



STATE OF NEW HAMPSHIRE 2020 ACTION PLAN



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Executive Summary

The contents of this document are presented in the exact format as required by the U.S. Department of Housing and Urban Development's (HUD) Integrated Disbursement and Information System (IDIS). This is a nationwide database and provides HUD with current information regarding the program activities underway across the Nation, including funding data. HUD uses this information to report to Congress and to monitor grantees. Each funding partner must enter their information directly into IDIS. Each section requires specific information from the various programs in New Hampshire. Grantees must submit this plan as their application to HUD. This content is downloaded directly from IDIS to allow for citizens participation and public comments.

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

New Hampshire's Consolidated Plan is developed by the Housing and Community Development Council, which was established by New Hampshire Executive Order and is staffed by New Hampshire Community Development Finance Authority (CDFA), New Hampshire Housing Finance Authority (NHHFA), and the Department of Health and Human Services, Bureau of Housing Supports (DHHS-BHS). In order to receive allocations of Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), National Housing Trust Fund (HTF) and Emergency Solutions Grant (ESG) funds from the US Department of Housing and Urban Development (HUD), 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. This Action Plan describes how the above-mentioned resources, will be applied for, distributed, and utilized to address New Hampshire's housing, homeless, and community development needs during calendar year 2020.

President Trump signed the CARES Act on March 27, 2020 to help the Nation respond to the coronavirus outbreak. These funds may be used to cover or reimburse allowable costs incurred by a State or locality before the award of funding (including prior to the signing of the CARES Act) to prevent, prepare for, and respond to COVID-19.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

HOME Investment Partnerships Program funded at \$3,839,240, will be used to contribute to the development of 350 units of new affordable housing, with \$1,900,000 of this amount to be used for the preservation of 200 affordable housing units. This annual grant plus program income and uncommitted funds from previous years provide a total of \$6,300,000 to invest in communities of NH.

New Hampshire is receiving the small state allocation of \$3,000,000 in National Housing Trust Funds. These funds will be used as gap financing in projects that receive Low Income Housing Tax Credits and as funding for supportive housing through a competitive Request for Proposal (NOFA) to serve the homeless community.

ESG funding of \$930,879 will be used for short term rental assistance- rapid rehousing for 400 literally homeless individuals, prevention for 100 at risk individuals, and housing relocation and stabilization services for all 500 persons to receive case management and maintain housing.

The \$3,209,928 in ESG-CV funds will be used to provide short term rental assistance for rapid rehousing for 150 literally homeless individuals, and prevention for 400 at risk individuals to prevent the spread of COVID-19, and to mitigate against the economic impact caused by COVID. Housing relocation and stabilization services will be provided to all households to secure and maintain permanent housing outcomes. 2000 individuals will be served through Emergency Shelter to support additional homeless assistance to help prevent, prepare for, and respond to the coronavirus pandemic.

The CDBG program, funded at \$9,217,669 this year, helps address multiple community development needs. Community Development priorities for the 2020 calendar year include: High Priority: Housing, Revitalization, Economic Development, Water and Wastewater Facilities, Childcare Facilities Medium Priority: Center Facilities, Other Public Facilities.

The Community Development Block Grant will fund priorities listed above based on the attached Table.

Annual Allocation From HUD	Target %
Housing	30%
Public Facilities	30%
Economic Development	30%
Emergency	5%
Planning	2%
Technical Assistance/Administration	3%

Table 1

The \$5,415,930 in CDBG-CV funds in addition to future CV allocations will be used to address the rapidly emerging situation related to the COVID-19 virus. CDFA is working on plans to expeditiously deploy CDBG-CV resources to meet emerging needs and to implement more flexibility with existing CDBG allocations to address the need for rebuilding to meet longer term needs. CDFA has been actively working with partners across the state to assess the needs of municipalities, nonprofits and businesses as they support the evolving needs of New Hampshire's residents and to ensure that our response is both aligned with current needs and prioritizes the unique needs of low and moderate income persons. CDFA will continue to work with the local and state health networks to identify critical needs and to assure that CDBG-CV funds do not duplicate other funding sources.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Although it is impossible to estimate exact numbers of homeless households to be served, housing units completed, and community development projects to be completed in a given year, production and performance under all four of these programs has been steady and reliable over time.

ESG utilizes project monitoring via site visits, CAPER reporting, System Performance Measures and Contract compliance as methods to evaluate performance. DHHS-BHS also hosts quarterly ESG meetings to review best practices and offer training or support to all ESG sub-recipients.

Neither CDFA, NHHFA, nor DHHS-BHS have ever been required to return CDBG, HOME, HTF or ESG funds to HUD.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

In addition to solicitation of public input from partners, grantees, and other interested parties, the development of the Action Plan was discussed with the Housing and Community Development Planning Council and a draft reviewed with them. Citizen participation was solicited through emails to grantees, constituents, and interested parties of CDFA, NHHFA and DHHS-BHS websites and the statewide newspaper, and announcement board posting. CDFA and NHHFA also seek approval from their respective Boards of Directors.

During calendar year 2019, CDFA worked with state leaders, legislators, and partners on an important measure to streamline CDBG program administration by exempting CDFA from the New Hampshire Administrative Procedures Act and other rulemaking provisions. The bill exempting CDFA from the rules process was signed by the Governor in late July 2019.

NHHFA utilizes various forums and the Low Income Housing Tax Credit and supportive housing information sessions to solicit feedback from various partners and Community Housing Development Organizations (CHDO) during the year regarding HOME and HTF.

ESG-CV solicited feedback from current sub recipients, emergency shelters and other community providers through email, virtual meetings and telephone interviews - abiding by social distancing and the stay at home orders to minimize spread of COVID-19.

To establish goals for the 2020 CDBG program year and ensure proposed changes were based on data, trends and public participation, CDFA undertook the following process:

- Hosted listening sessions across the state in August 2019;
- Conducted a survey of municipalities and other stakeholders;
- Solicited public input through one-on-one outreach; and
- Researched and evaluated best practices and program models.

The goals identified through the outreach efforts include increasing funds available to municipalities, building capacity and providing support for downtown revitalization and redevelopment.

Additional Background on the Community Development Block Grant Program in New Hampshire

CDFA has administered the annual allocation of federal CDBG funds on behalf of the State since 2003, coordinating the investment of more than \$140 million into New Hampshire communities. These critical resources have been deployed across the state and have made a significant impact on economic development, housing, and community-based projects in dozens of municipalities. CDFA administers the CDBG program to provide benefits primarily for low-and-moderate-income individuals, create the greatest possible community-driven impacts and adapt to the needs of New Hampshire communities.

CDFA administers the CDBG program to provide benefits primarily for low- and moderate-income individuals, create the greatest possible community-driven impacts and adapt to the needs of New Hampshire communities.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

1. The percentage of funds going to Housing/Public Facilities/Economic Development: LRCD was concerned that the 30% split between the three programs may leave less money available for Housing grants. CDFA Response: The Executive Director proposed that there were multiple ways to solve that issue that CDFA could explore either by rolling ED funds into the more active program area (either Housing or Public Facilities) after a period of several months
2. CDFA has not established how they will be designating Community Based Development Organizations (CBDOs) for new housing construction. LRCD suggested utilizing the same process that NHH uses for CHDOs. CDFA Response: CDFA is working to develop a CBDO designation process.
3. The downtown revitalization designation may be too restrictive. LRCD noted that a lot of larger NH communities already have a larger concentration of affordable housing and are reluctant to add more. More rural communities may have the desire and have the need for affordable housing. CDFA Response: CDFA shared that from the CDBG listening sessions in August, one of

the strongest priorities pushed was downtown revitalization. Also, CDBG money is prioritized for housing rehab, not new housing construction. LRCD Counter-response: LRCD acknowledged this and added that CDFA should incentivize its priorities but not prohibit all other housing project options. CDFA Question: CDFA asked how many housing projects are found. LRCD Response: LRCD said there is a mix of projects coming to them, projects of opportunity, and intentionally targeting an area.

4. CDFA Executive Director shared that CDFA is working on updating their data sets and asked whether this information could potentially be useful in the development of projects. LRCD Response: LRCD said that they generally do not use data to pick or create projects. The data for rural areas can be very hard to quantify. If such data existed, they would be willing to use it. Further concern was that vibrancy data could potentially turn focus away from more vibrant communities that do not show a need for housing.
5. LRCD said that the new energy audit requirement may not produce the results intended and could level additional, unnecessary costs on a project. For one, energy audits do not necessarily lead to healthy housing. LIHTC already has requirements for energy conservation through their construction standards. CDFA should consider looking at those construction standards. CDFA Response: CDFA clarified that energy audits are not necessarily required as the rule says something like an audit can be used.
6. CDFA asked if LRCD had ever utilized Emergency money. LRCD Response: LRCD said they had not. CDFA Counter-response: CDFA posed that they are considering rolling extra ED funds into the Emergency Program if it was depleted. LRCD Response: LRCD said this sounded like a good idea.
7. CDFA asked if LRCD thought the current grant amounts should be raised or stay the same. LRCD Response: LRCD's initial reaction was to raise them, but for public facility projects only. This was due to the high costs of rehabbing daycare centers, which is a high priority in NH now.

6. Summary of comments or views not accepted and the reasons for not accepting them

None.

7. Summary

The HUD resources of CDBG, HOME, HTF and ESG make valuable contributions to New Hampshire's cities, towns, and citizens in many ways as will be seen in the remainder of this plan. Programmatic changes in Emergency Solutions Grant have been helpful, and although ESG and CDBG funding have been increased slightly, housing affordability remains a growing concern that is clearly tied to homelessness. The HOME and HTF resources provide one of the few needed subsidies to affordable housing projects. However, since NH is a small state it therefore receives the "small state minimum" of \$3,000,000 annually. Public and partner input have always been important in helping to shape how these resources are deployed.

PR-05 Lead & Responsible Agencies - 91.300(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	NEW HAMPSHIRE	
CDBG Administrator		Community Development Finance Authority
HOPWA Administrator		DHHS-Bureau of Housing Supports
HOME Administrator		New Hampshire Housing Finance Authority
ESG Administrator		DHHS-Bureau of Housing Supports
HOPWA-C Administrator		DHHS-Bureau of Housing Supports
HTF Administrator		New Hampshire Housing Finance Authority

Table 2 – Responsible Agencies

Narrative

New Hampshire Housing Finance Authority is the lead agency in New Hampshire's Consolidated Planning.

Consolidated Plan Public Contact Information

Gloria Paradise
Director, Federal Housing Programs
New Hampshire Housing Finance Authority
32 Constitution Drive
Bedford, NH 03110
603-310-9315
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AP-10 Consultation - 91.110, 91.300(b); 91.315(l)

1. Introduction

Provide a concise summary of the state's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health, and service agencies.

The Housing and Community Development Planning Council exists to obtain consultation from the above-mentioned groups regarding the use of state CDBG, HOME, HTF and ESG, but in addition to that it serves to increase understanding and communication between housing and service providers as well as governmental agencies. New Hampshire Housing's frequent conferences and trainings also serve to bring diverse audiences with related interests together. New Hampshire has the benefit of being a small state therefore communication between the housing and service providers is comprehensive and participation in Boards, Councils, and other planning and advisory groups is inherent. For example, NHHFA and DHHS-BHS are both represented on the NH Behavioral Health Advisory Council, NHHFA serves on the Housing Committee of the Balance of State Continuum of Care and the CDBG Advisory Council, DHHS-BHS participates in the Workforce Housing Council that NHHFA sponsors, and we typically co-sponsor each other's conferences and training events.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

NH has 3 Continuums of Care (CoC), The Greater Nashua (GNCoC), Manchester (MCoC) and Balance of State (BoSCoC). The Bureau of Housing Supports (BHS) is the NH State recipient for ESG funding, and the BHS administrator is the Co-Chair of the BoSCoC, which ensures a high degree of collaboration and coordination of services between the ESG program and BoSCoC programs. The BoSCoC has subcommittees that focus on Youth Homelessness, Veteran Homelessness, Coordinated Entry and Data Integration. The state also funds homeless services at a level of \$4.1 million annually, and oversees the administration of the federal Health and Human Services (HHS) Substance Abuse and Mental Health Services Administration (SAMHSA) funded Projects for Assistance in Transition from Homelessness (PATH) outreach program, and the state (Housing Opportunities for Person's with Aids) HOPWA program grants. This allows the BHS to ensure coordination of services and communications among outreach, shelter and transitional and Permanent Supportive Housing Programs. The BHS mission, in addition to coordinating funding, is

to ensure collaboration between all of NH's homeless assistance programs, ensuring alignment with common goals and efficient utilization of resources. DHHS-BHS coordinates regular meetings for statewide Outreach staff, Shelter Directors, and Permanent Supportive Housing case managers to share information on various initiatives, provide TA and foster communication and coordination of services. DHHS-BHS staff co-chair or participate in a number of community task forces and committees including the NH Homeless Veterans Committee, North Country Veterans Committee, and the Homeless Teen Task force which are each focused on addressing the needs among each of these groups. DHHS-BHS has also worked with providers to increase the number of CoC and ESG funded rapid rehousing programs across the state to better reduce and shorten homelessness.

Describe consultation with the Continuum(s) of Care that serves the State in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

NH has 3 Continuums of Care (CoC), The Greater Nashua (GNCoC), Manchester (MCoC) and Balance of State (BoSCoC). DHHS-BHS staff conduct presentations at statewide CoC and ESG provider meetings to openly discuss performance standards and policies. This includes review of the current NH ESG program design; policies and procedures; expected available funds and examples of how to allocate funds; the process for evaluating outcomes; and performance standards. HMIS policy and standards are reviewed by the HMIS Advisory board consisting of local end users and administrative staff. HMIS Advisory board also reviews the HMIS Governance Model as well as solicitation of feedback and discussion regarding information presented. Allocation of ESG funds is subject to an open procurement process where any and all parties can apply for funding.

2. Agencies, groups, organizations, and others who participated in the process and consultations

Table 3 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	NeighborWorks Southern New Hampshire
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Housing Trust Fund
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in Housing and Community Development Planning Council

2	Agency/Group/Organization	Families In Transition
	Agency/Group/Organization Type	Services - Housing Services-Children Services-Persons with Disabilities Services-homeless
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Housing Trust Fund
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in Housing and Community Development Planning Council

3	Agency/Group/Organization	New Hampshire Legal Assistance
	Agency/Group/Organization Type	Services - Housing Services-Elderly Persons Services-Victims of Domestic Violence Services-homeless Service-Fair Housing Services - Victims
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Housing Trust Fund
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in Housing and Community Development Planning Council

4	Agency/Group/Organization	Keene Housing Authority
	Agency/Group/Organization Type	PHA

	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Housing Trust Fund</p>
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	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>Membership and participation in Housing and Community Development Planning Council.</p>
5	<p>Agency/Group/Organization</p>	<p>Coos Economic Development Corp</p>

Agency/Group/Organization Type	Regional organization Business Leaders Civic Leaders Community Development Financial Institution Private Sector Banking / Financing
What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Housing Trust Fund

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in Housing and Community Development Planning Council.
6	Agency/Group/Organization	Easter Seals Society Of New Hampshire
	Agency/Group/Organization Type	Services - Housing Services-Persons with Disabilities Services-Health Services-Employment
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Housing Trust Fund
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in Housing and Community Development Planning Council.

7	Agency/Group/Organization	Town of Littleton
	Agency/Group/Organization Type	Government - Local Planning organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Non-Homeless Special Needs Market Analysis Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in Housing and Community Development Planning Council.
8	Agency/Group/Organization	NH Coalition Against Domestic and Sexual Violence
	Agency/Group/Organization Type	Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Strategy Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in the Housing and Community Development Planning Council

9	Agency/Group/Organization	Strafford County
	Agency/Group/Organization Type	Regional organization Planning organization
	What section of the Plan was addressed by Consultation?	Regional Planning Services
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in the Housing and Community Development Planning Council.
10	Agency/Group/Organization	NH Community Loan Fund
	Agency/Group/Organization Type	Housing Community Development Financial Institute Community Development Financial Institution
	What section of the Plan was addressed by Consultation?	Services - Housing
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in the Housing and Community Development Planning Council.
11	Agency/Group/Organization	Hannah Grimes Center
	Agency/Group/Organization Type	Business Leaders
	What section of the Plan was addressed by Consultation?	Business leaders - Regional Organization
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Membership and participation in the Housing and Community Development Planning Council.

Identify any Agency Types not consulted and provide rationale for not consulting

None

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	DHHS-BHS	Continuum goals are the Strategic Plan Homeless goals
NH Qualified Allocation Plan 2020	NHHFA	Qualified Allocation Plan establishes and promotes housing priorities for affordable housing development and preservation.
Biennial Housing Plan 2019-2020	NHHFA	Biennial Housing Plan goals are Strategic Plan goals
NH Plan to End Homelessness	DHHS-BHS	Goals overlap Strategic Plan goals.
NH Plan to End Homelessness Among Veterans	DHHS-BHS	Veteran Homeless goals incorporated into Strategic Plan goals.
FY-2019 - 2020 Strategic and Program Plan	NHHFA	Plans the use of HOME and HTF along with other resources to develop affordable housing.

Table 4 - Other local / regional / federal planning efforts

Narrative

The Housing and Community Development Planning Council meets three to five times each year to obtain input from members representing the interests required by the New Hampshire Executive Order and the consolidated plan regulation for consultation. Each of the meetings includes presentations on current issues within Housing, Homelessness, or Community Development as well as discussions regarding potential uses of CDBG, HOME, HTF and ESG funds, with each meeting cycle culminating in review of all Consolidated Plans and Action Plans prior to Board Approvals and submission to HUD. The membership is as above in Table 2. In order to promote broader understanding of how all four grants are utilized, consultation occurs in the context of the periodic meetings of the group as a whole. The CDBG, HOME, HTF and ESG components of the 2020 Action Plan were discussed with the Housing and Community Development Planning Council on September 19, 2019 in anticipation of a November 15, 2019 Action Plan. The HCDPC also met on May 11, 2020 due to the Cares Act funding during COVID-19 pandemic. NHHFA requested and received an extension of the submission deadline to June 30, 2020.

AP-12 Participation - 91.115, 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

The citizen participation process is designed to ensure that the public is given the required time to review any and all actions being taken on or under the 5-year Consolidated Plan. Additionally, the public is invited to attend hearings to voice any concerns or questions they may have concerning these actions.

All four programs operate on these federal programs on the same program year, January 1-December 31. According to HUD regulations, an Action Plan submission is due at HUD 45 days prior to the beginning of a program year, however an Action Plan lacking formula grant amounts is considered incomplete and cannot be accepted by HUD. For the last several years, federal budgets have been passed months after the beginning of each federal fiscal year, delaying Action Plan submissions until formula grants are calculated, typically between 30 and 90 days following the passage of a federal budget. At this time discussion is planned amongst the three partner agencies to convert to a fiscal year to allow for funding to match agencies' FY budgeting and align more closely with the federal appropriations of funds. While the Action Plan and ConPlan are all due in November based on a calendar year, appropriations have been in late March to May time frame. By changing to a FY all plans will be due May 17 which is more likely to be after appropriation of all federal grant program funding, and in time for budgeting for the coming agency fiscal year.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
	30 Day public comment period and public hearing	Non-targeted/broad community	30-day public comment period for HOME, HTF, CDBG, and ESG components of Action Plan beginning August 30, 2019 publicized via newspaper ad and website post. Notice also emailed to NHHFA, CDFA, and BHS email lists of business partners, stakeholders, interested parties, etc. Draft Plan based upon projected program funding levels similar to those of FY 2019 beginning August 30, 2019 publicized via newspaper ad and website post.	Public hearing held October 1, 2019. Comments were received only from Lakes Region Community Development (LRCD) and included concern that the proposed % split between the three programs (housing/public facilities/ED) may leave less money available for housing grants. Responded that it actually increases funding for housing and further funds can be moved between programs. Concern that CDFA has not established how they will be designating Community Based Development Organizations (CBDO) for new housing construction, suggestion to utilize the same process as NHHFA's Community Housing Development Organization (CHDO). Concern that locating new housing in a downtown or other municipally designated area might be too	None.	

