
State of New Hampshire Action Plan 2010

Update to the 2006 – 2010 Consolidated Plan

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STRATEGIC PLAN AMENDMENT EFFECTIVE October 1, 2009**HIGH NEED COMMUNITIES FOR RURAL DEVELOPMENT 515 PROGRAM**

The following is a list of New Hampshire communities that have been designated by USDA Rural Development, New Hampshire office, for Section 515 New Construction applications. Those communities marked with an asterisk have been designated by USDA Rural Development, New Hampshire office, effective September 24, 2009, as having high need for multifamily rental housing assisted by federal housing programs that include rental assistance and are not covered by the HUD approved Consolidated Plan, specifically the Rural Development 515 program.

Acworth	Gorham	Northumberland
Allenstown*	Greenville	Northwood
Alstead	Hampton*	Nottingham
Alton	Hancock	Ossipee*
Andover	Hanover*	Pembroke*
Antrim	Haverhill	Peterborough
Ashland	Henniker	Pittsfield*
Barrington*	Hillsborough	Plymouth*
Bartlett	Hooksett	Raymond*
Belmont	Jaffrey	Rumney
Bennington	Kingston	Rye
Berlin	Laconia*	Sandwich
Bethlehem	Lebanon*	Seabrook*
Boscawen*	Lee	Stratford
Bristol	Lincoln	Swanzey
Canaan	Lisbon*	Tamworth
Charlestown	Littleton	Thornton
Claremont	Loudon*	Tilton*
Colebrook	Marlborough	Troy
Conway*	Meredith	Wakefield
Danbury	Milford*	Walpole
Effingham	Moultonborough*	Warner
Epping*	New Ipswich*	Weare
Farmington*	Newmarket*	Whitefield
Franklin	Newport	Wilton
Gilford*	Newton*	Winchester
Goffstown*	Northfield*	Wolfeboro*

Executive Summary

New Hampshire's Consolidated Plan is developed by the Housing and Community Development Council, which was established by Executive Order and is staffed by New Hampshire Community Development Finance Authority, New Hampshire Housing, and the Office of Homeless, Housing, and Transportation Services. In order to receive allocations of Community Development Block Grant, HOME Investment Partnerships, and Emergency Shelter Grant funds from the US Department of Housing and Urban Development, the state is required to submit a Consolidated Plan. Among other things, the plan must assess the state's housing, homeless, and community development needs, establish priority needs, and explain how they will be addressed with HUD and other funding. The current Consolidated Plan covers calendar years 2006-2010. The following is a brief review of priorities by program as published in the Consolidated Plan.

HOME Investment Partnerships funding from HUD, administered by New Hampshire Housing, is a valuable resource which contributes to the production of new affordable rental housing as well as the preservation of owner occupied housing for low income and very low income households. In addition, eligible first time homebuyer households can receive down payment assistance through the American Dream Program. The housing priorities for 2006-2010 are:

High

- Develop and preserve affordable rental housing for low and very low income families.
- Serve very low income special needs populations.

Medium

- Develop and preserve affordable housing for very low income elderly.
- Develop and preserve affordable housing for very low income unrelated individuals.
- Develop and preserve affordable rental housing for moderate income families.

HUD McKinney-Vento Emergency Shelter Grant funds are used by the Office of Homeless, Housing and Transportation Services to support shelter operational costs, supportive services, and homeless prevention services throughout New Hampshire.

Homeless priorities for 2006-2010 are:

High

- Prevention of Homelessness
- Increase supply of permanent affordable housing

Medium

- Increase supply of transitional housing.
- Seasonal response to winter emergency shelter needs

The CDBG program helps address multiple community development needs. Community development priorities for 2006-2010 include:

High

- Housing

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- Economic Development
- Water Facilities
- Sewer Facilities
- Childcare Facilities
- Transitional Housing Facilities
- Regional Economic Development Capacity Building

Medium

- Center Facilities
- Other Public Facilities
- Removal of Architectural Barriers

The 2010 Action Plan explains how the Consolidated Plan’s priorities will be utilized in determining what specific activities will receive HOME, ESG, and CDBG funding over the coming year, and also serves as our annual grant application to HUD. Utilization of a HUD-prescribed performance outcome measurement system became a requirement in 2007, and it has been integrated into the Consolidated Plan process. This system utilizes the broad objectives and outcomes of the Community Development Block Grant Program in order to help HUD quantify program performance and outcomes on a national level, but it also provides a glimpse of anticipated annual outcomes by the three programs. Be advised, however, that due to several complicating factors, this is simply an estimate based upon previous performance averaged over multiple years. Consolidated Annual Performance Evaluation Reports from previous years contain detailed information on project commitments and completions each year. The commitment of funding to projects is fairly even and predictable, and all three programs typically commit funds as outlined in the Action Plan corresponding to any given year. However, since most HOME and CDBG-funded projects involve construction, completion rarely occurs during the year of commitment, and project completion and closeout timing can vary considerably. Over time, increases in the cost of project components including such things as real estate acquisition and construction may affect performance as well.

Specific Objective #	Specific Annual Objectives	Sources of Funds	Performance Indicators	Year	Expected Number
SL-1 Accessibility of Suitable Living Environment					
SL-1.1	Address the need for suitable living environment for homeless households by providing access to emergency shelter.	ESG CDBG	1) Number of homeless persons given emergency and transitional shelter.	2010	6,000
SL-1.2	Improve the living environment of homeless individuals and households by providing essential services.	ESG	1) Number of homeless persons assisted with essential services.	2010	3,000

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SL-1.3	Address the need for suitable living environment for low and moderate income households by providing access to infrastructure water/sewer improvements.	CDBG	1) Number of persons served by improved water service. 2) Number of housing units provided improved sewer systems.	2010	235 42
DH-2 Affordability of Decent Housing					
DH-2.1	Address the need for affordable decent housing for low and moderate income households by financing new construction, rehabilitation and preservation of affordable rental housing.	HOME CDBG	1) Number of new units of affordable rental housing created via new construction. 2) Number of units of affordable rental housing rehabilitated. 3) Number of units of affordable rental housing preserved through refinancing. 3) Number of years of affordability. 4) Number of units occupied by elderly. 5) Number of units designated for chronically homeless. 6) Sitework and infrastructure in support of housing.	2010	225 0 0 99 20 17 30
DH-2.2	Address the need for affordable decent housing for special needs populations by providing technical assistance and project financing to organizations who desire to provide service-enriched housing to low, very low, and extremely low income special needs households.	HOME	1) Number of units of affordable special needs rental housing rehabilitated or created. 2) Number of years of affordability. 3) Number of units occupied by elderly. 4) Number of units designated for chronically homeless.	2010	30 30 0 14
DH-2.3	Address the need for affordable decent housing for low and very low income first time homebuyer households by providing downpayment assistance.	HOME	1) Number of HOME-assisted first time homebuyer households receiving downpayment assistance. 2) Number of HOME-assisted first time homebuyer households receiving homebuyer education.	2010	TBD TBD
DH-2.4	Address the need for affordable decent housing for low and very low income households by providing assistance to prevent homelessness	ESG	1) Number of homeless persons assisted with homeless prevention.	2010	3,000

EO-3 Availability/Accessibility of Economic Opportunity					
EO-3.1	Enhance the accessibility of economic opportunity by creating and retaining low to moderate income jobs.	CDBG	1) Total number of jobs created and/or retained.	2010	126
EO-3.2	Enhance the accessibility of economic opportunity by providing Micro-Enterprise assistance (businesses).	CDBG	1) Provide low-mod income individuals with training, technical assistance, and access to capital through peer lending program.	2010	80
EO-3.3	Enhance the accessibility of economic opportunity by providing access to child care for low and moderate income households.	CDBG	1) Provide financing for new childcare facilities benefiting low-mod income households.	2010	15

Background

The State's Consolidated Plan is the five-year plan for the use of Community Development Block Grant, HOME Investment Partnerships, and Emergency Shelter Grant funds. These funds are granted to the State by the U.S. Department of Housing and Urban Development. At the core of this plan is the premise that housing, community development, economic development and services for the homeless and special populations are distinct but highly related components of a coherent approach to sustaining communities of populations diverse in their experience, objectives, and needs. Past and present compartmentalization of funding sources has, to some degree, encouraged proliferation of distinct service delivery systems. While there remains a need to understand and respond to the specific needs of individuals and communities utilizing specific expertise and carefully crafted delivery mechanisms, there is also a need to better coordinate these activities toward their common objectives through more comprehensive planning. The Consolidated Plan provides a venue for the identification of homeless, housing, and community and economic development needs and issues and for the development of coordinated responses to them. There are three major components in the Consolidated Plan: Need, Strategic Plan, and Action Plan. The Need sections form the basis for setting the priorities outlined in the Strategic Plan while the Action Plan serves as the basis for distributing the grant funds. The Action Plan also serves as the State's application for funds and must be updated and submitted to HUD annually.

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2010 Action Plan

Introduction

Of the three major components in the Consolidated Plan (Needs, Strategic Plan, and Action Plan) the Action Plan must be updated and submitted to HUD annually. The Action Plan serves as the basis for distributing State Community Development Block Grant, Emergency Shelter Grant, and HOME Investment Partnerships grant funds in the upcoming program year. The Action Plan also serves as the State's application for those funds.

