

# ***CAPITAL REGIONAL DEVELOPMENT COUNCIL***



## ***2021 ANNUAL REPORT***

***October 1, 2020-September 30, 2021***



October 21, 2021

The attached report documents the Capital Regional Development Council's results for the fiscal year ending September 30, 2021.

The CRDC Loan committee approved a total of 37 loans to small business borrowers totaling \$12.8 million, a record. 21 loans were funded from all CRDC loan programs totaling \$5.2 million. CRDC also experienced a record year in SBA 504 approvals with 21 loans authorized totaling \$7.9 million. Many of the approved and authorized loans will close and fund in FY 2022.

CRDC closed out the year with an operating profit of \$243,067 on total income of \$1,045,443.

CRDC closed loans with seven different banks in 16 different communities.

At the end of its fiscal year, CRDC's total lending portfolios included \$33.1 million outstanding to 157 business borrowers.

Staff continues to work closely with its lending partners by responding with creative and flexible capital solutions to small business market demand.

The entire CRDC staff thanks its lending partners and Board of Directors for continued support and guidance.

Respectfully,

*Stephen A Heavener*

Stephen Heavener  
Executive Director

**KEY FISCAL YEAR END 2021 HIGHLIGHTS**  
**CAPITAL REGIONAL DEVELOPMENT COUNCIL**

SBA 504 Loans Authorized: 21 loans, \$7,925,000 (a CRDC record)

SBA 504 Loans Funded: 10 loans, \$3,570,000 (the highest dollar volume since FY 2015)

All Loans Approved by Loan Review Committee: 37 loans, \$12,784,919 (a CRDC record)

Total Loans Funded All Sources: 22 loans, \$5,280,419 (the highest dollar volume since 2015)

Net Operating Income: \$243,067 (highest amount since 2005)

Total Net Income: \$327,094

Total Balance Sheet Equity: \$9,977,164 (\$327,094 increase over 9/30/2020)

# **FY 2021 CRDC LOANS FUNDED FROM ALL PROGRAMS**

<b>BORROWER SECTOR</b>	<b>LOAN</b>	<b>SOURCE</b>	
Mini Storage Facility	\$731,000	SBA 504	
Event Facility	\$686,000	SBA 504	
Sheet Metal Fabrication	\$638,000	SBA 504	
Reisidential Mill Revelopment	\$550,000	SCRLF	
Computer Components Recycling	\$450,000	SBA 504	
Indoor Sports Facility	\$250,000	IRP	2 loans
Retail Outdoor Equipment	\$268,000	SBA 504	
Country Store	\$234,000	SBA 504	
Day Care Center	\$208,000	SBA 504	
Indoor Sports Facility	\$200,000	IRP	2 loans
Finance Investment Advisor	\$157,000	SBA 504	
Mortgage Lender	\$150,000	CRDC	
Brewery	\$150,000	IRP	
Convenience Store	\$132,000	SBA 504	
Private Elementry School	\$104,419	ILPP	
Country Store	\$100,000	IRP	
Large Truck Repair & Service	\$100,000	SCRLF	
Law Firm	\$66,000	SBA 504	
Retail Bakery	\$56,000	ILPP	
<b>TOTAL</b>	<b>\$5,230,419</b>		

**21 total loans to 19 borrowers**

## **LEGEND**

*IRP: USDA Intermediary Lending Program*

*SCRLF: Sullivan County Loan Fund*

*CRDC: balance sheet loan*

*ILPP: SBA Intermediary Lending Pilot Program*

**2021 CAPITAL REGIONAL DEVELOPMENT COUNCIL  
BUSINESS FINANCING AND ECONOMIC DEVELOPMENT PROGRAMS AND THEIR IMPACT ON  
NEW HAMPSHIRE  
9/30/2021**

**BACKGROUND**

The Capital Regional Development Council is a non-profit development corporation that provides a variety of loan programs and economic development services to businesses and local governments throughout New Hampshire. The Capital Regional Development Council is a mission driven organization focused on deploying programs that help stimulate private sector job creation and local property tax base enhancement.

**SMALL BUSINESS LENDING**

SBA 504: CRDC is licensed by the SBA to package and underwrite SBA 504 loans throughout New Hampshire. The maximum loan amount is \$5.5 million (up to 40% of eligible costs). The eligible uses include real estate purchase/construction, improvements & equipment. Its current outstanding portfolio is 86 loans with \$22.6 million outstanding.

