

CAPITAL REGIONAL DEVELOPMENT COUNCIL



2010 ANNUAL REPORT



November 1, 2010

Dear CRDC Officers, Directors, Members & Friends:

It is with great pleasure that CRDC presents its annual report for fiscal year 2010.

2010 remained a challenging year for the U.S. and New Hampshire economy. Although the economy showed signs of recovery, many potential CRDC borrowers and portfolio companies experienced financial challenges. Limited real estate investment by these companies impacted demand for CRDC's lending products. Despite the challenges, CRDC nearly met its goal of \$3.0 million in closed SBA 504 loans and exceeded its goal of \$700,000 in direct lending.

SBA 504 Loans Closed and Funded: 8
Total SBA Financing: \$2,846,000

Direct Loans Closed: 10
Total Direct Financing: \$1,212,449

Total Lending: 18 loans
Total Lent: \$4,058,449

CRDC ended the September 30th fiscal year with an SBA portfolio containing 110 loans with \$30,656,310 outstanding and a direct loan portfolio of 30 loans with \$6,528,536 outstanding.

CRDC's economic development consulting work (CEDAP) continued with its ongoing relationship in Bow extended through fiscal year 2011 and added a new engagement with the City of Franklin to provide comprehensive economic development assistance.

I want to extend my appreciation to David Feller, who is completing his final year of his two year term as CRDC Board President during 2010. David has provided years of dedicated service to CRDC and his insights and feedback have improved CRDC management and strengthened my leadership skills.



I also want to thank the diverse and skilled Board of Directors for their ongoing support and direction. CRDC provides services in a large geographic territory and we rely heavily on board members for borrower referrals, real estate development opportunities, municipal consulting projects and market insights. CRDC's success is directly related to strong Board participation. I want to extend my deep appreciation to the following departing board members whose terms expire this year-Maura Carroll, Steve Camerino, Jack Ferns and Joyce Fulweiler. They have provided many years of dedicated and thoughtful service to CRDC.

I also want to thank Liz Sweeney and Kim Imbriglio for their dedication during the year in which two staff members, Rebecca Darman and Betsy Segal left the organization. Liz and Kim are talented professionals and have successfully absorbed many of the responsibilities from departing staff.

I especially want to extend my thanks to Betsy Segal, who served CRDC for more than 16 years. Her institutional knowledge and pleasant attitude will be missed.

Finally, I want to mention that Jennifer Boulanger joined CRDC as a loan officer in early October, 2010. Jennifer is an experienced commercial and non-profit economic development lender and has already made a positive impact on CRDC.

I look forward to continued success in the years to come.

Sincerely,

Stephen A. Heavener
Executive Vice President & Executive Director

"11.1.10 Annual Report Cover Letter"

BACKGROUND

CRDC is a regional non-profit development corporation that provides a variety of economic development services to businesses and local governments throughout New Hampshire. CRDC is certified to provide SBA 504 loans to small businesses statewide. CRDC also manages several small business direct loan programs in Merrimack, Sullivan and Hillsborough Counties. CRDC is a mission driven non-profit focused on providing resources that result in private sector job creation and local property tax base enhancement.

REAL ESTATE DEVELOPMENT: CRDC works closely with cities, towns and private developers on strategic real estate projects. The assistance is designed to attract businesses, create jobs and enhance the property tax base. It includes business park development and building construction/redevelopment for lease. CRDC is flexible in the type of assistance provided based on the needs of the project.

CRDC considers participation in local community projects when invited and when the municipality has demonstrated the financial and physical infrastructure to support economic development opportunities and commits financially in the project with CRDC.

ECONOMIC DEVELOPMENT ASSISTANCE: CRDC provides a fee-based program of economic development services designed to 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
- Tax Increment Financing (TIF) Plans
- Project Grant Writing
- Project Feasibility & Site Analysis
- Business Visitations & Business Retention Strategies
- Business Recruitment and Marketing Plans
- CDFA Community Development Block Grant Applications
- CDFA CDIP Tax Credit Project Applications

GRANTS: CRDC works closely with the New Hampshire Community Development Finance Authority, CDFA, to identify and prepare funding applications, and administer projects that are suitable for Community Development Block Grant (CDBG) and Community Development Investment Program (CDIP) financial assistance. These are competitive, project specific programs that are designed to provide loan funds to job creating development projects. When successful, CRDC secures a grant from the appropriate program, loans the funds to the project/company and capitalizes or recapitalizes a small business loan fund. Additionally, CDBG can finance municipal infrastructure in support of business investment.

NEW MARKET TAX CREDITS: CRDC has partnered with Coastal Enterprises, Inc. (CEI) of Portland, Maine to package New Market Tax Credit (NMTC) projects. The NMTC program was established by the US Treasury to attract capital to historically underserved projects and communities. It provides an incentive to debt and equity investors in the form of a 39 percent federal income tax credit over a seven year period for investing capital into qualified projects in eligible targeted areas. CRDC has been selected by CEI as its sole New Hampshire partner to identify and structure suitable projects.