			<p>Notice also emailed to NHHFA, CDFA, and BHS email lists of business partners, stakeholders, interested parties, etc. 2020 Action Plan drafted with assumption of formula grant amounts similar to FY 2019 levels. A second public hearing was held on May 5, 2020 with a five day notice in conformance with the Covid-19 requirement. Approximately 30 members of the public and program staff attended the virtual public hearings held on May 5th, 2020. The hearing was to</p>	<p>restrictive however CDFA responded that this was based on community input and that CDBG is generally prioritized for housing rehab, not new housing construction. LRCD suggested that CDFA should incentivize its priorities but not prohibit other housing options as opportunities arise. LRCS commented that data for rural areas can be very hard to quantify. If such data existed, they would be willing to use it but noted that vibrancy data could potentially turn focus away from more vibrant communities that do not show a need for housing. LRCD also commented that new energy audit requirement may not produce the results intended and could add unnecessary costs on a project, energy audits do not necessarily lead to healthy housing. Further, LRCD noted that LIHTC already has requirements for energy conservation</p>		
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			<p>discuss the Substantial Amendment for the 2016-2020 Consolidated Plan, the 2020 Action Plan, the Citizen Participation Plan and the 2019 CAPER.</p>	<p>through their construction standards and CDFA should consider. CDFA responded that energy audits are not necessarily required but something similar can be substituted. LRCD suggested that grant amounts for public facilities (only) be raised due to the high costs of rehabbing daycare centers, which is a high priority in NH at the moment. Written comments on the both the Substantial Amendment (CDBG) and the 2020 Action Plan (CDBG) were received from the NH Alliance of Regional Economic Development Corporations, Southwest Regional Planning Commission, City of Concord, Monadnock Economic Development Corporation, Families in Transition (FIT-NH), CDBG Consultant, Belknap County EDC, City of Keene and NH Legal Assistance. All written comments that were received prior to the</p>		
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				<p>public hearing on May 5th, 2020 focused on the availability, eligibility of projects and applicants, potential uses, application amounts, and pre-award costs for the COVID-19 CDBG-CV funding. In particular, requests included granting CDBG-CV funds directly to nonprofits, use of CDBG-CV for rental assistance payments and for the support of small business and downtown recovery efforts. There were no additional questions relating to the regular 2020 allocation of CDBG. No comments were submitted on the proposed HOME, HTF, ESG or ESG-CV programs.</p>		
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Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

FFY 2020 formula grant amounts are not significantly different from FFY 2019 levels. COVID-19 Funds are included for CDBG and ESG

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	9,217,669	0	3,868,638	13,086,307	13,086,307	CDBG funds will be used for activities as outlined in the Consolidated Plan. Program income is not anticipated, and prior year resources are based upon funds repaid to CDFA because the Economic Development project did not meet its job creation or other goals.

Other CDBG-CV 1 & 2	public- federal	Other funds will be used to prevent, prepare for and respond to coronavirus							NH has been allocated \$5,415,930 under CV-1 and a further allocation of \$4,691,208 under CV-2. Further allocations may be forthcoming. Grantees must identify the proposed use of all funds and how the funds will be used to prevent, prepare for and respond to coronavirus. Grantees may use CDBG-CV funds for a range of eligible activities that prevent and respond to the spread of infectious diseases such as the coronavirus disease 2019 (COVID-19). CDBG-CV funds will be distributed based on the results of public input and based on needs as they arise. The first allocation (CV-11) will be split between primarily between Public Services (70%) and Economic development (25%) with an emphasis on supporting
			10,107,138	0	0	10,107,138	10,107,138		

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
								Microenterprise technical assistance and grants with 5% reserved for Administration and technical assistance. Future allocations and any unused resources from CV-1 will be allocated based on needs as they arise and which are consistent with HUD guidance and the CARES Act.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	3,839,240	1,800,000	5,242,792	10,882,032	10,042,792	HOME funds will be utilized for Multifamily Rental Production in the form of both new construction and rehab as well as rehabilitation of existing affordable housing stock in order to preserve and extend affordability.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	901,293	0	0	901,293	901,293	ESG funds will be used to fund Rapid Re-Housing and Homeless Prevention Rental Assistance, Housing Stability Case Management, HMIS, and admin.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HTF	public - federal	Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership	3,000,000	0	2,700,000	5,700,000	5,700,000	Allocation published April 2020, small state minimum.
Continuum of Care	public - federal	Admin and Planning Housing Rapid re-housing (rental assistance) Rental Assistance TBRA Transitional housing	4,067,295	0	0	4,067,295	12,201,885	There are three CoC's in NH which fund Transitional Housing, Permanent Supportive Housing, Rapid Re-Housing and planning and service coordination activities.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
General Fund	public - federal	Admin and Planning Overnight shelter Services	4,000,000	0	0	4,000,000	12,000,000	The State of NH General Funds support Homeless assistance Services in NH at a level of approximately 4 million dollars annually.
HUD-VASH	public - federal	TBRA	1,494,060	0	0	1,494,060	1,494,060	New Hampshire Housing administers 185 HUD-VASH vouchers including 25 project based and 160 tenant based.
LIHTC	public - federal	Acquisition Multifamily rental new construction Multifamily rental rehab	3,851,927	0	0	3,851,927	3,851,927	Low Income housing tax Credits are administered by the Internal Revenue Service and are used for both development and preservation of affordable rental housing inventory.
Section 811	public - federal	Rental Assistance	672,000	0	0	672,000	672,000	Section 811 PRA blends small numbers of persons with disabilities into new or existing affordable housing and provides project based rental assistance.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Acquisition Admin and Planning Multifamily rental new construction Multifamily rental rehab	300,000	0	0	300,000	600,000	{This category is now incorporated in the above template} The Housing Trust Fund will provide extremely low-income households with housing that is affordable for a minimum of 30 years. New Hampshire's allocation will be used to provide development subsidy. Additional funds from other sources will provide project-based rental assistance.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Admin and Planning Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Other	3,209,928	0	0	3,209,928	3,209,928	ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19. Activities will include Rapid Rehousing, Homelessness Prevention, Emergency Shelter, Street Outreach, HMIS, Administration.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Acquisition Admin and Planning Conversion and rehab for transitional housing Economic Development Housing Multifamily rental new construction Multifamily rental rehab Overnight shelter Public Services Transitional housing	5,000,000	0	0	5,000,000	5,000,000	With the Community Development Investment Program (CDIP), CDFA gives a 75% state tax credit against a donation made to any approved community development project consistent with legislation in State RSA 162-L. The tax credit may be applied against the New Hampshire business profits tax, business enterprise tax, and/or the insurance premium tax. Tax Credits may only be issued to nonprofits.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - state	Acquisition Conversion and rehab for transitional housing Multifamily rental new construction Multifamily rental rehab Transitional housing	5,000,000	0	0	5,000,000	9,050,000	The State of New Hampshire allocated \$5m to the Affordable Housing Fund administered by NHHFA.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

HOME funds will be invested in new projects as development subsidy to "buy" deeper income targeting, leveraging private equity raised with Low Income Housing Tax Credits along with additional subsidy raised through a variety of sources including the Federal Home Loan Bank of Boston, private donations, and perhaps even State or local CDBG. Preservation activities accomplished with HOME will be used for rehabilitation activities to upgrade and replace building components and systems that will be required during the next contracted affordability period and will leverage 4% Low Income Housing Tax Credits and Tax-Exempt Bond financing.

Housing Trust Fund (HTF) has no match requirement, nonetheless resources will be available for use in Low Income Housing Tax Credit

projects which target units affordable to extremely low-income households. Scoring incentives will favor further restriction of those units to serve particular populations. HTF units developed without Low Income Housing Tax Credits may leverage HOME or non-federal funds and scoring incentives will be available proportional to the leveraging of other funds. HTF funding will remain at the small state minimum of \$3,000,000.

ESG funds are matched 75% at the state level and 25% at the local level to leverage funds and resources.

New Hampshire's allocation for 2020 includes approximately \$9.2 million in CDBG funds to be used for housing, economic development, public facilities and planning. In addition, CDBG, HOME and ESG will be used strategically to address priority needs and leverage other federal, State and local resources. These include federal low-income housing tax credits. The State's LIHTC program is administered by the NH Housing Finance Authority in accordance with New Hampshire's Qualified Allocation Plan (QAP). The QAP closely reflects the priorities, goals and strategies of the Consolidated Plan. Additional resources that may be leveraged to support the goals of the Consolidated Plan include Section 8, McKinney-Vento, and New Market Tax Credits.

CDBG funds will leverage additional funding resources depending on the type of project being funded. Water/Wastewater infrastructure will be leveraged with State Revolving Loan funds (SRF) and the Drinking Water Grounding Trust Fund (DWGTF) from the Department of Environmental Services, USDA and municipalities. Housing rehabilitation and related activities might include LIHTC, HOME, the New Hampshire Community Loan Fund, private equity, weatherization, FHLB and other funders. Economic development projects leverage private equity, banks, regional development corporation revolving loan funds, USDA, SBA, Northern Borders Regional Commission (NBRC) and others.

The formula allocation of HUD HEARTH Emergency Solutions Grant (ESG) funds to the state is expected to be \$870,215 for 2020. Of this amount, 75% will be matched with State Grant-in-Aid funds and 25% at the local level. New Hampshire (NH) funds Emergency Shelter Operations, and Homelessness Intervention at an annual level of approximately \$4 million. The leveraging of CoC Funded services completes NH's comprehensive continuum of Homeless assistance services.

If appropriate, describe publicly owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

None known to be available at this time.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Promote Housing Stability	2016	2020	Affordable Housing Homeless	New Hampshire	Homeless prevention Rapid Re-Housing Services	ESG: \$930,879 Continuum of Care: \$4,067,295 General Fund: \$1,000,000	Tenant-based rental assistance / Rapid Rehousing: 600 Households Assisted Homelessness Prevention: 516 Persons Assisted
2	Preservation of Affordable Rental Properties	2016	2020	Affordable Housing	New Hampshire	Preservation of Affordable Housing	CDBG: \$2,066,267 HOME: \$1,900,000	Rental units rehabilitated: 200 Household Housing Unit
3	Multifamily Affordable Rental Production	2016	2020	Affordable Housing	New Hampshire	Production of Affordable Rental Housing	CDBG: \$500,000 HOME: \$6,300,000 HTF: \$2,700,000	Rental units constructed: 350 Household Housing Unit
4	Microenterprise Development Assistance	2016	2020	Non-Housing Community Development	New Hampshire	Economic Development	CDBG: \$850,000	Businesses assisted: 267 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
5	Planning Grants	2016	2020	Non-Housing Community Development	New Hampshire	Economic Development Public Facilities Grants for Public Property Public Facilities Grants for Public Services Public Facilities Grants for Water and Sewer	CDBG: \$300,000	Other: 8 Other
6	Community Development (Public Facilities) Grants	2016	2020	Non-Housing Community Development	New Hampshire	Economic Development Housing Grants Preservation of Affordable Housing Production of Affordable Rental Housing Public Facilities Grants for Public Property Public Facilities Grants for Public Services Public Facilities Grants for Water and Sewer	CDBG: \$2,566,267	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 100 Persons Assisted Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 273 Households Assisted Public service activities other than Low/Moderate Income Housing Benefit: 587 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	Emergency Grants	2016	2020	Affordable Housing Homeless Non-Homeless Special Needs Non-Housing Community Development	New Hampshire	Economic Development Housing Grants Public Facilities Grants for Public Property Public Facilities Grants for Public Services Public Facilities Grants for Water and Sewer	CDBG: \$500,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 200 Persons Assisted Public service activities other than Low/Moderate Income Housing Benefit: 142 Persons Assisted
8	TBRA for Homeless Veterans	2016	2020	Affordable Housing	New Hampshire	Rapid Re Housing Services	HUD-VASH: \$62,976	Tenant-based rental assistance / Rapid Re-Housing: 142 Households Assisted
9	Project Based Rental Assistance for Disabled	2016	2020	Affordable Housing	New Hampshire	Rental Housing Affordable to Extremely Low Income	Section 811: \$500,000	Tenant-based rental assistance / Rapid Re-Housing: 75 Households Assisted
10	Emergency Shelter	2016	2020	Homeless	New Hampshire	Emergency Shelter	General Fund: \$3,000,000	Homeless Person Overnight Shelter: 4300 Persons Assisted

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Promote Housing Stability
	Goal Description	Prevent homelessness and shorten the length of time people experience homelessness.
2	Goal Name	Preservation of Affordable Rental Properties
	Goal Description	HOME funds will be used for necessary rehabilitation of properties refinanced with 4 % Low Income Housing Tax Credits (not included in budget due to unknown utilization) to extend affordability. CDBG funds will be used to rehab single and multifamily housing units occupied by low- and moderate-income persons as well as the infrastructure supporting these properties. As CDBG applications are accepted on a competitive basis so there is no way to provide an accurate estimate of how many units will benefit in 2020. Please note that CDBG housing grant funding is used to provide private infrastructure upgrades to Manufactured Home Cooperatives. For the purposes of this Action Plan, it will be placed under the Strategic Plan goal of Community Development Grants.
3	Goal Name	Multifamily Affordable Rental Production
	Goal Description	Multiple resources are needed to finance affordable rental housing as reflected below.
4	Goal Name	Microenterprise Development Assistance
	Goal Description	CDBG funds are granted to non-profit economic development organizations that offer services, education and programs for micro-businesses. CDFA has allocated \$850,000 to Microenterprise Development Assistance for program year 2020.
5	Goal Name	Planning Grants
	Goal Description	The Objective of CDBG Planning/ Feasibility Grants are to determine whether or not a proposed CDBG project is feasible and/or to recommend specific action(s) to be undertaken.

6	Goal Name	Community Development (Public Facilities) Grants
	Goal Description	CDBG allocates approximately 30% of its Community Development Grant funding under the category of Public Facilities. That means CDBG funds will be used for community development activities including public facilities like homeless shelters, neighborhood facilities, child care centers, water, sewer, streets and other eligible public facility activities. For 2020 CDFA has allocated \$2,566,267 for Community Development Grants for Public facilities. Included under the Community Development Strategic Goal plan is the repair and upgrade of water, wastewater, and electric infrastructure in New Hampshire's Manufactured Home Cooperatives. Well over 100 investor owned manufactured home parks have been purchased by park residents and converted to cooperatives with financing and technical assistance from the New Hampshire Community Loan Fund. With the coops, low- and moderate-income households are often the majority of residents who, after purchasing the property, often lack the financial resources to upgrade an outdated and failing infrastructure. While CDFA does not specifically set aside funds for coops municipalities have successfully applied for funds on behalf of these coops for many years and CDFA expects this will continue in 2020.
7	Goal Name	Emergency Grants
	Goal Description	CDFA allocates \$500,000 to emergency grants annually. Funds are awarded to applicants whose projects shall provide immediate relief because of: (1) Emergencies resulting from natural disasters; (2) Unanticipated events which have a serious and immediate threat to public health and safety; or (3) Unanticipated actions which have resulted in plant closures or permanent layoffs of employees jeopardizing the economic stability of the community.
8	Goal Name	TBRA for Homeless Veterans
	Goal Description	Tenant based rental assistance is provided to homeless veterans through a HUD VA collaboration. The VA provides services and HUD contributes tenant based rental assistance administered by New Hampshire Housing.

9	Goal Name	Project Based Rental Assistance for Disabled
	Goal Description	Section 811 PRA blends small numbers of persons with disabilities into new or existing affordable housing and provides project based rental assistance.
10	Goal Name	Emergency Shelter
	Goal Description	Emergency shelter is provided to homeless individuals and families via state grant in aid funding.

AP-25 Allocation Priorities – 91.320(d)

Introduction:

The planned utilization of the 2020 ESG funds will allow NH to continue to build on and expand initiatives to prevent homelessness and rapidly re-house homeless persons.

The special ESG-CV funds will be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance through street outreach, emergency shelter, Rapid Rehousing and Homelessness Prevention activities to mitigate the impacts of COVID-19. Prevention activities to mitigate the impacts of COVID-19. The planned utilization of HOME funds will provide both the production of new affordable rental units and the preservation of existing units at risk of loss from the affordable housing inventory due to expiring affordability restrictions.

Housing Trust Fund resources will contribute to new production exclusively for extremely low-income households.

The planned utilization of CDBG funds is prioritized based on the results of outreach by CDFA, evaluation of previous allocations and through surveys of municipalities, state agencies and nonprofits and public hearings. The funds will provide direct benefit to primarily low- and moderate-income persons in the form of improving and increasing access to affordable housing, revitalizing downtowns, improving public facilities and infrastructure, access to community facilities, creating employment opportunities to low- and moderate-income individuals and households and supporting micro enterprises through training and technical assistance. For Action Plan year 2020, CDFA has split the majority of funds across three major categories, Housing, Public Facilities and Economic Development (includes micro enterprise).

CDFA is working on plans to expeditiously deploy CDBG-CV resources to meet emerging needs; and, to develop more flexibility within our existing CDBG program to address the need for rebuilding and strengthening our communities to meet the longer term recovery goals. The planned utilization of annual CDBG program funds is prioritized based on the results of outreach by CDFA and evaluation of previous allocations. Since the COVID-19 outbreak, CDFA has reached out to its extensive network of community development partners to identify the most immediate and short-term needs. This has included multiple surveys reaching out to municipalities, grantees, subrecipients and non-profits. Public hearings to invite citizen participation on this 2020 Action Plan were held on October 1, 2019 and May 5, 2020. CDBG funds will provide direct benefit in the form of improving and increasing access to affordable housing, revitalizing downtowns, improving public facilities and infrastructure, providing access to community facilities, creating employment opportunities to low- and moderate-income individuals and households and supporting micro businesses through training and technical assistance. The CDBG-CV funds will be used to support needs

emerging as a result of the COVID-19 pandemic and will include new and significantly increased eligible public services, microenterprise and business technical assistance and micro loans.

Funding Allocation Priorities

	Promote Housing Stability (%)	Preservation of Affordable Rental Properties (%)	Multifamily Affordable Rental Production (%)	Microenterprise Development Assistance (%)	Planning Grants (%)	Community Development (Public Facilities) Grants (%)	Emergency Grants (%)	TBRA for Homeless Veterans (%)	Project Based Rental Assistance for Disabled (%)	Emergency Shelter (%)	Total (%)
CDBG	0	24	6	10	3	31	6	0	0	0	80
HOME	0	20	80	0	0	0	0	0	0	0	100
ESG	100	0	0	0	0	0	0	0	0	0	100
HTF	0	0	100	0	0	0	0	0	0	0	100
Continuum of Care	100	0	0	0	0	0	0	0	0	0	100
General Fund	0	0	0	0	0	0	0	0	0	100	100
HUD-VASH	0	0	0	0	0	0	0	87	13	0	100
LIHTC	0	0	100	0	0	0	0	0	0	0	100
Section 811	0	0	0	0	0	0	0	0	100	0	100
Other Affordable Housing Fund	0	50	50	0	0	0	0	0	0	0	100
Other ESG- CV	0	0	0	0	0	0	0	0	0	0	0
Other Housing Trust Fund	0	25	75	0	0	0	0	0	0	0	100

Other State Community Development Tax Credits	0	20	50	0	0	30	0	0	0	0	100
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Table 7 – Funding Allocation Priorities

Reason for Allocation Priorities

The planned utilization of the 2020 ESG funds will allow NH to build on and expand initiatives to prevent homelessness and rapidly re-house homeless persons. These objectives and priorities are in alignment with the Federal Strategic Plans to Prevent and End Homelessness.

