



## **New Hampshire Housing Replacement Reserve Policy**

Failure to comply with these policies and procedures, as outlined below, will result in denial of the use of replacement reserve funds.

### Use of Fund

The Replacement Reserve account is to be utilized for capital expenditures on items that have a given life expectancy and require periodic replacement. This does not include normal repair or maintenance items. A detailed list of items considered eligible is included as Attachment A.

### Accumulation of Expenditures

Expenditures will not be accumulated so as to obtain a substantial request for expenditures of funds unless previously approved by New Hampshire Housing.

### Expenditures from Fund

Any use of Replacement Reserve funds must be authorized in writing in advance by New Hampshire Housing. Exceptions to this may be granted in the case of an emergency when the health and safety of the tenants is at risk or when it is necessary to prevent damage to the project. Each project's Regulatory Agreement will further define the uses of the Replacement Reserve account.

The current authorization request form is included as Attachment B. Requests must be submitted to the Asset Manager assigned to the property. When requesting authorization to spend funds a detailed description of the item to be replaced or other use of fund and the reason for the replacement or other use must be included.

Payments will be made either to the owner/agent and vendor, directly to the vendor, or, with a copy of a paid receipt/invoice directly to the project account or the agent. The approved Attachment B must be included with the request for payment.

Approved Attachment B forms are effective for 90 days. Failure to submit a request for payment within 90 days of approval will result in denial of the request for payment. New Hampshire Housing will not advance funds for materials or for work not completed.

### **NEW HAMPSHIRE HOUSING FINANCE AUTHORITY**

32 Constitution Drive, Bedford, NH 03110  
Mail: PO Box 5087, Manchester, NH 03108

603.472.8623  
NHHFA.org



## Bidding Requirements

Prior to soliciting bids, the owner shall submit to New Hampshire Housing for approval a work description including plans and specifications as appropriate.

For jobs valued at less than \$10,000 there is no bidding requirement. For jobs \$10,000 or greater in value, owners must solicit and receive at least three bids from qualified contractors or suppliers of their choice.

It is expected that the lowest bid will be accepted. However, if the owner believes that accepting the lowest bid is not in the best interest of the project, then the owner may request in writing permission from New Hampshire Housing to accept a bid other than the lowest bid. The current waiver request form is included as Attachment C. If New Hampshire Housing concurs based on the reasons presented by the owner that the lowest bid is not in the best interest of the project, then New Hampshire Housing may grant an exception.

An identity of interest between a contractor or bidder and the owner or property manager must be disclosed in writing to New Hampshire Housing prior to bidding or, if no bidding is required, prior to entering into a contract.

Selected contractors shall provide the owner with evidence of adequate insurance and copies of warranties for goods and services provided as appropriate.

## Emergency Expenditures

Nothing in these procedures will preclude expenditures for actual emergencies wherein adherence to the procedures outlined above are impractical. However, inappropriate expenditures of this nature may result in New Hampshire Housing requiring the owner to reimburse the appropriate account or the charging of the amount or portion thereof to owner's distribution. Emergency repairs will be those which can be initiated and accomplished with five (5) working days. New Hampshire Housing reserves the right, in its sole discretion, to determine if an actual emergency situation existed.

## Pre-1978 Buildings

If a property was built before 1978 and the building is undergoing renovation, repair, or painting, the contractor you hire to conduct the work must be a RRP Certified firm approved by the EPA or an EPA-authorized state program. You must use qualified trained individuals (RRP Certified renovators) who follow specific lead-safe work practices to prevent lead contamination. This certification must be submitted along with the Attachment B before New Hampshire Housing will approve the request.