NEW HAMPSHIRE ALLIANCE OF REGIONAL DEVELOPMENT CORPORATIONS

Coos Economic Development Co.
CoosEDC cedc@ncia.net
603-788-3900

Grafton County Economic Development Council
GCEDC www.graftoncountyedc.org
603-536-2011

Mt. Washington Valley Economic Council
MWVEC www.mwvec.com
603-447-6622

Wentworth Economic Development Co.
WEDCO www.wedco-nh.org
603-569-4216

Belknap County Economic Development Council
BCEDC www.bcedc.org
603-524-3057

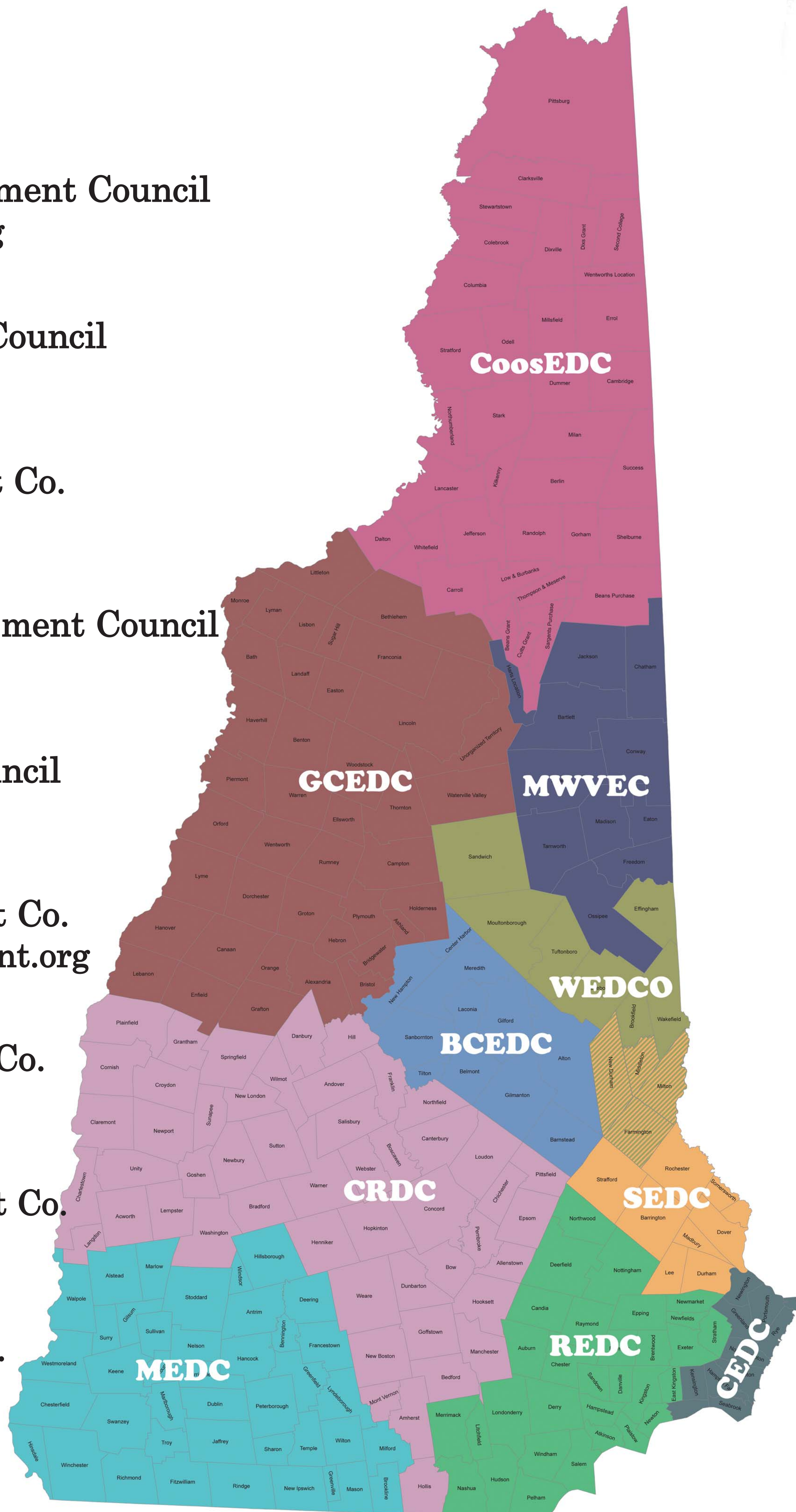
Capital Regional Development Council
CRDC www.crdc-nh.com
603-228-1872