The Consolidated Planning Process

Lead Agency

In May of 1997 Governor Jeanne Shaheen issued an Executive Order establishing the Housing and Community Development Planning Council (the Council). The Council was charged with the preparation of the State's Consolidated Plan.

The Executive Director of New Hampshire Housing is the chairperson of the Council and provides staff support for the Council to coordinate and facilitate various aspects of the development of the Plan and related performance reports. Therefore, New Hampshire Housing is the lead agency for the development of the plan.

The Council's Steering Committee is made up of representatives of the three agencies administering the grant funds (New Hampshire Housing, New Hampshire Community Development Finance Authority, the Bureau of Homeless and Housing Services) and the Office of the Governor. Each of the administering agencies has a policy or decision making body that was created by State statute. They are: the Community Development Advisory Committee, the Emergency Shelter and Homeless Coordination Commission and the New Hampshire Housing Board of Directors. The Steering Committee members bring information about their respective grant programs to the Council, which assures that policies and priorities developed at the program level and the Consolidated Plan level will be consistent. The Council acts as a sounding board for public input as well a forum for sharing ideas and information on addressing the needs of the State.

Consultation

Council membership (see next page) includes representatives from state agencies representing the housing needs of specific populations (including children, elderly persons, disabled persons, and persons with HIV/AIDS), and economic and community development related issues; local housing authorities; community development agencies; nonprofit housing, economic and community development organizations; local governments; regional planning agencies; nonprofit and for-profit lenders to housing, economic and community development projects; homeless and social service providers for specific populations. Four members of the Housing and Community Development Planning Council also serve on New Hampshire's Interagency Council on Homelessness.

Housing and Community Development Planning Council 2009

Dean J. Christon*, NH Housing (Chair, HCDPC)
Katja Fox/Elizabeth Gray*, Office of the Governor
Katharine Bogle Shields*, NH Community Development Finance Authority
Maureen Ryan*, Bureau of Homeless and Housing Services, Department of Health and Human Services
Erik Riera, Bureau of Behavioral Health, Department of Health and Human Services
Roy Duddy, NH Department of Resources and Economic Development
Kerry Nelson, Division of Family Assistance, Department of Health and Human Services
Tracey Tarr, Division of Elderly and Adult Services, Department of Health and Human Services
Jonathan Chaffee, Lebanon Housing Authority
Christine Wellington, NH Legal Assistance
John Hoyt, Concord Housing Authority
Denise Roy Palmer, Wentworth Economic Development Corporation
Clifford Sinnott, Rockingham Planning Commission
Michael LaFontaine, N.H. Community Loan Fund
Maureen Beauregard, Families in Transition
Linda Harvey, Laconia Area Land Trust
Judy Mettee, Community Partners, Inc.
Robert McCarthy, USDA Rural Development
Keith Kuenning, N.H. Coalition to End Homelessness
Larry Kelly, Tri County CAP
John Scruton, City of Rochester
Dennis McCann, Southeast Economic Development Corporation
Sarah Denoncourt, Granite State Independent Living
Christopher Sterndale, Crossroads House, Inc.
Lisa Henderson, Workforce Housing Coalition of the Greater Seacoast
Laura Vincent Ford, Childhood Lead Poisoning Prevention Program, Department of Health and Human Services
Mary-Jo Landry, Berlin Housing Authority

*Steering Committee Member

Council Staff: Alice Veenstra, CDFA Martha Young, BHHS and
William Guinther, NH Housing

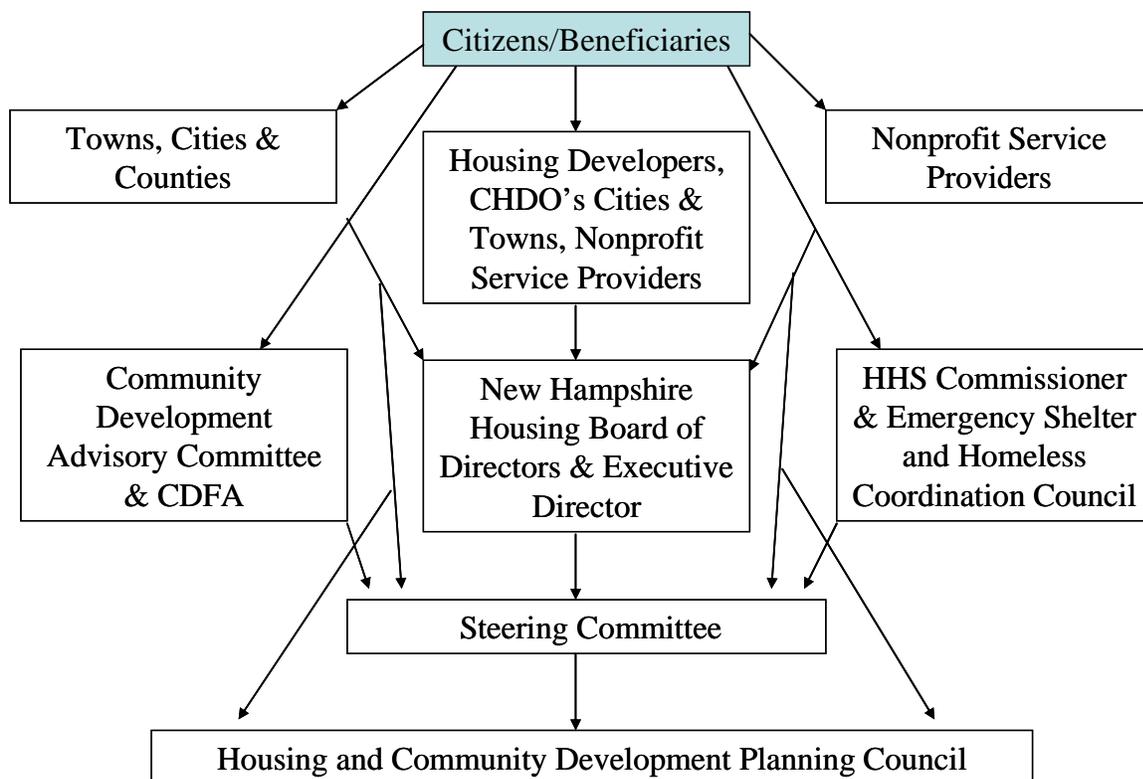
The Council is the primary source of agency consultation. In addition, steering committee staff members consulted with a variety of other agencies and organizations such as the nine Regional Service Delivery Systems within the Balance of State Continuum of Care, the Governor's Council on Aging, and the New Hampshire Department of Health and Human Services. The consultation process for this plan began in the first half of 2009 and is continuous until the publication of a final plan.

Citizen Participation

The most recent significant changes to New Hampshire’s Citizen Participation Plan were made in August of 2003, and they pertained primarily to improving communications through greater utilization of email and internet technologies for the notification of colleagues and the public about the availability of draft plans and reports and to solicit and receive input. Additional changes in May of 2005 and August 2007 were limited to changes in contact information due to staff turnover. The Citizen Participation Plan is reviewed annually, and the current version is located in Appendix A of this document.

Throughout the year, the Balance of State Continuum of Care was developing the State’s competitive Supportive Housing Program application. That process involved over 100 grass roots community-based organizations that provide homeless services in every part of the State. Through a Coordinating Committee, needs were estimated and priorities set.

The public has continuous access to the Consolidated Planning process. The diagram below indicates that all citizens and beneficiaries have many avenues to comment on the planning process as well as the implementation of the programs.



Finally, State statute requires each applicant for CDBG funds to hold locally sponsored public hearings where the range of eligible Community Development activities is presented. This can be the basis for citizens to look further into the sources and uses of the HUD funds available in the State. State statute also requires public hearings in the development of State Administrative Rules that are used by the three agencies to award grant funds. This brings additional input from the public to the administering agencies that directly affects the policies of the programs.

Citizen participation is an integral part of consolidated planning. New Hampshire's strategy for encouraging this vital activity can be seen in the Citizen Participation Plan located in Appendix A of this document. Consultation by units of government and other agencies is another important aspect of consolidated planning, and this is accomplished primarily by the Housing and Community Development Planning Council.

In addition to wide publication of invitations to review and comment on the draft 2010 Action Plan, a public hearing notice was published and a public hearing was held from 4 to 6 pm on September 29, 2009 at New Hampshire Housing. No comments have been received, and no one but staff attended the public hearing.

A. HOME Investment Partnership Funds

1. Distribution of Funds and Assistance Goals

- a. The allocation of HOME funds to the state for fiscal year 2010 is estimated to be \$5,232,253.00. The cities of Manchester and Nashua receive additional allocations directly from HUD. HOME investment will be matched in accordance with regulatory requirements. Match will be generated primarily from New Hampshire Housing and private investment of resources that are leveraged by HOME investment in multifamily projects. Up to 10% of the allocation may be used for administrative costs. The following initiatives are planned:

- b. Rental Housing Development and Preservation

New Hampshire Housing will operate a rental housing development and preservation program to provide nonprofit and for-profit developers and owners with access to acquisition and/or rehabilitation assistance with HOME funding. New Hampshire Housing, in its discretion may sub allocate funds under this program to a municipality with demonstrated capacity to undertake a similar program. This initiative is described as follows.

