Coös County Delegation
Organizational Meeting
December 11, 2024, 10:00am
Coös County Administrative Offices
34 County Farm Road - Stewartstown, NH

Present: Representatives Arnold Davis, Chair; Seth King; Lori Korzen; Peter Morency; Michael Murphy; Mike Ouellet; James Tierney; and Brian Valerino. Also, Present: Commissioners Raymond Gorman, and Robert Théberge; County Administrator Mark A. Brady; Director of Finance Carrie Klebe; Superintendent Ben Champagne, Ray Berthiaume, Les Otten, Ed Brisson and Hannah Campbell, Dixville Capital LLC; James Key-Wallace, BFA Executive Director; and Linda Harris.

The Pledge of Allegiance was led by Chairman Davis and the meeting was called to order at 10:01 a.m. The roll was called by Chairman Davis. There were eight members in attendance. Representative Durkin was absent.

Introduction of Delegation Members: A brief introduction was provided by each Delegation member.

Election of Officers:
A motion was made by Representative King, seconded by Representative Murphy to nominate Representative Arnold Davis as Chair. There were no other nominations. Representative Davis accepted the nomination. The motion was approved by voice vote 8-0.

A motion was made by Representative Korzen, seconded by Representative Tierney to nominate Representative Mike Ouellet as Vice Chair. There were no other nominations. Representative Ouellet accepted the nomination. The motion was approved by voice vote 8-0.

A motion was made by Representative Ouellet, seconded by Representative King to nominate Representative Lori Korzen as Clerk. There were no other nominations. Representative Korzen accepted the nomination. The motion was approved by voice vote 8-0.

Sub-Committee Assignments: Chairman Davis proceeded with the sub-committee assignments.

• Executive Committee	Representative Davis, Representative Ouellet Representative Korzen
• Nursing Homes	Representative Tierney & Representative Korzen
• Corrections Department	Representative Ouellet & Representative Morency
• County Sheriff/County Attorney	Representative Murphy

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• Budget Transfer Committee	Executive Committee
• Elected Officials' Salaries - Year 2024	Executive Committee
• Unincorporated Places	Representative Davis
• Capital Improvements, Revenue Items and Surplus	Representative Tierney & Representative Durkin
• Performance Audits	Executive Committee
• Register of Deeds	Representative King
• Economic Development	Representative Ouellet
• Ex-officio Member/ UNH Cooperative Extension Advisory Board	Representative King
• Ex-officio Member/ Coös County Planning Board	Representative Tierney

Chairman Davis noted that any Delegation member was welcomed to attend any subcommittee gathering.

A motion was made by Representative Tierney, seconded by Representative Ouellet to appoint Representative King to the UNH Extension Advisory Board as an ex-officio member. The motion was approved unanimously by voice vote.

A motion was made by Representative Ouellet, seconded by Representative Valerino to appoint Representative Tierney as an ex-officio member to the Coös County Planning Board. The motion was approved unanimously by voice vote.

Review & Approval of the Minutes of the October 28, 2024, quarterly meeting, as distributed:
Chairman Davis noted that only members of the Delegation that were present at the meeting were able to approve the minutes. A motion was made by Representative Tierney, seconded by Representative Ouellet to approve the minutes of the October 28, 2024, quarterly meeting. The minutes were approved in the affirmative by voice vote.

Hearing of the Public:
James Key-Wallace, BFA Executive Director, relayed information on the C-PACE Lending Program:

What Is C-PACE?
Commercial Property Assessed Clean Energy (C-PACE) is a financing mechanism for energy-

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efficient upgrades, building insulation, cost-effective renewable energy, and water conservation measures. Any 'commercial property' is eligible, including manufacturing facilities, office buildings, retail buildings, and multifamily housing projects.
C-PACE loans are made by private capital providers and repaid through a voluntary property tax assessment on the developed property. This unique repayment mechanism is what makes C-PACE financing an effective tool to spur additional investment in New Hampshire.

Key Features of C-PACE Financing:

1. *Long-Term, Fixed-Rate Financing:* C-PACE loans are structured to have long repayment terms, creating positive cash flows as a result of the energy investment.

2. *Fewer Upfront Costs:* C-PACE allows more of a project's costs to be financed, reducing investor equity requirements from 25% or 30% of a project to half that amount. That means the same amount of investor equity can now fund double the number of new projects. And higher ROI on investor equity allows for more affordable rental rates.