Monadnock Economic Development Co.
MEDC www.monadnock-development.org
603-352-4939

Southeast Economic Development Co.
SEDC www.sedcnh.org
603-749-2221

Rockingham Economic Development Co.
REDC www.redc.com
603-772-2655

Coastal Economic Development Co.
CEDC www.coastaledc.org
603-929-9244



CRDC FY 2010 BUDGET SUMMARY
(October 1, 2009-September 30, 2010)

INCOME

CATEGORY	BUDGET	ACTUAL	\$ CHANGE
CDFA Capacity Grants	\$39,500	\$39,300	(\$200)
Economic Development Consulting	\$25,000	\$9,450	(\$15,550)
Direct Loan Income	\$268,851	\$268,870	\$19
SBA Income	\$210,897	\$212,241	\$1,344
New Market Servicing/Origination	\$39,200	\$14,200	(\$25,000)
Plymouth Administration Fee	\$12,000	\$12,000	\$0
TOTAL BUDGETED INCOME	\$595,448	\$556,061	(\$39,387)

EXPENSES

CATEGORY	BUDGET	ACTUAL	\$ CHANGE
Marketing	\$8,000	\$2,962	(\$5,038)
Bank Participation Fees	\$3,446	\$521	(\$2,925)
Interest Paid on IRP Loan from USDA	\$2,300	\$1,633	(\$667)
Personnel	\$429,488	\$402,366	(\$27,122)
Professional Fees	\$40,050	\$30,983	(\$9,067)
Office Expenses	\$111,096	\$97,496	(\$13,600)
TOTAL	\$594,380	\$535,961	(\$58,419)
NET ORDINARY INCOME	\$1,068	\$20,100	\$19,032

Note: Actual numbers are unaudited.

CRDC ACTIVITY SUMMARY

SBA 504 LOANS CLOSED AND FUNDED		Total	504	
Borrower	Location	Financing	Financing	Jobs
Matt Brown's Truck Repair	Bow	\$465,000	\$190,000	2
Chuckster's	Chichester	\$658,000	\$235,000	7
Tim's Truck Capital	Epsom	\$680,000	\$232,000	3
Bow Youth Center	Bow	\$1,250,000	\$516,000	7
R. Filion	Newport	\$600,000	\$242,000	5
Collectable Trader	Pembroke	\$896,600	\$340,000	6
Design Standards	Charlestown	\$2,222,000	\$898,000	15
Yarra Design	Bow	\$540,000	\$193,000	2
SBA TOTAL FINANCING	8 loans		\$2,846,000	47

DIRECT LOANS CLOSED		Total	CRDC	
Borrower	Location	Financing	Financing	Jobs
Snay Properties	Warner	\$230,000	\$57,500	3
Tiara Holding	Claremont	refinance	\$350,000	n/a
Duprey-Sanel Block	Concord	\$18,800,000	\$175,000	n/a
Bow Youth Center (refi, \$10,000 new \$)	Bow	\$150,000	\$150,000	see above
R. Filion	Newport	see above	\$60,000	see above
Blake's Turkey Farm	Concord	\$250,000	\$100,000	30
Yarra Design	Bow	\$330,000	\$25,000	see above
O's Steakhouse	Concord	\$802,000	\$100,000	37
Collectable Trader	Pembroke	see above	\$100,000	see above
CRDC Plymouth CDC (Mid-State Health)	Plymouth	refinance	\$94,949	n/a
CRDC DIRECT FINANCING	10 loans		\$1,212,449	70
TOTAL FINANCING & JOBS	18 loans		\$4,058,449	117

CDFA Community Development Investment Program (CDIP) Loans Closed/Submitted: None

CDFA Community Development Block Grant (CDBG) Loans Closed/Submitted: None

ECONOMIC DEVELOPMENT CONSULTING		Recent Engagements
Community	Contract	Schedule
Town of Bow	\$32,250	7/1/08-6/30/11
Town of Pittsfield	\$8,250	4/15/08-6/30/09
Town of New London	\$4,800	8/15/08-6/1/09
Town of Newport	\$5,600	1/1/09-5/31/09
Town of Hopkinton	\$3,500	1/1/09-3/31/09
Town of Hooksett	\$900	7/1/08-6/30/09
Town of Bradford	\$3,500	7/1/09-9/30/09
City of Franklin	\$12,000	7/1/10-6/30/11
TOTAL	\$70,800	

REAL ESTATE

No new real estate investments during FY 2010.

2010 CRDC SMALL BUSINESS LENDING

The Capital Regional Development Council is pleased to report that it closed and funded 18 loans to 14 growing New Hampshire small businesses in the year ended September 30, 2010. Total lending was \$4,058,449 to the following borrowers.

MATT BROWN'S

Auto Sales & Service
SBA 504 Loan: \$190,000
Real Estate Purchase
BOW (Merrimack Co.)