Individuals experiencing homelessness are at greater risk of exposure to a variety of infectious diseases including influenza and coronavirus. Taking effective sanitation measures can reduce the spread of infectious disease for people who are unsheltered or living in emergency shelters. ESG- CV Program sub-recipients may use ESG Street Outreach, Emergency Shelter, Rapid Rehousing and Preventions funds for essential supplies and services to reduce the spread of infectious disease in their programs and support infectious disease preparedness while supporting housing goals.

The need for housing affordable to low, very low, and extremely low-income households continues to exceed supply by two thirds, so development of new inventory is critical as is the avoidance of losing existing inventory through expiring use. Homeless veterans served by HUD-VASH tenant based rental assistance and extremely low-income households with severe mental illness (SMI) served by project based rental assistance are high priority.

Housing Trust Fund resources are targeted solely to assist extremely low-income households.

The allocation for 2020 CDBG funds differs from the previous 2019 Action Plan in that it is allocated more heavily towards housing and public facilities while reducing the economic development allocation. This change is based on multiple factors including the extensive public outreach process which established affordable housing, downtown revitalization and redevelopment, better access to community facilities and childcare as the most pressing community needs. CDFA is allocating more of the economic development funding to microenterprise because of demand. Further, for most of the past 5 years, the total amount of economic development funds allocated have not be utilized and the funds have been reallocated to housing and public facilities where the demand for funding far outstrips the available resources. Additional incentives will be

provided to projects creating jobs in Opportunity Zones and eligible New Market Tax Credit locations.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

ESG Grant funds will be allocated to each category as follows: 3% HMIS; 7.5% Administrative Activities; 39.5% Prevention; and 50 % Rapid Re-Housing. All of NH state homeless assistance funding and CoC funding is dedicated to preventing homelessness and assisting homeless households regain stability and is used for planning, administration, coordination of services, homeless prevention and intervention, transitional housing, and permanent supportive housing.

ESG-CV Funds will be allocated to each category as follows: 55% to Emergency Shelter, 4% Administrative Activities, 25% Prevention, 16% Rapid Rehousing.

CDBG funds in 2020 will be allocated as described above to address the priority needs and specific objectives detailed in the consolidated plan and supported by the results of community and public outreach efforts conducted by CDFA in 2019. Consistent with these identified priorities CDBG will be used to upgrade municipal and private infrastructure, improve housing stock through rehabilitation of existing units and support for new units in targeted downtowns, downtown revitalization, to support low- and moderate-income households, job creation and microenterprise skills training.

CDBG-CV applications will be accepted through the online grants management system (GMS) and must address how the proposed use of funds is a response to the COVID-19 pandemic. Applications will be considered for Public Services and Economic Development (includes Microenterprise). CDBG-CV funds will be allocated as follows: Administration/Technical Assistance \$270,796 (5%), Economic Development (includes Microenterprise) \$1,350,000 (25%); and Public Services, \$3,795,134 (70%).

HOME funds will be awarded to projects that will address the needs of low- and moderate-income households, comprised of families, elderly, and those with special needs.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

DHHS-BHS conducts separate competitive procurement processes for the ESG Rapid Re-Housing and Prevention Programs, state funded Emergency Shelter and Homeless Intervention Programs. The CoC program is primarily renewal funding and the process is governed by HEARTH regulations and the parameters HUD sets forth in each year's NOFA competition. These objectives and priorities are in alignment with the Federal Strategic Plans to prevent and end homelessness.

New Hampshire Housing distributes HOME Investment Partnerships funds in accordance with HUD 24CFR Part 92, cross cutting federal regulations and New Hampshire Qualified Allocation Plan competitive basis.

New Hampshire Housing distributes the Housing Trust Funds allocation in accordance with HUD 24CFR Part 93, cross cutting regulations and the New Hampshire Qualified Allocation Plan and supportive housing Notice of Funding Availability (NOFA) on a competitive basis.

State CDBG investments are not allocated on a geographic basis. Investments are awarded on a competitive basis based on along established criteria adopted pursuant to the state Administrative Procedures Act. This process was amended beginning in 2020. In 2019, CDFA, which administers the NH small cities program (balance of state) on behalf of the state, was exempted from the state Administrative Procedures Act. CDFA developed a program and application guide which now governs how CDBG funds are allocated. The guide is available online at <https://resources.nhcdfa.org/wp-content/uploads/2020/04/CDFA-CDBG-Application-and-Program-Guide-FY20.pdf>

Distribution Methods

Table 8 - Distribution Methods by State Program

1	State Program Name:	Community Development Block Grant Program
	Funding Sources:	CDBG

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>CDFA distributes CDBG based on its 2020 Program and Application Guide.</p> <p>The primary purpose of the CDBG program is the development of viable communities by providing decent housing, suitable living environments, and expanding economic opportunities, principally for low- and moderate-income people. The program is sponsored by the US Department of Housing and Urban Development (HUD). CDFA distributes CDBG grants to New Hampshire's non-entitlement cities, towns, and counties. A nonprofit agency may also apply through its municipality or county as a subrecipient of CDBG money. All eligible municipalities and counties can apply for up to \$500,000 in CDBG funds per year each of the following three categories - housing, public facilities and economic development. Municipalities are also eligible to apply for emergency funds and planning grants depending upon availability. Grants may be applied for under the following categories: Economic Development, Housing, Public Facilities, Emergencies and Unanticipated Events, Planning Grants and Public Services (CDBG-CV)</p>
<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>CDFA selects projects for funding based on the priorities noted above and through its CDBG Application and Program Guide which includes detailed selection criteria. This Application and Program Guide can be found on the CDFA website at https://resources.nhcdfa.org/wp-content/uploads/2020/04/CDFA-CDBG-Application-and-Program-Guide-FY20.pdf . New Hampshire's 229 incorporated municipalities and the ten county governments are eligible for the State CDBG Program. CDFA requires that at least 51% of the funds requested for either Housing or Public Facilities and 60% for Economic Development shall be used for direct benefit to low- and moderate-income persons.</p>

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>All applications are submitted online through the CDFA Grants Management System (GMS). After registration, municipalities and their representatives can access application materials and complete their applications online. CDFA also runs two application workshops annually throughout the State. In 2019, CDFA released a new, online implementation guide that is available to all applicants. The implementation guide includes online webinars for each section. Staff also provides one-on-one pre-application meetings with any potential applicants, post-application meetings with awardees and technical assistance to grantees and subrecipients.</p> <p>Applications for CDBG-CV allocations will be accepted through the online grants management system (GMS) and must address how the proposed use of funds is consistent with the CARES Act by preparing for, responding to or recovering from the COVID pandemic. Applications will be considered for Public Services, Economic Development, Microenterprise and other activities based on needs as they arise and which are deemed consistent by CDFA with the forthcoming guidance provided by HUD and the CARES Act.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>CDBG eligible applicants include all non-entitlement units of local government (Towns, Cities, Counties). Units of Local Government (UGLGs) may subgrant funds to nonprofit and/or faith-based organizations. Funds are made available through competitive grant rounds for the various program areas. A NOFA is published to notify potential applicants. Submitted applications are ranked based on criteria published in the CDFA CDBG Program and Application Guide available at https://resources.nhcdfa.org/wp-content/uploads/2020/04/CDFA-CDBG-Application-and-Program-Guide-FY20.pdf. Grants are awarded based on ranking of projects and funds availability. An administrative review process is available to any project that seeks to determine how their project was scored.</p>

<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>n/a</p>
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<p>Describe how resources will be allocated among funding categories.</p>	<p>The CDBG allocation for the year 2020 is \$9,217,669. Consistent with the priorities noted above, the funds will be allocated as follows: Administration/TA: \$376,529; Planning Grants: \$300,000; Emergency Grants: \$500,000; Housing Grants: \$2,680,380; Public Facility Grants: \$2,680,380; and Economic Development Grants: \$2,680,380 (Includes \$850,000 for Microenterprise). 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. In addition, uncommitted Economic Development Grant funds may also be held for projects under consideration at the end of the year or carried forward to be distributed in the next Economic Development Grant program year at the discretion of the Executive Director of CDFA. Administrative or Technical Assistance funds carried forward from previous federal fiscal years shall remain in their respective categories.</p> <p>CDFA reserves the right to increase or decrease the allocation of a program component. In the event that there may be extreme demand for one program component; or there may be minimal demand for one component, CDFA may reallocate funds depending on the timing of other components and the apparent demand for funds or to address emergency situations during the program year in the event that the funding allocated for emergencies is not adequate and needs to be replenished. When these cumulative changes meet the threshold criteria of an amendment, CDFA will follow the process in accordance with the State's Consolidated Plan and regulations at 24 CFR 91.505.</p> <p>NH has been allocated \$5,415,930 under CV-1 and a further allocation of \$4,691,208 under CV-2. Further allocations may be forthcoming. Grantees must identify the proposed use of all funds and how the funds will be used to prevent, prepare for and respond to coronavirus. Grantees may use CDBG-CV funds for a range of eligible activities that prevent and respond to</p>
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	<p>the spread of infectious diseases such as the coronavirus disease 2019 (COVID-19). CDBG-CV funds will be distributed based on the results of public input and based on needs as they arise. The first allocation (CV-11) will be split between primarily between Public Services (70%) and Economic development (25%) with an emphasis on supporting Microenterprise technical assistance and grants with 5% reserved for Administration and technical assistance. Future allocations and any unused resources from CV-1 will be allocated based on needs as they arise and which are consistent with HUD guidance and the CARES Act. Further guidance can be found in the CDBG Program and Application Guide at nhcdfa.org.</p>
Describe threshold factors and grant size limits.	<p>Grant size limits are as follows: Planning Grants: \$25,000; Emergency Grants: up to \$350,000 (under 10,000 population) or \$500,000 (over 10,000 population); Housing Grants - up to \$500,000 per eligible community annually; Public Facility Grants - up to \$500,000 per eligible community annually; Economic Development Grants - up to \$500,000 per eligible community annually; Microenterprise Grants - up to \$500,000 per eligible county annually. Who is eligible to apply: All non-entitlement communities (200 +) in New Hampshire plus all 10 New Hampshire counties. Entitlement communities Manchester, Nashua, Portsmouth, Rochester and Dover may not apply. Threshold application requirements are outlined in the CDFA Program and Application Guide located at https://resources.nhcdfa.org/wp-content/uploads/2020/04/CDFA-CDBG-Application-and-Program-Guide-FY20.pdf</p> <p>Requests for CDBG-CV funds are separate from the annual allocation and apply solely to allocations awarded through the CARES Act and any additional Cares Act funds. CDBG - CV funds for Public Services will be allocated grants up to \$500,000 consistent with a demonstrated need, with the CARES Act criteria, HUD guidance. Applications will be submitted on the GMS and will be scored using the criteria set forth in the Program and Application Guide. CV funds will support Economic Development to existing Microenterprise subgrantees, up to \$850,000; and Economic Development to an existing subgrantee to offer a Technical Assistance Program, up to \$500,000. Further allocations of CV funds will be distributed based on needs as they arise. All CDBG requirements apply to CDBG-CV awards unless a Waiver has been granted by HUD.</p>

	What are the outcome measures expected as a result of the method of distribution?	Grants are issued on a competitive basis and the estimated number and type of beneficiaries is not known until applications are approved. Generally, CDBG funds will create or retain jobs with additional incentives offered for jobs created in Opportunity Zones and New Market Tax Credit eligible areas, provide training and technical assistance to micro businesses, rehabilitate housing units and support the creation of additional units in community designated downtowns, support rehabilitation of public facilities and support planning for potential implementation projects and provide funds to address emergencies within the last 18 months. Outcome measures will be reported in the CAPER.
2	State Program Name:	Continuum of Care Program
	Funding Sources:	Continuum of Care
	Describe the state program addressed by the Method of Distribution.	DHHS-BHS conducts separate competitive procurement processes for the ESG Rapid Re-Housing and Prevention Programs, state funded Emergency Shelter and Homeless Intervention Programs. The CoC program is heavily regulated by HUD and the funding process is governed by HEARTH regulations and the parameters HUD sets forth in each year's NOFA competition. These objectives and priorities are in alignment with the Federal Strategic Plans to prevent and end homelessness. The NH Homeless service system consists of the CoC program, ESG and NH's Emergency Shelter and Homeless Intervention Services and DHHS-BHS distributes these funds in accordance with HUD NOFA standards.

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>The Continuum of Care (CoC) program application criteria are established by HUD in each year's CoC program NOFA.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Notifications are posted on the DHHS-BHS website and the DHHS-BHS Facebook account with detailed application processes, manuals and other ranking criteria. Communications with current grantees on the application process and requirements are frequent and distributed verbally at meetings as well as email, website and through newsletters.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>The CoC program is primarily renewal funding. When new funding, or reallocated funds are available the BHS distributes notifications to stakeholders and other interested parties regarding the availability of funding. The CoC supports any new interested parties to apply for HUD funding through the HUD NOFA process. Funds are distributed to subrecipients based on HUD's criteria, with BHS as the grantee/recipient.</p>

Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	n/a
Describe how resources will be allocated among funding categories.	Funds are used primarily to support permanent supportive housing. Other programs include transitional housing and Rapid Re-Housing, as well as HMIS.
Describe threshold factors and grant size limits.	Threshold and grant size change annually with each competition and are based on scoring according to HUD criteria and past performance.

	What are the outcome measures expected as a result of the method of distribution?	Outcome measures, established by HUD, include housing stability, reduction in the number of families and veterans experiencing homelessness, and increased income.
3	State Program Name:	ESG and State funded Emergency Shelter and Homeless Intervention Programs
	Funding Sources:	ESG General Fund

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>The Bureau of Housing Supports, ESG program receives HUD funding for 3 types of services;</p> <ul style="list-style-type: none"> * Homelessness Prevention * Rapid Re Housing * Housing relocation and stabilization services <p>These services are essential to provide permanent housing, reducing first time homeless and preventing evictions so individuals and families do not enter the system. Vendors are subject to determining eligibility by ESG policies, disburse funds, provide housing stability and case management and conduct housing search and placement activities. Vendors from across the state are eligible to give access to individuals and families statewide. The benefit of these services is to reduce homelessness and the financial burden on emergency shelters, increase the wellbeing and health of NH citizens and increase successful placements to permanent housing.</p> <p>Emergency Shelters are the safety net for homelessness in NH and are funded by General Funds. Funding is subject to the state's procurement process that is an open competitive process using ranking and scoring to distribute funds across the state.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>ESG and Shelter Proposals were evaluated and ranked by a review committee comprised of New Hampshire Department of Health and Human Services staff from multiple divisions and non-applicant stakeholders. Proposals were reviewed and ranked based on: consistency with the NOFA requirements and review criteria, including how effective the proposed activity will be in providing homeless prevention and/or Rapid Re- Housing services; alignment with goals in the NH Consolidated Plan 5-Year Plan and the 2020 Action Plan; Continuum of Care strategic goals; and the national goals and objectives outlined in Opening Doors: Federal Strategic Plan to End Homelessness; agency capacity; cost effectiveness; and coordination with local CoC. The specific scoring criteria that were used are outlined below: Experience & Capacity (Q1) 20 Points; Extent/Need/Region/Number Served (Q2) 30 Points; Start Up (Q3) 45 Points; Collaboration (Q4) 20 Points; Staffing (Q5) 20 Points; Compliance (Q6) 10 Points; Budgets (Q7) 20 Points; Selected sub-recipients were contracted for 2 years, with an option to renew at the end of their contract term.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>ESG applications are posted online through the NH.gov procurement website, which lists all available applications. This link is shared with the Balance of State Continuum of Care mailing list, as well as all provider mailing lists available through DHHS-BHS.</p>

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available</p> <p>to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>Eligible applicants include units of local government and nonprofit organizations including community and faith-based organizations. The Request for Applications (RFA) was released in January 2016 for ESG Rapid Re-Housing and Prevention and will be renewed until 2021. Proposals were evaluated and ranked by a review committee comprised of New Hampshire Department of Health and Human Services staff from multiple divisions and non-applicant stakeholders. Proposals were reviewed and ranked based on: consistency with the RFA requirements and review criteria, including how effective the proposed activity will be in providing homeless prevention and/or Rapid Re- Housing services; alignment with goals in the NH Consolidated Plan 5-Year Plan and the previous Action Plan; and Continuum of Care strategic goals.</p> <p>Applications for funding 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. Applications also include: narrative describing the activities and use of funds; identification of the Continuum of Care existing in the community and the relationship of proposed activities to the Continuum of Care; and a budget which outlines ESG funds, State and local funding, full operating budget and matching resources.</p> <p>Selected programs are contracted for 2 years, with an option to renew at the end of the grant term.</p>
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Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A
Describe how resources will be allocated among funding categories.	ESG Grant funds will be allocated to each category as follows: 3% HMIS; 7.5% Administrative Activities; 39.5% Prevention; and 50% Rapid Re-Housing. These are estimate amounts as agencies can reallocate funds to meet the needs of the community served as long as they stay within the following thresholds. Budgets are allocated to include no more than 35% Housing Stabilizations and Relocation services, 65% has to go to direct services with at least 60% going to Rapid Re-Housing.
Describe threshold factors and grant size limits.	ESG Grant funds will be allocated to each category as follows: 3% HMIS; 7.5% Administrative Activities; 39.5% Prevention; and 50% Rapid Re-Housing. DHHS-BHS intends to ensure statewide availability of ESG funds for Homeless Prevention and Rapid Re-Housing Activities. DHHS-BHS anticipates funding up to 8 regional projects across the state with grants ranging from \$65,000 - \$100,000, based on demonstrated need.

