



## **NEW HAMPSHIRE AFFORDABLE HOUSING FUND FACT SHEET**

### **What is the Affordable Housing Fund?**

- The Affordable Housing Fund (AHF) was created by the Legislature in 1988 and is codified as RSA 204-C:56 - 62. It is administered by New Hampshire Housing Finance Authority (NHHFA) to facilitate the purchase and rehabilitation or construction of affordable housing, primarily for low- and moderate-income households.
- Since its inception, the Fund has invested \$39 million in 90 projects, leveraging more than \$400 million to help support the development or preservation of 2,400 housing units statewide.

### **How is the Fund used?**

- Affordable Housing Funds can be used to provide loans and grants to support housing for families and individuals, seniors, group homes and other housing for individuals with special needs, and for manufactured housing cooperatives.
- Funds are typically used for below market-rate loans to cover financing gaps or to fund projects that cannot support debt. Most projects financed by the AHF have other resources as part of their full funding package, the most common being federal low income housing tax credits. These other programs generally have more restrictive affordability requirements.

### **What are the requirements of project financing through the Fund?**

- Both for-profit and non-profit sponsored projects are eligible for financing.
- By statute, in any project that receives assistance through the AHF, at least half of the housing units must be affordable to households with incomes at or below 80% of area median income. Many projects serve households with somewhat lower incomes, including those with incomes at or below 60% of the area median ("workforce housing," as defined by RSA 674). These are income levels common to entry-level employment positions and jobs in service-related industries (in the Manchester area, 60% median income for a household of three people is \$44,640; in the Portsmouth/Rochester area, it is \$53,580). It is these working families that often have the hardest time finding an affordable place to live.
- All new construction projects funded by the AHF and other financing programs are required by NHHFA to meet certain energy efficiency standards. NHHFA's Design and Construction Standards are based on the principals of Energy Star and LEED certification programs, although full compliance with these programs is not required. The combination of programmatic standards with design flexibility yields both short-term construction efficiencies and long-term operational savings.

## **How is the Fund financed?**

- The 1988 session of the General Court appropriated the initial \$4 million for acquisition, development, and preservation of low-income housing. This initial appropriation was entirely committed by 1989. Since that time, the AHF has been replenished through program income, tax-exempt bond fees and earnings; in 2002, with a state appropriation of \$5 million to recapitalize the Fund, and in 2007 and 2015 with appropriations of \$800,000.
- In 2016, the Legislature made a special appropriation of \$2 million to the AHF to help create supportive housing for people with substance use disorders.
- In 2017 the Legislature made capital appropriations of \$2.5 million to the AHF; these funds have been allocated to new workforce housing projects.
- In 2018, the Legislature allocated \$2.5 million to the AHF for transitional housing for persons in recovery or individuals with mental illness.

## RECENT AFFORDABLE HOUSING FUND PROJECTS

<b>MARSHALL STREET APARTMENTS</b>	<b>NASHUA</b>	<b>152 units</b>	<b>Workforce housing</b>
			

<b>APPLE RIDGE APARTMENTS</b>	<b>ROCHESTER</b>	<b>34 units</b>	<b>Workforce housing</b>
			

<b>FRIENDSHIP HOUSE RESIDENTIAL TREATMENT FACILITY</b>	<b>BETHLEHEM</b>	<b>32-bed residential</b>	<b>Recovery Housing (Special Needs)</b>
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<b>BRADLEY COMMONS</b>	<b>DOVER</b>	<b>39 units</b>	<b>Mixed Use Workforce housing + 2 Commercial Units</b>
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