CHUCKSTER'S

Outdoor Recreation
SBA 504 Loan: \$235,000
Business Expansion
CHICHESTER (Merrimack)

BOW YOUTH CENTER

Daycare Center
SBA 504 Loan: \$516,000
CRDC Direct Loan: \$150,000
Building Construction
BOW (Merrimack)

R. FILION

Manufacturing (Kasi Infrared)
SBA 504 Loan: \$242,000
CRDC Direct Loan: \$60,000
Real Estate Purchase
NEWPORT (Sullivan)

THE COLLECTABLE TRADER

Internet Motorcycle Sales
SBA 504 Loan: \$340,000
CRDC Direct Loan: \$100,000
Real Estate Purchase
PEMBROKE (Merrimack)

YARRA DESIGNS (Concord Awnings)

Awning Manufacturing
SBA 504 Loan: \$193,000
CRDC Direct Loan: \$25,000
Real Estate Purchase
BOW (Merrimack)

DESIGN STANDARDS CORP.

Medical Devices Manufacturing
SBA 504 Loan: \$898,000
Building Renovations
CHARLESTOWN (Sullivan)

SNAY PROPERTIES (Warner Pharmacy)

Retail Pharmacy
CRDC Direct Loan: \$57,500
Real Estate Purchase
WARNER (Merrimack)

TIARA HOLDINGS (Crown Point)

Kitchen Cabinet Manufacturing
CRDC Direct Loan: \$350,000
Real Estate Refinancing
CLAREMONT (Sullivan)

STEVE DUPREY (Sanel Block)

Office Building
CRDC Direct Loan: \$175,000
Interim Construction Financing
CONCORD (Merrimack)

BLAKE'S TURKEY FARM

Food Processing
CRDC Direct Loan: \$100,000
Business Expansion
CONCORD (Merrimack)

O'S STEAKHOUSE CONCORD

Restaurant
CRDC Direct Loan: \$100,000
Leasehold Improvements
CONCORD (Merrimack)

MID STATE HEALTH CENTER

Non-profit Health Center
CRDC Direct Loan: \$94,949
Real Estate Refinancing
PLYMOUTH (Grafton)

TIM'S TRUCK CAPITAL

Auto Sales & Service
SBA 504 Loan: \$232,000
Real Estate Purchase
EPSOM (Merrimack)

SUMMARY

18 loans
14 borrowers
\$1,212,449: Total Direct Lending
\$2,846,000: Total SBA 504 Lending

**CRDC SBA 504 PORTFOLIO
FY 2004-2010**

PORTFOLIO VALUE NUMBER OF LOANS	ORIGINAL BALANCE	OUTSTANDING BALANCE
PORTFOLIO VALUE 9/30/04: 117	\$30,085,000	\$25,618,650
New loans: 23	\$6,618,000	
Prepaid loans: 10	(\$3,067,000)	
PORTFOLIO VALUE 9/30/05: 130	\$33,636,000	\$28,707,693
New loans: 14	\$7,485,000	
Prepaid loans: 21	(\$4,939,000)	
PORTFOLIO VALUE 9/30/06: 123	\$36,182,000	\$31,292,119
New loans: 10	\$4,870,000	
Prepaid loans: 13	(\$2,979,000)	
Transferred to SBA (defaults): 3	(\$998,000)	
PORTFOLIO VALUE 9/30/07: 117	\$37,075,000	\$31,365,266
New loans: 8	\$3,462,000	
Prepaid loans: 8	(\$2,714,000)	
Transferred to SBA (defaults): 2	(\$3,125,000)	
PORTFOLIO VALUE 9/30/08: 115	\$34,698,000	\$26,693,771
New loans: 9	\$6,154,000	
Prepaid loans: 10	(\$2,702,000)	
Transferred to SBA (defaults): 2	(\$348,000)	
PORTFOLIO VALE 9/30/09: 112	\$37,802,000	\$31,263,138
New Loans: 8	\$2,846,000	
Prepays loans: 5	(\$1,245,000)	
Transferred to SBA (defaults): 5	(\$1,467,000)	
PORTFOLIO VALUE 9/30/10: 110	\$37,936,000	\$30,656,309

FY 2010
SBA 504 MARKET SHARE
State of New Hampshire

Number of Loans Approved

COUNTY	2009	2009 CRDC	2010	2010 CRDC
BELKNAP	7	1	5	1
COOS	0		5	
CARROLL	4		9	
CHESHIRE	4		4	
GRAFTON	9		4	
HILLSBOROUGH	18		28	
MERRIMACK	5	3	7	4
ROCKINGHAM	26	1	37	
STRAFFORD	8		11	
SULLIVAN	3	3	1	1
TOTAL	84	8	111	6

Fiscal Year: October 1-September 30.