- HOME funds shall be utilized to support rental housing development and preservation activities.
- Nonprofit and for-profit entities are eligible applicants. A minimum of 15% of the total HOME allocation will be reserved for CHDO's through their rental housing development activities.
- Up to 25% of the rental housing production funds shall be used for projects meeting the needs of housing for families and persons with special needs sponsored by nonprofit entities. These funds are intended to be blended with other New Hampshire Housing funds.
- New Hampshire Housing will directly administer all funds allocated to rental housing development and preservation (with the exception of any sub allocation).
- \$1,500,000 in rental housing development and preservation funds will be set aside as subsidy for non-competitive award to large scale rental production projects financed by NH Housing with bonds and 4% Low Income Housing Tax Credits. These funds will be reserved for family projects for the first nine months of the program year, after which any remaining set aside funds could be utilized for senior housing projects.
- New Hampshire Housing shall implement program rules that, at a minimum, shall ensure that all applicable federal regulations are met.
- Applications, except those for the Special Needs Housing Program below, will be accepted at least once per year in accordance with the following schedule:

<u>Round</u>	<u>Application Deadline</u>	<u>Funds Allocated</u>
1	February 6, 2010	Up to 100% of competitive rental housing allocation including senior setaside.
2	Not scheduled	The Authority may consider reserving HOME funds for projects submitted after Round 1, provided there are adequate resources and no otherwise eligible and/or appropriately-sized projects remaining from that round.

- Applications received in the February and June rounds shall be reviewed and approved with associated Low Income Housing Tax Credit applications. Nonprofit and for-profit entities are eligible applicants.
- Applications for Special Needs Housing Program funds will be accepted two times per year in accordance with the following schedule:

<u>Round</u>	<u>Application Deadline</u>	<u>Funds Allocated</u>
1	March 26, 2010	Up to 75% of Special Needs Housing allocation
2	September 24, 2010	The remainder of the set-aside.

- Review and approval of Special Needs Housing Program funding requests will be coordinated with other New Hampshire Housing-administered housing development resources and the State CDBG Program.
- All applications will be reviewed with consideration of the appropriate strategic priorities and funding availability.
- Projects meeting the needs of housing for families and persons with special needs will receive priority.
- All rental units assisted by HOME must be occupied by households that have incomes at or below 60 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families.
- All rental housing supported with HOME funds shall, where feasible, provide for a minimum of a 20-year commitment to targeted groups. Furthermore, programs proposing to commit to terms beyond the minimum requirements shall be given priority.
- Projects shall be required to maintain the specified commitment period independent of the status of the original financing. Transfers of property are allowable to parties willing to maintain the respective commitment to affordable housing. Failure to maintain the specified commitment to affordable housing shall constitute a default under the project mortgage and regulatory agreement.
- Funding can be provided to viable proposals in any area of the state where needs are demonstrated. In communities that receive a direct allocation of HOME funds from HUD, New Hampshire Housing shall provide assistance to projects only when local programs do not address the specific need identified, or if local HOME funds are insufficient to support the proposed development.
- An amount up to 5% of the total HOME allocation may be provided in the form of operating assistance grants to qualified Community Housing Development Organizations. Approximately 3 CHDO's may receive operating assistance grants.
- Pre-development/feasibility loans may be made to qualified CHDOs that receive a reservation of HOME funds from New Hampshire Housing. The total amount of these loans shall not exceed 10% of the total amount of funds reserved for CHDOs.
- Approximately 70 rental housing units will receive funding commitments during the year.

c. Home Ownership Assistance

Contingent upon the availability of HOME funds in excess of what is needed for rental housing development and preservation, and also contingent upon determination that the program can continue to operate effectively despite an increasingly restrictive federal regulatory environment,

up to 1/3 (33%) of the HOME allocation will be available to assist low income homeowners through rehabilitation of their property. If available, funds from other sources may be utilized for this purpose as well. Targeted beneficiaries will include families with children, households with a disabled or elderly household member in order to facilitate aging in place, and households with lead paint and/or other environmental problems or major system failures. New Hampshire Housing shall implement program rules that, at a minimum, meet all applicable federal regulations. New Hampshire Housing will contract with local or regional agencies/organizations to assist with the administration of this program.

d. Home Acquisition

Contingent on availability of funding, New Hampshire Housing anticipates assisting homebuyer households with closing cost and downpayment assistance. Assistance will be provided in the form of a program loan secured by a non-amortizing, non-interest bearing Note and Mortgage. The balance will become due and payable if the property is no longer occupied as the borrower's primary residence at any time while said Note and Mortgage are in force. Low income for this purpose is defined as meeting the HUD low income (80% MAI) limits adjusted for family size and area. Program funds may pay mortgage insurance in full as well as other closing and down payment costs as needed. Relief from monthly mortgage insurance premiums as well as subsidy of other closing and downpayment costs will enhance housing affordability and allow low income households better access to a competitive housing market. Assistance will be distributed based upon need, first come, first served. Borrowers must meet all requirements of and be obtaining a first mortgage through New Hampshire Housing's Single Family Mortgage Program. The program will be operated in accordance with HFA: 327 Home Advantage Program Rules (see in Appendix A).

Plan to identify suitable buyers/qualifying buyers:

New Hampshire Housing operates a comprehensive, HUD approved home buyer education program targeted to low and moderate income first time home buyers. Relationships exist statewide with a network of housing service providers, including non-profit housing developers, local housing authorities, credit counselors and the Community Action Programs.

Aspects of the program that will help identify suitable buyers include:

- First Time Home Buyer Seminars offered at locations throughout the state (approximately 70 per year.)
- Individual counseling designed to help people who need one-on-one guidance in order to become mortgage ready. This is offered through partners in the local community, such as Consumer Credit Counseling Services, and local non-profit housing providers such as Neighborhood Reinvestment affiliates. Many of these are located in inner-city areas with larger immigrant populations.
- New Hampshire Housing currently administers a counseling program to help Housing Choice Voucher holders prepare for home ownership.
- Participants in the FSS program who identify home ownership as one of their goals receive counseling targeted to their needs.
- The Home of Your Own Program provides home ownership counseling focused on addressing the needs of persons with disabilities.

- New Hampshire Housing mortgages are originated through a network of participating lenders. These lenders are experienced in dealing with the low and moderate income population served by regular New Hampshire Housing programs, and in the past they've enthusiastically embraced new programs like the Housing Choice Voucher Assisted Mortgage that help lower income buyers.
- Applications for HOME Downpayment Assistance funds will be reviewed by a New Hampshire Housing underwriter with direct experience in the administration of specially targeted homeownership programs.

Outreach to residents and tenants of public housing and manufactured housing:

The Home Ownership Division of New Hampshire Housing has worked directly with local Public Housing Authorities to identify and educate clients and help them purchase homes since the counseling program began in 1985. This process was enhanced when New Hampshire Housing developed the Housing Choice Voucher Assisted Mortgage loan for voucher holders. As with all of New Hampshire Housing's targeted programs, local Public Housing Authorities will receive information about HOME down payment assistance that will help them identify potential recipients and refer them for further screening and program information.

In regard to manufactured housing, the Home Ownership Division of New Hampshire Housing has a close working relationship with the New Hampshire Community Loan Fund's Manufactured Housing Division. NHCLF has successfully assisted residents of 78 manufactured housing parks in New Hampshire accomplish cooperative ownership, and has begun developing new parks as well. Additionally, they have extensive contact with the residents of the other parks within the state, so we will publicize the American Dream Program through their established network through notices, newsletter articles, and other means.

Policy on Manufactured Housing:

New Hampshire Housing currently offers financing for the purchase of manufactured homes through its regular mortgage program. This applies to single and double wide units located on their own land or in a manufactured home cooperative. Homes must be manufactured after June 15, 1976 in accordance with the National Manufactured Housing Construction and Safety Standards Act of 1974, and Home Investment Partnership Programs Rule 92.251(a) (4.)

- A) HOME Recapture Provisions applicable to the HOME Downpayment Assistance Program – In the event of sale of the property, HOME Downpayment Assistance Program assistance must be repaid from net proceeds of the sale. Net proceeds are the selling price minus the seller's closing costs and repayment of loans other than HOME Downpayment Assistance Program funds. Net proceeds will be distributed in the following order:
- (i) The home owner may recover the amount of their down payment and any capital investment made since purchase;
 - (ii) The HOME Downpayment Assistance Program loan will be repaid. If proceeds from the sale are insufficient to pay the loan in full, any unpaid balance will be forgiven;

- (iii) Funds remaining after the full repayment of the loan shall accrue to the home owner's equity payment.

2. HOME Other Forms of Investment

No forms of investment other than those specifically permitted in the regulations (grants, amortizing loans, deferred loans, etc.) are proposed. If and when New Hampshire Housing identifies a need for non-standard form of investment it shall seek approval from the U.S. Department of Housing and Urban Development. Final action will be reviewed by the HCDPC and will require review and approval by the New Hampshire Housing Board of Directors.

