



EXECUTIVE DIRECTOR'S MESSAGE



This past year, because of COVID-19 and the measures undertaken to contain the outbreak, we embarked upon uncharted territory. At the New Hampshire Business Finance Authority, we recognized the difficulty facing many businesses and took proactive steps to help alleviate the pressure and provide financial support.

The BFA provided immediate relief during COVID-19 by turbocharging our small business lending programs, making them even more flexible with rapid approval times. We also allowed new loans to be structured differently to meet individual needs, provided temporary loans, and offered loan forbearance for businesses that needed cash flow relief.

Additionally, this year the BFA administered the distribution of COVID-19 relief grants for New Hampshire businesses and non-profits that may have “fallen through the cracks” of the state’s other relief programs. Via the “NH Gap Fund”, we assisted hundreds of small businesses and non-profits successfully navigate the application process and access the capital they needed for survival.

Please know that if you are a business owner in New Hampshire, you are not alone. The BFA is always developing new resources that, coupled with our state agencies and lending partners, will be helpful and available to you during these unprecedented times. This is true now, and in the future, as we look towards an economic recovery across the Granite State. We have been fortunate that in New Hampshire our economy has been strong, putting us in a good position to weather the many challenges presented by COVID-19. Granite Staters have always had a proud history of managing to work through tough seasons with an entrepreneurial spirit and Live Free or Die mentality.

“If you are a business owner in New Hampshire, you are not alone.”

If you need to talk through an issue please feel free to pick up the phone and give us a call. We are always available to personally assist you. We are confident that by working together, New Hampshire will overcome today’s challenges and come out stronger and better positioned for the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'James Key-Wallace'. The signature is stylized and fluid, with a long horizontal stroke extending to the right.

James Key-Wallace

Executive Director, New Hampshire Business Finance Authority



THIS YEAR, THE BFA
HAS PROVIDED CREDIT
ENHANCEMENTS ON
68 LOANS
WORKED WITH
22 BANKS
HELPING TO CREATE
OR MAINTAIN
1,180 JOBS

NH GAP FUND
WAS AWARDED TO
**311 BUSINESSES
AND NONPROFITS**
IMPACTING
5010 JOBS

TRANSFORMATIVE PROGRAMS

Since our inception, the BFA has offered a variety of programs to help various New Hampshire businesses succeed.



CAP – Small business loan program utilized statewide by New Hampshire banks for loans of \$200,000 and under. Without the BFA these are loans that otherwise would not happen. Resulted in more than \$234 million being provided for 4,743 loans impacting almost 36,836 jobs.

Loan Guarantees – Provided over \$247 million in loan guarantees to over 150 businesses, creating and/or saving more than 10,000 New Hampshire jobs.

Tax Exempt Bonds – Issued over \$3.6 billion in low interest tax exempt bonds, all for New Hampshire companies and nonprofits who are expanding in the state, creating and/or retaining thousands of jobs.

Direct Loans – Delivered over \$77 million in direct loans, mainly in partnership with local economic development corporations. The BFA has provided over 150 loans, creating and saving a total of over 6,000 New Hampshire jobs.

Energy Efficiency Loans – The BFA has loaned over \$6.5 million in direct business loans to increase energy efficiency, allowing New Hampshire companies to save on energy costs and focus on growth.

Granite Fund – A \$4.5 million BFA investment attracted private capital, leading to the creation of an approximately \$25 million NH venture capital fund. This investment has created over \$40 million in new annual payroll to over 750 employees.

Millworks II – The BFA partnered with 40 New Hampshire angel investors, providing \$1.2 million to help early-stage companies access start-up capital. This program has helped 15 new companies access funds.

VOX – A new program focusing on early stage companies in the biotechnology, life sciences, and digital health fields. The BFA invested \$3 million and is working with the private sector to raise additional capital with a target of \$50 million.

