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DEC 17 2025

CJG

October 28, 2025

Her Excellency, Governor Kelly A. Ayotte
and the Honorable Council
State House
Concord, New Hampshire 03301

Requested Action – Award an amendment-Consent Agenda

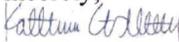
Authorize the Community Development Finance Authority (CDFA), under the Community Development Block Grant (CDBG) program, to enter into a no cost grant amendment with the City of Franklin, (VC#177390) 316 Central Street, Franklin, New Hampshire 03235, in the amount of \$500,000, to extend the completion date to December 31, 2026 from the original completion date of December 31, 2025. The original grant was approved by Governor and Council on February 21, 2024, item#54. This extension if granted will allow for the completion of the rehabilitation of the medical offices located at the HealthFirst Family Care Center which is situated at 841 Central Street, Franklin, New Hampshire, upon Governor and Council approval for the period effective through December 31, 2026. **100% federal funds.**

Explanation

The City of Franklin has requested a time extension of its CDBG funds, on behalf of HealthFirst Family Care Center Improvements to support the rehabilitation of its medical office building located in Franklin. Multiple sources of match funding are being used to fund the approximately \$3.5 million dollar project, including USDA RD funds. The USDA contract review and approval process caused delays in multiple stages of the predevelopment phase. The construction contract review and approval is now on hold and cannot resume until after the government shutdown. HealthFirst provides comprehensive primary health care services through an integrated delivery model offered on a sliding fee scale fee to those who are low-income. A total of 3833 individuals of which 2405 (62%) qualify as low-to moderate-income (LMI) as that term is defined in 24 CFR 570.483.

This Agreement allocates a portion of the Community Development Block Grant (CDBG) funds provided to New Hampshire by the U. S. Department of Housing and Urban Development (HUD). CDFA is administering this program as provided by RSA 162-L. The funds for this contract are from the Community Development Block Grant Fund, which is intended to help municipalities solve development problems.

CDFA has determined that the vendor is in good standing with the Secretary of State's Office, has secured the required levels of insurance, and has provided evidence of authority to execute and be bound by the contract.

Sincerely,

Katherine Easterly Martey
Executive Director

KEM/ms

Attachments

City of Franklin – \$500,000 – HealthFirst Family Care Center Improvements (Public Facilities)

Applicant	City of Franklin
Subrecipient	HealthFirst Family Care Center
Project Name	HealthFirst Family Care Center Improvements
Project Location	841 Central Street, Franklin, NH
Request	\$500,000
LMI Beneficiaries	3833 Total / 2405 LMI beneficiaries (62% LMI)
HUD CDBG National Objective	LMC- 03P Health Facilities
NH State Category	Public Facilities

Project Summary

The City of Franklin is requesting \$500,000 to be subgranted to HealthFirst Family Care Center to rehabilitate its medical office building located in Franklin to better serve their current clientele and to introduce additional services, which will expand the number of clients they serve. The facility currently serves 3883 individuals, 2405 (62%) of whom qualify as low-to moderate-income (LMI).

HealthFirst is a community health center that serves 23 communities in the Lakes Region. They address the need for comprehensive primary health care services through an integrated delivery model offered on a sliding fee scale to those who are low-income. Services provided include primary medical care; substance use disorder treatment; behavioral health; preventive oral health; comprehensive care management; enabling services; pharmacy assistance; and health insurance marketplace outreach and enrollment.

The existing Franklin facility is a typical medical office building with a reception area, waiting room, staff offices, as well as exam rooms, and treatment areas. The interior finishes in the aging building are reaching or have passed their usable lifespan. Roof leaks have created long-term maintenance challenges and associated costs. The HVAC and other systems are also in need of replacement. The front entrance and parking lot are awkwardly located causing issues with access. Patient numbers have continued to increase over the years and the current configuration of the facility is insufficient to meet the increased demand.

The HealthFirst Family Care Center project involves the renovation of 7,500 square feet of existing interior office space and an 800 square foot addition. The renovation will provide additional capacity and shorter wait times due to the health center's ability to provide care to more individuals daily, as there will be an additional provider pod, and increased behavioral health services as there will be more physical space to offer these services.

Total project costs are over \$3,450,000, with \$500,000 from CDBG and the remainder from multiple sources. These sources include a HRSA Health Center Infrastructure Support award, USDA Rural Development funds, Congressional Directed Spending awards, and HealthFirst funds. The center has sought multiple avenues for funding to ensure that this project can be executed correctly for the long-term, rather than just administering a temporary fix on aging areas of the facility. The initial quote for renovations came in at a cost of one million dollars more than what has been raised and/or can be afforded. CDBG Public Facilities funds are required to make the project financially feasible. The City of Franklin will place a performance lien on the property to ensure at least 20 years of affordability.