3. HOME Affirmative Marketing

The following actions will be taken by New Hampshire Housing and its HOME sub-recipients to meet the requirements for affirmative marketing and minority and women business participation as defined in the HOME regulations at 92.350 and 92.351.

a. Minority and Women Business Outreach Plan

New Hampshire Housing shall establish and carry out a minority and women owned business outreach program to enhance the participation of women and minorities and entities owned by women and minorities in the HOME program. The following types of firms and expertise shall be included without limitation to other types of services needed: real estate firms, underwriters, accountants, management firms, financial institutions, investment banking firms, appraisal firms, providers of legal services, and construction and related trade firms.

The following efforts shall be made to enhance participation:

- collection of existing lists of minority and women owned enterprises
- outreach to new or previously un-contacted business groups for such lists
- annual update and publication of a minority and women owned business solicitation list (which shall also contain listings of Section 3 firms)
- distribution of business solicitation lists to applicants for HOME resources for multifamily projects
- require project sponsors to use such lists in their construction bid processes
- require project sponsors to track and report on minority and women business enterprises and Section 3 businesses

Information about these and more specific requirements imposed through the New Hampshire Housing's HOME program shall be provided to potential applicants through the application. Program rules and separate description of MBE/WBE requirement and Section 3 are included in the application package.

b. Affirmative Marketing

New Hampshire Housing shall impose requirements on HOME funded projects to meet compliance with affirmative marketing regulations. Pursuant to regulations requirements will apply to HOME-assisted housing containing five or more housing units.

The following actions shall be made:

- Tenants of buildings assisted with HOME funds will be notified of New Hampshire Housing's policy for affirmative marketing.
- The Equal Housing Opportunity Statement or logo will appear in all published notices of fund availability, solicitations of bids, signs and other public notices related to HOME fund investment
- Within the Owners' Performance Agreement executed for every HOME-assisted rental project, the owner will be required to take specific steps with respect to affirmative marketing. These include: notifying public housing authorities and other social services, housing assistance and/or fair housing groups in the vicinity of the project about available vacancies. The owners shall maintain records of agencies contacted and whether households or individuals referred to the project occupied the available unit(s). All advertisements for units available shall contain the "Equal Housing Opportunity" logo or statement. "An annual report of affirmative marketing activities including copies of advertisements published will be required to be submitted to New Hampshire Housing or its sub-recipient. Failure of owners to comply with these requirements will be considered a breach of the owners' obligation subjecting the owners and property to appropriate measures of action set forth in the contracts
- All HOME sub-recipients using HOME funds for multifamily housing shall certify that they will comply with affirmative action requirements of the HOME regulations.
- Instructions for developing a project specific affirmative fair housing marketing plan shall be distributed with the program applications
- Each project awarded assistance shall be required to submit for review and approval, a fair housing marketing plan.
- Potential applicants shall be informed of New Hampshire Housing's resident selection policy for the HOME program through information provided in the application packet.
- Periodically, New Hampshire Housing shall review its affirmative marketing policies to determine the success of its actions.

4. HOME Program Income

HOME Program Income received during 2010 will be added to the available funds for multifamily rental housing production or Single Family Rehab. Up to 10% Administration may be allocated from Program income.

B. Emergency Shelter Grant

1. Distribution of Funds

The allocation of HUD McKinney Emergency Shelter Grant funds to the state is anticipated as \$494,457 for 2010. Of this amount, \$394,457 will be matched with funds or in-kind services provided by the nonprofit sub-recipients.

Eligible applicants include units of local government and nonprofit organizations including community and faith-based organizations. Federal regulations require each state to make Emergency Shelter Grant funds available to recipient organizations within 65 days of the date of the grant award. Since the state contracting process can take longer than 65 days, the RFP process has typically begun months ahead of the receipt of the grant award. Because the homeless service provider network doesn't change much from year to year, BHHS has adopted a policy of soliciting applications biannually (every other year). The RFP for SFY 2010 and 2011 was released on October 21, 2008. Beginning October 18, 2008, the availability of funding was advertised for three days in four newspapers (Manchester Union Leader, Concord Monitor, Laconia Citizen, and Foster's Daily Democrat) that covered statewide distribution. In addition, the RFP was posted on the NH Department of Health and Human Services website. E-mail notification was provided to all known homeless service providers, Continuum of Care members, and other interested parties throughout the state.

An application for HUD McKinney ESG funds is considered to be a request for Emergency Shelter State Grant-In-Aid funds, and this state program, designed to compliment the McKinney ESG, is funded at a level of approximately \$3.3 million for SFY 2010. A separate proposal must be submitted when applying for both shelter operations and prevention/intervention services. Completed applications are received at the Bureau of Homeless and Housing Services.

Immediately following receipt of all applications, staff and expert external reviewers will commence with a review of the applications. All responsible and responsive proposals received by the submittal deadline will be evaluated on the basis of evaluation factors set forth below:

- 1) Program design and need for project (20 points)
- 2) Use of outcome/performance measures and outcomes achieved (15 points)
- 3) Cost effectiveness and leveraging of resources (15 points)
- 4) Local Service Delivery Area coordination/collaboration (15 points)
- 5) Soundness of (program) approach (10 points)
- 6) Accurate and timely utilization of HMIS (10 points)
- 7) Compliance with rules, statutes, and life safety codes (5 points)
- 8) Staff experience and credentials (10 points)
- 9) Increase in bed capacity (5 Bonus Points)
- 10) Increase in prevention intervention or essential services (10 Bonus Points)

Increase in bed capacity, services and/or Reviewer ratings of applications will contribute to establishing funding recommendations for both McKinney ESG and Emergency Shelter State Grant-In-Aid allocations. Because HUD McKinney ESG regulations include the limitations of no more than 30% each of the total award to go toward Essential Services and Preventions Activities, regulatory restrictions have some impact on distribution of the federal funds. These recommendations are presented to the State of New Hampshire Emergency Shelter and Homeless Coordination Commission, a body appointed by the

Governor and Executive Council, the Speaker of the House of Representatives, the President of the NH Senate, and the Commissioner of the Department of Health and Human Services. The Commission meets to review staff recommendations and advise the Commissioner on a distribution plan. From there, state contracts are drawn up and submitted to the Governor and Executive Council for approval. The McKinney ESG funds are awarded pending the approval, by HUD, of this Action Plan.

Emergency Shelter Grant funds will be used to support initiatives in the following areas:

a. Homeless Prevention/Intervention activities/programs designed to prevent the incidence of homelessness including (but not limited to):

- short-term subsidies to defray rent and utility arrearages for families that have received eviction or utility termination notices;
- security deposits for an amount representing the first month's rent to permit a homeless family to move into its own apartment;
- mediation programs for landlord-tenant disputes;
- legal service programs for the representation of indigent tenants in eviction and service access proceedings;
- payments to prevent foreclosure on a home; and
- other innovative programs and activities designed to prevent the incidence of homelessness.

b. Essential Services concerned with employment, health, drug use and education and may include (but are not limited to):

- assistance in obtaining permanent housing;
- medical and psychological counseling and supervision;
- employment counseling;
- nutrition counseling;
- substance abuse treatment counseling;
- assistance in obtaining other federal, State and local assistance including mental health benefits, employment counseling, medical assistance, veteran's benefits, and income support assistance such as SSI, AFDC, General Assistance and Food Stamps.

c. Operations of any facility, the primary purpose of which is to provide temporary or transitional shelter for the homeless in general or for specific population of the homeless, including:

- Payment for shelter maintenance, operation, rent, repairs, security, fuel, equipment, insurance, utilities, food, and furnishings.

d. Renovation, major rehabilitation, or conversion of buildings for use as emergency shelters for the homeless;

Funds awarded with state funding under State Grant-In-Aid will be used to support the initiatives in the following areas:

a. prevention/intervention of homelessness

b. operation of emergency and transitional shelter programs

c. essential services

d. other programs identified as service gaps in a continuum of care

Applications must include a summary of the activities proposed including the dollar amount requested for each, whether the initiative is new or a continuation, the projected number of persons served and the types of populations served for a two-year period.

It shall also include more narrative describing the activities and use of funds, identification of the continuum existing in the community and the relationship of proposed activities to the continuum and a budget describing ESG funds, State Grant In-Aid, full operating budget and matching resources.

Applications will be accepted for a two-year period coinciding with the application process for State Grant In-Aid funding and grants will be awarded within 65 days from the date of formal notification of the grant approval by the U.S. Department of Housing and Urban Development. Any ESG budget increases realized by BHHS in the second year will be awarded to proposals that applied for but did not receive additional funding in order of ranking at the time the original application was evaluated.

In addition to activities funded through ESG, the state will continue to develop its continuum of care system, which includes undertaking the following actions:

- a. Identify and assess capacity development needs of non-state funded homeless service providers.
- b. Implement the Homeless Management Information System's reporting system for shelter providers.
- c. Increase services provided to the chronically homeless.
- d. Refine identification of gaps in the service delivery system.
- e. Improve the collection of service data by the homeless provider groups.

2. Assistance Goals

- a. Stabilize or reduce the number of persons sheltered from the 2009 level of approximately 6,000.
- b. Stabilize or increase the number served with prevention services from 2009 levels.
- c. Stabilize or reduce the average length of stay at shelters from 2009 levels.
- d. Reduce the number of chronically homeless individuals by 10% a year.