DIRECT LOANS: CRDC also manages a variety of direct loan funds that are also deployed throughout its direct loan lending territory of Sullivan, Merrimack and Hillsborough Counties. The maximum loan amount is typically \$300,000. Eligible uses include real estate purchase/construction, building improvements, equipment & working capital. CRDC ended the year with 71 loans with \$10.5 million outstanding.

CDFA PROGRAMS: CRDC is also a NH Community Development Finance Authority approved regional development corporation that prepares Community Development Block Grant (CDBG) business loans and infrastructure grants and CDIP tax credits throughout Sullivan, Merrimack and Hillsborough Counties. CRDC secured a \$20,000 technical assistance grant from CDFA to fund an Opportunity Zone Study for the City of Franklin.

MANCHESTER DEVELOPMENT CORPORATION: CRDC is engaged by the Manchester Development Corporation to assist with sourcing and underwriting loans associated with its small business and real estate development lending programs.

## **ECONOMIC DEVELOPMENT CONSULTING**

The Capital Regional Development Council provides fee-based services that assist New Hampshire's cities and towns establish or strengthen programs that result in the creation/retention of quality jobs and enhance the commercial/industrial property tax base.

### Forms of Assistance Include:

Economic Development Strategic Planning

Local Economic Development Committee Support

Business Visitations & Business Retention Strategies

Business Recruitment and Marketing Plans

CDFA Community Development Block Grant Applications

Feasibility and Site Analysis

Tax Increment Financing (TIF) Plans

CDFA/CDIP Tax Credit Project Applications

No fee-based projects were undertaken in FY 2021.

## **REAL ESTATE DEVELOPMENT**

CRDC was the lead developer of Horseshoe Pond Business Park where the Marriott Courtyard and Grappone Conference Center are located. It also managed the CDFA tax credit fundraising campaign to finance \$3.2 million of the development costs of the Grappone Conference Center.

CRDC also collaborated with the City of Concord on the development of four phases of the Airport Business Park on the east side of Concord including major infrastructure investments in roads, water and sanitary sewer installation. CRDC sold its last owned lot in FY 2020 to accommodate the construction of a new \$5.0 million testing facility that opened in late FY 2021.

In FY 2021, CRDC injected a \$550,000 loan in a collaborative lending partnership with several banks and REDC into the mission impactful residential development of the \$13.5 million Monadnock Mill project in Claremont.

CRDC also invested substantial time in seeking mission appropriate real estate loans in the city of Franklin. Staff will be presenting a \$500,000 collaborative loan proposal to the CRDC board in early FY 2022 associated with the \$30.0 million redevelopment of the Stevens Mill into a mixed use 147-unit residential building with 30,000 s.f. of commercial space.