MEDICAL MANUFACTURING LDI EXPANDS INTO ROCHESTER

Loan clears the way for expansion

The BFA provided a loan to the City of Rochester in the amount of \$3,000,000 for an economic expansion project. The funds allowed the city to build a manufacturing facility for LDI, a medical manufacturer that is located in Rochester's industrial park. LDI leased the new manufacturing facility at 127 Airport Drive from the city, with the option to ultimately purchase the facility. The expansion will bring approximately 40 new jobs to the City of Rochester. This job creation is especially welcome at a time when unemployment has spiked due to COVID-19.

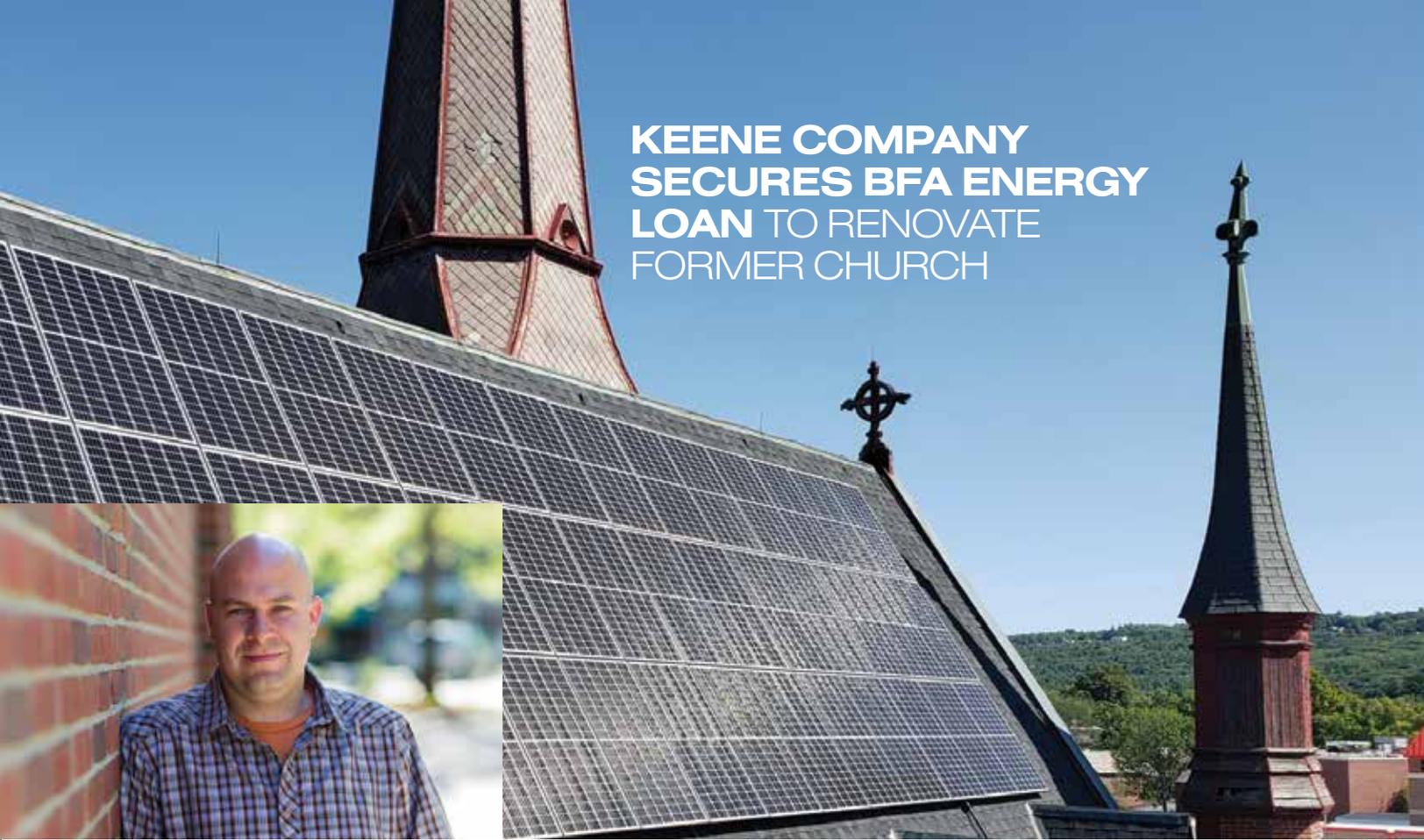




PENNICHUCK WATERWORKS THRIVES ON BFA PROGRAMS

The BFA issued a conduit bond in the amount of \$75,000,000 that enabled Pennichuck Waterworks to consolidate older bonds on their books, taking advantage of today's lower interest rate environment. Pennichuck is a frequent user of the BFA's bond program and utilized the funds to make improvements to water supply and distribution in New Hampshire.

Conduit bonds do not use state or BFA funding and do not require a guarantee from the state or the BFA. They are a loan from a private lender to the borrower and there is no risk to the state in these transactions. However, through the work of the BFA Pennichuck is able to offer clean safe drinking water to New Hampshire residents in their service area.



KEENE COMPANY SECURES BFA ENERGY LOAN TO RENOVATE FORMER CHURCH



Paragon Digital Marketing received \$210,000 in financing for energy-saving renovations at their new headquarters. Paragon is a provider of online-focused marketing solutions focusing on pay per click digital advertising, search engine optimization, social media management, website development, email marketing and website analytics. The company expanded into a unique property in downtown Keene, with the intention of making it its corporate headquarters. The building dates back to 1869 and had been operated as a church. The structure had been vacant since 2010 and needed significant renovations for it to become a usable/energy-efficient office space. Funds made possible through a BFA Energy Efficiency Loan produced an innovative office environment and generated substantial energy savings each year.