3. Action Steps to End Chronic Homelessness

The following excerpts from the New Hampshire Balance of State 2008 Continuum of Care application reflect current action steps in progress:

Part III: CoC Strategic Planning

N: CoC 10-Year Plan, Objectives, and Action Steps Chart

Please provide local action steps and measurable achievements for attaining each of the 5 national HUD objectives listed, as part of the goal to end chronic homelessness and help to move families and individuals to permanent housing. In the column labeled "Lead Person," please list one individual that is responsible for ensuring that the objective is met. You may list additional CoC objectives as needed.

Please note that your Continuum will be reporting on your achievements with respect to each of these objectives in the 2009 application.

Objectives to End Chronic Homelessness and Move Families and Individuals to Permanent Housing	Local Action Steps How are you going to do it? List action steps to be completed within the next 12 months.	Lead Person List name and title or organization of one person responsible for accomplishing each action step.	Baseline (Current Level)	Numeric Achievement in 12 months	Numeric Achievement in 5 years	Numeric Achievement in 10 years
1. Create new PH beds for chronically homeless persons.	1. Launch an assertive strategy to create new permanent housing beds for CHI by accessing mainstream housing programs and resources 2. Initiate a series of trainings and capacity building workshops for current homeless housing and service providers to create housing and operate housing for this population. 3. Redefine unit utilization and commit existing units to chronically Homeless Individuals upon turnover.	Maureen Ryan, Co Chair, NH Bureau of Homeless and Housing Services Keith Kuenning, NH Coalition to End Homelessness Diane Fontneau, Housing committee, NH Bureau of Homeless and Housing Services	33	33	40	45
2. Increase percentage of homeless persons staying in PH over 6 months to at least 77%.	1. Monitor APR data on a monthly basis through HMIS; assess data and respond as needed 2. Develop a tool and uniformly interview participants to determine why they are leaving permanent housing prior to 7 months. 3. Assess housing and services provided in PH programs on a quarterly basis and identify system weaknesses and trends.	Linda Newell, CSC of NH Diane Fontneau, Housing committee, NH Bureau of Homeless and Housing Services Diane Fontneau, Housing committee, NH Bureau of Homeless and Housing Services	81	81	82	82
3. Increase percentage of homeless persons moving from TH to PH to at least 65%.	1. Conduct an in-depth assessment of each TH project to determine why participants are accessing PH 2. Monitor data on a monthly basis to identify any problems, concerns, or issues related to access to PH 3. Develop strategies to increase access to affordable housing including educating PHA's and private landlords about how TH provide residents with life skills and community supports.	Diane Fontneau, Housing committee, NH Bureau of Homeless and Housing Services Linda Newell, CSC of NH Maureen Ryan, Co Chair, NH Bureau of Homeless and Housing Services	78	78	79	80

Objectives to End Chronic Homelessness <u>and</u> Move Families and Individuals to Permanent Housing	Local Action Steps How are you going to do it? List action steps to be completed within the next 12 months.	Lead Person List name and title or organization of one person responsible for accomplishing each action step.	Baseline (Current Level)	Numeric Achievement in 12 months	Numeric Achievement in 5 years	Numeric Achievement in 10 years
4. Increase percentage of homeless persons employed at exit to at least 19%.	1. Require employment assessment as a component of all individual service plans and specific employment goals as appropriate.	Maureen Ryan, Bureau Administrator, BHHS and Chair Exec. Committee, BOSCO	15%	19%	19%	19%
	2. Monitor projects to ensure employment is a component of service plans	Maureen Ryan, Bureau Administrator, BHHS and Chair Exec. Committee BoSCoC				
	3. Require all appropriate TH and PH participants to be referred to appropriate employment or educational services	Maureen Ryan, Bureau Administrator, BHHS and Chair Exec. Committee BoSCoC				
5. Decrease the number of homeless Households with children	5.1 Monitor APR data monthly to assess trends, issues, concerns and successes.	Chris Pitcher, CSC of NH	543	500	450	400
	5.3 Draft legislation to increase housing payments for families who are receiving TANF funds	Jack Lightfoot, Child and Family Services				
	5.3 Investigate public and private resources for homeless families	Maureen Ryan, Bureau Administrator, BHHS and Chair Exec. Committee BoSCoC				
Barriers: If your CoC will not meet one or more of the above objectives, briefly describe why not (use less than two paragraphs).						
Other CoC Objectives in 2007						

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C. Community Development Block Grant (CDBG)

1. Distribution of Funds and Assistance Goals

The 2010 federal allocation is anticipated to be \$10,000,000 which corresponds to the housing, community development and delivery system needs identified in this document.

DISTRIBUTION OF 2010 CDBG FUNDS BY ACTIVITY

Anticipated 2010 Allocation	\$10,000,000
Feasibility Grants (up to 2% of the allocation, not to exceed \$100,000)	\$100,000
State Administration (2% of the allocation plus \$100,000)	\$300,000
State Technical Assistance to Municipalities and Non-profits (up to 1% of the allocation)	\$100,000
Emergency Grants	\$500,000
Economic Development Grants (240,000 for Economic Development capacity development grants for regional development corporations and up to \$500,000 for microenterprise development)	\$4,500,000
Housing and Public Facilities Grants	\$4,500,000

The Housing and Community Development Act Amendments of 1983 provide that up to \$100,000 plus 2% of the state's allocation may be used for state administration. The federal law also requires the state to match the federal funds dollar for dollar for the 2% portion of the administrative costs. State funds must pay for all administrative costs over the \$100,000 plus the 2% limit. The Community Development Finance Authority (CDFA) has proposed a budget of \$175,000 in state general funds from the Legislature to match the federal funds for its administrative budget for the 2010 and 2011 program years. CDFA will match the remaining \$25,000 in administrative funds. Federal regulations limit the maximum funds which can be used for CDFA administrative costs, municipal administrative costs and Feasibility Grants to 20% of the total allocation to the state for each grant year. The state allocation of resources for administration serves as match.

2. Administration and Method for Allocation

The following describe the objectives, projected use and method for allocating funds during the 2010 program year.

- a. Pursuant to state legislation and the state Administrative Procedures Act, the Community Development Finance Authority (CDFA) and the Community Development Advisory Committee have adopted regulations as required for fund distribution and program administration. These rules were adopted pursuant to the state Administrative Procedures Act. Specific fund distribution criteria are published in Appendix A - CDBG Grant Categories and Selection Process and include references to additional information in appendices available from CDFA. Economic Development projects may use up to \$20,000 of CDBG funds per job created and must have \$1 of matching non-CDBG funds for every \$1 of CDBG funds.
- b. CDFFA anticipates the award of funds under its sixth year of administering this program. CDFFA will be in a position to accept CDBG applications on January 1, 2010. Housing and public facility (Community Development Grants) applications are accepted on January 25, 2010 (first application round) and on July 26, 2010 (second application round). Economic Development and Emergency Grant applications will be accepted continuously until all set-aside funds are allocated. Any remaining funds shall be carried forward as of January 1, 2011. Feasibility Grant applications will be accepted during two application rounds in 2010, ending April 30, and October 31. Program Income shall be distributed in the Community Development Grants round immediately following its receipt. Other funds carried forward from previous federal fiscal years (including unused Emergency Grant and Economic Development Grant funds, Housing and Public Facility Grant funds, and recaptured funds returned to the state) shall be distributed in the Community Development Grants round immediately following its receipt, but a portion may be held and distributed in the second application round following its receipt for the purpose of balancing the amounts available in each application round. A portion may also be held in order to fund Economic Development applications that are under consideration by CDFFA. Administrative or Technical Assistance funds carried forward from previous federal fiscal years shall remain in their respective categories.
- c. The state legislation requires that CDFFA solicit applications from all eligible municipalities and to award funds through a competitive allocation system (RSA 162-L:17, Procedures for Administration). The intent is to increase the number of municipalities participating in this program.
- d. Five New Hampshire cities are currently eligible to receive funds directly from HUD under the Metropolitan Cities CDBG entitlement program and, therefore, are not eligible under the state administered State CDBG program. These cities are Dover, Manchester, Nashua, Portsmouth, and Rochester. The remaining 229 incorporated New Hampshire municipalities and the ten county governments are eligible for the State CDBG Program. The CDBG Grant Categories and Selection Process published in Appendix A provides a detailed method of fund distribution to eligible applicants.
- e. Joint applicants may apply where there is an inter-municipal cooperative agreement pursuant to RSA 53:A.