Sources & Uses

Sources	CDBG	HRSA and CDS Awards	USDA	Health First	
Uses					Total Uses \$
Acquisition					\$0
Site Improvements		\$212,625	\$100,000		\$212,625
Construction	\$470,000	\$1,235,233	\$517,099	\$346,833	\$1,705,233
Architectural/Engineering		\$100,000	\$67,901		\$100,000
Residential Rehabilitation					\$0
Soft Costs		\$55,200			\$55,200
Federal Labor Standards Compliance	\$12,000				\$12,000
Professional Fees		\$133,442	\$65,000		
CDBG Admin Costs	\$17,000				\$17,000
Reserves				\$116,667	\$0
Legal Fee	\$500				\$0
Audit Costs	\$500				\$0
Committed Total		\$1,736,500	\$750,000	\$463,500	\$2,950,000
Pending Total	\$500,000				\$500,000
Grand Total					\$3,450,000

Administrative Costs

Application Writing	\$13,000
Grant Administrator	\$4,000

Summary

- The project scored **144 points**;
- The project will rehabilitate an existing health care center to ensure that critical health services continue to be provided to low-to moderate-income individuals;
- The project will increase the amount of space and increase the efficiency of the existing configuration enabling expansion of services and an increase in the number of patients served;

- The project preserves and promotes an existing neighborhood located in a central part of Franklin near downtown; and
- The project meets a CDBG National Objective by providing a direct benefit to Low- and Moderate-Income persons.

AMENDMENT #1
23-154-CDPF

This Agreement (hereinafter called the "Amendment") dated this 29 day of Oct, 2025 by and between the State of New Hampshire acting by and through the Community Development Finance Authority (CDFA) (hereinafter referred to as "Grantor") and the City of Franklin (Vendor ID 177390) (hereinafter referred to as the "Contractor").

WHEREAS, pursuant to an initial agreement (hereinafter called the "Agreement") which was first entered into upon Governor and Council approval on February 21, 2024, agenda item #54, the Contractor agreed to perform certain services upon the terms and conditions specified in the Agreement and in consideration of payments by Grantor of certain sums specified therein, and;

WHEREAS, pursuant to paragraph 20 of the General Provisions of the Agreement, the contract may be amended, waived or discharged by written instrument executed by the parties hereto and approved by the Governor and Council, and;

WHEREAS, CDFA has received a written request from the Contractor to amend the Agreement.

NOW THEREFORE, in consideration of the foregoing and the covenants and conditions contained in the Agreement as set forth herein, the Contractor and CDFA hereby agree to amend the Agreement as follows:

1. Amendment of Agreement

A. To amend Section 1.7 of the General Provisions by extending the completion date from December 31, 2025, to December 31, 2026.

2. Effective Date of Amendment

This Amendment shall be effective upon its approval by the Governor and Council of the State of New Hampshire. If such approval is withheld, this document shall become null and void, with no further obligation or recourse to either party.

3. Continuance of Agreement

Except as specifically amended and modified by the terms and conditions of this Amendment, the Agreement and the obligations of the parties thereunder shall remain in full force and effect in accordance with the terms and conditions as set forth therein.

IN WITNESS WHEREOF, the parties have hereunto set their hands:

CONTRACTOR:

City of Franklin

By: *Mitchel Kloewer*
Mitchel Kloewer, City Manager

GRANTOR:

State of New Hampshire acting through the
Community Development Finance Authority

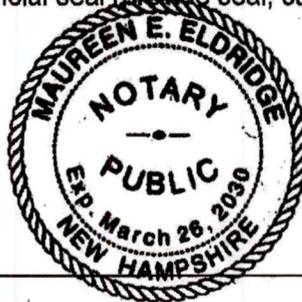
By: *Katherine Easterly Martey*
Katherine Easterly Martey
Executive Director

NOTARY STATEMENT - FOR GRANTEE CONTRACTOR SIGNATURE ONLY:

On this the 29 day of October, 2025 there appeared before me the undersigned officer personally appeared Mitchel Kloewer who acknowledged himself as City Manager of the City of Franklin and that such officer, authorized to do so, executed the foregoing instrument for the purposes herein contained, by signing himself in the name of the municipality.

In witness whereof I hereunto set my hand and official seal (provide seal, stamped name and expiration date)

By: *Maureen Eldridge*
Notary Public
My Commission Expires:



APPROVAL BY NEW HAMPSHIRE ATTORNEY GENERAL AS TO FORM, SUBSTANCE AND EXECUTION:

By: *Christopher Bond*, Assistant Attorney General, on 11/10/25

APPROVAL BY THE NEW HAMPSHIRE GOVERNOR AND COUNCIL:

By: _____, on _____

CERTIFICATE
23-154-CDHS

I, Amy Davis-Burley Deputy Clerk of the City of Franklin, New Hampshire do hereby certify that: (1) at the public hearing held on June 5, 2023, the City Council voted to submit an application for Community Development Block Grant funds and if awarded; (2) enter into a contract with the Community Development Finance Authority and further authorize the City Manager to execute any documents which may be necessary to effectuate this contract and any amendments thereto; (3) I further certify that this authorization has not been revoked, annulled or amended in any manner whatsoever, and remains in full force and effect as of the date hereof; and (4) the following person has been appointed to and now occupies the office indicated under item (2) above:

Mitchel Kloewer, City Manager

Amy Davis-Burley, Deputy
City Clerk

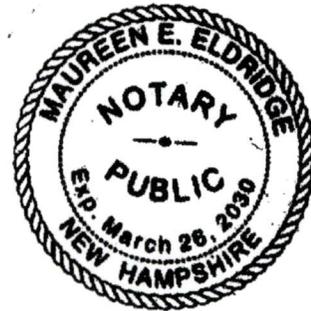
STATE OF NEW HAMPSHIRE
COUNTY OF Merrimack, SS.