Additionally, the BFA financing will allow Paragon to invest in adding 12 full-time positions with plans of adding more employees within the next 5-6 years.



**JOYCE
DALES**
BUZZAGOGO

A NATURAL SOURCE OF FUNDING SUCCEEDS FOR BUZZAGOGO

A CAP Loan was the perfect remedy
for working capital needed for growth



Joyce Dales is an entrepreneur who created a natural remedy to protect the compromised immune system of her daughter. As a New Englander and avid Boston Red Sox fan Joyce and her family always made the pilgrimage to Florida to watch spring training. When she noticed a couple of players had the “sniffles,” Joyce sent the team her honey-based homeopathic nasal swab for colds—Cold Bee Gone. Convinced the product helped them stay healthy, Cold Bee Gone quickly became an official sponsor of the Boston Red Sox. It was an exciting development that caught the attention of national retailer CVS who then wanted to stock Cold Bee Gone in their stores. Joyce’s company Buzzagogo suddenly needed access to capital to jump start their operations to meet the sudden demand for their product. The BFA worked with Joyce’s bank to provide a CAP loan to help grow their operations and today the product, launched in Nottingham, New Hampshire, can now be found in stores nationwide.



A CAP LOAN SERVES THE NEEDS OF THE RED ARROW

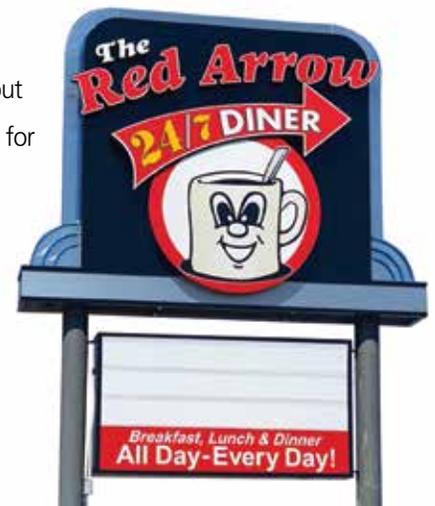
New location in Nashua uses
capital to carry out renovations



The Red Arrow Diner received a \$450,000 CAP loan to renovate the Friendly's at 149 DW Highway in Nashua. The loan allowed them to do a full remodel of the kitchen with all new equipment including 31 feet of new hood systems, new ductwork, and new air system. The newly renovated facility resulted in the creation of 30 full-time jobs and 35 part-time positions.

