NH Nonprofit Response Fund

APRIL 2020
THANK YOU!!
AGENDA

Welcome and Introductions
Overview of CDFA
NH Nonprofit Response Program
Application Process
Other CDFA resources
Contact with Staff
OVERVIEW OF CDFA
MISSION
Maximizing the value and impact of community development, economic development and clean energy initiatives throughout New Hampshire.

VISION
We see a future New Hampshire whose communities are economically and socially resilient, reflect and respect their natural surroundings, and are places where people want to live, work and play.

VALUES
- Integrity
- Collaboration
- Adaptability
- Respect
- Focus
- Prosperity
RESOURCES

GRANTS

LOANS

TAX CREDIT EQUITY

TECHNICAL ASSISTANCE
CDFA’s ECOSYSTEM

Pre-Application Support
Ideas 2 Innovation (i2i) Program
L5 Capacity Building Program

CDBG Planning Grants
Predevelopment Loan Program
Energy Audit Program

Community Dev. Block Grants
Tax Credits
Clean Energy Fund
Community Development Fund

Network Building
Asset Management
Data & Outcome Analysis
Ongoing Technical Assistance
2019 IMPACTS

$16 million infused into New Hampshire communities
80 projects supported  189 business donors engaged

Projects supported by CDFA reported the following impacts:
- Assisted 198,390 people
- Rehabbed, preserved or created 242 housing units
- Created or retained 267 jobs
- Supported 262 micro businesses
- Developed or rehabbed 211,871 square feet
- Estimated annual energy savings of 626,508 kW hours
- Saved an estimated $78,524 in annual energy costs
BUILDING VIBRANT COMMUNITIES
Program developed explicitly as a response to COVID-19 impacts on non-profit organizations on the front lines of the response and those serving vulnerable populations deeply impacted by the epidemic.
PROGRAM INFORMATION

Application Guidance

Ongoing Technical Assistance

CDFA Resource Hub
http://resources.nhcdfa.org/
FUNDS BEHIND THE NH NONPROFIT RESPONSE FUND

CDFA Community Development Tax Credits
- Up to $650,000
- Donations from businesses
- Provides funds for the forgivable portion of the loans

Businesses want to help their communities
- May carry forward the credit for up to five years

Existing Loan funds from the Community Development Finance Authority (CDFA) and the Business Finance Authority (BFA)
DONATION STRUCTURE

Standard CDFA Tax Credit Program requires applicants to obtain pledges from businesses

NH Nonprofit Response Fund
CDFA directly soliciting tax credit pledges for NH Nonprofit Response Fund
CDFA also soliciting direct donations (non-tax credit) for the fund.
TAX CREDIT FUND POOL

Goal: $650,000

Pledged to Date: $325,000

$700,000
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0

Goal
Pledged to Date

Goal
Pledged to Date
ELIGIBLE APPLICANTS

Community development corporations

Nonprofit organizations involved in community development
PROGRAM OBJECTIVES

Focused on supporting:

1. Community-based organizations at the front lines of the outbreak, specifically to support safety and separation while serving clients,

2. Costs associated with new activities or adaptation for activities directly related to COVID-19,

3. Increases in demand for services serving the most vulnerable populations due to COVID-19 (including increase in need due to loss of employment, social isolation), and

4. Reductions in nonprofit’s revenue and other resources (volunteers, donated food) from traditional sources due to the COVID-19.

5. CDFA will also invest in microenterprises (not detailed in this presentation)
ELIGIBLE ACTIVITIES

- Working capital,
- Equipment purchases,
- Program expenses such as deep cleaning,
- And/or other expenditures.

**NOTE:** Requests for funding should cover no more than 90 days of expenditures.
Examples of Potential Applicants:

- Senior Services
- Services for Persons with Disabilities
- Legal Services
- Youth Services
- Transportation Services
- Substance Abuse Services
- Services for Victims of Domestic Violence, Dating Violence, Sexual Assault and Stalking
- Tenant/Landlord Counseling
- Adaptation and costs of childcare facilities and services
- Abused and Neglected Children Services
Examples of Potential Applicants:

• Community Health Centers, Mental health providers, organizations that (ACES) support resiliency for individuals and families
• Mental Health Services
• Food Banks, food delivery and food pantries
• Community-based organizing
• Resident services
• K-12 instructional programs to enhance and make up for COVID-19 disruption of student instruction, focused on underserved populations
• Remote Work/Learning Needs to support students of low-income families including software and technology hardware to help provide essential services remotely
PROGRAM GUIDELINES

**Loan Amount:** $2,500 - $100,000 in loan funds. Loans above $50K will be subject to additional underwriting.

**Loan Term:** Up to 24 months, with the first payment due 6 months after closing.

**Forgiven Loan portion:** A portion of request may be forgiven. Forgiveness provided in month 13. Terms and amount of forgiveness outlined in Commitment Letter.

**Interest:** 0% for the first 12 months and 2.75% starting in the 13th month. Loans will accrue simple interest at a rate of 2.75% for months 13 through payoff of the loan. No prepayment penalty.

**Collateral/Guaranty** Not required. Individual circumstances may require additional security.
APPLICATION PROCESS
HOW TO APPLY

**Information:** Application outline and Program Guide found on [CDFA’s Resource Hub](https://resources.nhcdfa.org).

**Deadline:** Applications accepted on rolling basis after April 13, 2020 until funds expended.

Applications accepted via CDFA’s online application site (https://resources.nhcdfa.org).