The foregoing instrument was acknowledged before me this 29 day of October, 2025, by the above-named Amy Davis-Burley, City Clerk of the City of Franklin, New Hampshire.

Maureen Eldridge (Seal)
Notary Public

My commission expires:

3-26-2030





CERTIFICATE OF COVERAGE

The New Hampshire Public Risk Management Exchange (Primex³) is organized under the New Hampshire Revised Statutes Annotated, Chapter 5-B, Pooled Risk Management Programs. In accordance with those statutes, its Trust Agreement and bylaws, Primex³ is authorized to provide pooled risk management programs established for the benefit of political subdivisions in the State of New Hampshire.

Each member of Primex³ is entitled to the categories of coverage set forth below. In addition, Primex³ may extend the same coverage to non-members. However, any coverage extended to a non-member is subject to all of the terms, conditions, exclusions, amendments, rules, policies and procedures that are applicable to the members of Primex³, including but not limited to the final and binding resolution of all claims and coverage disputes before the Primex³ Board of Trustees. The Additional Covered Party's per occurrence limit shall be deemed included in the Member's per occurrence limit, and therefore shall reduce the Member's limit of liability as set forth by the Coverage Documents and Declarations. The limit shown may have been reduced by claims paid on behalf of the member. General Liability coverage is limited to Coverage A (Personal Injury Liability) and Coverage B (Property Damage Liability) only, Coverage's C (Public Officials Errors and Omissions), D (Unfair Employment Practices), E (Employee Benefit Liability) and F (Educator's Legal Liability Claims-Made Coverage) are excluded from this provision of coverage.

The below named entity is a member in good standing of the New Hampshire Public Risk Management Exchange. The coverage provided may, however, be revised at any time by the actions of Primex³. As of the date this certificate is issued, the information set out below accurately reflects the categories of coverage established for the current coverage year.

This Certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend, or alter the coverage afforded by the coverage categories listed below.

Participating Member: City of Franklin 316 Central Street Franklin, NH 03235	Member Number: 175	Company Affording Coverage: NH Public Risk Management Exchange - Primex ³ PO Box 23 Hooksett, NH 03106-9716
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Type of Coverage	Effective Date (mm/dd/yyyy)	Expiration Date (mm/dd/yyyy)	Limits - NH Statutory Limits May Apply, If Not	
<input type="checkbox"/> General Liability (Occurrence Form) <input type="checkbox"/> Professional Liability (describe) <input type="checkbox"/> Claims Made <input type="checkbox"/> Occurrence			Each Occurrence	
			General Aggregate	
			Fire Damage (Any one fire)	
			Med Exp (Any one person)	
<input type="checkbox"/> Automobile Liability Deductible Comp and Coll: <input type="checkbox"/> Any auto			Combined Single Limit (Each Accident)	
			Aggregate	
<input checked="" type="checkbox"/> Workers' Compensation & Employers' Liability	7/1/2025	7/1/2026	<input checked="" type="checkbox"/> Statutory	
			Each Accident	\$2,000,000
			Disease – Each Employee	\$2,000,000
			Disease – Policy Limit	
<input type="checkbox"/> Property (Special Risk includes Fire and Theft)			Blanket Limit, Replacement Cost (unless otherwise stated)	

Description: Proof of Primex Member coverage only.

CERTIFICATE HOLDER:	Additional Covered Party	Loss Payee	Primex³ – NH Public Risk Management Exchange
Community Development Finance Authority 14 Dixon Ave. Concord, NH 03301			By: <i>Mary Beth Purcell</i>
			Date: 6/30/2025 mpurcell@nhprimex.org Please direct inquiries to: Primex³ Claims/Coverage Services 603-225-2841 phone 603-228-3833 fax



ADDITIONAL REMARKS SCHEDULE

AGENCY Davis & Towle Morrill & Everett, Inc.		NAMED INSURED City of Franklin 316 Central St. Franklin, NH 03235	
POLICY NUMBER SEE PAGE 1			
CARRIER SEE PAGE 1	NAIC CODE SEE P 1	EFFECTIVE DATE: SEE PAGE 1	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance

Description of Operations/Locations/Vehicles:
 Employee Theft - Per Employee Coverage - \$100,000 - \$5,000 deductible
 Forgery or Alteration- \$100,000 - \$1,000 deductible
 The following endorsements are included: Faithful Performance of Duty Coverage for Government Employees; Treasurers or Tax Collectors as Employees; All Non-Compensated Officers and Appointed or Elected Official.