“We switched the walk-in cooler and the walk-in freezer. We put in a brand new floor out front, granite countertops, new lighting, new ceilings, new plumbing, new workstations for the servers, new air conditioning systems, and stainless steel throughout. There is also a custom Red Arrow neon sign out front on the property. The place looks fabulous and we are proud to welcome our customers into this beautiful facility.”

– Amanda Wihby, *Red Arrow Diner*



GAP FUND

This past year the Governor authorized the allocation and expenditure of \$30 million of CARES Act Coronavirus Relief Funds for the General Assistance and Preservation (GAP) Fund to provide emergency financial relief to New Hampshire businesses and nonprofit organizations impacted by the COVID-19 pandemic. The application process and the funds were administered by the BFA.



D.W. DINER
ASSISTED BY
NH GAP FUND

The D.W Diner offers scrumptious cuisine to their diners that can be enjoyed in their restaurant or as take out to enjoy at home. They were paying \$30 a day for gloves. That cost soared to \$100 a day due to COVID.

“The BFA was invaluable to me during the NH GAP Fund application process. Jeremy Stanizzi was unbelievable. Nicest guy I’ve dealt with. He did everything he could to help me. He went the extra mile for me. I must have called with questions at least 20 times and Jeremy always picked up the phone and answered with a smile. Because of the loan, I was able to keep all of my employees and the loan helped me survive. If I didn’t have this help and support, I don’t know what I would have done but I would certainly be in very different circumstances.”

– Augustin (Gus) Noci, *Owner, The D.W. Diner*

FAVORITE FOODS NAVIGATES CHALLENGES

The impact of funding
cannot be understated



Located in Somersworth, Favorite Foods, Inc. is an Independent Wholesale Food Service Distributor owned by lifelong Granite Staters Christopher and Petra Barstow, who take great pride in their business, community and their 70-plus employees. Favorite Foods services independent restaurants, bakeries, farms, manufacturers, schools and state and federal agencies in New Hampshire, Maine, and Massachusetts.

“We are thankful for the NH Gap Fund grant that allowed our business to bridge the gap during the adverse conditions brought on by Covid-19. No one has suffered the effects greater than restaurant operators and we have witnessed the devastating impact to their businesses and families, including our own. The guidance and compassion demonstrated by the BFA team was monumental in navigating us through the process. We will continue to navigate through this crisis and persevere thanks to the NH Gap Fund.”

– John Libby, *Chief Operating Officer, Favorite Foods*

KINGSTON VETERANS CLUB OVERCOMES ADVERSITY

NH GAP Fund helps save jobs



“When COVID-19 forced us to close our doors, we as a Veteran’s club did what do veterans do when faced with adversity? We improvise, Adapt and Overcome. Every week we would be shut down meant a loss of thousands of dollars each week in revenue. It was not an easy pill to swallow because it might mean the loss of jobs for our employees and closing our doors. Then one day I got a call from a friend who knew about our club and our 501c3 status, introducing me to the New



Hampshire Business Finance Authority and letting us know where we might be able to secure GAP funding to help us out. We contacted the BFA who made themselves available seven days a week to assist in our endeavor.

I would like to thank the New Hampshire Business Finance Authority for coming to our aid in this tough time. Without their assistance and with us working together with them, I don’t know what the outcome would have been for our club. Thank you for your support.”

– Richard R. Redican, *President, Kingston Veterans Club*



**SALEM
ATHLETIC CLUB**
WORKS OUT
FUNDING

The Salem Athletic Club has been a part of the Salem community since 1980. The club provides a comfortable atmosphere with a real community feel between its members and the approachable and knowledgeable staff.

“I can’t express how much the NH GAP Fund rescued my business, Salem Athletic Club, during the Covid-19 shut down of health clubs. We had recently purchased the 40-year-old health club, completely remodeling it prior to our mandated closure. I was unable to secure some of the grant programs, so I was thrilled with the responsiveness of the BFA in providing us with the funds we needed to help save our people’s jobs and survive this unprecedented time. Not understated to say NH GAP Fund was a lifesaver!”