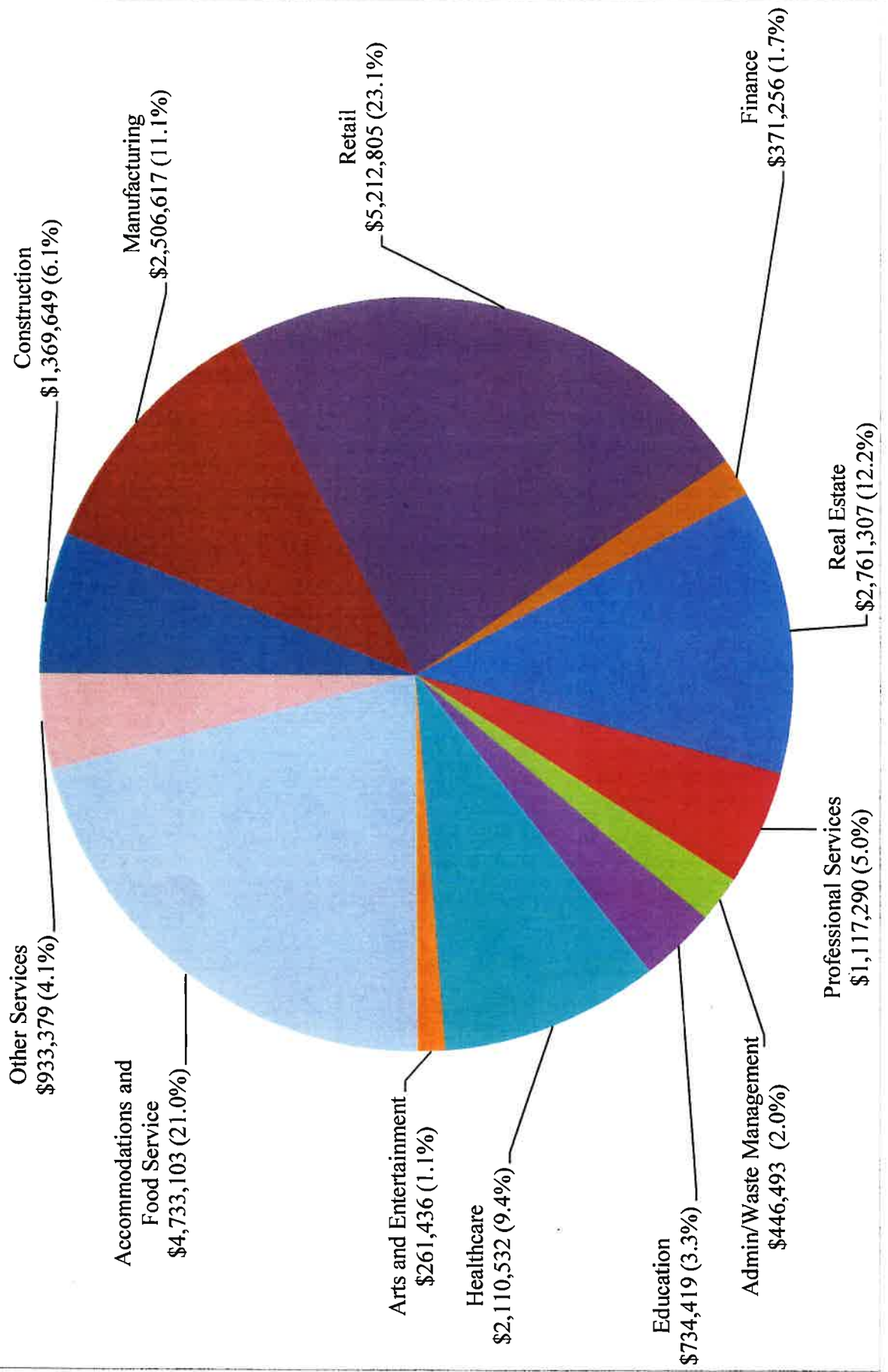
**FY 2021**  
**BUDGET SUMMARY**

<b>INCOME SOURCE</b>	<b>AMOUNT</b>
Direct Lending Programs: Interest and Fees	\$567,348
SBA 504 Lending Program: Origination/Servicing Fees	\$341,736
CARES Act Grant	\$83,159
CDFA Grants	\$47,000
Consulting/Donations	\$6,200
<b>TOTAL</b>	<b>\$1,045,443</b>

<b>EXPENSES</b>	<b>AMOUNT</b>
Marketing	\$10,725
Interest on Funds Borrowed for Loan Funds	\$46,069
SBA and Feasibility Consultants	\$23,113
Montgomery Street Office Occupancy Costs	\$24,471
Office & Administrative	\$64,745
Professional Fees: Legal/Accounting	\$48,384
Staffing	\$507,059
Payroll Taxes/Benefits	\$73,623
Office Renovations/Capital Improvements	\$4,187
<b>TOTAL</b>	<b>\$802,376</b>