3. *More lending for new projects:* C-PACE financing is subordinate to existing bank financing and is viewed as additional 'equity' in a project. This improves the loan-to-value position for bank lenders and encourages more projects to be financed, spurring new development.

4. *Repayment through Property Taxes:* C-PACE loans are repaid as an additional line item on the property's tax bill. This payment stays with the property, so if the property is sold before the loan is repaid, the C-PACE loan transfers to the new owner. This flexibility allows developers to make investments without fear of being 'locked in' for a time that exceeds the typical development process.

Status of C-PACE In New Hampshire:
New Hampshire already has an existing C-PACE statute in place. However, both property owners and capital providers have found the existing statutes unworkable in practice. While other states receive hundreds of millions of dollars in new investment via C-PACE, New Hampshire is on the sidelines.

Under current state law C-PACE has no defined administrator. This places the burden of developing and running C-PACE programs in the hands of local municipalities. Each town/city must develop their own separate program **with** separate rules, separate legal documents, separate approval processes, and separate administrative support. Lenders and developers have no consistency from location to location. There is no support available for smaller municipalities that don't have the staff capacity to run a program. As a result, C-PACE loans don't happen in New Hampshire.

Proposed revisions:

1. *The Role of a Central Administrator in New Hampshire:* Introducing a central administrator to manage the C-PACE program in New Hampshire solves problems for both developers and municipalities. This streamlined approach creates a consistent, efficient framework for running the program across the state. It is also consistent with

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how other states who receive high amounts of C-PACE investment dollars structure their program. The BFA would run C- PACE and there would be zero cost to NH taxpayers to run the program.

A central administrator serves as a single point of contact for property owners, simplifying the application, project approval, and the financing process. C-PACE remains a private capital lending program. However, borrowers benefit from consistent guidelines and standardized documentation, making the process faster and more accessible.

2. *Reduced Administrative Burden:* Under the new proposal, municipalities participating in C- PACE can focus on their core responsibilities without having to manage the complexities of the program. The BFA, as program administrator, handles the heavy lifting, including project eligibility, legal documentation review, and provides options for managing the tax assessment billing. This helps towns and cities offer a valuable program without bearing the costs that many smaller communities cannot afford.

   The proposed revisions maintain local control, allowing each municipality to 'opt-in' to the C- PACE program if they so choose (or not).

3. *Lower* Costs *for Participants:* Centralized administration reduces redundancy and operational costs. By streamlining services, projects benefit from lower fees and a more efficient program that minimizes delays.

4. *Attracting Economic Development:* C-PACE helps businesses improve their properties, and a well-run program can encourage new construction. By offering streamlined, accessible financing, municipalities can attract more commercial investments, stimulate local job creation, and boost property values. Additionally, developers will access new tools for financing multifamily housing projects that address a critical need for our state.

Status of legislation:
Proposed legislation has been submitted to the NH legislature. It makes a variety of changes to the existing C-PACE statutes to accomplish the above goals. Key stakeholders have reviewed the proposal and agreed that the revised language works for everyone. Those parties include:

1. New Hampshire Business Finance Authority - C-PACE administrator
2. NH Banker's Association - Representing the traditional lending community
3. C-PACE Alliance – Representing C-PACE lenders nationwide
4. NH Municipal Association - Representing municipalities and their role in the process. The proposal is entering the legislative process with the intention of following an expedited track.

Representative King inquired if this program is the same as what was presented to the Delegation a couple of years ago. Les Otten replied that the tax assessment district is a separate financing option. He supports Mr. Wallace's proposal.

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Mr. Otten invited the Delegation and Commissioners to an onsite visit over the next month. He has been working with DHI on project bids and finalizing construction plans.

Any Other Business:

a. Resolution on Provided Electronic Devices: Chairman Davis noted that Delegation members may purchase an electronic device as outlined in the resolution. A receipt for approval must be submitted to the Chair for approval which in turn will be submitted to the County Administrator for reimbursement.

b. Delegation Contact List: The Chair asked the Delegation members to complete the sheet and return to the Administrative Assistant.

c. Coös County Delegation Handbook: The Chair stated that the handbook serves as a reference tool. The final copy will be distributed at the next meeting with subcommittee updates.

d. A copy of the 2025 proposed meeting dates was distributed.

e. Chairman Davis stated that he would like a meeting scheduled between the Delegation, Commissioners, and the new Fish & Game Director.

A motion was made by Representative Valerino, seconded by Representative Murphy to adjourn the meeting at 10:40 a.m. The motion was approved unanimously by voice vote.

Respectfully submitted,

Representative Lori Korzen, Clerk

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