2010 APPROVED LOANS NEW HAMPSHIRE CDC'S	Number Approved	Total Loans \$	\$ Volume Share	Average Loan
Bay Colony Development	3	\$1,584,000	3.9%	\$528,000
CRDC	6	\$1,564,000	3.9%	\$260,667
Granite State	97	\$33,150,000	81.6%	\$341,753
New England CDC	3	\$3,948,000	9.7%	\$1,316,000
NCIC	2	\$375,000	0.9%	\$187,500
TOTAL	111	\$40,621,000	100.0%	\$365,955

2009 APPROVED LOANS NEW HAMPSHIRE CDC'S	Number Approved	Total Loans \$	\$ Volume Share	Average Loan
Bay Colony Development	1	\$91,000	0.3%	\$91,000
CRDC	8	\$3,855,000	14.6%	\$481,875
Granite State	70	\$20,290,000	76.8%	\$289,857
New England CDC	3	\$1,681,000	6.4%	\$560,333
NCIC	2	\$515,000	1.9%	\$257,500
TOTAL	84	\$26,432,000	100.0%	\$314,667

Not all approved loans have closed.
Several SBA loans approved in previous years closed in FY 2010, so there is no relationship between this table and other tables in the annual report that list loan closings.

LOAN PROGRAMS SUMMARY

CRDC manages various loan programs targeted to assisting small businesses in New Hampshire create quality jobs and enhance the local property tax base.

U.S. Small Business Administration, SBA 504

Maximum Loan Amount: \$5.0 million, \$5.5 million if manufacturing

Maximum SBA Participation: 40 percent of eligible costs

Eligible Uses: Purchase of land/existing building
New building construction/renovations
Machinery/equipment purchase, 10 year useful life
Refinance of existing debt

Eligible Business: For profit businesses
Tangible net worth not to exceed \$15.0 MM
2-yr average net income cannot exceed \$5.0 MM
Real estate financed must be 51% owner occupied or
80 percent with new construction
Majority ownership US citizens or permanent residents

Eligible Territory: Statewide New Hampshire

Job Creation: 1 new job created for every \$65,000 loaned
(\$100,000, if manufacturing)

USDA Intermediary Relending Program, IRP

Maximum Loan Amount: \$150,000, Minimum: \$10,000

Maximum CRDC Participation: 50 percent of eligible costs

Eligible Uses: Purchase of land, building, machinery & equipment and
Working capital

Eligible Borrower: Ownership US citizen or permanent resident
Business located in community under 25,000 population
Individual, public or private organization

Eligible Territory: Merrimack, Sullivan and Hillsborough Counties

Job Creation: 1 new job saved/created for every \$50,000 loaned

Bradford Revolving Loan Fund, BRLF

Maximum Loan Amount: \$150,000, Minimum: \$25,000
Micro Loans of up to \$10,000

Maximum CRDC Participation: 50 percent of eligible costs

Eligible Uses: Purchase of land, building, machinery & equipment,
Working capital and debt consolidation
Refinancing as part of a larger project

Eligible Borrower: SBA defined small business
Non-profit corporation
(Chapter 292 NH Statutes)

**Eligible Territory: Merrimack County, Town of Hillsborough,
Sullivan County**

Job Creation: 1 new job saved/created for every \$50,000 loaned
Minimum of 51% of new jobs must be offered
to low/moderate income people.

Sullivan County Revolving Loan Fund, SCRLF

Maximum Loan Amount: \$150,000, Minimum: \$25,000

Maximum CRDC Participation: 50 percent

Eligible Uses: Purchase of land, building, machinery & equipment and Working capital

Eligible Borrower: SBA defined small business Non-profit corporation (Chapter 292, NH Statutes)

Eligible Territory: Sullivan County

Job Creation: 1 new job saved/created for every \$50,000 loaned Minimum of 51% of new jobs must be offered to low/moderate income people.

Merrimack County Revolving Loan Fund, MCRLF

Maximum Loan Amount: \$150,000, Minimum: \$25,000.

Maximum CRDC Participation: 50 percent

Eligible Uses: Purchase of land, building, machinery & equipment and Working capital

Eligible Borrower: SBA defined small business Non-profit corporation (Chapter 292, NH Statutes)

Eligible Territory: Merrimack County

Job Creation: 1 new job saved/created for every \$50,000 loaned Minimum of 51% of new jobs must be offered to low/moderate income people.

Opportunity Corridor Redevelopment Fund, OCRF

Maximum Loan Amount: \$150,000 per project

Maximum CRDC Participation: 50 percent

Eligible Uses: Commercial or Residential Projects Purchase of land, building, machinery & equipment Rehabilitation/renovations New construction Site improvements, environmental remediation

Eligible Borrower: SBA defined small business For profit individuals and partnerships Non-profit corporation (Chapter 292, NH statutes)

Eligible Territory: Downtown Concord (Horseshoe Pond south to Exit 12, Interstate 93 west to State Street)

Job Creation: 1 new job saved/created for every \$50,000 loaned Minimum of 50% of new jobs must be offered to low/moderate income people.