<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>Housing Stability</p> <p><i>Goal:</i> 70% of program participant households will achieve housing stability for six months following the end of rental assistance.</p> <p><i>Measurement:</i> Housing Stability will be measured by the percentage of program households who maintain their tenancy for six months following the end of rental assistance.</p> <p>Increased Income</p> <p><i>Goal:</i> 50% of program participant households will increase income (employment, cash benefits or other income) prior to program exit, demonstrating sufficient income to maintain housing. (Expectation is not all households will need to increase income or have capacity to due to disability).</p> <p><i>Measurement:</i> Income measurements will be measured by the percentage of program participant households whose income is higher at exit than at program entry.</p> <p>Recidivism</p> <p><i>Goal:</i> 70% of program participant households will experience housing stability as evidenced by no subsequent episode of homelessness.</p> <p><i>Measurement:</i> Recidivism will be measured by the total number of adult program participants with successful exits from the program (with a successful housing outcome),that did not have an emergency shelter stay of at least one night within six months of exiting the program.</p>
<p>4. State Program Name:</p>	<p>HOME Investment Partnerships Affordable Rental Production and Preservation</p>
<p>Funding Sources:</p>	<p>HOME LIHTC</p>

<p>Describe the state program addressed by the Method of Distribution.</p>	<p>HOME funds are generally utilized as development subsidy in Low Income Housing Tax Credit projects. To qualify as a HOME project, a project must maintain a minimum set-aside of rent-restricted units for tenants in a targeted income group. At a minimum, at least 20% of the HOME-assisted units must be rented to very low-income households, defined as households with incomes at or below 50% of Area Median Income (AMI). All other HOME-assisted units must be rented to households earning at or below 60% of AMI.</p> <p>HOME funds are also utilized to pay for a portion of necessary rehabilitation of projects being refinanced in order to preserve affordability. The need for such rehabilitation will be determined by a capital needs assessment which is compared to the term of the refinancing agreement.</p>
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<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Criteria used for scoring projects for awards of Low Income Housing Tax Credits (LIHTC) are found in the Qualified Allocation Plan (QAP) which is developed each year with input from the Housing and Community Development Planning Council as well as the public, and approved by NHHFA's Board of Directors and the Governor.</p> <p>Typically, LIHTC preliminary applications are required and due annually in June. The full applications are due in August so that formal scoring can be completed before winter so that projects can close on financing and be ready to proceed early in spring. However due to the current situation with COVID-19, we have extended the application due dates for the upcoming LIHTC round as follows:</p> <p>Preliminary applications are due no later than Monday, July 6, 2020.</p> <p>NHHFA staff distributes preliminary memos no later than Friday, August 7, 2020.</p> <p>Final applications are due no later than Friday, September 25, 2020.</p> <p>Supportive Housing projects are scored based upon criteria established in a Notice of Funding Availability soliciting project applications.</p> <p>The 2020 QAP, which details project threshold and scoring criteria as well as all applicable rules and standards can be found at https://www.nhhfa.org/wp-content/uploads/2020/03/2021-2022-Qualified-Allocation-Plan_FINAL.pdf. In addition to publishing the QAP, the rental production program rules can be found at https://www.nhhfa.org/forms/ Construction standards, and underwriting standards can be found at https://www.nhhfa.org/developer-financing/</p> <p>The 2020 Qualified Allocation Plan, which details project threshold and scoring criteria as well as all applicable rules and standards can be found at http://www.nhhfa.org/low-income-housing-tax-credits .</p> <p>In addition to scoring criteria, each Notice of Availability of Funding for Special Needs Housing included full details of types of projects desired, bidder conference dates, how to obtain applicant technical assistance, and application deadlines.</p>
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	For HOME/LIHTC projects, HOME funds are awarded in conjunction with the Low-Income Housing Tax Credit round. These funds are used as subsidy to projects that receive tax credit financing, to ensure the financial stability of the project. Cost reasonableness and subsidy limits are taken into consideration when evaluating the use of HOME funds.
If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	N/A
Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)	N/A
Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	N/A

<p>Describe how resources will be allocated among funding categories.</p>	<p>HOME funds are anticipated to be split as \$5,550,000 for rental production and \$450,000 for preservation rehab.</p> <p>HOME program rules require a set aside of at least 15% of the annual allocation for projects owned, developed, or sponsored by Community Housing Development Organizations (CHDOs), non-profit housing organizations meeting very stringent criteria defined by HUD in their HOME Investment Partnerships Final Rule. Due to the COVID-19 pandemic, NHHFA will request a waiver of this set-aside. However, if a CHDO receives points as a CHDO they will be funded as a CHDO and be required to maintain their status for the duration of the affordability period.</p> <p>For-profit developers in New Hampshire play a significant role in the development of affordable housing projects, and they score competitively.</p>
<p>Describe threshold factors and grant size limits.</p>	<p>The following are threshold criteria for LIHTC which incorporates HOME funds:</p> <p>Feasibility and Appropriateness; Market Demand; Capacity; Completion of Prior Phase; Site Control; Cost Reasonableness; Readiness; Services and Environmental. LIHTC staff underwrite projects using the most current HOME and LIHTC subsidy limits. (For further details see the 2020 QAP).</p>
<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>We anticipate 590 units of rental production during 2020.</p>

5. State Program Name:	Project Based Rental Assistance for individual with serve mental illness
Funding Sources:	Section 811 PRA
Describe the state program addressed by the Method of Distribution.	<p>Section 811PRA program provides project based rental assistance to persons who are severely mentally ill and extremely low income; utilizing units in either new or existing affordable housing stock that does not otherwise provide project based rental assistance. Tenants are assisted with the search for an available section 811-subsidized apartment in their community of choice as well as connection with local community based mental health services. Extremely low-income households with a severely mentally ill member are screened for eligibility by the Bureau of Behavioral Health and referred directly to available Section 811 units, to be screened by the owner for suitability for the project.</p> <p>The owners or property management agents of existing affordable housing are solicited for participation in the section 811PRA program. NHHFA's Qualified Application Plan awards scoring points in the LIHTC annual application. The criteria for an eligible property are: five units or more, not age-restricted or already designated for persons with disabilities, must have received federal, state or local financing in the development of the property and may not already be a fully subsidized property.</p>
Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	Information about the 811PRA Program, its requirements and regulations, can be found at this website: https://www.nhhfa.org/811-project-rental-assistance .

<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>N/A</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>N/A</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>N/A</p>

	Describe how resources will be allocated among funding categories.	These funds are utilized for project based rental assistance only.
	Describe threshold factors and grant size limits.	A landlord must be agreeable to following all program rules and maintaining their rental property in good repair. Rent limits are established by New Hampshire Housing according to our HUD Cooperative Agreement.
	What are the outcome measures expected as a result of the method of distribution?	Extremely low-income individuals or households with severe mental illness will be provided needed long-term project based rental assistance, making their housing affordable.
	6. State Program Name:	State Community Development Tax Credits
	Funding Sources:	State of New Hampshire

Describe the state program addressed by the Method of Distribution.	CDFA grants state tax credit awards on a competitive basis to qualified nonprofit organizations for specific community development projects or programs. CDFA is attracted to innovative projects that show a high degree of community support, build partnerships, and leverage other funds. CDFA gives a 75% state tax credit against a donation made by a business to any approved project. The tax credit may be applied against the New Hampshire business profits tax, business enterprise tax, and/or the insurance premium tax.
Describe all of the criteria that will be used to select applications and the relative importance of these criteria.	The Tax Credit Program first uses a Letter of Intent to determine applicant eligibility and then a full application process. Staff reviews full applications including site visits as needed. After this process the staff and a subcommittee of the CDFA Board of Directors evaluate projects for conformance with the State RSA 162-L which governs the program and funds available. After this process is complete, awards are made to successful applicants.
If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)	CDIP Application can be found at https://nhcdfa.org/investing-in-nh-communities/tax-credit-program/ Applicants need to register on the CDFA Grants Management System in order to access application materials.

<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available</p> <p>to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>n/a</p>
<p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p>	<p>n/a</p>
<p>Describe how resources will be allocated among funding categories.</p>	<p>The resources are not allocated among funding categories. The tax credit program is a separate source of state funding although it is not unusual to see these funds combined with CDBG, HOME, HTF and LIHTC funds.</p>

Describe threshold factors and grant size limits.	<p>The Tax Credit Program receives an annual allocation of \$5,000,000. There are no grant size limits but it is typical to see requests between \$300,000 and \$500,000.</p> <p>Nonprofits, municipalities, and cooperatives are eligible for application.</p>
What are the outcome measures expected as a result of the method of distribution?	<p>Outcome measures will vary by project funded. The program is very flexible in what is eligible to be funded.</p>
7. State Program Name:	TBRA for Homeless Veterans
Funding Sources:	HUD-VASH
Describe the state program addressed by the Method of Distribution.	<p>HUD VASH is a collaborative effort between the Veterans Administration and the US Department of Housing and Urban Development providing tenant based and project based rental assistance to homeless veterans who are receiving VA services.</p>

<p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p>	<p>Beneficiaries are referred by the Veterans' Administration. New Hampshire Housing completes applicant household application for housing assistance and administers the housing assistance in the form of Housing Assistance Program payments.</p>
<p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p>	<p>Clients are referred to us directly from the Veterans' Administration. If we are contacted directly by a veteran, we explain the process and refer them to the VA.</p>
<p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p>	<p>This is an ongoing partnership arrangement with the VA referring homeless veterans and New Hampshire Housing providing tenant-based rental assistance for eligible veterans.</p>

	Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)	n/a
	Describe how resources will be allocated among funding categories.	Tenant based rental assistance is the only funding category in this program.
	Describe threshold factors and grant size limits.	No grant application at the user level, simply the agreement of a landlord to rent to a particular veteran and accept VASH voucher.

	<p>What are the outcome measures expected as a result of the method of distribution?</p>	<p>143 homeless extremely low-income homeless veterans to receive rental assistance each year, leading to greater housing affordability.</p>
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Discussion:

AP-35 Projects – (Optional)

Introduction:

Projects are to be solicited, ranked and funded following receipt of formula allocations. They are to be added to this action plan after funding commitments are made.

#	Project Name
1	ESG-CV

Table 9 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Allocation priorities for all three programs are based upon a combination of relevant need data including US Census, ACS, CHAS, New Hampshire Housing's Annual Rental Cost Survey, input on priorities from partners, the general public, state and local government, consultation with the members of the Housing and Community Development Planning Council (see PR 10). Priorities are also established within DHHS-BHS, CDFA, and New Hampshire Housing respective program rules which include competitive scoring systems that reflect our priorities.

The greatest obstacles to addressing underserved needs are related to the resource limitations that allow us to satisfy only fractions of various needs. The state of New Hampshire receives limited state funding.

AP-38 Project Summary

Project Summary Information

1	Project Name	ESG-CV
	Target Area	
	Goals Supported	Promote Housing Stability Emergency Shelter
	Needs Addressed	Rapid Re Housing Services Homeless prevention Emergency Shelter Rental Housing Affordable to Extremely Low Income
	Funding	ESG-CV: \$3,209,928
	Description	These special ESG-CV funds are to be used to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19. These federal funds will be used to: (1) engage individuals and families experiencing homelessness- living on the street or place not meant for human habitation; (2) rapidly re-house homeless individuals and families; (3) help operate and provide essential services in emergency shelters for individuals and families experiencing homelessness; and (4) prevent individuals and families from becoming homeless.
	Target Date	6/30/2022

Estimate the number and type of families that will benefit from the proposed activities	ESG-CV is expected to provide case management and short to medium term rental assistance Rapid Rehousing and Prevention funds to 650 either literally homeless or individuals at risk of homelessness at 50% AMI or less to prevent and end homelessness. ESG-CV is expected to provide 2000 individuals under the emergency shelter activity to support additional homeless assistance activities to mitigate the impacts of COVID-19.
Location Description	
Planned Activities	Rapid Rehousing, Homelessness Prevention, Street Outreach, Emergency Shelter, Administration

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

N/A

Acceptance process of applications

N/A

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

Yes

State's Process and Criteria for approving local government revitalization strategies

The State of New Hampshire does not have a role in approving local government revitalization strategies. CDBG, HOME and HTF funds are awarded to projects that are part of a greater effort to revitalize neighborhoods, and competitive scoring systems for both programs favor this type of activity.

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

ESG-funded Rapid Re-Housing and Homeless prevention services will be distributed statewide through a competitive procurement process. Funding will be present in all counties across the state to ensure access to preventative and Rapid Re-Housing services. Eligible participants are required to meet HUD's homeless definition or at-risk definition including the 30% AMI income limit.

CDBG, HOME and HTF are also distributed statewide through competitive processes which send funds where they are needed throughout the state. New Hampshire's CDBG entitlement communities (Dover, Manchester, Nashua, Portsmouth, Rochester) are ineligible to apply for state CDBG as they receive their own allocation directly from HUD. CDBG scoring criteria provide added weight to communities with higher low moderate-income populations.

Geographic Distribution

Target Area	Percentage of Funds
New Hampshire	100

Table 10 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

N/A.

Discussion

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

One Year Goals for the Number of Households to be Supported	
Homeless	696
Non-Homeless	430
Special-Needs	55
Total	1,181

Table 11 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	741
The Production of New Units	390
Rehab of Existing Units	200
Acquisition of Existing Units	0
Total	1,331

Table 12 - One Year Goals for Affordable Housing by Support Type

Discussion:

HOME funds will not be used for rental assistance, but Section 811PRA and VASH will be used for long-term rental assistance. ESG funding is expected to provide short to medium term rental assistance to 400 households and Housing Stabilization Services and case management to 500 individuals as well as Prevention services to 100 Households.

These numeric goals are an educated guess. The new goals are a projected target based on historical information however, construction project completion timing can be unpredictable making end of the year beneficiary counts uncertain. Averaged over time, these projections have proven reliable.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

Actions planned during the next year to address the needs to public housing

Public Housing Authorities are designated as eligible entities to apply for Low Income Housing Tax Credits, HOME Investment Partnerships, and other affordable housing subsidy and financing resources in New Hampshire. Several of New Hampshire's Public Housing Authorities have successfully competed for and utilized these resources to increase the inventory and thus availability of affordable housing within their locality. This has been especially important since no new public housing has been created for decades.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

New Hampshire Housing continues to operate a Voucher Assisted Mortgage program, and also offers financial literacy training and coaching to Housing Choice Voucher Holders.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

No New Hampshire PHAs are designated as troubled.

Discussion:

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

The CoC, ESG, and state funded homeless assistance programs have coordinated efforts to both reduce the amount of time persons experience homelessness and increase exits from shelter to permanent housing. ESG continues to collaborate with emergency shelters to reduce the average length of stay and requires state funded programs to identify goals related to both reducing the overall average length of stay and increasing exits to permanent housing. This effort combined with an increase in ESG and CoC funding dedicated to Rapid Re-Housing has been key in achieving this. BoSCoC intends to continue efforts in this area and believes the implementation of coordinated entry and the use of a statewide By Name List that prioritizes the most vulnerable individuals or families for open permanent supportive housing beds will strengthen the system and assist in prioritizing need and assisting homeless households who have spent the longest time homeless move more quickly into permanent housing.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The BoSCoC HUD-funded Coordinated Entry Outreach and PATH Outreach, in collaboration with the statewide NH 211 information and referral program, work to identify unsheltered homeless and at-risk persons. BoSCoC funded outreach also collaborates with non CoC funded outreach including Runaway and Homeless Youth outreach, Supportive Services for Veteran Families outreach, other substance abuse mental health services administration (SAMHSA) funded outreach, and Healthcare for the Homeless outreach to ensure that the entire geography of NH is covered. Their work includes field outreach to identify unsheltered homeless persons and developing a rapport to engage these individuals and families. Outreach workers assess homeless individuals and families for both immediate basic needs such as food and shelter, as well as additional needs such as healthcare, treatment, housing, income, etc. and provide assistance in accessing these services. DHHS-BHS has also implemented a statewide Coordinated Entry Process effective 8/1/15, which utilizes a standardized assessment tool and HMIS, as well as current infrastructure such as NH 211, to assess individual needs of persons seeking assistance. This system continues to improve as quality improvements are made, and systematic advancements are standardized such as evidence informed screening tools and diversion techniques.

Addressing the emergency shelter and transitional housing needs of homeless persons

The BoSCoC HUD-funded Coordinated Entry Outreach and PATH Outreach, in collaboration with the statewide NH 211 information and referral program, work to identify unsheltered homeless and at-risk persons. BoSCoC funded outreach also collaborates with non CoC funded outreach including Runaway and Homeless Youth outreach, Supportive Services for Veteran Families outreach, other SAMHSA funded outreach, and Healthcare for the Homeless outreach to ensure that the entire geography of NH is covered. Their work includes field

outreach to identify unsheltered homeless persons and developing a rapport to engage these individuals and families. Outreach workers assess homeless individuals and families for both immediate basic needs such as food and shelter, as well as additional needs such as healthcare, treatment, housing, income, etc. and provide assistance in accessing these services. DHHS-BHS has also implemented a statewide Coordinated Entry Process effective 8/1/15, which utilizes a standardized assessment tool and HMIS, as well as current infrastructure such as NH 211, to assess individual needs of persons seeking assistance. State general funds support emergency shelter resources, agencies are provided training and support to meet the needs of residence. Trainings offered include a yearly free conference with trainings such as; Motivational Interviewing, trauma informed care, standardized assessment training and program/policy administrative reviews.

The addition of activities through the ESG-CV funding will allow emergency shelter funds for essential supplies and services to reduce the spread of infectious disease in their programs and support infectious disease preparedness.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The BoS CoC reviews Chronic Homelessness (CH) in the Coordinated Entry committee meetings and is working on a number of strategies to address chronic homelessness. Strategies include: encouraging the prioritization of beds/units for CH in CoC funded supportive housing by tying prioritization of beds to a point structure used to rank projects for renewal; prioritization of a housing first approach by tying low threshold entry requirements and high threshold termination procedures to a point structure to rank projects for renewal; prevention and diversion tools; regional hubs for walk in and referral resources; a referral system coordinated by DHHS-BHS linking available units prioritized for CH to service providers working with CH; and through promotion of housing first strategies at various stakeholder and community meetings.

CoC and ESG funding have allowed NH to create new Rapid Re-Housing programs to assist homeless individuals and families (including veterans and youth) move quickly out of homelessness into housing stability. The key to this housing stability will be the household's ability to maintain the housing once the financial assistance ends. NH's ESG and BoSCoC-funded RRH programs include a housing stability case management component which is available during the time financial assistance is provided, and for six months following the end of financial assistance. COC and ESG funded RRH and ESG funded homeless prevention programs have service plans individualized to the household's needs. This includes ensuring the housing is affordable to the family after the assistance is over, budgeting skills, increasing household income through employment or job training and mainstream benefits, and an overall self-sufficiency plan to exit the program. As the household stabilizes, the case management services typically lessen in intensity. At a minimum, at any stage the household is encouraged

to meet with the case manager at least monthly. Other state and local case management funds are then leveraged to follow up with the family after 12 months to ensure they do not fall back into homelessness. The additional leveraged case management funds are not only used to track previously served clients, but also to help connect or link to additional resources if the family is becoming unstable in their housing.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

DHHS-BHS has worked on discharge planning with the CoC's and state facilities including NH State MH Hospital, Department of Children Youth and Families, and the Department of Corrections to develop plans to minimize discharges to homelessness to the greatest extent possible. Within the BoSCoC are Local Service Delivery Areas (LSDAs) which consist of service agencies and stakeholders in a specific geographic area within the state. LSDA's are comprised of both homeless service organizations and mainstream organizations including municipal welfare, food pantries, community action agencies, veteran service organizations, community mental health centers, hospitals, health clinics, law enforcement, housing providers and others. These organizations work together with discharge planners to identify all available resources to prevent homeless discharges. LSDAs provide local, grassroots homelessness planning and programming within a geographic region that usually covers one county. This makes up a seamless delivery system that provides a comprehensive array of housing and supportive services that assist the homeless.

DHHS-BHS has moved into the Division of Economic and Housing Stability within DHHS. Included in this Division are upstream services designed to help individuals move out of poverty into self-sufficiency. This organizational change has allowed for more in-depth collaboration between service providers, taking a Whole Family approach to service delivery.

NH has a broad array of services available to meet the needs of people experiencing homelessness. NH 211 operates a homeless hotline offering information, referrals, and if needed, transportation to shelter 24 hours a day. The continuum of services includes: homeless outreach; homeless intervention and prevention services; emergency shelter; transitional housing for individuals, families, veterans and youth; and Permanent Supportive Housing (prioritizing chronically homeless and families). In addition to CoC, ESG and Emergency Shelter projects the CoC has 3 Support Services to Veteran's Families Programs (SSVF), VA funded Transitional housing for veterans and their families, and Runaway and Homeless Youth (RHY) Act and CoC funded transitional housing

programs for unaccompanied youth.

Discussion

NONE

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

Land use regulation is under the control of local governments through planning and zoning boards. Local ordinances that seek to preserve the character of a town and a quality of life associated with it can sometimes create barriers to the development of affordable housing or taken to an extreme virtually any new housing. Restrictions on things like minimum lot sizes and minimum setbacks can require that a house lot be so large and costly that only the very largest and most expensive homes will be built on them.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The Housing Awareness Program continues to provide tools and resources to support ongoing education and advocacy efforts:

Operating support to four regional workforce housing coalitions:

New Hampshire Housing provides funding up to \$20,000 annually to support the operations of these coalitions. The coalitions, in turn, use the funds for programmatic activities designed to educate and advocate for the affordability of housing. Some activities that are planned for 2020 include:

Design Charrette in Barrington, NH which will tackle housing creation in a visual way involving local citizens and planning and design experts.