– Ted Curtain and staff, *Salem Athletic Club*



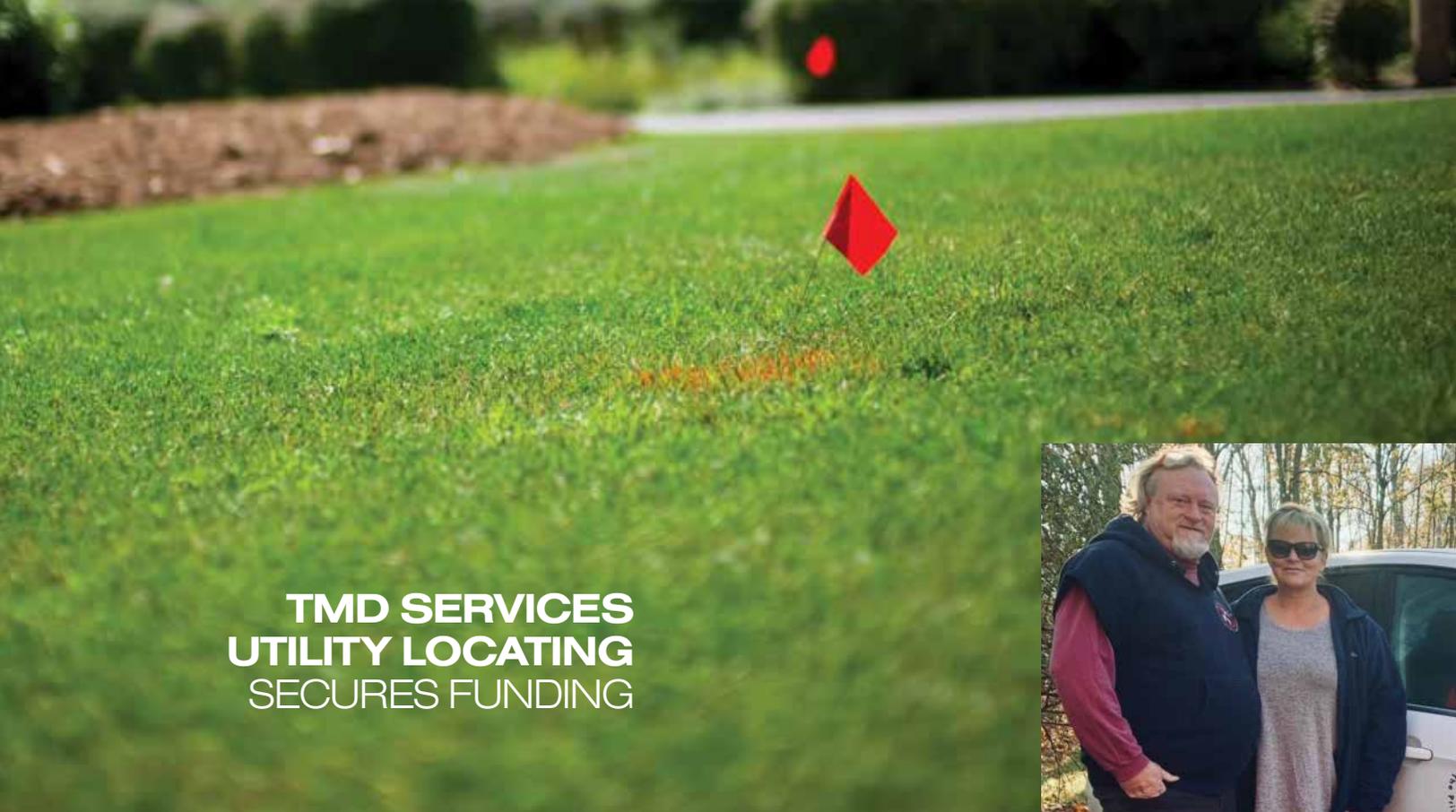
PAK SOLUTIONS PARTNERS WITH BFA



Pak Solutions was formed in 2017 by a group of New Hampshire based families in an effort to rescue a North Country business that had been a cornerstone of the local economy and a leader in the tamper-evident bag market. With new leadership, we soon built a strong presence in the food, medical, and flexible packaging markets. From 2019 to 2020, the firm invested in new state-of-the-art equipment and grew their workforce to 87 employees. It was at this point that the COVID-19 pandemic hit.