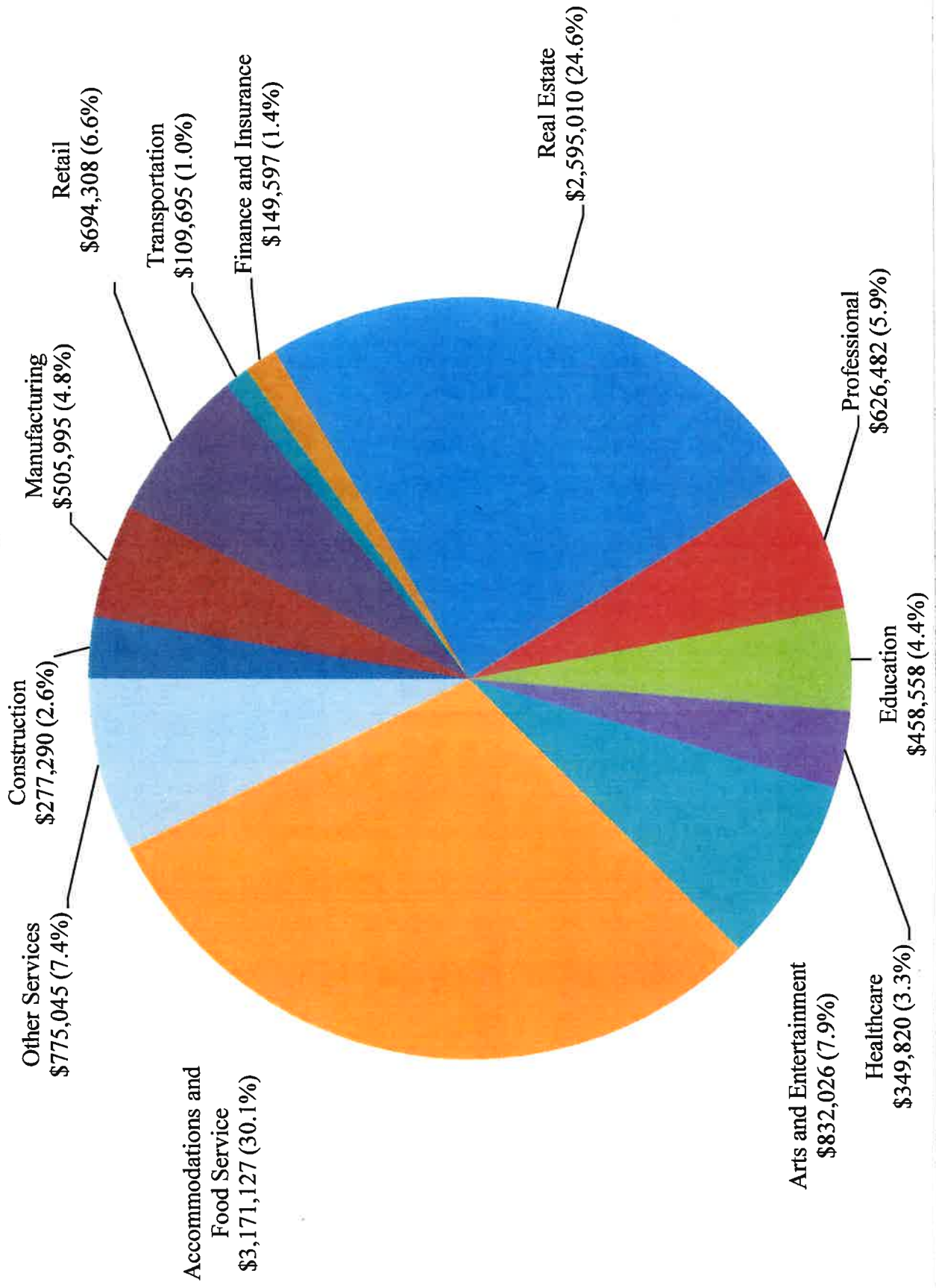
**Net Ordinary Income** **\$243,067**

# CRDC SBA 504 Loan Portfolio As of September 30, 2021





# CRDC Direct Loan Portfolio As of September 30, 2021



## CAPITAL REGIONAL DEVELOPMENT COUNCIL

### Direct Loan Lending Territory

#### **SBA 504 LENDING TERRITORY IS ENTIRE STATE OF NEW HAMPSHIRE**

<u>COMMUNITY</u>	<u>COUNTY</u>	
Amherst	Hillsborough	
Bedford	Hillsborough	
Goffstown	Hillsborough	
Hollis	Hillsborough	
Manchester	Hillsborough	
Mont Vernon	Hillsborough	
New Boston	Hillsborough	
Weare	Hillsborough	<b>8 Hillsborough County</b>
Allenstown	Merrimack	<b>Communities</b>
Andover	Merrimack	
Boscawen	Merrimack	
Bow	Merrimack	
Bradford	Merrimack	
Canterbury	Merrimack	
Chichester	Merrimack	
Concord	Merrimack	
Danbury	Merrimack	
Dunbarton	Merrimack	
Epsom	Merrimack	
Franklin	Merrimack	
Henniker	Merrimack	
Hill	Merrimack	
Hooksett	Merrimack	
Hopkinton	Merrimack	
Loudon	Merrimack	
New London	Merrimack	
Newbury	Merrimack	
Northfield	Merrimack	
Pembroke	Merrimack	
Pittsfield	Merrimack	
Salisbury	Merrimack	
Sutton	Merrimack	
Warner	Merrimack	
Webster	Merrimack	
Wilnot	Merrimack	<b>27 Merrimack County</b>
Acworth	Sullivan	<b>Communities</b>
Charlestown	Sullivan	
Claremont	Sullivan	
Cornish	Sullivan	
Croydon	Sullivan	
Goshen	Sullivan	
Grantham	Sullivan	
Langdon	Sullivan	
Lempster	Sullivan	
Newport	Sullivan	
Plainfield	Sullivan	
Springfield	Sullivan	
Sunapee	Sullivan	
Unity	Sullivan	<b>15 Sullivan County</b>
Washington	Sullivan	<b>Communities</b>
<b>Total: 50 Communities</b>		