Housing Summit, in coordination with 7 seacoast area chambers of commerce and in partnership with local municipalities, a housing summit will be conducted that will draw on a diverse audience to discuss our current housing challenges and propose solutions and dispel myths commonly associated with affordable housing.

Two **Business Lender Breakfasts** will be conducted in the upper valley that will draw local employers, state and local elected officials and the general public.

Municipal Technical Assistance Grants: In partnership with Plan NH, we will provide grants to municipalities to audit existing land use regulations to determine barriers to housing diversity or to research and propose local land use regulations that reduce barriers to affordable housing creation. \$45,000 is available.

The **Mini Grant** program provides funds to local grass roots organizations for the development of informational materials, targeted advertising and locally focused research and other innovative activities and methods aimed at reducing community resistance to housing development. These grants of up to \$5,000 each have been

instrumental in local dialogue and awareness of housing efforts. For 2020, we have expanded grant eligibility for municipal technical assistance that will help produce more housing friendly land use regulations and processes.

Discussion:

(Continuation of Actions text box above)

Visualizing Density Database and Awards: We will seek submission of excellent examples of compact development whether new or old for inclusion in our Visualizing Density Database. Currently the database houses 50 projects that represent excellent examples of compact development. The purpose of the database is to provide pictures and data reflecting good development which will challenge the current negative perception of higher density development. The database will be unveiled to the general public in 2020 and will be a free and downloadable database for anyone to use.

Housing Conference: Each year New Hampshire Housing produces three Housing Conferences. In 2020 NHHFA held its homeownership conference in March. Additionally, NHHFA will host two conferences that will cover the topics of development of tax credit projects and an economic and housing market update on October 15, 2020.

Housing Related Studies The opportunity to conduct various Housing Related Studies (\$95,000) throughout the year allows the Authority to be a leader in providing information on housing related issues. Topics that could be explored include: a study of the fiscal impact on municipalities of housing and other land uses (the Society for the Protection of New Hampshire Forests has expressed interest in updating the currently used model), a study of municipal ordinances that have been adopted pursuant to the Workforce Housing Law (10th anniversary), and study of the impact (benefits and issues) related to higher density development in smaller municipalities.

AP-85 Other Actions – 91.320(j)

Introduction:

See discussion section below for 2020 Fair Housing Goals

Actions planned to address obstacles to meeting underserved needs

The Governor's Interagency Council on Homelessness has recently reactivated under the direction of Governor Sununu. Three workgroups are being organized with the individual goals of a) Integrating Supportive Housing into State Medicaid Policy, b) Ending Homelessness for People Living in Encampments, and c) Integrating Employment and Housing to End Homelessness.

The shrinkage of HUD-funded rental assistance and affordable housing development subsidy in the federal budget is counter-productive in efforts to better meet underserved needs as the gaps between resources and needs steadily grow larger. The private nonprofit sector shoulders a large burden but can not offset federal funding reductions.

Actions planned to foster and maintain affordable housing

NHHFA will continue to support local and regional workforce housing efforts to help municipalities eliminate barriers to affordable housing development, and will continue to track expiring land use agreements and try to refinance properties that could be at risk of being lost as affordable housing inventory. The method of distribution for Low Income Housing Tax Credits, HOME and HTF resources is reexamined and tweaked annually so that the most compelling needs are addressed.

Actions planned to reduce lead-based paint hazards

The City of Nashua, City of Manchester, and New Hampshire Housing (state-wide) Lead Hazard Control Grants, all have numerical annual production goals, training and education goals provided through all three of these grants that will continue as well. This produces steadily increasing lead-safe rental housing inventory available to low, very low, and extremely low income households with children under six years old, greater public awareness of residential lead-based paint hazards and how to control them, and a growing maintenance and repair workforce with knowledge and skills that will lower the risk of accidental lead poisoning from repair and remodeling work. NHHFA's design and construction standards require the federal and state lead regulations be adhered to on all rehabilitation projects.

Actions planned to reduce the number of poverty-level families

Economic Development activities funded by Community Development Block Grant are expected to create or

preserve 542 jobs for low to moderate income individuals.

The Resident Self-Sufficiency Program will make online educational and training resources available to participants in New Hampshire Housing's Section 8 Housing Choice Voucher program.

Actions planned to develop institutional structure

CDFA, DHHS-BHS, and NHHFA make efforts to participate in each other's planning and advisory groups. For example, NHHFA participates in the Balance of State Continuum of Care and its Housing subcommittee, as well as the Mental Health Planning and Advisory Committee. CDFA and DHHS-BHS are on the steering committee for the Housing and Community Development Planning Council. These relationships will continue to grow and advance a comprehensive approach to housing, homelessness, and community economic development.

Actions planned to enhance coordination between public and private housing and social service agencies

The Housing and Community Development Planning Council brings these three groups together to plan for the next year's use of CDBG, HOME, HTF and ESG and reviews those accomplishments the following year. Other planning efforts including the annual update of the Qualified Allocation Plan, changes to the Housing Choice Voucher Program Admin Plan, and similar efforts actively solicit input and participation from partners and interested parties. Many of us serve on multiple committees and advisory groups, which also brings about more thorough knowledge and understanding of each other's programs and goals.

Discussion:

NEW HAMPSHIRE FAIR HOUSING GOALS 2020 ACTION PLAN

Impediment 1 – Lack of Affordable Housing

Planned Actions:

1. Follow Consolidated Plan strategies
2. Convene annual statewide summit October 2020 to promote new and additional affordable housing strategies
3. Oversee actions taken under Affirmative Marketing Plans

Impediment 2- Source of Income Discrimination

Planned Actions:

1. Monitor opportunities to support legislation concerning source of income discrimination

Impediment 3 – Discrimination Against Domestic Violence Survivors

Planned Actions:

1. Continue to monitor opportunities to support legislation concerning discrimination against domestic violence survivors

Impediment 4 – Municipal Ordinances

1. Plan and begin review of efficacy of Workforce Housing Law compliance

Impediment 5 –_Age-restricted Housing

1. Meet with partners to determine viable strategy for proceeding with assessing impact and prevalence

Impediment 6 – Noncompliance with LEP

1. Reassess prevalence and continue to partner with NH Legal Assistance on conducting LEP training

Impediment 7 – Lending Practices

1. Further data research has made us question earlier belief that HMDA data was showing discriminatory mortgage lending. Sample sizes for minorities are comparatively quite small and appear to be skewed by that. We will continue to watch annual data and proceed further if warranted.

Impediment 8 – Lack of Substantial Equivalency

1. We will continue to watch for opportunities to support legislation, but the barriers to this are significant and we are skeptical this will move forward for now

Impediment 9 –No Gender Identity Protections

1. We will continue to monitor opportunities to support legislation

Impediment 10 – Lack of Knowledge About Fair Housing Laws

1. We will continue to partner with NH Legal Assistance and others to provide meaningful fair housing training.

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

- | | |
|--|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan. | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income: | 0 |

Other CDBG Requirements

- | | |
|---|---------|
| 1. The amount of urgent need activities | 500,000 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 75.00% |

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

None.
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for

homebuyer activities as required in 92.254, is as follows:

HOME funds are not used for any homebuyer activities.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

HOME funds will not be used for any homebuyer activities.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

The Preservation Program will rehabilitate 50 units statewide to preserve as affordable housing through long term restrictions primarily benefitting households with income below 60% of the median area income. Continuing relatively high tax-exempt interest rates are an impediment to significant multi-family bond activity. To help encourage preservation using Tax Exempt Bond Financing New Hampshire Housing will provide partial subsidy for eligible HOME housing rehabilitation activities. The minimum level of rehabilitation required for each unit will vary based upon thorough analysis of the capital needs for each property, but the amount of rehabilitation funds needed to address capital needs in each unit will exceed HOME funds made available. Other subsidy in the form of Operating Funds will also be available for leveraging and can also be utilized to address rehab needs in rental properties that are currently under HOME obligations.

- The aging of the entire portfolio requires a continuous review of management practices to ensure that disinvestment in any given property has not and will not occur. On an annual basis the Asset Management team at New Hampshire Housing conducts both a physical and management practice inspection as well as reviewing the financial sustainability of the property.
- New Hampshire Housing will set aside \$750,000 in HOME funds over each of the next two years to be used in rehabilitation and new construction under this preservation initiative.
- For new or existing stock affordability restrictions will be established or extended, thus preserving affordability for a minimum of 20 years.
- Unit subsidy limits will be set in accordance with New Hampshire Housing's Underwriting Standards, Subsidy Layering and Policies and at no time will exceed the HOME requirements 24 CFR 92.250. Funds will be provided in the form of a 0% non-amortizing loan that will be payable upon sale, refinance, or in the event of non-compliance with program requirements.
- Additionally, repayment of the deferred payment loan will be made from 50% of the annual surplus cash from the project as available, except that any other Authority program that has a claim on a project's surplus

cash will have priority repayment position.

- This program will be carried out in accordance with HOME guidelines found at 24 CFR 92.206 (b). Additionally, these funds will not under any circumstances provide refinancing of multi-family loans made or insured by any federal programs, including the CDBG program.

Emergency Solutions Grant (ESG)

Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

See ESG Standards document in Grantee Specific Appendices.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

See Coordinated Entry document in Grantee Specific Appendices.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

DHHS-BHS conducts separate and distinct application processes for the ESG Rapid Re-Housing and Prevention. Eligible applicants include units of local government and nonprofit organizations including community and faith-based organizations.

DHHS-BHS utilizes a competitive Request for Proposals (NOFA) process to solicit applications for the funding of the ESG Rapid Re-Housing and Prevention program. The NOFA for ESG Rapid Re-Housing and Prevention was released in January 2016. The NOFA was widely distributed through email lists to the Balance of State, Manchester, and Nashua Continuums of Care, as well as all known stakeholders (which includes faith-based organizations). Stakeholders were encouraged to forward the announcement as appropriate. Additionally, the NOFA is posted on the NH Department of Health and Human Services (NH DHHS website)

Proposals were evaluated and ranked by a review committee comprised of New Hampshire Department of Health and Human Services staff from multiple divisions and non-applicant stakeholders. Proposals were reviewed and ranked based on: consistency with the NOFA requirements and review criteria, including how effective the proposed activity will be in providing homeless prevention and/or Rapid Re- Housing services; alignment with goals in the NH Consolidated Plan 5-Year Plan; Continuum of Care strategic goals; and the national goals and objectives outlined in Opening Doors: Federal Strategic Plan to End Homelessness.

The specific scoring rubric is outlined below:

PROPOSAL EVALUATION

5.1. Technical Proposal

- a. Consistency (Q1, Q2) 13 Points
- b. Documentation (Q3) 10 Points
- c. Homeless Need (Q4 - Q6) 20 Points
- d. Staff inspections (Q9) 13 Points
- e. Project Description (Q7, Q8, Q10, Q11) 15 Points
- f. Successful Outcomes (Q12) 14 Points
- g. Rental Assistance (Q13 - Q15) 5 Points
- h. Federal Cost Principles (Q17) 15 Points
- i. HUD Reporting Standards (Q18) 15 Points
- j. Management of Funding (Q19) 15 Points
- k. Timely Start Up (Q20) 10 Points
- l. Participation in Coordinated Assessment (Q21) 10 Points
- m. Policies/Procedures (Q22) 6 Points
- n. Performance measures (Q23) 9 Points

Cost Proposal

Budget (Appendix C) 30 Points

Budget Narrative – 30 Points

Total Maximum number of points to be awarded is 230 Points.

Recipients were contracted for 2 years with an option to renew.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The state of NH is able to meet the homeless participation requirement in 24 CFR 576.405(a). The ESG Administrator consults with the Balance of State CoC which has a formerly homeless person on its board. Additionally, outreach in the form of listening sessions with both the Manchester and Nashua Continuums of Care which both have members who are homeless or formerly homeless are conducted.

5. Describe performance standards for evaluating ESG.

ESG Program Performance Standards

Program performance will be evaluated based on the following Performance Measurements:

Interim Housing Stability

Goal: 80% of program participant households will gain housing stability within 45 days of program entry.

Measurement: Percentage of program participant households who either maintain or obtain housing within 45 days of program entry.

Housing Stability

Goal: 70% of program participant households will achieve housing stability for six months following the end of rental assistance.

Measurement: Housing Stability will be measured by the percentage of program households who maintain their tenancy for six months following the end of rental assistance.

Recidivism

Goal: 70% of program participant households will experience housing stability as evidenced by no subsequent episode of homelessness.

Measurement: Recidivism will be measured by the total number of adult program participants with

successful exits from the program (with a successful housing outcome), that did not have an emergency shelter stay of at least one night within six months of exiting the program.

Housing Trust Fund (HTF)
Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

☒ Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The following are eligible to apply for project specific assistance under the Housing Trust Fund program:

1. Non-profit corporations with an approved 501(c)3 tax-exempt status.
2. Local Public Housing Authorities.
3. Limited partnerships, general partnerships, corporations, limited liability companies, proprietorships, and other business organizations.

The following are not eligible to receive HTF funds:

1. Primarily religious organizations, where residency would be limited to an exclusive denomination.
2. Any person who is an employee, agent, consultant, officer, elected official, or appointed official of the state of New Hampshire, the Authority, or state recipient or sub-recipient receiving HTF funds (collectively Non-Eligible Persons). This includes partnerships and corporations where the controlling partner, controlling member, or person(s) in control of such entity is a Non-eligible Person or Persons.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Projects blending some HTF units into LIHTC projects will utilize New Hampshire Housing's Low-Income Housing Tax Credit Program Multifamily Rental Housing Financing Application found at <https://www.nhhfa.org/developer-financing/low-income-housing-tax-credits-lihtc/> . This application is used for all projects seeking Low Income Housing Tax Credits and various forms of capital subsidy from New Hampshire Housing including but not limited to Housing Trust Fund, HOME, the State Affordable Housing Fund and other subsidy resources. This application is very thorough, requiring the applicant to provide detailed information concerning the description of the proposed project, sources and uses of all funds, rents and operating expenses, LIHTC scoring, a project pro forma, analysis of funding gaps to determine subsidy needs and a management questionnaire to assess management capacity. The Qualified Allocation Plan (QAP) <https://www.nhhfa.org/developer-financing/low-income-housing-tax-credits-lihtc/> for the Low Income Housing Tax Credit Program provides scoring incentives to reserve 10% or more (but less than all) units affordable to extremely low income households, and also encourages through scoring incentives the provision of supportive housing for the homeless, those at imminent risk of homelessness, and veterans. Other incentives in the scoring system may also encourage applicants to apply for HTF funding. The project scoring criteria in the Qualified Allocation Plan contain the elements required by HUD and considerably more.

Projects not seeking Low Income Housing Tax Credits projects will use a separate NOFA released in late 2020 and NHHFA will make awards in accordance with the priorities which form the basis of the Threshold Requirements and Scoring Criteria for the Housing Trust Fund Request For Proposals.

New Hampshire Housing has committed to provide up to 50 project-based Housing Choice Vouchers to support this effort. Scoring preference will also be provided to projects with written commitments from other Public Housing Authorities to provide project-based Housing Choice Vouchers for a minimum of 30 years. Tenant access to needed services will be a threshold requirement.

NHHFA will require that all recipient applications contain a description of the eligible activities to be conducted with HTF funds as required in § 93.200 Eligible Activities.

NHHFA will require that each eligible recipient certify that housing assisted with HTF funds will comply with all HTF requirements.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

See HTF threshold and scoring criteria at <https://www.nhhfa.org/publications-data/nh-consolidated-planning->

for-hud/

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

New Hampshire does not target CPD block grants geographically per se, but makes substantial efforts to distribute funds throughout the state as fairly as possible. In an effort to do this for Housing Trust Fund resources, a mechanism is in place to ensure that funded projects are not concentrated.

In addition to submission of a complete application form, all applications will be reviewed under the following Threshold Criteria. Failure to comply with any of the Threshold Criteria may, at the sole discretion of the Authority, result in the rejection of the application.

Requirements for geographical distribution will be triggered if more than two projects are funded through this NOFA.

Projects may be selected over higher scoring applicants to meet this requirement. However, the Authority will not consider applications which fail to meet threshold requirements regardless of whether funding those projects would allow this requirement to be met.

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

See Threshold Criteria

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

In addition to scoring categories titled i. Matching Non-Federal Resources and j. Matching Federal Resources in the Threshold Requirements and Scoring Criteria for Housing Trust Fund Request For Proposals, rent subsidy, if needed, is provided by New Hampshire Housing.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

See scoring criteria

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

See Threshold Criteria

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

See scoring Criteria

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds. Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

NHHFA uses the statewide HOME Investment Partnerships Program Maximum Per-Unit Subsidy Limits, We thought it was particularly important to adopt the existing HOME maximum subsidy limits for the sake of uniformity, the built-in annual adjustment mechanism, and the fact that we are accustomed to using it in our projects and find them reasonable. NHHFA adopted the existing and accepted HOME standard.

Through the experience gained by financing the development of approximately 14,700 units of affordable housing throughout the state, we find the HOME limits compatible with New Hampshire affordable multifamily housing development costs. NHHFA has served as the allocating agency for the Low-Income Housing Tax Credit program and the HOME program since the inception of each. In this capacity, NHHFA has always used subsidy per unit limits to allocate federal and state resources. Analysis of the most recent five years of HOME subsidy amounts demonstrates an average HOME subsidy of \$66,517 based upon underwriting standards, the Qualified Allocation Plan, as well as subsidy layering review including bedroom configuration. We do not anticipate higher subsidy amounts, but the HOME limits will give allow us to respond to unique situations and opportunities. Although land acquisition and construction costs can vary within the state, overall development costs are consistent throughout the state, and this is confirmed by periodic analysis of development costs taking location into account. Appendix E includes an analysis of development costs, after excluding unique features, of recent projects in the southern and northern parts of the state. It is likely that New Hampshire's relatively small geographic size contributes to this. It is also likely that New Hampshire Housing's Design and Construction Policy Rules and Standards as well as their Underwriting Standards and Development Policies for Multi-Family Finance drive considerable uniformity to design features in the projects we finance that likely drives similarity in cost.

DRAFT
NOTICE OF FUNDING AVAILABILITY (NOFA)
MULTI-UNIT SUPPORTIVE HOUSING RESIDENTIAL PROJECTS

New Hampshire Housing Finance Authority (the “Authority”) is seeking applications for financing from qualified developers for projects that will provide supportive housing in any area of the state to extremely low-income individuals, with a priority for persons experiencing homelessness.

Eligible uses for this financing include purchase, rehabilitation, new construction, or conversion of existing housing into affordable permanent housing. The site for the proposed project must be finalized prior to application.

The source of funds for this NOFA is the federal [Housing Trust Fund](#). The competitive scores of respondents to this NOFA will also be used to award up to 50 Project Based rental assistance Vouchers (“PBVs”) to those projects which are eligible. It is the intent of the Authority to award both PBVs and deferred (non-amortizing, non-interest-bearing) loans funded with HTF to the highest scoring projects based on the scoring criteria in this NOFA.

Proposed projects must meet the following qualifications:

1. Program requirements of the federally funded Housing Trust Fund (“HTF”) (24 CFR Parts 91 and 93)
2. Program Rules for the Special Needs Housing Program (HFA:112) updated September 1, 2017.

If intending to apply for Project Based Vouchers, projects must also meet the eligibility requirements for federally funded PBVs (24 CFR Part 983). If applicants do not wish to apply for PBVs, or determine that their proposed project is not an eligible use of PBVs, they should indicate in the application cover letter that they are applying only for HTF financing and not for PBVs.