“The BFA took the time to understand the business, what we were accomplishing and our needs. They did the deep dive to determine our eligibility for the NH GAP Fund. They have partnered with us to bring financing partners and introduce other resources critical to our business, included workforce recruitment, housing and government contracting to our business. We look forward to a long partnership with the BFA as we continue to grow.”

– Robert Roriston, *Owner, PAK Solutions*



TMD SERVICES UTILITY LOCATING SECURES FUNDING



“What started with just the two of us, our small underground utility company had grown to a \$1.6 million business with 16 full time and 2 part-time employees. We had just had our best year yet when the pandemic hit. By the end of March, we had laid off all of our employees and in April did not have one job come in. We did not qualify for a stimulus check, PPP loans or unemployment and by the end of May, we were working our way through our savings.

After attending an online webinar by the BFA about the NH GAP Fund application process, Director Key-Wallace reached out to answer questions we had asked. From that point on, the BFA team was an invaluable source of information and support and was always available to answer my questions. We are so grateful that we were approved for a relief grant and that BFA was so accommodating and helpful with keeping us on track. Without their assistance our business may have closed.”

– Thomas & Tracy Dwyer , *TMD Services*



**ANNUAL
PARTNER
SPOTLIGHT**
SERVICE FEDERAL
CREDIT UNION



“Service Federal Credit Union has enjoyed working closely with the New Hampshire Business Finance Authority. The Business Finance Authority staff is always at the ready to get the job done for local businesses. Whether it’s a major jobs initiative in Southern New Hampshire or a large business expansion in Northern New Hampshire, the New Hampshire Business Finance Authority has been an important and valued partner.”

– David Weed

Assistant Vice President of Business Services, Service Federal Credit Union



Service Federal Credit Union traces its roots to the Seacoast of New Hampshire, where it was first opened in 1957 to provide financial services to airmen and their families. Now a global credit union with more than 50 branches and over \$4.4 billion in assets, Service Federal Credit Union opened its doors to commercial banking in 2010. Since that time, it has grown to serve a wide range of small and large businesses throughout New Hampshire and New England.

Service Federal Credit Union is a leading provider of fixed-rate construction lending and commercial mortgages and was recognized as a 2019 Best of Business Award recipient and a 2020 Business Excellence Award winner. In partnership with the Business Finance Authority, Service Federal Credit Union has provided commercial lending for major economic development projects such as BAE Systems and Sig Sauer.

The BFA is proud to feature Service Federal Credit Union in our Annual Partner Spotlight.

2020 BOARD OF DIRECTORS

Our Board of Directors is critical to the BFA's success and populated with seasoned professionals from a multitude of disciplines. Our diversity ensures that each deal gets looked at from a variety of informed perspectives. We have attorneys, CFOs, business owners, real estate developers, bank presidents, and members of the local community.

Dick Anagnost, Chairman, Bedford, NH

Stephen Duprey, Vice Chairman, Concord NH

Mathew H. Benson, Concord, NH

Jeffrey R. Hayes, Jackson, NH

F. Daniel Henderson, Hancock, NH

Nancy Merrill, Claremont, NH

Monica Mezzapelle, State Treasurer, Concord, NH

Catherine Provencher, Merrimack, NH

Charles F. Withee, North Hampton, NH

Gary Daniels, Milford, NH

Senator Bob Giuda, Warren, NH

Representative Laurie Sanborn, Bedford, NH



2 Pillsbury Street, Suite 201

Concord, NH 03301

603.415.0190

nhbfa.com

The NH BFA 2020 financials are available at nhbfa.com/financials