## **CAPITAL REGIONAL DEVELOPMENT COUNCIL DIRECTORS & STAFF**

### **FY 2021 OFFICERS**

Henry Veilleux, Board President, Director Government Relations, Sheehan Phinney  
Ryan Audley, Board Vice President, President & CEO, R.S. Audley Construction  
Joseph Conway, Board Treasurer, SVP, Sugar River Bank  
Tom Sullivan, Board Secretary, President, Sullivan Construction  
Stephen Heavener, Executive Vice President, CRDC Executive Director

### **Corporate Counsel**

Peter Burger, Attorney, Orr & Reno

### **2021 Board of Directors**

Ryan Audley, President, CEO, R.S. Audley Construction  
Suzanne Brunelle, Esq, Shareholder, Devine, Millimet, PA  
Joseph Conway, SVP, Sugar River Bank  
Susan Dunton, retired president NHTI Community College  
Tom Sullivan, President, Sullivan Construction  
Henry Veilleux, Board President, Director Government Relations, Sheehan Phinney  
David Peterson, SVP, Camden National Bank  
Ken Koornneef, President, CEO, Nobis Engineering  
Steve Korzyniowski, Director of Business Development, Macy Industries  
Joe Bator, Senior VP, Primary Bank  
Carlos Baia, Director of Development, Asst City Manager, City of Concord, NH

### **2021 STAFF PROFILES**

**Stephen A. Heavener**, Executive Director & Executive Vice-President

Date of Employment: November 1, 2007

Native: Vineland, New Jersey

Stephen has been managing community and economic development programs since 1979. He has managed programs in New Jersey, Vermont, New Hampshire, Maine, Virginia, New Mexico and Wyoming. He earned the Economic Development Finance Professional designation from the National Development Council in 1990 and he was a Certified Economic Developer as designated by the International Economic Development Council from 1994-2018. He earned an undergraduate degree in Urban Studies and Community Development and a Masters in Public Policy from Rutgers University.

**Liz Sweeney, Senior Loan Officer**

Date of Employment: May 19, 2008

Native: New Rochelle, New York

Liz has had a varied career that began as a school teacher in Harrison, New York. She commenced her business career in banking with Citibank in New York. She has also worked for Marine Midland Bank, Bankeast, First New Hampshire Bank, the NH Governor's Office of Energy and Community Services, Nobis Engineering, Consolidated Process Machinery, the NH Office of State Planning and the NH Community Development Finance Authority. Liz earned a BA in History from the College of New Rochelle, an MA in History from Fordham University and an MBA in Finance from New York University.

**Jennifer Boulanger, Loan Officer**

Date of Employment: October 4, 2010

Native: Londonderry, New Hampshire

Jennifer Boulanger has nearly 30 years commercial lending experience working for banks and/or regional development corporations in New Hampshire. Jennifer completed a two-year commercial lender training course in the early 1990s and later worked in all aspects of lending including commercial credit underwriting, commercial credit review, commercial loan officer, commercial credit training manager and as a volunteer managing outside loan funds for non-profits. Jennifer received her BS in Business Administration (accounting) and MBA from UNH-Durham (Finance) and as well has earned the designation of a Certified Economic Development Financial Planner from the National Development Council (September 2015). Jennifer is a graduate of the Greater Concord Leadership Class of 2006 and the Lakes Region Leadership Class of 2008. As a loan officer at CRDC, Jennifer provides such services as credit analyst, underwriter, portfolio manager, business development officer and risk manager. In the Spring of 2018, Jennifer was recognized by the NH Small Business Administration as the SBA Financial Services Champion of the Year.

**Kim Imbriglio, Loan Portfolio Manager**

Date of Employment: July 27, 2005

Native: Athol, Massachusetts

Kim has spent most of her career in banking and sales. She has worked for Bank of New England, Fleet Bank, Orange Savings Bank, New Horizons Computer Learning Center, First Essex Bank, and the Cathedral Credit Union in Manchester. Kim earned an AS from Becker Junior College in Worcester, a BS in Business from Worcester State College, and an MBA from Anna Maria College in Worcester, Massachusetts.