Applicants may apply for loans of \$150,000 up to \$1,250,000. At least \$1,250,000 will be available through this NOFA. This program is for rental housing only.

All application materials must be uploaded electronically to Apricot Social Solutions, <https://apricot.socialsolutions.com> by 4:30 PM on TBD, 2020. Contact Kevin Hunter, no later than TBD, 2020, at khunter@nhhfa.org or (603) 310-9224 to set up an Apricot account.

Potential applicants are encouraged to attend an informational meeting at the offices of New Hampshire Housing at 32 Constitution Drive, Bedford, NH 03110 at 2:00 PM on TBD, 2020. Registration for this meeting is required; please contact Jess McCarthy at jmcarthy@nhhfa.org or (603) 310-9272 to be registered.

Threshold Requirements and Scoring Criteria for Housing Trust Fund NOFA

In addition to submission of a complete application form, all applications will be reviewed under the following Threshold Criteria. Failure to comply with any of the Threshold Criteria may, at the sole discretion of the Authority, result in the rejection of the application.

Threshold Criteria:

1. Feasibility and Appropriateness: The proposed project's characteristics or location must be considered feasible from a financial and regulatory standpoint including but not limited to compliance with:
 1. NH RSA Chapter 204-C
 2. [NH RSA:48-A:14](#), minimum housing standards, and local minimum requirements for use and occupancy of housing
 3. The 2018 Action Plan, State of New Hampshire (part of the State's Consolidated Plan)
 4. The Authority's Underwriting Standards and Development Policies for Multi-Family Finance
 5. The Authority's Design and Construction Policy Rules ([HFA 111](#)) Compliance with the Authority's [Technical Design and Construction Standards](#) or Technical Design and Construction Standards for Rehabilitation, as applicable.
 6. The Authority's Rules for the Special Needs Program (HFA 112)
2. Eligible Projects: Per HFA:112.01 (c), except Transitional Housing.
3. Eligible Applicants: Per HFA:112.10.
4. Financial Sustainability: The Authority will review the sources and uses proposed for the project as well as the operating budget and pro forma. The level of funding requested must be sufficient but not exceed the amount needed to ensure the proposed project is financially viable and does not depend on later infusions of subsidy.
5. Income Targeting and Rent Limits: all units assisted with the Housing Trust Fund must be reserved throughout the affordability period for extremely low-income (ELI) households as defined by HUD (this generally refers to households that do not have income in excess of 30% of the Area Median Income). Rents cannot exceed ELI rent limits published by HUD, adjusted for unit size, geographic area, and utility allowances.
6. Beneficiary Targeting: Per HFA: 112.01(d). Additionally, projects must prioritize persons experiencing homelessness ahead of all other prospective tenants. This priority for persons

experiencing homelessness must apply for all HTF-assisted units. “Homeless” is defined as an individual or family who lacks a fixed, regular, and adequate nighttime residence.

7. Site Control: Applicant must have secure site control in the form of a deed, executed option to purchase, or executed purchase and sales agreement. A long-term lease, the duration of which is not less than the affordability period, is acceptable.
8. Cost Reasonableness: Project applications will be evaluated for cost reasonableness. Applications which indicate unreasonably high total or specific line item development or operating costs as determined at the discretion of the Authority may be rejected. Projects must comply with the following Maximum Per-unit Development Subsidy Amount:

# of Bedrooms	Maximum Per-Unit Subsidy
Shared Bedroom	\$ 80,000 Per bed
Single Room Occupancy (SRO)	\$110,000
0 Bedroom	\$149,868
1 Bedroom	\$171,801
2 Bedroom	\$208,912
3 Bedroom	\$270,266
4+ Bedroom	\$296,666

These limits apply to the total Authority-administered subsidy included in the project’s development budget divided by the total number of supportive needs housing units.

9. Development and Management Capacity: the members of the development and management organizations must:
 - a. Demonstrate the experience or ability to successfully complete and manage the project;
 - b. Be compliant or otherwise not in default with this or any other Authority program as determined by the Authority;
 - c. Not have a history of noncompliance in Authority programs;
 - d. Not have any significant negative history with other local, state or federal agencies.
10. Readiness: the project must be able to satisfy the following criteria for readiness at time of application:
 - a. Development and Operating Budgets prepared and submitted in NHHFA format;
 - b. Schematic design;
 - c. Permit status letter submitted (signed by applicant’s attorney or local zoning official; letter must describe status of zoning and permitting but need not be a formal legal opinion). Points will be awarded for advanced readiness;
 - d. The project must satisfy the criteria of the Progress Phase Requirements (Appendix B) within 120 days of notification of a reservation of funding; and proposed development schedule (Appendix C to this NOFA) must be submitted at time of application.

11. Matching Resources: The Authority requires the generation/investment of matching resources in an amount equal to 10% of awarded Housing Trust Fund financing. Donations in the form of cash, property, materials, etc. are eligible sources of match. So-called “sweat equity” is not an eligible matching resource.

Scoring Criteria:

Applications which have been evaluated and accepted into the application pool for scoring shall be scored in the categories below. Where appropriate, scoring shall be based on comparisons between applications received in the same round. Documentation that is received after the time of application will not be used in the scoring unless it is requested by the Authority. The Authority may reject any documentation deemed to be insufficient, unsupported, or inadequate for the particular scoring criteria.

1. Development Capacity: Applications will be scored based on evidence that the Applicant can successfully develop the property. If applicant has no prior development experience, zero points will be awarded.
0-10 points
2. Management Capacity and Experience: Applications will be scored based on evidence that the Applicant can successfully operate the property. If applicant has no prior experience managing rental property, zero points will be awarded.
0-10 points
3. Introduction of new units of Supportive Affordable Housing: each application must introduce new beds to the state supply of supportive affordable housing. These new beds may be created through either new construction or rehabilitation or conversion of existing units not currently in use as supportive affordable housing.
 - a. Eligible uses:
 - i. New housing that is supportive, and affordable (either through new construction or conversion of an existing building to a residential use).
 - ii. Conversion of units from rent and/or income restricted affordable rental housing to supportive affordable housing.
 - iii. Conversion of supportive housing that is not currently affordable (subject to rent and/or income restrictions) to supportive affordable housing.
 - b. Not eligible:
 - i. Rehabilitation of existing supportive affordable (rent and income restricted) housing.

0-20 points
1 point for each new unit up to a maximum of 20 points
.5 point per bed for projects with shared bedrooms
4. Advanced Readiness: Points will be awarded for projects that have achieved certain milestones in the development process:
 - a. Phase 1 Environmental Site Assessment completed in the last five years

5 points

- b. All necessary local planning and zoning permits are in hand, including site plan approval. A site plan approval that requires additional planning board approvals will not be given these points. Projects that do not require planning and zoning approval will qualify for these points. Backup must be submitted in order to qualify for these points such as a permit status letter from the sponsor's attorney, project engineer, or town planning official. The status letter need not be a formal legal opinion.

15 points

- c. Design/Construction readiness. This category awards additional points to applicants whose projects have advanced in the design and construction procurement process. These points are cumulative; a project with a signed contract and complete documents will receive 10 points.

- Design Development Documents Completed

3 points

- 100% Construction Documents Completed

3 points

(submit complete set marked FOR CONSTRUCTION)

Projects that do not require construction documents may qualify for these points provided that any work being done to the facility is adequately defined in a scope of work document to allow for bidding by trade contractors, in the sole determination of the Authority. **Please note, construction contracts must be procured in accordance with Authority rules (HFA 111).**

4. Service Plan: All applications will be evaluated for the quality of their plan to provide services to support residents' needs. While applicants proposing a higher level of services may have an advantage in scoring as compared to others with service plans of similar quality, the primary purpose of this scoring category is to evaluate the plans' ability to be implemented and consistency with industry best practices.

0-5 points

5. Projects which have a new Project Based Voucher rental assistance subsidy from a source other than the Authority for at least 66% of the units for at least five years.

5 points

6. Duration of Affordability period: A Land Use Restriction Agreement (LURA) will be placed on properties to ensure compliance with occupancy, rent limitation, physical standards and other requirements for a minimum 30-year term. Applications will be awarded points for committing to a 40-year affordability period instead of the required 30-year affordability period.

5 points

7. Matching Non-Federal Resources: Applications will be awarded points qualifying non-federal matching resources that are committed or likely to be committed to the project. One point will be awarded for match equal to each full 5% amount of Housing Trust Funds requested. All matching resources claimed by the

Applicant shall be approved by the Authority before points are awarded. Support and justification are to be provided by the Applicant. Maximum of 10 points.

0-10 points

8. Matching Federal Resources: Applications will be awarded points for qualifying federal matching resources committed or likely to be committed to the project. One point will be awarded for match equal to each full 5% amount of Housing Trust Funds requested. All matching resources claimed by the Applicant shall be approved by the Authority before points are awarded. Support and justification are to be provided by the Applicant. Maximum of 10 points.

0-10 points

Allocation Process:

1. All applications are reviewed for completeness. Incomplete applications will be rejected; though minor variances may be deemed acceptable. The Authority may reject any documentation deemed to be insufficient, unsupported, or inadequate for the particular scoring criteria. The Authority is not required to notify the applicant of inconsistencies or missing information.
2. Applications are scored and ranked in accordance with the Scoring Criteria in this NOFA. Projects are recommended for a reservation of HTF funding and project based rental assistance (if applicable) based on the competitive scoring results; however, a project must receive a minimum of 55 (fifty-five) points to be eligible for reservation of financing. Reservations will be made by Authority Staff no later than TBD, 2020.
3. When, after funding the highest scoring project or projects, insufficient funds are available for the next highest scoring project, the Authority retains the right to bypass that project and either fund a lower scoring project which can effectively use the remaining HTF available or retain the HTF in a future year.
4. If, after every project that meets threshold criteria has been funded, additional funds are available, the Authority reserves the right to award additional funding to any of the applicants (in excess of \$1,250,000 per project, if necessary) in order to address changed circumstances or ensure project feasibility.

5. Geographical distribution

- a. Requirements for geographical distribution will be triggered if more than two projects are funded through this NOFA.

Number of Projects funded in this NOFA	Number of Counties which must be represented
2	1
3	2
4	3
5	4

- b. Projects may be selected over higher scoring applicants to meet this requirement. However, the Authority will not consider applications which fail to meet threshold requirements regardless of whether funding those projects would allow this requirement to be met.

6. Waiver Authority: The Authority reserves the right to waive any of the provisions of this NOFA, within the constraints of the applicable federal regulations. Applicants must submit a written request for a waiver. A hearing will be scheduled within 30 days of the request by Authority staff. Upon a finding of good cause, a waiver may be granted on a case-by-case basis by the Executive Director. A waiver of the provisions of this NOFA can also be initiated by the Executive Director, in which case no hearing is necessary.
7. Appeal Process: Applicants may appeal the Authority's decision, solely with regard to their application. The Authority will send letters to the Applicant via email informing them that a reservation is not being made by TBD, 2020. Applicants who want to appeal this decision must submit a formal request within five (5) business days. The appeal request is first considered by the Authority's -Multi-Family Working Group. If the -Multi-Family Working Group upholds the original decision, the applicant will have five (5) business days from the written email notice of this decision to submit a formal notice of appeal to the Authority's Board of Directors.
8. Project Representations: Representations made about the project relating to ownership or management, or factors that are used in the selection and scoring criteria may not be changed without the express written permission of the Authority. Funding reservations may be rescinded if the project changes in a way that reduces the competitive score.

9. References: Applicants are required to provide authorization so that references and credit can be checked.
10. Warrant and Liability: The Authority intends to allocate no more HTF funding to any given project than is required to make the project economically feasible. This decision is made solely at the discretion of the Authority but does not represent or warrant to any applicant, developer, partner, investor, lender, or others that the project is feasible or risk free. No Board member, officer or employee of the Authority shall be personally liable concerning any matters arising out of or in relation to the allocation of funding or compliance monitoring. The Authority's obligation to monitor for compliance does not make the Authority liable for an owner's noncompliance.
11. New Hampshire Right to Know Law: The Authority is subject to RSA Chapter 91-A, which is known as the "Right-to-Know Law." Applicants should be aware that any information submitted as part of the application to the Authority may be considered public information.

APPENDIX A

REQUIRED APPLICATION SUBMISSIONS

Item #	Description
1	Cover letter with narrative description of proposed project
2	Completed Application for Reservation (Microsoft Excel workbook, NHHFA format)
3	Site Location Map and Site Plan
4	Evidence of Site Control (Deed, executed P&S, executed option to purchase)
5	Evidence of planning board approval/building permit or “will-issue” letter OR evidence that no permit is required OR permit status letter
6	Documentation of Matching Resources (acceptable forms include letters of commitment, letters of interest, and approved applications for other funding sources).
7	Construction Scope of Work with Cost Estimates and Identification of Estimator (if construction documents are provided, written scope of work is not required)
8	List of Developer’s Other Real Estate
9	Resumes of Development Team
10	Management Agent Questionnaire on New Hampshire Housing form
11	Schematic Design plans and specifications
12	Proposed Development Schedule/Timeline (use Appendix C)
13	Tenant Selection Plan
14	Tenant Services Plan
15	Self-Scoring (explanation of which points categories the sponsor believes the project is entitled to, with explanations)

APPENDIX B

PROGRESS PHASE REQUIREMENTS

The documents listed below must be submitted to the Authority within 120 days of emailed notification of a reservation of HTF financing.

Projects must meet the requirements of the progress phase to be eligible for a commitment of HTF funding. Progress requirement extensions may be granted at the sole discretion of the Authority. The HTF funding reservation may be rescinded at the sole discretion of the Authority for not meeting the progress phase requirements or for a failure to meet the general criteria in the NOFA.

All requirements are “if applicable.” It is the responsibility of the applicant to confirm with Authority staff which exhibits are not applicable for each project. This can be confirmed after reservation but before the 120-day progress phase deadline.

1. Environmental site assessment, HUD checklists, and related reports (lead, asbestos, historic, archeological, etc.) if required by the Authority;
2. Appraisal (if required by the Authority);
3. Evidence of zoning/local approvals;
4. Permanent financing letter of commitment;
5. Construction financing letter of commitment;
6. Executed grant agreements;
7. Evidence of continued site control;
8. Soils and/or structural engineering report;
9. Copy of the architect contract;
10. Executed tenant services agreement binding on both parties;
11. Copy of contract for consultant services

APPENDIX C
PROJECTED DEVELOPMENT SCHEDULE

	<u>Date</u>	<u>Milestone</u>
A	TBD, 2020	HTF Funding reservation
B		Construction/ rehab plans and specifications completed
C		Construction pricing completed; contracts executed
D		Local permits obtained
E		Phase 1 Environmental Site Assessment completed
F		Statutory checklist / Environmental Assessment checklist (if applicable)
G		NHHFA financing commitment
H		All other necessary financing commitments or grants obtained
I		Loan Closing
J		Construction start
K		Construction Completion
L		Project placed into service

I have reviewed this schedule and concur that the representations and assumptions are reasonable and achievable.

_____ **Developer's initials**

_____ **Architect's initials (if applicable)**

_____ **General Contractor/ Construction Manager initials (if applicable)**

**This is not a complete list of Authority requirements or project milestones.
Sequence of events may not match the order in which milestones are listed.**

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

<https://www.nhhfa.org/developer-financing/design-and-construction/>

New Hampshire Housing HTF Rehab Standards Appendix A: Uniform Physical Condition Standards for Multifamily Housing Rehabilitation

NOTE: Deficiencies highlighted in orange are life-threatening and must be addressed immediately, if the housing is occupied.

Requirements for Site		
Inspectable Item	Observable Deficiency	Type and Degree of Deficiency that must be addressed
Fencing and Gates	Damaged/Falling/Leaning	<i>Fence or gate is missing or damaged to the point it does not function as it should</i>
	Holes	<i>Hole in fence or gate is larger than 6 inches by 6 inches</i>
	Missing Sections	<i>An exterior fence, security fence or gate is missing a section which could threaten safety or security</i>
Grounds	Erosion/Rutting Areas	<i>Runoff has extensively displaced soils which has caused visible damage or potential failure to adjoining structures or threat safety of pedestrians or makes the grounds unusable</i>
	Overgrown/Penetrating Vegetation	<i>Vegetation has visibly damaged a component, area or system of the property or has made them unusable or unpassable</i>
	Ponding/Site Drainage	<i>There is an accumulation of more than 5 inches deep and/or a large section of the grounds-more than 20%-is unusable for intended purpose due to poor drainage or ponding</i>
Health & Safety	Air Quality - Sewer Odor Detected	<i>Sewer odors that could pose a health risk if inhaled for prolonged periods</i>
	Air Quality - Propane/Natural Gas/Methane Gas Detected	<i>Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled</i>
	Electrical Hazards - Exposed Wires/Open Panels	<i>Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)</i>
	Electrical Hazards - Water Leaks on/near Electrical Equipment	<i>Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion</i>
	Flammable Materials - Improperly Stored	<i>Flammable materials are improperly stored, causing the potential risk of fire or explosion</i>
	Garbage and Debris - Outdoors	<i>Too much garbage has gathered-more than the planned storage capacity, or garbage has gathered in an area not sanction staging or storing garbage or debris</i>
	Hazards - Other	<i>Any general defects or hazards that pose risk of bodily injury</i>
	Hazards - Sharp Edges	<i>Any physical defect that could cause cutting or breaking of human skin or other bodily harm</i>
	Hazards - Tripping	<i>Any physical defect in walkways or other travelled area that poses a tripping risk</i>
	Infestation - Insects	<i>Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area o area of building substantial enough to present a health and safety risk</i>
	Infestation - Rats/Mice/Vermin	<i>Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk</i>
Mailboxes/Project Signs	Mailbox Missing/Damaged	<i>Mailbox cannot be locked or is missing</i>
	Signs Damaged	<i>The project sign is not legible or readable because of deterioration or damage</i>

Parking Lots/Driveways/Roads	Cracks	Cracks that are large enough to affect traffic ability over more than 5% of the property's parking lots/driveways/roads or pose a safety hazard
	Ponding	3 inches or more of water has accumulated making 5% or more of a parking lot/driveway unusable or unsafe
	Potholes/Loose Material	Potholes or loose material that have made a parking lot/driveway unusable/unpassable for vehicles and/or pedestrians or cause tripping or falling
	Settlement/Heaving	Settlement/heaving has made a parking lot/driveway unusable/unpassable or creates unsafe conditions for pedestrians and vehicles
Play Areas and Equipment	Damaged/Broken Equipment	More than 20% of the equipment is broken or does not operate as it should or any item that poses a safety risk
	Deteriorated Play Area Surface	More than 20% of the play surface area shows deterioration or the play surface area could cause tripping or falling and a safety risk
Refuse Disposal	Broken/Damaged Enclosure-Inadequate Outside Storage Space	A single wall or gate of the enclosure has collapsed or is leaning and in danger of falling or trash cannot be stored in the designated area because it is too small to store refuse until disposal
Retaining Walls	Damaged/Falling/Leaning	A retaining wall is damaged and does not function as it should or is a safety risk
Storm Drainage	Damaged/Obstructed	The system is partially or fully blocked by a large quantity of debris, causing backup into adjacent areas or runoffs into areas runoff is not intended
Walkways/Steps	Broken/Missing Hand Railing	The handrail is missing, damaged, loose or otherwise unusable
	Cracks/Settlement/Heaving	Cracks, hinging/tilting or missing sections that affect traffic ability over more than 5% of the property's walkways/steps or a defect that creates a tripping or falling hazard
	Spalling/Exposed rebar	More than 5% of walkways have large areas of spalling--larger than 4 inches by 4 inches--that affects traffic ability
Requirements for Building Exterior		
Inspectable Item	Observable Deficiency	
Doors	Damaged Frames/Threshold/Lintels/Trim	Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel, or trim
	Damaged Hardware/Locks	Any door that does not function as it should or cannot be locked because of damage to the door's hardware
	Damaged Surface (Holes/Paint/Rusting/Glass)	Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects integrity of the door surface, or broken/missing glass
	Damaged/Missing Screen/Storm/Security Door	Any screen door or storm door that is damaged or is missing screens or glass--shown by an empty frame or frames or any screen door that is not functioning or is missing
	Deteriorated/Missing Caulking/Seals	The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should
	Missing Door	Any exterior door that is missing
Fire Escapes	Blocked Egress/Ladders	Stored items or other barriers restrict or block people from exiting
	Visibly Missing Components	Any of the functional components that affect the function of the fire escape--one section of a ladder or railing, for example missing