**Note:** This application will not be submitted via the Grants Management Systems (GMS). Hard copy or emailed applications will not be accepted.
REVIEW TIMELINE

- First 15 high priority applications received, decision anticipated in 7 days;

- Second 15 high priority applications received, decision anticipated in 14 days;

- Non-high priority applications received, placed in queue as outlined in the pattern above and decision based on available funds.
EVALUATION

All NH Nonprofit Response Fund applicants receive programmatic and financial review.

Proposed expenditures for loan funding must meet the following conditions:

- Must have a public purpose or provide a clear public benefit. Such benefits must be quantifiable and presented as part of the application.

- Other funding sources are not available for the COVID-19 expenditures in the application or if funding becomes available the applicant agrees to return funds to CDFA.

- CDFA’s support is necessary to respond to COVID-19 impacts and to help advance the nonprofit’s mission.
### Community Benefit

<table>
<thead>
<tr>
<th>Review Category</th>
<th>High Priority</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Benefit</td>
<td>Funds used specifically for one or more of the following: Community-based organizations at the front lines of the outbreak, Costs associated with new activities or adaptation for activities directly related to COVID-19, and Increased demand for services serving the most vulnerable populations due to COVID-19.</td>
<td>Reduction in revenue and other resources from traditional sources due to COVID-19.</td>
<td>If application is not deemed High or Medium Community Benefit, the application is not eligible for funding.</td>
</tr>
</tbody>
</table>

### Community Need and Support

<table>
<thead>
<tr>
<th>Review Category</th>
<th>High Priority</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Need and Support</td>
<td>Strong community need and/or support.</td>
<td>Some tentative community need and/or support.</td>
<td>If application cannot demonstrate clear need and/or support the application is not eligible for funding.</td>
</tr>
</tbody>
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- Other funding sources are not available for the COVID-19 expenditures in the application or if funding becomes available the applicant agrees to return funds to CDFA.
- CDFA’s support is necessary to enable COVID-19 activities and to help advance the nonprofit’s mission.

### Review Category

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<td>Need for funding</td>
<td>No other sources available; CDFA funds will make or break the success of the organization; or specific funding may be available in the future and CDFA funding will be used as bridge.</td>
<td>Some other near term funding sources may be available or organization has limited reserves or an endowment.</td>
<td>Significant other near term funding sources may be available or organization has significant reserves or an endowment.</td>
</tr>
<tr>
<td>Timeliness of need</td>
<td>Clear timeline defined and request is to cover no more than 90 days of expenditures.</td>
<td>Tentative timeline defined.</td>
<td>Timeline not clear.</td>
</tr>
<tr>
<td>Organizational Capacity</td>
<td>Organization has positive track record and request has strong mission alignment.</td>
<td>No known concerns with Organization’s track record and request has good mission alignment.</td>
<td>Little or poor Organizational track record and request has limited mission alignment.</td>
</tr>
<tr>
<td>Financial Capacity</td>
<td>Excellent or good balance sheet and positive cash flow, prior to crisis.</td>
<td>Fair balance sheet and neutral cash flow, prior to crisis.</td>
<td>Shaky financial situation or little to no experience.</td>
</tr>
<tr>
<td>Intangible/other factors</td>
<td>Strong intangible factors that warrant loan capital</td>
<td>Moderate intangible factors that warrant loan capital</td>
<td>Limited intangible factors that warrant loan capital</td>
</tr>
</tbody>
</table>
TAX CREDIT APPLICATION OUTLINE

I. Applicant Information
II. Narrative Questions
III. Management Capacity
IV. Finance and Development Capacity
V. Certification
Primary Contact Information

Organization Information

Funding Request

Up to $100,000 maximum total combined request

- 1. Loan Forgiveness (Micro Grant) Amount Requested*
- 2. Loan Amount Requested*
- 3. What will your organization use these funds for?*
  (Working Capital, Equipment, Programming, other)
  If "Other", please describe how you will use the funds*
II. NARRATIVE QUESTIONS

How specifically would you use the funds you are requesting to stabilize your non-profit or provide services to individuals harmed by Covid-19 and over what time period?

Are you in a position to deploy these funds immediately, and if not, what is your timeline?

Is your non-profit still operating? (Yes/No)

Have you had to curtail services, alter your services, or are you considering closing your non-profit because of the Covid-19 restrictions? (Yes/No)

If your non-profit experienced a drop in revenue due to Covid-19, what is the percent drop by week?
II. NARRATIVE QUESTIONS CONT.

Have you laid off any employees? (Yes/No)
  if Yes, how many and what functions did they provide?
Are you considering laying off additional workers? (Yes/No)
What is your most critical concern right now?
What other sources have you pursued and what is the status of other funding?
III. MANAGEMENT CAPACITY

Management Team – Please describe who will be responsible for oversight, reporting and other activities related to this funding.
IV. FINANCE CAPACITY

List of or link to Board of Directors (including affiliation)

Management Prepared Financial Statements for last complete Fiscal Year (Balance Sheet, Profit and Loss, Cash Flow)

Financial Statements for most recently completed Fiscal Year (provide ONE of the following, listed in order of priority)
IV. FINANCE CAPACITY CONT.

Management Prepared Financial Statements for current Fiscal Year to date (Balance Sheet, Profit and Loss, Cash Flow) if your Fiscal Year end falls between March 31 and September 30.

Budget-to-actual for most recent completed fiscal year (for requests greater than $50,000)

Current fiscal year operating budget

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

Authorization to submit application