- f. Title I of the Housing and Community Development Act at Section 104(b)(3) provides that each activity funded shall meet one of the three national objectives. Federal regulations at 24 CFR 570.483 define standards for each of the three national objectives:
- Benefit to low- and moderate-income persons.
 - Eliminate slums or blighted areas.
 - Eliminate an urgent need (serious and immediate threat).
- g. CDBG Rules require that at least 51% of the funds requested for Housing and Public Facilities and 60% for Economic Development shall be used for direct benefit to low- and moderate-income persons. Low and moderate income is defined as the most current low and moderate income determinations of the Department of Housing and Urban Development for eligibility under the Section 8 Housing program. CDFA may accept applications for projects where the majority of the funds requested will be used to eliminate a threat to the health and welfare of one or more municipalities jeopardizing the economic stability of a region.
- h. All grants awarded under the program must be in contract form approved by the Attorney General's Office, the Comptroller's Office and the Governor and Executive Council. The legislation establishes a ten member Community Development Advisory Committee to include the Chair of the board of directors of the Community Development Finance Authority (or designee) as Chairman; the Director of the Division of Economic Development of the Department of Resources and Economic Development; the Executive Director of the New Hampshire Housing Finance Authority; Director of the Office of Energy and Planning; and six public members, at least three of whom are municipal officials, who shall be appointed by and serve at the pleasure of the Governor. The major duties of the Advisory Committee shall be to review and to concur with the proposed rules regarding the administrative process, particularly the selection process criteria for Community Development Grants and Feasibility Grants, and to review and to concur with all grant awards recommended by the executive director of the Community Development Finance Authority. The legislation requires that funds be awarded through a competitive process.
- i. The executive director of the Community Development Finance Authority is responsible for the administration of this program and has authority to withhold or seek the return of funds due to non-compliance with the grant requirements or with state and federal laws, rules, and regulations.
- j. A municipality or county may apply for an administrative review of its application as provided in the State Administrative Rules, except that Feasibility Grants are not subject to review.
- k. Grant applications for housing and public facilities projects may not be subject to ranking or scoring if:
- Federal funding for the fiscal year plus any additional funds carried forward from previous years (including unused Emergency Grant and Economic Development Grant funds, recaptured funds and program income returned to the state) equals or exceeds the aggregate amount requested by qualified municipalities or counties, and

- The grant applications meet the statutory required thresholds, pursuant to RSA 162-L:14, as well as the Housing and Community Development Act of 1974, as amended, 24 CFR 570.483 and the CDBG Program Rules.
 - It can be expected that requests for Community Development Block Grant funds will exceed the total amount available. The limited resources of the CDBG Program require the setting of program priorities so that the merits of all applications can be measured. Priority will be given to applications which address as many of the following nine factors as appropriate:
 - 1) those projects and activities which provide direct benefit in the form of improved housing, public facilities and employment opportunities to low- and moderate-income individuals and households;
 - 2) those community development activities for which existing public or private programs or sources of funds are not otherwise available;
 - 3) those activities which preserve and promote existing neighborhoods and community centers, i.e. “Smart Growth”;
 - 4) those activities which protect and preserve historically and culturally valuable structures and sites;
 - 5) those projects and activities which successfully raise or match dollars and resources from other public and private sources;
 - 6) those projects which solve community problems with long-term benefit and innovative solutions;
 - 7) those activities which eliminate slums and blight;
 - 8) those projects which are part of a long-range community development strategy, conform to the municipality's master plan and ordinances, and implement the municipality's housing and community development plan; and
 - 9) those projects that utilize energy efficiency and/or conservation measures including compliance with New Hampshire Energy Codes.
- l. Municipalities and counties shall show evidence of at least a 51% direct benefit to low- and moderate-income people (determined by using Section 8 income standards) for counties and metropolitan areas or evidence of a threat to the regional economic stability (where Economic Development Projects are considered under the Urgent Need National Objective), indicate they will be capable of administering the grant, and certify compliance with all applicable federal and state laws and regulations in their application in order to receive funding. Important additional federal and State requirements for applicants include a housing and community development plan, minimizing displacement, citizen participation, affirmatively furthering fair housing, and adequate performance on prior CDBG grants, if any.
- m. More specifically, during the next three years, the State CDBG program expects to create or retain 126 jobs using federal fiscal year 2010 funds. This is based on the requirements of Appendix A, and the amount of the 2010 federal allocation set-aside for Economic Development (\$4,500,000). The microenterprise portion of the Economic Development funds will primarily provide technical assistance to low- and moderate-income beneficiaries and therefore the final estimated number of jobs to be created or retained is not affected by this amount. Since New Hampshire requires that, within one to three years, one job be created or retained for every \$20,000 awarded to a municipality, the estimated maximum number of jobs would be 225. This number was then adjusted downward by 20% based on an estimate rate of

failure of projects and/or business funded and again adjusted downward by 30% to reflect any potential under-utilization of the Economic Development set-aside. As in past years, the Community Development Advisory Committee may re-allocate unused Economic Development funds to Housing and Public Facility projects. This results in an estimate of jobs created amounting to 126. A review of the current projects in the "pipeline" confirms this as a reasonable number.

- n. Assuming level funding of the CDBG program and the continued level of need for Economic Development in relation to other needs, the average annual job creation or retention for the next five-year period would be 126.

3. Ineligible Activities

The following are examples of activities which are ineligible to receive CDBG program funds under federal law and regulations: buildings used for the general conduct of government (except for the removal of architectural barriers), general government operating and maintenance expenses, political activities, most equipment and vehicles (except fire and solid waste equipment and vehicles), most furnishings and personal property, and construction of new housing and income maintenance (except in very limited circumstances).

4. Program Income

Federal regulation defines program income at 24 CFR 570.489(e) and CDFA 311.01(c) of the rules governs the use of program income as follows:

- a. **Project Use.** The grantee shall use program income for project activities when it becomes available before drawing down other funds or shall deposit this income into a revolving loan fund approved by CDFA.
- b. **Semi-Annual Reports.** Active CDBG projects shall include a semi-annual financial report identifying disposition and use for all program income received during that reporting period.
- c. **Use After Project Completion.** After completion of the project, but before closeout, the grantee shall use program income only for eligible activities approved in writing by CDFA.
- d. **Use After Closeout.** The CDFA-grantee project closeout agreement shall specify how the grantee shall use program income. At a minimum, such income shall be used for eligible activities, especially those benefiting low- and moderate-income persons and households.

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D. Geographic Distribution

ESG, CDBG, HOME, LIHTC and other available resources are distributed primarily by competitive application processes therefore it is impossible to predict the ultimate geographic distribution of funds. However, programmatic responses are developed and coordinated to assure that the shelter, housing, and community development needs identified in urban and rural areas may be addressed through efficient and appropriate models. For example, the HOME and Tax Credit application scoring systems allow for added points for projects in municipalities which have a lower percentage of rental housing (see Appendix A).

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E. Other Actions

During the coming year the State plans to take the following actions:

Meet Under-served Needs

Continue to seek funding for priority needs, finance the development affordable family housing, continue a security deposit guarantee program and a security deposit grant program, and continue to train staff and contractors in concepts and techniques of building and maintaining healthy housing.

Foster and Maintain Affordable Housing

Expand the affordable housing supply giving families and individuals a stable and secure place to live. Maximize the term of affordability for housing developments. Continue to coordinate the use of Low Income Housing Tax Credits (LIHTC) with HOME, CDBG and other resources to achieve affordable housing development.

Remove Barriers to Affordable Housing

New Hampshire's economic growth over the last decade has created many benefits for most of our citizens. It also generated a demand for housing that has not been met with an appropriate level of new production. The results have been an unprecedented increase in home purchase prices, record low vacancy rates, higher rents and, in general, a housing market that creates a significant affordability challenge for many of our citizens and a barrier to labor force development.

An effective response to these challenges requires that public and private sector actors beyond New Hampshire Housing alone evaluate existing policies and practices and undertake actions, such as the removal of regulatory barriers and the allocation of additional resources, to expand affordable housing opportunities. The Authority, working in partnership with other public and private sector organizations, has assumed a leadership role in developing a broad-based housing education and advocacy initiative. The **Housing Awareness Project** is designed to improve public understanding of our state's housing challenge and encourage actions at the local, regional, and state levels to help expand the supply of housing available to all of our state's citizens.

An important aspect of this effort is New Hampshire Housing's support of the [New Hampshire Workforce Housing Council](#), a statewide association of regional coalitions that coordinates and supports local efforts to encourage communities to embrace a wide range of housing options to meet the needs of New Hampshire's diverse workforce. In recent years, mini grants for initial startup have been made available to six regional workforce housing councils operating in New Hampshire, and this year New Hampshire Housing will provide sustaining operational grants to four regional coalitions.

In 2008, the State of New Hampshire passed a landmark workforce housing statute, which requires every municipality to provide a reasonable and realistic opportunity for the development of workforce housing, including rental multi-family housing. Over the past year, the staff of New Hampshire Housing has engaged in a concentrated effort to inform the state's communities of the obligations of the new law and what municipalities can do to meet them. This effort is ongoing, and an important element of this work in the upcoming year will be the production of a handbook to provide specific and simple guidance on how municipalities can comply with the law. The handbook will be distributed to all of the state's municipalities.

New Hampshire Housing will continue to operate a single family mortgage program, a down payment assistance program, a home ownership counseling program, the Section 8 program and a family self sufficiency program. New Hampshire Housing will also continue to participate with other financial institutions in the Northern New England Housing Investment Fund (\$12 million equity pool for the purchase of Tax Credits).