Foundations	Cracks/Gaps	<i>Large cracks in foundation more than 3/8 inches wide by 3/8 inches deep by 6 inches long that present a possible sign of a structural problem, or opportunity for water penetration or sections of wall or floor that are broken apart</i>
	Spalling/Exposed Rebar	<i>Significant spalled areas affecting more than 10% of any foundation wall or any exposed reinforcing material--rebar or other</i>
Health and Safety	Electrical Hazards - Exposed Wires/Open Panels	<i>Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)</i>
	Electrical Hazards - Water Leaks on/near Electrical Equipment	<i>Any water leaking, puddling, or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution, or explosion</i>
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	<i>The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained debris, storage, or other conditions block exit</i>
	Emergency Fire Exits - Missing Exit Signs	<i>Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign</i>
	Flammable/Combustible Materials - Improperly Stored	<i>Flammable materials are improperly stored, causing the potential risk of fire or explosion</i>
	Garbage and Debris - Outdoors	<i>Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned staging or storing garbage or debris</i>
	Hazards - Other	<i>Any general defects or hazards that pose risk of bodily injury</i>
	Hazards - Sharp Edges	<i>Any physical defect that could cause cutting or breaking of human skin or other bodily harm</i>
	Hazards - Tripping	<i>Any physical defect in walkways or other travelled area that poses a tripping risk</i>
	Infestation - Insects	<i>Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area of a building substantial enough to present a health and safety risk</i>
	Infestation - Rats/Mice/Vermin	<i>Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk</i>
Lighting	Broken Fixtures/Bulbs	<i>10% or more of the lighting fixtures and bulbs surveyed are broken or missing</i>
Roofs	Damaged Soffits/Fascia	<i>Soffits or fascia that should be there are missing or so damaged that water penetration is visibly possible</i>
	Damaged Vents	<i>Vents are missing or so visibly damaged that further roof damage is possible</i>
	Damaged/Clogged Drains	<i>The drain is damaged or partially clogged with debris or the drain no longer functions</i>
	Damaged/Torn Membrane/Missing Ballast	<i>Ballast has shifted and no longer functions as it should or there is damage to the roof membrane that may result in water penetration</i>
	Missing/Damaged Components from Downspout/Gutter	<i>Drainage system components are missing or damaged causing visible damage to the roof, structure, exterior wall surface, interior</i>
	Missing/Damaged Shingles	<i>Roofing shingles are missing or damaged enough to create a risk of water penetration</i>
	Ponding	<i>Evidence of standing water on roof, causing potential or visible damage to roof surface or underlying materials</i>

Walls	Cracks/Gaps	<i>Any large crack or gap that is more than 3/8 inches wide or deep and 6 inches long that presents a possible sign of serious structural problem or opportunity for water penetration</i>
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	Damaged Chimneys	<i>Part or all of the chimney has visibly separated from the adjacent wall or there are cracked or missing pieces large enough to present a sign of chimney failure or there is a risk of falling pieces that could create a safety hazard</i>
	Missing/Damaged Caulking/Mortar	<i>Any exterior wall caulking or mortar deterioration that presents a risk of water penetration or risk of structural damage</i>
	Missing Pieces/Holes/Spalling	<i>Any exterior wall deterioration or holes of any size that present a risk of water penetration or risk of structural damage</i>
	Stained/Peeling/Needs Paint	<i>More than 20% of the exterior paint is peeling or paint is missing, and siding surface is exposed thereby exposing siding to w penetration and deterioration</i>
Windows	Broken/Missing/Cracked Panes	<i>Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to impact the structural integrity of the windowpane</i>
	Damaged Sills/Frames/Lintels/Trim	<i>Sills, frames, lintels, or trim are missing or damaged, exposing the inside of the surrounding walls and compromising its weather tightness</i>
	Damaged/Missing Screens	<i>Missing screens or screens with holes greater than 1 inch by 1 inch or tears greater than 2 inches in length</i>
	Missing/Deteriorated Caulking/Seals/Glazing Compound	<i>There are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure</i>
	Peeling/Needs Paint	<i>More than 20% of the exterior window paint is peeling or paint is missing, and window frame surface is exposed thereby exposing window frame to water penetration and deterioration</i>
	Security Bars Prevent Egress	<i>The ability to exit through egress window is limited by security bars that do not function properly and, therefore, pose safety</i>
Requirements for Building Systems		
Inspectable Item	Observable Deficiency	
Domestic Water	Leaking Central Water Supply	<i>Leaking water from water supply line is observed</i>
	Missing Pressure Relief Valve	<i>There is no pressure relief valve or pressure relief valve does not drain down to the floor</i>
	Rust/Corrosion on Heater Chimney	<i>The water heater chimney shows evidence of flaking, discoloration, pitting, or crevices that may create holes that could allow gases to leak from the chimney</i>
	Water Supply Inoperable	<i>There is no running water in any area of the building where there should be</i>
Electrical System	Blocked Access/Improper Storage	<i>One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during emergency</i>
	Burnt Breakers	<i>Carbon residue, melted breakers or arcing scars are evident</i>
	Evidence of Leaks/Corrosion	<i>Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electric enclosures, or any evidence of water leaks in the enclosure or hardware</i>

	Frayed Wiring	<i>Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire</i>
	Missing Breakers/Fuses	<i>Any open and/or exposed breaker port</i>
	Missing Outlet Covers	<i>A cover is missing, which results in exposed visible electrical connections</i>
Elevators	Not Operable	<i>The elevator does not function at all or the elevator doors open when the cab is not there</i>
Emergency Power	Auxiliary Lighting Inoperable (if applicable)	<i>Auxiliary lighting does not function</i>
Fire Protection	Missing Sprinkler Head	<i>Any sprinkler head is missing, visibly disabled, painted over, blocked, or capped</i>
	Missing/Damaged/Expired Extinguishers	<i>There is missing, damaged or expired fire extinguisher an any area of the building where a fire extinguisher is required</i>
Health & Safety	Air Quality - Mold and/or Mildew Observed	<i>Evidence of mold or mildew is observed that is substantial enough to pose a health risk</i>
	Air Quality - Propane/Natural Gas/Methane Gas Detected	<i>Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled</i>
	Air Quality - Sewer Odor Detected	<i>Sewer odors that could pose a health risk if inhaled for prolonged periods</i>
	Electrical Hazards - Exposed Wires/Open Panels	<i>Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)</i>
	Electrical Hazards - Water Leaks on/near Electrical Equipment	<i>Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion</i>
	Elevator - Tripping	<i>An elevator is misaligned with the floor by more than 3/4 of an inch. The elevator does not level as it should, which causes a tripping hazard</i>
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	<i>The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained debris, storage, or other conditions block exit</i>
	Emergency Fire Exits - Missing Exit Signs	<i>Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign</i>
	Flammable Materials - Improperly Stored	<i>Flammable materials are improperly stored, causing the potential risk of fire or explosion</i>
	Garbage and Debris - Indoors	<i>Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned staging or storing garbage or debris</i>
	Hazards - Other	<i>Any general defects or hazards that pose risk of bodily injury</i>
	Hazards - Sharp Edges	<i>Any physical defect that could cause cutting or breaking of human skin or other bodily harm</i>
	Hazards – Tripping Hazards	<i>Any physical defect in walkways or other travelled area that poses a tripping risk</i>
	Infestation - Insects	<i>Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area of building substantial enough to present a health and safety risk</i>
	Infestation - Rats/Mice/Vermin	<i>Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk</i>
HVAC	Boiler/Pump Leaks	<i>Evidence of water or steam leaking in piping or pump packing</i>

	Fuel Supply Leaks	<i>Evidence of any amount of fuel leaking from the supply tank or piping</i>
	General Rust/Corrosion	<i>Significant formations of metal oxides, significant flaking, discoloration, or the development of a noticeable pit or crevice</i>
	Misaligned Chimney/Ventilation System	<i>A misalignment of an exhaust system on a combustion fuel-fired unit (oil, natural gas, propane, wood pellets etc.) that causes improper or dangerous venting of gases</i>
Roof Exhaust System	Roof Exhaust Fan(s) Inoperable	<i>The roof exhaust fan unit does not function</i>
Sanitary System	Broken/Leaking/Clogged Pipes or Drains	<i>Evidence of active leaks in or around the system components or evidence of standing water, puddles or ponding-a sign of leaking or clogged drains</i>
	Missing Drain/Cleanout/Manhole Covers	<i>A protective cover is missing</i>
Requirements for Common Areas		
Inspectable Item	Observable Deficiency	
Basement/Garage/Carport	Baluster/Side Railings - Damaged	<i>Any damaged or missing balusters or side rails that limit the safe use of an area</i>
Closet/Utility/Mechanical	Cabinets - Missing/Damaged	<i>10% or more of cabinet, doors, or shelves are missing or the laminate is separating</i>
Community Room	Call for Aid - Inoperable	<i>The system does not function as it should</i>
Halls/Corridors/Stairs	Ceiling - Holes/Missing Tiles/Panels/Cracks	<i>Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 11 inches long</i>
Kitchen	Ceiling - Peeling/Needs Paint	<i>More than 10% of ceiling has peeling paint or is missing paint</i>
Laundry Room	Ceiling - Water Stains/Water Damage/Mold/Mildew	<i>Evidence of a leak, mold or mildew--such as a darkened area--over a ceiling area greater than 1 foot square</i>
Lobby	Countertops - Missing/Damaged	<i>10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminate - not sanitary to prepare food</i>
Office	Dishwasher/Garbage Disposal - Inoperable	<i>The dishwasher or garbage disposal does not operate as it should</i>
Other Community Spaces	Doors - Damaged Frames/Threshold/Lintels/Trim	<i>Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim</i>
Patio/Porch/Balcony	Doors - Damaged Hardware/Locks	<i>Any door that does not function as it should or cannot be locked because of damage to the door's hardware</i>
Restrooms	Doors - Damaged Surface (Holes/Paint/Rust/Glass)	<i>Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects integrity of the door surface, or broken/missing glass</i>
Storage	Doors - Damaged/Missing Screen/Storm/Security Door	<i>Any screen door or storm door that is damaged or is missing screens or glass--shown by an empty frame or frames or any screen door that is not functioning or is missing</i>
	Doors - Deteriorated/Missing Seals (Entry Only)	<i>The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should</i>
	Doors - Missing Door	<i>Any door that is missing that is required for the functional use of the space</i>
	Dryer Vent -Missing/Damaged/Inoperable	<i>The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside</i>

	Electrical - Blocked Access to Electrical Panel	<i>One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during emergency</i>
	Electrical - Burnt Breakers	<i>Carbon residue, melted breakers or arcing scars are evident</i>
	Electrical - Evidence of Leaks/Corrosion	<i>Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electric enclosures or any evidence of water leaks in the enclosure or hardware</i>
	Electrical - Frayed Wiring	<i>Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire</i>
	Electrical - Missing Breakers	<i>Any open and/or exposed breaker port</i>
	Electrical - Missing Covers	<i>A cover is missing, which results in exposed visible electrical connections</i>
	Floors - Bulging/Buckling	<i>Any flooring that is bulging, buckling or sagging or a problem with alignment between flooring types</i>
	Floors - Floor Covering Damaged	<i>More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.</i>
	Floors - Missing Floor/Tiles	<i>More than 5% of the flooring or tile flooring is missing</i>
	Floors - Peeling/Needs Paint	<i>Any painted flooring that has peeling or missing paint on more than 10% of the surface</i>
	Floors - Rot/Deteriorated Subfloor	<i>Any rotted or deteriorated subflooring greater than 6 inches by 6 inches</i>
	Floors - Water Stains/Water Damage/Mold/Mildew	<i>Evidence of a leak, mold or mildew--such as a darkened area--covering a flooring area greater than 1 foot square</i>
	GFI - Inoperable	<i>The GFI does not function</i>
	Graffiti	<i>Any graffiti on any exposed surface greater than 6 inches by 6 inches</i>
	HVAC - Convection/Radiant Heat System Covers Missing/Damaged	<i>Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans</i>
	HVAC - General Rust/Corrosion	<i>Significant formations of metal oxides, flaking, or discoloration--or a pit or crevice</i>
	HVAC - Inoperable	<i>HVAC does not function. It does not provide the heating and cooling it should. The system does not respond when the control engaged</i>
	HVAC - Misaligned Chimney/Ventilation System	<i>Any misalignment that may cause improper or dangerous venting of gases</i>
	HVAC - Noisy/Vibrating/Leaking	<i>HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged</i>
	Lavatory Sink - Damaged/Missing	<i>Sink has extensive discoloration or cracks in over 50% of the basin or the sink or associated hardware have failed or are missing and the sink can't be used</i>
	Lighting - Missing/Damaged/Inoperable Fixture	<i>More than 10% of the permanent lighting fixtures are missing or damaged so they do not function</i>
	Mailbox - Missing/Damaged	<i>The US Postal Service mailbox cannot be locked or is missing</i>
	Outlets/Switches/Cover Plates - Missing/Broken	<i>Outlet or switch is missing or a cover plate is missing or broken, resulting in exposed wiring</i>

	Pedestrian/Wheelchair Ramp	<i>A walkway or ramp is damaged and cannot be used by people on foot, in wheelchair, or using walkers</i>
	Plumbing - Clogged Drains	<i>Drain is substantially or completely clogged or has suffered extensive deterioration</i>
	Plumbing - Leaking Faucet/Pipes	<i>A steady leak that is adversely affecting the surrounding area</i>
	Range Hood /Exhaust Fans - Excessive Grease/Inoperable	<i>A substantial accumulation of dirt or grease that threatens the free passage of air</i>
	Range/Stove - Missing/Damaged/Inoperable	<i>One or more burners are not functioning, or doors or drawers are impeded or on gas ranges pilot is out and/or flames are not distributed equally or oven not functioning</i>
	Refrigerator - Damaged/Inoperable	<i>The refrigerator has an extensive accumulation of ice or the seals around the doors are deteriorated or is damaged in any way which substantially impacts its performance</i>
	Restroom Cabinet - Damaged/Missing	<i>Damaged or missing shelves, vanity top, drawers, or doors that are not functioning as they should for storage or their intended purpose</i>
	Shower/Tub - Damaged/Missing	<i>Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower, or tub or shower is missing</i>
	Sink - Missing/Damaged	<i>Any cracks in sink through which water can pass or extensive discoloration over more than 20% of sink, or sink is missing</i>
	Smoke Detector - Missing/Inoperable	<i>Smoke detector is missing or does not function as it should</i>
	Stairs - Broken/Damaged/Missing Steps	<i>A step is missing or broken</i>
	Stairs - Broken/Missing Hand Railing	<i>The handrail is missing, damaged, loose or otherwise unusable</i>
	Ventilation/Exhaust System - Inoperable	<i>exhaust fan is not functioning, or window designed for ventilation does not open</i>
	Walls - Bulging/Buckling	<i>Bulging, buckling or sagging walls or a lack of horizontal alignment</i>
	Walls - Damaged	<i>Any hole in wall greater than 2 inches by 2 inches</i>
	Walls - Damaged/Deteriorated Trim	<i>10% or more of the wall trim is damaged</i>
	Walls - Peeling/Needs Paint	<i>10% or more of interior wall paint is peeling or missing</i>
	Walls - Water Stains/Water Damage/Mold/Mildew	<i>Evidence of a leak, mold or mildew--such as a common area--covering a wall area greater than 1 foot square</i>
	Water Closet/Toilet - Damaged/Clogged/Missing	<i>Fixture elements--seat, flush handle, cover etc.--are missing or damaged or the toilet seat is cracked or has a broken hinge and cannot be flushed</i>
	Windows - Cracked/Broken/Missing Panes	<i>Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to the structural integrity of the windowpane</i>
	Windows - Damaged Windowsill	<i>The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness</i>
	Windows - Inoperable/Not Lockable	<i>Any window that is not functioning or cannot be secured because lock is broken</i>

	Windows - Missing/Deteriorated Caulking/Seals/Glazing Compound	<i>There are missing or deteriorated caulk or seals-with evidence of leaks or damage to the window or surrounding structure</i>
	Windows - Peeling/Needs Paint	<i>More than 10% of interior window paint is peeling or missing</i>
	Windows - Security Bars Prevent Egress	<i>The ability to exit through the window is limited by security bars that do not function properly and, therefore, pose safety risk</i>
Health & Safety	Air Quality - Mold and/or Mildew Observed	<i>Evidence of mold or mildew is observed that is substantial enough to pose a health risk</i>
	Air Quality - Propane/Natural Gas/Methane Gas Detected	<i>Strong propane, natural gas or methane odors that could pose a risk of explosion/ fire and/or pose a health risk if inhaled</i>
	Air Quality - Sewer Odor Detected	<i>Sewer odors that could pose a health risk if inhaled for prolonged periods</i>
	Electrical Hazards - Exposed Wires/Open Panels	<i>Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)</i>
	Electrical Hazards - Water Leaks on/near Electrical Equipment	<i>Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion</i>
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	<i>The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained debris, storage, or other conditions block exit</i>
	Emergency Fire Exits - Missing Exit Signs	<i>Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign</i>
	Flammable/Combustible Materials - Improperly Stored	<i>Flammable or combustible materials are improperly stored, causing the potential risk of fire or explosion</i>
	Garbage and Debris - Indoors	<i>Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned staging or storing garbage or debris</i>
	Garbage and Debris - Outdoors	<i>Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned staging or storing garbage or debris</i>
	Hazards - Other	<i>Any general defects or hazards that pose risk of bodily injury</i>
	Hazards - Sharp Edges	<i>Any physical defect that could cause cutting or breaking of human skin or other bodily harm</i>
	Hazards - Tripping	<i>Any physical defect in walkways or other travelled area that poses a tripping risk</i>
	Infestation - Insects	<i>Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area o area of building substantial enough to present a health and safety risk</i>
	Infestation - Rats/Mice/Vermin	<i>Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk</i>
Pools and Related Structures	Fencing - Damaged/Not Intact	<i>Any damage that could compromise the integrity of the fence</i>
Trash Collection Areas	Chutes - Damaged/Missing Components	<i>Garbage has backed up into chutes, because the collection structure is missing or broken or compactors or components-chute door, and other components--have failed</i>