SUMMARY OF LOAN PROGRAMS

AVAILABLE TO LEND: 9/30/10

SBA 504-Small Business Administration loan program	N/A
USDA IRP-USDA Intermediary Relending Program	\$575,009
BRLF-Bradford Revolving Loan Fund	\$178,981
SCRLF-Sullivan County Revolving Loan Fund	\$671,395
MCRLF-Merrimack County Revolving Loan Fund	\$ 37,301
OCRF-Opportunity Corridor Redevelopment Fund	\$156,720
TOTAL	\$1,619,406

CRDC REGIONAL DEVELOPMENT CORPORATION TERRITORY

LOAN PROGRAM	ELIGIBLE GEOGRAPHY	2008 POPULATION
SBA 504 Program	New Hampshire	1,315,809
Opportunity Corridor	Downtown Concord	n/a
<u>SULLIVAN COUNTY</u>		42,591
Sullivan County Loan Fund	Acworth	913
IRP Loan Fund & Bradford Loan Fund	Charlestown	4,840
	Claremont	12,968
	Cornish	1,758
	Croydon	724
	Goshen	818
	Grantham	2,517
	Langdon	683
	Lempster	1,088
	Newport	6,522
	Plainfield	2,444
	Springfield	1,139
	Sunapee	3,362
	Unity	1,739
	Washington	1,076
<u>MERRIMACK COUNTY</u>		148,161
Merrimack County Loan Fund & IRP Loan Fund	Allenstown	4,923
	Andover	2,210
	Boscawen	3,952
	Bow	8,077
	Bradford	1,536
City of Concord exceeds eligible population cap of 25,000 for IRP lending.	Canterbury	2,297
	Chichester	2,561
	Concord	42,255
	Danbury	1,142
	Dunbarton	2,637
	Epsom	4,580
	Franklin	8,713
	Henniker	5,051
	Hill	1,110
	Hooksett	13,783
	Hopkinton	5,595
	Loudon	5,098
	New London	4,469
	Newbury	2,087
	Northfield	5,121
	Pembroke	7,331
	Pittsfield	4,361
	Salisbury	1,275
	Sutton	1,837
	Warner	2,946
	Webster	1,868
	Wilmot	1,346
<u>HILLSBOROUGH COUNTY</u>		74,743
IRP Loan Fund	Amherst	11,801
	Bedford	21,122
City of Manchester exceeds eligible population cap of 25,000 for IRP lending.	Goffstown	17,567
	Hollis	7,721
	Mont Vernon	2,366
	New Boston	5,076
	Weare	9,090

REAL ESTATE

Although CRDC did not undertake any new real estate projects in 2010, it has a strong record of managing and developing successful real estate projects. CRDC's real estate assets are currently limited to one eight acre lot for sale at the Airport Business Park in Concord. The Real Estate Committee met quarterly during 2010 to discuss potential projects, none of which evolved sufficiently to consider participation.

Despite the ongoing challenges associated with the real estate market, CRDC remains interested in participating in strategic projects with examples of its involvement noted below.

Generally, CRDC becomes involved in projects when, a) The local community invites CRDC to participate in a project; b) CRDC does not compete directly with private development projects; and c) The municipality agrees to participate at some level financially in the project.

CRDC focuses its real estate development activities on projects in Belknap, Grafton, Merrimack and Sullivan Counties and the following eight communities in Hillsborough County-Amherst, Bedford, Goffstown, Hollis, Manchester, Mont Vernon, New Boston and Weare.

As noted, CRDC is actively seeking real estate development opportunities. As a mission driven non-profit economic development corporation, CRDC is looking to participate in projects that result in private sector job creation and property tax base enhancement. CRDC is flexible in how its will participate in a project. The following are potential scenarios for office or industrial projects.

Acquisition of Existing Facility

If a commercial real estate broker, developer or building owner has an interested company seeking to lease a vacant or underutilized building with the possibility of purchasing the facility within three to five years; CRDC will consider acquiring the facility for lease to the end user company.

New Construction

If a commercial real estate broker or public or private owner of an industrial park or suitable lot (preferably served by municipal water and sewer) has a company interested in a build to suit facility, CRDC will consider constructing the building for lease to the end user company with the goal of the tenant acquiring the facility within three to five years. CRDC will also consider the development of a multi-tenanted facility if a substantial portion of the building can be pre-leased to end users.

Industrial Park Development

If a municipality owns a strategic parcel of land served by municipal water and sewer which is ideally suited for industrial park development, CRDC will consider working jointly with the municipality to develop the industrial park.

Joint Venture

CRDC will consider any of the above options in a shared partnership with a private developer or municipality in whatever form is mutually beneficial provided it meets CRDC's job creation and tax base enhancement mission.