Evaluate and Reduce Lead-Based Paint Hazards

All rehab work funded with CDBG or HOME must include remediation of any lead-based paint hazards per 24 CFR 35, the HUD Lead Regulation. New Hampshire Housing's construction standards require full abatement of all lead-based paint encountered in the course of rehab work, which in some cases is a higher standard than is required under federal law. New Hampshire Housing remains an active partner with the NH Childhood Lead Poisoning Prevention Program, the NH Asthma Program, and the Asthma Regional Council of New England in advancing the prevention of housing-based health problems through proper design, rehab, and maintenance. After months of planning with the NH Childhood Lead Poisoning Prevention Program, New Hampshire's Community Action Agencies, the Lead Collaborative, and with the assistance of a group of private funders lead by New Hampshire Charitable Foundation, New Hampshire Housing was awarded for another Lead-Based Paint Hazard Control Grant by HUD, effective July 15, 2009. This program is expected to make a minimum of 240 units of privately-owned housing, both renter and owner-occupied, lead safe, over the next three years.

Reduce the Number of Poverty-level Families

CDBG funds will be used to expand economic opportunities for low and moderate income households through assistance to regional development corporations fostering job growth and through assistance to micro-enterprises.

Develop Institutional Structure to Enhance Coordination Between Housing and Social Services

As in the past year, State agencies and interest groups will continue to work together in areas such as affordable and special needs housing. In addition, the Department of Health and Human Services, New Hampshire Housing and New Hampshire Community Development Finance Authority will attend various continuum of care

meetings in the State to discuss funding priorities, service needs and gaps and sources of funding while the Housing and Community Development Council web page facilitates communication between the groups.

Address the Needs of Public Housing

Some of New Hampshire's public housing authorities have been active as developers of additional affordable housing utilizing HOME, CDBG, LIHTC, and other affordable housing resources. For a number of reasons including their non-profit status and well-established management capacity, they compete favorably for resources and are welcome applicants. The makeup of the Housing and Community Development Planning Council includes three Executive Directors of public housing authorities. None of New Hampshire's public housing authorities is designated by HUD as troubled, therefore a specific plan to assist troubled housing authorities is not required in this document.

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F. Plan Monitoring

Monitoring for compliance with the Consolidated Plan and applicable federal and state laws and regulations will generally be the responsibility of each federal resource administrator.

The New Hampshire Community Development Finance Authority will be responsible for compliance and monitoring with respect to the Community Development Block Grant program. In addition to requiring semi-annual reporting by all sub-recipient municipalities, CDFFA will conduct annual monitoring visits to each active project. Checklists covering each major area of compliance will be used to assist in the reviews by CDFFA and as a technical assistance tool for municipal staff. Finally, desk reviews of each payment request will continue to be conducted by CDFFA Portfolio Managers assigned to each project.

The Bureau of Homeless and Housing Services shall be responsible for compliance and monitoring with respect to the Emergency Shelter Grants. BHHS staff will conduct site visits. A checklist will be employed to assist in the monitoring and interviews with clients and staff will be conducted.

New Hampshire Housing shall be responsible for compliance and monitoring with respect to HOME Investment Partnerships resources. Staff construction analysts monitor all multi-family construction financed directly by NHH. Multi-family construction conducted by sub-recipients is monitored by the sub-recipient and annual reports are submitted to NHH. Following the completion of construction, multi-family projects are turned over to the Housing Management Division of New Hampshire Housing. That division works closely with property managers and employs a system to determine long-term compliance with all the requirements (including federal) applicable to the projects. This would include income certifications and on-site inspections for compliance with Housing Quality Standards and lead-based paint standards.

New Hampshire Housing shall coordinate compliance certifications for other federal resource applications required by regulation to be consistent with this plan.

New Hampshire Housing shall be responsible for coordinating information necessary for performance reporting, although it, together with the Bureau of Homeless and Housing Services and New Hampshire Community Development Finance Authority shall be responsible for developing plan performance reports. The Housing and Community Development Planning Council shall review annual reports. Other activities and recommendations established in this plan (e.g. actions with respect to regulatory and fair housing issues) shall be coordinated among the three agencies.

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G. Performance Measurement

The use of a standardized performance outcome measurement system for the programs governed by the Consolidated Plan became a HUD requirement with publication of 24 CFR Parts 91 and 570, Consolidated Plan Revisions and Updates; Final Rule on February 9, 2006. The purpose for adopting this system is to help HUD better quantify and articulate program accomplishments on a national scale, as well as to comply with the Government Performance and Results Act of 1993 (GPRA). The system was developed collaboratively by representatives from HUD, the Office of Management and Budget (OMB), and public interest groups including the Council of State Community Development Agencies (COSCDA) and the National Council of State Housing Agencies (NCSHA). For New Hampshire, it's implementation begins with this Action Plan.

The core components of this system are objectives, outcomes, and indicators. The objectives are based on the broad statutory purposes of the CPD programs, which are 1) creating suitable living environments, 2) providing decent housing and 3) creating economic opportunities. The outcomes in this system help further refine the objectives and capture the nature of change or the expected result. They are availability/accessibility, affordability, and sustainability. Availability/accessibility applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low and moderate-income people. Affordability applies to activities that provide affordability in a variety of ways to low and moderate-income people. Sustainability applies to activities that are aimed at improving communities or neighborhoods, or helping to make them livable or viable by providing benefit to low and moderate income people.

One of the more difficult aspects of this Performance Outcome Measurement System is that it requires the quantification of planned annual and multiple year program outcomes in considerable detail including project completion and beneficiary data. This is a considerably easier task for entitlements, as they are able to plan uses for HUD funding years ahead. State-administered programs such as New Hampshire's are instead required by HUD to utilize competitive annual award processes. By utilizing competitive scoring systems which favor specific types of projects, funds are awarded to projects targeting our highest priorities, but advance estimation of unit production and beneficiary counts is nothing more than a guess when considering the unpredictable nature of large-scale construction projects, the use of mixed beneficiary targeting, and a host of other complicating factors.

The following chart reflects New Hampshire's goals for HOME, CDBG and ESG within this performance outcome measurement framework. Annual reporting of accomplishments will incorporate this new framework, but the reporting of commitments and completions for each funding source will continue as has been done in the past.

Specific Objective #	Specific Annual Objectives	Sources of Funds	Performance Indicators	Year	Expected Number
SL-1 Accessibility of Suitable Living Environment					
SL-1.1	Address the need for suitable living environment for homeless households by providing access to emergency shelter.	ESG CDBG	1) Number of homeless persons given emergency and transitional shelter.	2010	6,000
SL-1.2	Improve the living environment of homeless individuals and households by providing essential services.	ESG	1) Number of homeless persons assisted with essential services.	2010	3,000
SL-1.3	Address the need for suitable living environment for low and moderate income households by providing access to infrastructure water/sewer improvements.	CDBG	1) Number of persons served by improved water service. 2) Number of housing units provided improved sewer systems.	2010	235 42
DH-2 Affordability of Decent Housing					
DH-2.1	Address the need for affordable decent housing for low and moderate income households by financing new construction, rehabilitation and preservation of affordable rental housing.	HOME CDBG	1) Number of new units of affordable rental housing created via new construction. 2) Number of units of affordable rental housing rehabilitated. 3) Number of units of affordable rental housing preserved through refinancing. 3) Number of years of affordability. 4) Number of units occupied by elderly. 5) Number of units designated for chronically homeless. 6) Sitework and infrastructure in support of housing.	2010	225 0 0 99 20 17 30

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DH-2.2	Address the need for affordable decent housing for special needs populations by providing technical assistance and project financing to organizations who desire to provide service-enriched housing to low, very low, and extremely low income special needs households.	HOME	1) Number of units of affordable special needs rental housing rehabilitated or created. 2) Number of years of affordability. 3) Number of units occupied by elderly. 4) Number of units designated for chronically homeless.	2010	30 30 0 14
DH-2.3	Address the need for affordable decent housing for low and very low income first time homebuyer households by providing downpayment assistance.	HOME	1) Number of HOME-assisted first time homebuyer households receiving downpayment assistance. 2) Number of HOME-assisted first time homebuyer households receiving homebuyer education.	2010	TBD TBD
DH-2.4	Address the need for affordable decent housing for low and very low income households by providing assistance to prevent homelessness	ESG	1) Number of homeless persons assisted with homeless prevention.	2010	3,000
EO-3 Availability/Accessibility of Economic Opportunity					
EO-3.1	Enhance the accessibility of economic opportunity by creating and retaining low to moderate income jobs.	CDBG	1) Total number of jobs created and/or retained.	2010	126
EO-3.2	Enhance the accessibility of economic opportunity by providing Micro-Enterprise assistance (businesses).	CDBG	1) Provide low-mod income individuals with training, technical assistance, and access to capital through peer lending program.	2010	80
EO-3.3	Enhance the accessibility of economic opportunity by providing access to child care for low and moderate income households.	CDBG	1) Provide financing for new childcare facilities benefiting low-mod income households.	2010	15

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Table - Resources Available For Housing, Community Development And Economic Development Activities

