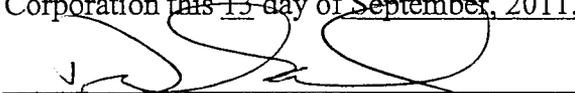
**Resolved:** That the Corporation shall be bound by any decision made by a State of New Hampshire court, or any agreement entered into by the individuals authorized above.

(5) the foregoing resolutions have not been revoked, annulled, or amended in any manner whatsoever, and remain in full force and in effect as of the date hereof:

(6) the following person(s) have been duly appointed to and now occupy the Office(s) indicated below:

Katharine Bogle Shields, Executive Director  
Thaddeus Kuchinski, Chief Financial Officer

IN WITNESS WHEREOF, I have hereunto set my hand as the Chairman of the Corporation this 13 day of September, 2011.

 \_\_\_\_\_, David Wood, Chair

STATE OF NEW HAMPSHIRE

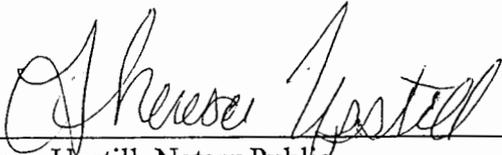
County of Merrimack

On this the 13 day of September, 2011 before me, the undersigned officer, personally appeared David Wood, who acknowledged himself to be the Chair of the Community Development Finance Authority, a non-profit corporation, and that he/she as such Chair being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the organization by herself/himself as Chair.

In witness whereof I hereunto set my hand and official seal.

My commission expires: August 22, 2012 <sup>AM</sup>



  
\_\_\_\_\_  
Theresa Upstill, Notary Public

**Community Development Finance Authority  
Annual Board of Directors Meeting**

**14 Dixon Avenue, Suite 102  
Concord, NH 03301**

Tuesday, September 13, 2011

**CDFA BOARD OF DIRECTORS PRESENT:** David Wood, *Chair*; Brian Hoffman, *Treasurer/Secretary*; Dan Gray, Mike Long, Kathy Moore, and Racheal Stuart.

**STAFF:** Katharine Bogle Shields, *Executive Director*; Ted Kuchinski, *Chief Financial Officer*; Kevin Flynn, *External Relations & Communications Director*; Theresa Upstill, *Administrative Assistant*; and Alice Veenstra, *Chief Community Development Officer*.

**PUBLIC:** Jeffrey Kipperman, Leslie Walker, and Andrew Luce; *Mason & Rich*.

Mr. Wood opened the meeting at 10:13 AM.

**A. Action Items -**

**I. Consent agenda – 10:14 AM**

- Executive Committee Meeting Minutes of June 14, 2011, as submitted
- Board of Directors Meeting Minutes of June 14, 2011, as submitted
- Executive Committee Meeting Minutes of July 12, 2011, as submitted
- Board of Directors Meeting Minutes of July 12, 2011, as submitted
- CDFA Financials, as presented

Mr. Wood called for questions or comments.

**Motion – 10:15 AM**

There being no further questions or comments, Mr. Long moved to approve the consent agenda, as recommended. Mr. Gray seconded and the motion carried by a unanimous vote of the Board.

**B. Certificate of Authority – 10:16 AM**

Mr. Wood reviewed the Certificate and Resolutions of Authority for the Board.

Mr. Gray stated that the Election Committee met and recommend the following members as officers to the Board of Directors:

- David Wood, Chair
- Janet Ackerman, Vice Chair
- Brian Hoffman, Treasurer/Secretary

Mr. Wood called for questions or comments.

**Motion – 10:19 AM**

There being no further questions or comments, Mr. Long moved to approve the recommendation of resolutions for officers to the Board of Directors. Mr. Hoffman seconded and the motion carried by a unanimous vote of the Board.

**C. Certificate of Signatories – 10:20 AM**

Mr. Wood reviewed the resolutions for signatories as recommended and called for questions or comments.

**Motion – 10:21 AM**

There being no further questions or comments, Mr. Long moved to approve the certificate of signatory resolutions, as presented. Mr. Hoffman seconded and the motion carried by a unanimous vote of the Board.

**D. Auditors Review – 10:22 AM**

The Board discussed the audit process and results for CDFA, the A-133 Single Audit and management and letter comments, and the DADCo financial results with the representatives from Mason & Rich.

The Board asked that staff leave the meeting in order for the Board to discuss the audit further with Mason & Rich.

**Staff left the meeting at 10:40 AM.**

**Mr. Kipperman, Ms. Walker and Mr. Luce left the meeting at 11:55 AM.**

**Break – 11:57 AM**

**Resumed – 12:13 PM**

**1. CDFA Audit Statements – 12:14 PM**

Mr. Wood called for questions or comments.

**Motion -**

Mr. Hoffman moved to accept the CDFA Audited Statements as presented. Mr. Long seconded and the motion carried by a unanimous vote of the Board.

Ms. Moore stated that after the presentation of the audit and the private meeting with the auditors, staff deserves a lot of credit especially considering all the new activities and programs undertaken in the past year and in hearing how much faith the auditors had in the expertise of staff.

**2. DADCo Audit Statements – 12:15 PM**

Mr. Wood called for questions or comments.

**Motion – 12:15 PM**

Mr. Hoffman moved to accept the DADCO Audited Statements as presented. Mr. Long seconded and the motion carried by a unanimous vote of the Board.

**E. Nonpublic Session – 12:16 PM**

**Motion – 12:17 PM**

Mr. Hoffman moved to enter into nonpublic session of the Board of Directors stating under RSA 91A; 3 II; to talk about the Executive Director's evaluation. Mr. Long seconded and the roll call to enter into nonpublic session is as follows:

Dan Gray – Yes  
Mike Long – Yes  
Kathy Moore – Yes  
Brian Hoffman – Yes  
David Wood – Yes  
Racheal Stuart – Yes

**Nonpublic Session – 12:17 PM**

**Ms. Stuart left the meeting at 12:58 PM.**

**Resumed Board of Directors Meeting – 1:10 PM**

**F. Response to Flood Damage In the Northern Counties – 1:12 PM**

Ms. Shields and the Board discussed the ability to make funds available to assist in the North Country for flood damages from Hurricane Irene. The Board stated that Ms. Shields should contact the Business Finance Authority for match funds, the Regional Development Corporations in that cover the area, and Department of Resources and Economic Development for more information on the needs for the area. The Board also stated the RIO Committee should meet before the next Board meeting in October to make recommendations on how to fund and/or partner with another agency in order to assist the region.

**CDFA Logo Discussion – 1:41 PM**

Mr. Flynn discussed the development process and presented logo options to the Board for discussion. Ms. Moore also stated her participation in the website and logo development process for the Board.

**G. NCIC/Vision Power – 1:57 PM**

Ms. Shields discussed the CDBG project called Vision Power with the Board for recommendations. The Board recommended Ms. Shields contact CDFA's attorney, Joseph DiBrigida of Sheehan, Phinney, Bass & Green, for advice on how to proceed.

The Board also stated that a review of CDBG policy and a discussion on how to avoid this type of situation in the future should be at a future meeting.

**H. Board Meeting Schedule – 2:09 PM**

Ms. Shields and the Board discussed future Board meeting schedules and holding regular Committee meetings.

Mr. Wood called for a motion to adjourn the Board of Directors meeting.

**Adjourn – 2:10 PM**

Meeting adjourns without a quorum.

Respectfully submitted,



Theresa Upstill, Administrative Assistant



David Wood, Chair  
CDFA Board of Directors