CRDC is seeking projects with total turn-key value of under \$2.0 million.

CRDC CONSULTING ENGAGEMENTS (CEDAP) FY 2009-2010

Newport (2009)

CRDC prepared the Development Program and Tax Increment Financing Plan for the Town of Newport that was approved at the May, 2009 Town Meeting. Newport established a 250 acre Tax Increment Financing (TIF) District to help fund infrastructure associated with a new industrial park. (\$5,600).

Hooksett (2009)

CRDC was engaged by the Southern New Hampshire Planning Commission to assist with the preparation of a comprehensive economic development strategy for the Town of Hooksett. (\$900).

Hopkinton (2009)

CRDC performed a preliminary use study of a 250 acre site located in Hopkinton to assist the Hopkinton Economic Development Committee plan for the development of a business park. (\$3,500).

New London (2008-2009)

CRDC completed an analysis associated with the redevelopment of a former middle school in New London as a regional community center. (\$4,800).

Bow (2008-present)

CRDC is engaged by the Town of Bow to provide comprehensive economic development services and to work closely with the Bow Development Commission on economic development and business recruitment strategies. (\$32,250).

Pittsfield (2008-2009)

CRDC was engaged by the Town of Pittsfield to provide comprehensive economic development services to the Pittsfield Economic Development Committee. (\$8,250).

Bradford (2009)

CRDC was engaged by the Town of Bradford to assist with the establishment of a downtown Tax Increment Financing District. The work included the preparation of the Development Program and Tax Increment Financing plan and preparation for the planned special town meeting that was held on September 1, 2009. The district and plan were approved. (\$3,500).

City of Franklin (2010-present)

CRDC was engaged by the City of Franklin on July 1, 2010 to provide comprehensive economic development services. (\$12,000).

Hillsborough (2009-present)

Although CRDC has not yet been engaged by the Town of Hillsborough to provide fee-based economic development services, CRDC has attended Hillsborough Economic Development Committee (EDC) meetings during the past year and participated, as a resource, answering questions at the 2010 Town Meeting where a \$12,000 Economic Development Committee warrant article was approved. A \$6,000 CRDC contract was recommended by the EDC in October, pending final Board of Selectmen action.

GOVERNANCE

CRDC is a non-profit 501 c 4 corporation and is governed by a board of directors selected annually by its membership. The membership body is comprised of former directors, officers, and individuals that represent government, business, community organizations and lending institutions in the cities and towns within CRDC service delivery area. The number of members can range from 25 to 250, but generally is between 50 and 100. The board members serve staggered five year terms and are elected annually by the membership at the annual meeting in November.

The board of directors is responsible for managing the business and affairs of CRDC and is comprised of between 25 and 35 directors. Board members must represent business, government, financial institutions and community organizations. A minimum of three directors shall be designated representatives of municipal governments. The board meets quarterly.

The following Board Director Expectation Policy has been adopted to guide members and directors in understanding how to best serve CRDC and their constituencies.

Attendance: Directors are expected to attend a minimum of three of the five meetings held throughout the year. The meetings include four quarterly board meetings and the annual meeting. Each director is also expected to serve on at least, one committee.

Referrals & Promotion: CRDC maintains the following three profit centers:

Small Business Lending, Real Estate Development, and Economic Development Consulting

It is expected that members and directors refer potential borrowers, help identify potential real estate projects, and refer potential economic development consulting opportunities to staff as appropriate. Members and directors represent a range of communities throughout CRDC's territory and they often have access to local opportunities of which CRDC staff may not have knowledge. CRDC acknowledges that numerous members and directors represent local and regional banks, and that it is unrealistic to expect CRDC to be included in all enhancement lending opportunities, but it is expected that CRDC be provided the opportunity to be invited to participate in deals that suit CRDC core lending competencies when appropriate.

It is also expected that members and directors generally promote the programs and capabilities of CRDC whenever appropriate.

CRDC BOARD COMMITTEES

Due to the range of programs and operations administered by CRDC, committees have been established to assist with corporate governance. The active committees are listed below.

Executive Committee: Comprised of officers, committee chairs and several at-large board members. The committee meets monthly and is empowered to govern all aspects of the corporation.

Loan Review Committee: The committee reviews and approves all SBA 504 and CRDC direct loans. CRDC loan officers underwrite loans and forward to the committee for review, comment and approval on an as-needed basis based on loan demand.

Finance Committee: Responsible for all financial matters.

Audit Committee: Works closely with staff and independent auditors and establishes internal financial controls.

Human Resources Committee: Develops and implements personnel policies, employee benefits, board and member recruitment, and other related duties.

Marketing Committee: Works with staff to develop and deploy the marketing and business development plan.

Real Estate Committee: Oversees activities related to real estate investments and projects.