PROGRAM	TARGETING & USE	LOCAL SOURCE	RESOURCES
FEDERAL PROGRAMS -HOUSING AND URBAN DEVELOPMENT			
Community Development Block Grant (formula grant)	Supporting local community development and housing activities	<u>State CDBG</u> New Hampshire Community Development Finance Authority <u>Entitlement CDBG</u> Dover Nashua Portsmouth Rochester Manchester	<u>FFY 09</u> \$9,216,873 <u>FFY 09</u> \$352,990 \$739,188 \$657,267 \$306,055 \$1,894,066
HOME Investment Partnerships Program (formula grant)	Wide spectrum of housing assistance activities	New Hampshire Housing City of Manchester City of Nashua	<u>FFY 09</u> \$5,232,253 \$889,666 \$563,317
McKinney-Vento Emergency Shelter Grant (formula grant)	Assistance to homeless and those at risk of being homeless	Office of Homeless, Housing and Transportation Services City of Manchester	<u>FFY 09</u> \$494,457 \$82,176
Section 8 Rental Vouchers	Tenant-Based Rental Assistance for very low income households	New Hampshire Housing and 18 local public housing authorities	<u>CY 09</u> Approximately 9,370 statewide

PROGRAM	TARGETING & USE	LOCAL SOURCE	RESOURCES
Supportive Housing For The Elderly (Section 202)	Provides capital advance grants and rental assistance to develop housing and supportive services for the low income elderly.	U.S. Dept. HUD	FFY 2008 funding for acquisition, construction, and operating subsidy was awarded for a 34 unit project in Newbury.
Supportive Housing For Persons With Disabilities (Section 811)	Provides capital advance grants and rental assistance to develop housing and supportive services for the low income disabled.	U.S. Dept. HUD <u>Project Location</u> No awards this year	New Hampshire received no FFY 08 811 awards, there were no known applicant.
Tax Credit Assistance Program (ARRA)	Provides funds to make up for the loss in value of Low Income Housing Tax Credits	US Dept of HUD	\$8,269,787
Public Housing	Units managed by local housing authorities to assist low income households with affordable units.	Local Housing Authorities	As of 2000 Assisted Housing Survey, 4521 units total (3280 elderly, 1241 family)
Shelter Plus Care	Housing assistance combined with supportive services funded from other sources to maximize independence for disabled homeless people.	Office of Homeless, Housing, and Transportation Services	<u>FFY 08</u> The Center for Life Management received tow awards for a total of \$461,040
Low Income Housing Preservation	Preservation of 221d3 and 236 projects	U.S. Dept. HUD	Approximately \$50,000/yr.
FHA Multi-Family Risk Sharing	Partial loan guarantees for multifamily units.	New Hampshire Housing	Guarantees, not cash.

PROGRAM	TARGETING & USE	LOCAL SOURCE	RESOURCES
MCKINNEY - Supportive Housing	Grants to assist the homeless through the provision of transitional housing, permanent housing for homeless with disabilities, supportive services, and innovative approaches to assisting homeless persons in transition from homelessness.	U. S. Department of HUD Balance of State Continuum of Care	Competitive application process, <u>FFY 08</u> \$2,335,230
MCKINNEY - Surplus Housing To Assist The Homeless	Homeless providers may obtain the use of unutilized federal properties (land or buildings) through lease or permit (for nominal rent) or through donation.	U.S. Dept. of HUD	Not yet utilized in NH.
Housing For Persons with AIDS	Provides and promotes permanent housing solutions for persons with HIV/AIDS and their families	US Dept of HUD	<u>FFY 09</u> BHHS received a three year \$716,221 renewal grant for multiple locations.
FEDERAL PROGRAMS - RURAL DEVELOPMENT			
Rural Development (FmHA) Section 515	Assists in the development of affordable housing in rural areas.	Rural Development	<u>FFY 08</u> No new commitments in FFY 08, a couple pending in FFY 09
Rural Development (FmHA) Section 502	Direct loans to eligible home buyers for the purchase of a primary residence within "rurally" designated areas.	Rural Development	<u>FFY 08</u> \$18,414,150 in direct loans \$38,409,048 in loan guarantees

PROGRAM	TARGETING & USE	LOCAL SOURCE	RESOURCES
Rural Development (FmHA) Section 504	Loans assist very low income rural homeowners, including those on leasehold land, to make repairs to improve or modernize their homes to make them safer and/or more sanitary. Grants to very low income elderly.	Rural Development	<u>FFY 08</u> \$399,088 in loans \$528,892 in grants
FEDERAL PROGRAMS – OTHER			
Internal Revenue Service Low Income Housing Tax Credits	Federal tax credits for developers of affordable housing	New Hampshire Housing	Approximately \$2.894 million/yr., however this year the IRS via ARRA has provided \$10,289,626 in lieu of LIHTC for 2009
Federal Housing Administration Section 203B	A mortgage insurance program that allows qualified home buyers to secure loans with minimal down payment reserves.	Qualified Lenders	Varies, not a cash outlay
Federal Home Loan Bank Affordable Housing Fund, Community Improvement Program and New England Fund	Assists lenders to provide subsidized financing and grants for production of affordable housing, economic development and public improvements.	Home Loan Bank Member Institutions	Varies

PROGRAM	TARGETING & USE	LOCAL SOURCE	RESOURCES
STATE AND LOCAL PROGRAMS - NH HOUSING FINANCE			
Multifamily Bond Financing	When excess bond capacity presents itself, NHHFA will target larger scale multifamily projects for this development assistance	New Hampshire Housing	\$25,000,000 annually & carry forward
Single Family Mortgage Program	Low interest mortgages to income-targeted first time home buying households.	New Hampshire Housing Qualified Lenders	<u>FY 10</u> Budgeted for 580 mortgages totaling \$90,000,000.
Feasibility - Predevelopment Assistance Program	Assists non-profit housing developers with the production of affordable housing	New Hampshire Housing	\$175,000 annually
Home Of Your Own Program	Provides homeownership opportunities for developmentally disabled people.	New Hampshire Housing New Hampshire Bureau of Behavioral Health Institute on Disability Area Agencies	\$10,000/ year
Home Ownership Education and Counseling Program	Educate first time homebuyers.	New Hampshire Housing & Consumer Credit Counseling	CY 08 161 seminar participants
Family Self-Sufficiency Grant and Loan Program	Assistance to help Section 8 households achieve self-sufficiency goals	New Hampshire Housing	FY 08 \$30,000

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PROGRAM	TARGETING & USE	LOCAL SOURCE	RESOURCES
Resident Education and Assistance Program	A program that addresses the needs of residents in senior housing who are abusing or mismanaging alcohol or drugs including prescription and over the counter medications.	New Hampshire Housing	FY 10 \$55,000

PROGRAM	TARGETING & USE	LOCAL SOURCE	RESOURCES
STATE AND LOCAL PROGRAMS COMMUNITY DEVELOPMENT FINANCE AUTHORITY			
Housing Futures Fund	These funds help build the capacity of community-based nonprofit housing organizations to investigate opportunities, secure financing, and test innovative new solutions for area residents.	Community Development Finance Authority	<u>FY 10</u> \$385,000
Tax Credit Program (Also known as Community Development Investment Program)	NH state tax credits are allocated to nonprofits, municipalities, and cooperatives to help fund affordable housing, community development, and economic development projects, initiatives and programs to benefit low- and moderate-income New Hampshire citizens.	Community Development Finance Authority	Annual tax credit authority of \$5m.
Regional Development Corporation (RDC) Capacity Fund	These funds help reduce the amount of time an RDC spends on seeking operational funding, thereby giving it more time to focus on regional economic development activities.	Community Development Finance Authority	<u>FY 10</u> \$400,000

PROGRAM	TARGETING & USE	LOCAL SOURCE	RESOURCES
STATE AND LOCAL PROGRAMS – OTHER			
New Hampshire State Grant In Aid	Appropriation to DHHS for addressing homeless needs within the state.	Bureau of Homeless and Housing Services	<u>SFY 10</u> \$3.3 m
New Hampshire Affordable Housing Fund	A fund established by the General Court in 1988 for the acquisition, development, and preservation of low income housing.	New Hampshire Housing	<u>FY 10</u> \$1,500,000 is allocated for use during FY 10
Security Deposit Loan Guarantee Program	Guarantee to Landlords of one-month security deposit, repayable by the tenant.	CAP Agencies, The Way Home, and Nashua Pastoral Care	\$2 million in loan commitment authority
Homeless Housing Access Revolving Loan Fund	Revolving loan for homeless individuals and families for first month rent and/or security deposit.	CAP Agencies, The Way Home, Nashua Pastoral Care	<u>SFY 10 and 11</u> \$100,000
Northern New England Housing Investment Fund	Investor consortium designed to increase the availability of equity funds for the Low Income Housing Tax Credit Program.	Northern New England Housing Investment Fund	\$12 million equity pool for purchase of tax credits

Appendix A

Community Development Block Grant Program Rules

http://www.testflight.net/nhcdfa/documents/Cdfa_300_CDBG_Rules.pdf

HOME Rental Housing Production Program Rules 2010

http://www.nhhfa.org/bp_hrhpp.cfm

New Hampshire Housing - Special Needs Housing Program

http://www.nhhfa.org/bp_snhp.cfm

Home Advantage Program Rules

http://www.nhhfa.org/bp_docs/rules/HFA327.pdf

Citizen Participation Plan

http://www.nhhfa.org/rl_docs/plandocs/conplan_06-10/conplan06-10_CitizenParticipationPlan.pdf

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Appendix B

Certifications and Form 424s