Opportunity Corridor Committee: The committee is comprised of eight members, four appointed by the Concord City Council, three CRDC members and one appointment by the Community Development Finance Authority, CDFA. The committee is tasked with establishing and implementing policies related to the Opportunity Corridor Redevelopment Fund which targets lending to projects in downtown Concord.

CRDC Plymouth Committee: This is a single-purpose subsidiary of CRDC formed in 2005 to manage the CRDC owned Plymouth building financed with New Market Tax Credits and leased to Mid-State Health Center. CRDC successfully transferred the controlling interest in CRDC Plymouth Community Development Corporation to Mid-State Health Center in September, 2010. CRDC will maintain its asset management relationship on the project until the termination of the New Market Tax Credit 7-year period in May, 2013.

CRDC BOARD

FY 2010 OFFICERS

David Feller, President, Business Consultant
Stephen A. Heavener, Executive Vice-President, CRDC
C. Christine Fillmore, Vice-President, Attorney, Local Government Center
Alan Kanegsberg, Treasurer, ABS Computers
Brenda Litchfield, Secretary, Real Estate Sales, Concord Commercial Real Estate
Maura Carroll, Past-President, Executive Director, Local Government Center

Corporate Counsel

Michael Moyers, Attorney, Cleveland, Waters & Bass

FY 2010 BOARD OF DIRECTORS

2010 TERM EXPIRATION

Ed Wixson, Retired Plymouth University College Professor
Steven Camerino, Attorney, McLane Law Firm
Maura Carroll, Executive Director, Local Government Center
Jack Ferns, Director, NH Division of Aeronautics
Christine Fillmore, Attorney, Local Government Center
Joyce Fulweiler, Town Administrator, Town of Tilton
Jon Ruggles, President, R&T Electric

2011 TERM EXPIRATION

Jane Berwick, Retired Consultant
Jessie Levine, Town Administrator, Town of New London
Peter Thompson, Vice-President, Laconia Savings Bank
John Turbyne, Retired Banker
Vin Vieten (resigned)

2012 TERM EXPIRATION

Carlos Baia, Deputy City Manager, City of Concord
Cedric Dustin, III, Dentist (private practice)
Brad Hosmer, President, Beta Consulting Group
Alan Kanegsberg, President, ABS Computers
Chris Pappas, Fleet Sales Manager, Grappone Companies
Craig Newcombe, Vice-President, Citizens Bank
Jim Dalley, Community Development Officer, Woodsville Guaranty Bank

2013 TERM EXPIRATION

Tod Whipple, Vice-President, United Construction

David Feller, Business Consultant

Russell Marcoux (resigned)

Elizabeth Dragon, City Manager, City of Franklin

Jay Minkarah, Economic Development Director, City of Manchester

Henry Bechard, Jr., Retired Insurance Executive

Stephen Korzyniowski (resigned)

2014 TERM EXPIRATION

Stephen Lawrence, Senior Vice-President, TD Bank

Brenda Litchfield, Real Estate Sales, Concord Commercial Real Estate

Nancy Merrill, Director of Planning and Development, City of Claremont

John Dinkel, Jr., Director of Community Banking, Hampshire First Bank

Sherwood Moody, President & CEO, Claremont Savings Bank

Walter Harrington, Retired Banker and Business Owner

EX-OFFICIO

Deborah Avery, Regional Resource Specialist, NH Division of Economic Development

Tim Sink, Executive Director, Concord Chamber of Commerce

EMERITUS

Robert Dustin

David Provan

2010 STAFF PROFILES

Stephen A. Heavener, Executive Director

Date of Employment: November 1, 2007

Native: Vineland, New Jersey

Stephen has been managing community and economic development programs since 1979. He has worked in New Jersey, Vermont, New Hampshire, Maine, Virginia, New Mexico and Wyoming. He earned an undergraduate degree in Urban Studies and Community Development and a Masters in Public Policy from Rutgers University.

Betsy Segal, Senior Loan Officer and Deputy Director

Date of Employment: February 21, 1994, departure: August 27, 2010

Native: Chicago, Illinois

Betsy was employed by CRDC for 16 years with increasing responsibility. Prior to joining CRDC, she worked in commercial lending at Fleet Bank and First New Hampshire Banks. Betsy earned a BA in Business Administration from Iowa State University.

Liz Sweeney, Loan Officer & Economic Development Associate

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.

Kim Imbriglio, Loan Portfolio Administrator

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.

Rebecca Darman, Officer Manager

Date of Employment: June 4, 2007, departure: June 18, 2010

Native: Concord, New Hampshire

Rebecca has worked for the Audubon Society of New Hampshire, Great Waters Musical Festival in Wolfeboro, NH Public Radio, NH Citizens Alliance, Ruedig Banzhoff Realty, and the Franklin Pierce Law Center. Rebecca earned an AA in Resource Management from Sterling College in Craftsbury Common, Vermont.