Requirements for Unit		
Inspectable Item	Observable Deficiency	
Bathroom	Bathroom Cabinets - Damaged/Missing	<i>Damaged or missing shelves, vanity tops, drawers, or doors that are not functioning as they should for storage or their intended purpose</i>
	Lavatory Sink - Damaged/Missing	<i>missing</i>
	Plumbing - Clogged Drains, Faucets	<i>Drain or faucet is substantially or completely clogged or has suffered extensive deterioration</i>
	Plumbing - Leaking Faucet/Pipes	<i>A steady leak that is adversely affecting the surrounding area</i>
	Shower/Tub - Damaged/Missing	<i>Any cracks in tub or shower through which water can pass or extensive discoloration over more than 20% of tub or shower, or tub or shower is missing</i>
	Ventilation/Exhaust System – Absent/Inoperable	<i>exhaust fan is not functioning or window designed for ventilation does not open</i>
	Water Closet/Toilet - Damaged/Clogged/Missing	<i>Fixture elements--seat, flush handle, cover etc.--are missing or damaged or the toilet seat is cracked or has a broken hinge and cannot be flushed</i>
Call-for-Aid (if applicable)	Inoperable	<i>The system does not function as it should</i>
Ceiling	Bulging/Buckling/Leaking	<i>Bulging, buckling or sagging ceiling or problem with alignment</i>
	Holes/Missing Tiles/Panels/Cracks	<i>Any holes in ceiling, missing tiles or large cracks wider than 1/4 of an inch and greater than 6 inches long</i>

	Peeling/Needs Paint	<i>More than 10% of ceiling has peeling paint or is missing paint</i>
	Water Stains/Water Damage/Mold/Mildew	<i>Evidence of a leak, mold or mildew--such as a darkened area--over a ceiling area greater than 1 foot square</i>
Doors	Damaged Frames/Threshold/Lintels/Trim	<i>Any door that is not functioning or cannot be locked because of damage to the frame, threshold, lintel or trim</i>
	Damaged Hardware/Locks	<i>Any door that does not function as it should or cannot be locked because of damage to the door's hardware</i>
	Damaged/Missing Screen/Storm/Security Door	<i>Any screen door or storm door that is damaged or is missing screens or glass--shown by an empty frame or frames or any screen door that is not functioning or is missing</i>
	Damaged Surface - Holes/Paint/Rusting/Glass/Rotting	<i>Any door that has a hole or holes greater than 1 inch in diameter, significant peeling/cracking/no paint or rust that affects integrity of the door surface, or broken/missing glass</i>
	Deteriorated/Missing Seals (Entry Only)	<i>The seals/caulking is missing on any entry door, or they are so damaged that they do not function as they should</i>
	Missing Door	<i>Any door that is required for security (entry) or privacy (Bathroom) that is missing or any other unit door that is missing and required for proper unit functionality</i>
Electrical System	Blocked Access to Electrical Panel	<i>One or more fixed items or items of sufficient size and weight impede access to the building system's electrical panel during emergency</i>
	Burnt Breakers	<i>Carbon residue, melted breakers or arcing scars are evident</i>

	Evidence of Leaks/Corrosion	<i>Any corrosion that affects the condition of the components that carry current or any stains or rust on the interior of electric enclosures or any evidence of water leaks in the enclosure or hardware</i>
	Frayed Wiring	<i>Any nicks, abrasion, or fraying of the insulation that exposes any conducting wire</i>
	GFI - Inoperable	<i>The GFI does not function</i>
	Missing Breakers/Fuses	<i>Any open and/or exposed breaker port</i>
	Missing Covers	<i>A cover is missing, which results in exposed visible electrical connections</i>
Floors	Bulging/Buckling	<i>Any flooring that is bulging, buckling, or sagging or a problem with alignment between flooring types</i>
	Floor Covering Damage	<i>More than 10% of floor covering has stains, surface burns, shallow cuts, small holes, tears, loose areas or exposed seams.</i>
	Missing Flooring Tiles	<i>Any flooring or tile flooring that is missing</i>
	Peeling/Needs Paint	<i>Any painted flooring that has peeling or missing paint on more than 10% of the surface</i>
	Rot/Deteriorated Subfloor	<i>Any rotted or deteriorated subflooring greater than 6 inches by 6 inches</i>
	Water Stains/Water Damage/Mold/Mildew	<i>Evidence of a leak, mold or mildew--such as a darkened area--covering a flooring area greater than 1 foot square</i>
Health & Safety	Air Quality - Mold and/or Mildew Observed	<i>Evidence of mold or mildew is observed that is substantial enough to pose a health risk</i>
	Air Quality - Sewer Odor Detected	<i>Sewer odors that could pose a health risk if inhaled for prolonged periods</i>
	Air Quality - Propane/Natural Gas/Methane Gas Detected	<i>Strong propane, natural gas or methane odors that could pose a risk of explosion/fire and/or pose a health risk if inhaled</i>
	Electrical Hazards - Exposed Wires/Open Panels	<i>Any exposed bare wires or openings in electrical panels (capped wires do not pose a risk)</i>
	Electrical Hazards - Water Leaks on/near Electrical Equipment	<i>Any water leaking, puddling or ponding on or immediately near any electrical apparatus that could pose a risk of fire, electrocution or explosion</i>
	Emergency Fire Exits - Emergency/Fire Exits Blocked/Unusable	<i>The exit cannot be used or exit is limited because a door or window is nailed shut, a lock is broken, panic hardware is chained debris, storage, or other conditions block exit</i>
	Emergency Fire Exits - Missing Exit Signs	<i>Exit signs that clearly identify all emergency exits are missing or there is no illumination in the area of the sign</i>
	Flammable Materials - Improperly Stored	<i>Flammable materials are improperly stored, causing the potential risk of fire or explosion</i>
	Garbage and Debris - Indoors	<i>Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned staging or storing garbage or debris</i>
	Garbage and Debris - Outdoors	<i>Too much garbage has gathered-more than the planned storage capacity or garbage has gathered in an area not sanctioned staging or storing garbage or debris</i>
	Hazards - Other	<i>Any general defects or hazards that pose risk of bodily injury</i>

	Hazards - Sharp Edges	<i>Any physical defect that could cause cutting or breaking of human skin or other bodily harm</i>
	Hazards - Tripping	<i>Any physical defect in walkways or other travelled area that poses a tripping risk</i>
	Infestation - Insects	<i>Evidence of infestation of insects-including roaches and ants-throughout a unit or room, food preparation or storage area o area of building substantial enough to present a health and safety risk</i>
	Infestation - Rats/Mice/Vermin	<i>Evidence of rats or mice--sightings, rat or mouse holes, or droppings substantial enough to present a health and safety risk</i>
Hot Water Heater	Misaligned Chimney/Ventilation System	<i>Any misalignment that may cause improper or dangerous venting of gases</i>
	Inoperable Unit/Components	<i>Hot water from hot water taps is no warmer than room temperature indicating hot water heater is not functioning properly</i>
	Leaking Valves/Tanks/Pipes	<i>There is evidence of active water leaks from hot water heater or related components</i>
	Pressure Relief Valve Missing	<i>There is no pressure relief valve or pressure relief valve does not drain down to the floor</i>
	Rust/Corrosion	<i>Significant formations of metal oxides, flaking, or discoloration--or a pit or crevice</i>
HVAC System	Convection/Radiant Heat System Covers Missing/Damaged	<i>Cover is missing or substantially damaged, allowing contact with heating/surface elements or associated fans</i>
	Inoperable	<i>HVAC does not function. It does not provide the heating and cooling it should. The system does not respond when the control engaged</i>
	Misaligned Chimney/Ventilation System	<i>Any misalignment that may cause improper or dangerous venting of gases</i>
	Noisy/Vibrating/Leaking	<i>The HVAC system shows signs of abnormal vibrations, other noise, or leaks when engaged</i>
	Rust/Corrosion	<i>Deterioration from rust or corrosion on the HVAC system in the dwelling unit</i>
Kitchen	Cabinets - Missing/Damaged	<i>10% or more of cabinet, doors, or shelves are missing or the laminate is separating</i>
	Countertops - Missing/Damaged	<i>10% or more of the countertop working surface is missing, deteriorated, or damaged below the laminate -- not a sanitary to prepare food</i>
	Dishwasher/Garbage Disposal - Inoperable	<i>The dishwasher or garbage disposal does not operate as it should</i>
	Plumbing - Clogged Drains	<i>Drain is substantially or completely clogged or has suffered extensive deterioration</i>
	Plumbing - Leaking Faucet/Pipes	<i>A steady leak that is adversely affecting the surrounding area</i>
	Range Hood/Exhaust Fans - Excessive Grease/Inoperable	<i>A substantial accumulation of dirt or grease that threatens the free passage of air</i>
	Range/Stove - Missing/Damaged/Inoperable	<i>One or more burners are not functioning, or doors or drawers are impeded or on gas ranges pilot is out and/or flames are no distributed equally or oven not functioning</i>
	Refrigerator-Missing/Damaged/Inoperable	<i>The refrigerator has an extensive accumulation of ice or the seals around the doors are deteriorated or is damaged in any w which substantially impacts its performance</i>

	Sink - Damaged/Missing	<i>Any cracks in sink through which water can pass or extensive discoloration over more than 20% of sink, or sink is missing</i>
Laundry Area (Room)	Dryer Vent - Missing/Damaged/Inoperable	<i>The dryer vent is missing or it is not functioning because it is blocked. Dryer exhaust is not effectively vented to the outside</i>
Lighting	Missing/Inoperable Fixture	<i>A permanent light fixture is missing or not functioning, and no other switched light source is functioning in the room</i>
Outlets/Switches	Missing	<i>An outlet or switch is missing</i>
	Missing/Broken Cover Plates	<i>An outlet or switch has a broken cover plate over a junction box, or the cover plate is missing</i>
Patio/Porch/Balcony	Baluster/Side Railings Damaged	<i>Any damaged or missing balusters or side rails that limit the safe use of an area</i>
Smoke Detector	Missing/Inoperable	<i>Smoke detector is missing or does not function as it should</i>
Stairs	Broken/Damaged/Missing Steps	<i>A step is missing or broken</i>
	Broken/Missing Hand Railing	<i>The handrail is missing, damaged, loose or otherwise unusable</i>
Walls	Bulging/Buckling	<i>Bulging, buckling or sagging walls or a lack of horizontal alignment</i>
	Damaged	<i>Any hole in wall greater than 2 inches by 2 inches</i>
	Damaged/Deteriorated Trim	<i>10% or more of the wall trim is damaged</i>
	Peeling/Needs Paint	<i>10% or more of interior wall paint is peeling or missing</i>
	Water Stains/Water Damage/Mold/Mildew	<i>Evidence of a leak, mold or mildew covering a wall area greater than 1 foot square</i>
Windows	Cracked/Broken/Missing Panes	<i>Any missing panes of glass or cracked panes of glass where the crack is either greater than 4" and/or substantial enough to the structural integrity of the windowpane</i>
	Damaged Windowsill	<i>The sill is damaged enough to expose the inside of the surrounding walls and compromise its weather tightness</i>
	Missing/Deteriorated Caulking/Seals/Glazing Compound	<i>There are missing or deteriorated caulk or seals--with evidence of leaks or damage to the window or surrounding structure</i>
	Inoperable/Not Lockable	<i>Any window that is not functioning or cannot be secured because lock is broken</i>
	Peeling/Needs Paint	<i>More than 10% of interior window paint is peeling or missing</i>
	Security Bars Prevent Egress	<i>The ability to exit through the window is limited by security bars that do not function properly and, therefore, pose safety risk</i>

**NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
TECHNICAL DESIGN AND CONSTRUCTION STANDARDS**

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Standards Issued January 24, 2020 by

1. GENERAL

- 1.1. The purpose of this document is to provide standards and policies for design and construction of properties financed entirely or in part by the New Hampshire Housing Finance Authority (the "Authority"). These standards and policies are intended to ensure a basis for providing safe, sanitary, cost effective, energy efficient, and decent housing for all occupants as well as protecting the Authority's security interest in the property.
- 1.2. Construction documents for all developments will require, as applicable, architectural, civil, structural, fire protection, electrical, plumbing and HVAC drawings stamped by a licensed architect and/or professional engineer(s) registered with the State of New Hampshire per RSA 310-A.
- 1.3. All rehabilitation projects must comply with the Environmental Protection Agency's Safe Drinking Water Act (www.epa.gov/sdwa). No less than 10% of the units must be tested for lead and copper levels prior to occupancy.
- 1.4. Buildings constructed prior to 1978 must be tested for lead-based paint hazards via a full lead inspection (including the identification of paint and bare soil hazards) by a NH licensed lead paint inspector/risk assessor, otherwise all paint films will be assumed to contain lead. However, housing projects for the elderly, or a residential property designated exclusively for persons with disabilities are exempt from this requirement; except this exemption shall not apply if a child less than age 6 resides or is expected to reside in the dwelling unit. All identified or assumed lead paint/hazards must be mitigated during construction. The level of mitigation required for a project is dependent on the type and amount of funding source used to finance the project. All mitigation work will be performed by a contractor with the appropriate level of certification or license that is required by the applicable regulation for the project.
 - 1.4.1 All projects, regardless of funding type or amount, must comply with the following including any updates in effect at the time that the work is being done:
 - a. NH He-P 1600/RSA 130-A NH Lead Poisoning Prevention and Control Act; and,
 - b. U.S. Environmental Protection Agency Lead Regulations 40 CFR 745
 - 1.4.2 Additionally, any projects financed with federal funds must comply with the following regulations, including any updates in effect at the time that the work is being done:
 - a. HUD 24 CFR 35 regulations (The Lead Safe Housing Rule)
 - b. HUD's Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing (2nd Edition, July 2012) (HUD's Guidelines).
 - 1.4.3 Upon completion of construction, clearance testing for a Lead Safe Certificate, performed by a licensed risk assessor, must be conducted in conformance with NH He-P 1600/RSA 130-A NH Lead Poisoning Prevention and Control Act. However, projects deemed exempt under 1.4 do not require clearance testing.

- 1.5 Buildings constructed before 1978 must have an asbestos survey done by an independently licensed firm. All asbestos shall be abated in compliance with local, state, and EPA guidelines. Waste manifests and clearance testing results shall be provided prior to completion of the project.
- 1.6 Construction document review and inspection services will be commissioned by the Authority. A minimum of two inspections per month will be performed. Project review and inspections will be paid out of project funds.
- 1.7 Occupational Safety and Health Administration (OSHA) 10-hour construction safety training shall be completed by all on-site employees per New Hampshire RSA 277:5-a. Written documentation shall be kept on site and provided upon request.
- 1.8 Requirements for liquidated damages shall be included in the project manual. The minimum requirement is \$500/day. This is not required on projects where the contractor shares an identity of interest with the developer.
- 1.9 The project manual shall include a section dealing with winter conditions and job site security. Winter conditions shall be included in all construction contracts as part of the base bid, either as a developer specified allowance or as a fixed sum based on the anticipated start date provided by the Owner in Bid Documents. Any adjustment to Winter Conditions costs as a result of changes to project schedule shall be documented with fuel and/or rental invoices and approved by the Owner and the Authority.

2. WAIVERS

- 2.1. The Authority recognizes that due to unique or unusual circumstances in real estate and construction, strict application of the Authority's requirements may cause an undue burden. The Authority's Managing Director of Management and Development or designee may, for good cause, waive provisions of this document as appropriate. All requests must be submitted in writing.

3. CODES AND STANDARDS

- 3.1. All procurement, design and construction shall be done in accordance with the most current edition of the following standards and codes as they may apply. It is the responsibility of the developer, working with the design team, to determine which of the following codes and standards are applicable according to law and program rules.

- 3.1.1. The requirements of Section 504 of the Rehabilitation Act of 1973 must be met using the Uniform Federal Accessibility Standards (UFAS) or the 2010 ADA Standards for Accessible Design. There are certain circumstances where the 2010 ADA cannot be used. They are identified in the appendix to 24 CFR Part 8, Docket Number FR-5787-N-01 (see www.hud.gov/sites/documents/5784_N_01_NOTICE_5_15_14.pdf).

All buildings designed and constructed for first occupancy after March 13, 1991 with four or more units must meet the requirements of the Fair Housing Act (March 13, 1991).

All projects must design and construct 5% of the dwelling units, or at least one unit, to be fully Accessible for persons with mobility disabilities. Additionally, 2%, or at least one unit, must be accessible for hearing and visual disabilities.

- 3.1.2. New Hampshire Fire Code (Saf-C 6000).

(see www.gencourt.state.nh.us/rules/state_agencies/saf-c6000.html)

- 3.1.3. New Hampshire Building Code (RSA 155-A).

(see www.gencourt.state.nh.us/rsa/html/xii/155-a/155-a-mrg.htm)

- 3.1.4. New Hampshire Department of Environmental Services, Water Division, Env-Wq 700 Standards of Design and Construction for Sewerage and Wastewater Treatment Facilities, Env-Dw 405 Design Standards for Small Community PWS, and We 100-1000 Water Well Board Rules.

(see www.des.nh.gov/organization/divisions/water/)

- 3.1.5. Title 24, Code of Federal Regulations procurement requirements.

- 3.1.6. Modeling demonstrating Energy Star compliance is required prior to starting construction. Upon project completion Energy Star certification is required.

4. CONSTRUCTION DOCUMENTS

- 4.1. Construction documents shall be provided to the Authority for review. Specifications shall follow the format of MasterFormat-2016 by the Construction Specifications Institute (CSI) or a similar format. Drawings shall be prepared in conformance with these standards and shall be of uniform size and numbered consecutively. When applicable, a certified survey by a licensed surveyor registered in the State of New Hampshire shall accompany the construction documents. The project manual shall include a current copy of the Authority's Design and Construction Policy Rules (HFA:111), this document, and (if applicable) HUD Section 3 information.

- 4.2. The drawings shall, as applicable, include and show the following:

- 4.2.1. Cover Sheet

- 4.2.1.1. Proposed buildings by occupancy, size (height and area) and construction type as defined by the NH Building Code.

- 4.2.1.2. Dwelling unit distribution by floor, square footage, number of bedrooms/baths and number of required accessible units.

- 4.2.1.3. Square footage breakdown between commercial, residential, community and other occupancies in the building/development.
- 4.2.1.4. Number of parking spaces, parking ratio proposed and required by zoning, accessibility standards and the NH Building Code.
- 4.2.1.5. Dwelling units per acre proposed and allowed under zoning.
- 4.2.1.6. Percentage breakdown of the tract to be occupied by buildings, by parking and other paved vehicular areas, and by open areas.
- 4.2.2. Site Plan
 - 4.2.2.1. Site location map.
 - 4.2.2.2. Lot lines, streets, and existing buildings. Distances between the proposed building(s) and lot lines, streets (ROW) and existing buildings on the same lot (new construction only).
 - 4.2.2.3. Proposed building footprint, parking, site improvements and general dimensions.
 - 4.2.2.4. Adjacent buildings' footprints and heights.
 - 4.2.2.5. Zoning restrictions, e.g. setback requirements, easements, height limits, etc. (new construction only).
 - 4.2.2.6. Environmental constraints, e.g. wetlands edge, ledge, existing vegetation, and aquifer protection zones.
 - 4.2.2.7. Proposed new site improvements including landscaping, fences, paving, retaining walls, etc.
 - 4.2.2.8. Approval of stamped site plan by local jurisdiction.

- 4.2.2.9. Location of test borings, with geotechnical reports (new construction only).
- 4.2.3. Floor Plans
 - 4.2.3.1. All plans if different; entry level, basement (if any) and typical floor plan if repetitive.
 - 4.2.3.2. Square foot tabulations.
 - 4.2.3.3. ¼-inch scale typical unit(s), Accessible units, Type A units and Type B units as applicable, unit(s) plans with all required clearances shown, with elevations and dimensions. Accessible units as applicable shall be provided for each type (1 BR, 2 BR, etc.) and dispersed throughout a project to the greatest degree feasible.
 - 4.2.3.4. Locations of all required braced wall lines and braced wall panels.
 - 4.2.3.5. Detailed door, window and finish schedules. Door schedules to include applicable fire-ratings and hardware.
 - 4.2.3.6. Reflected ceiling plans when suspended ceilings are proposed or when fixtures are mounted to ceilings.
- 4.2.4. Exterior Elevations, Perspective, or Photographs
 - 4.2.4.1. All exterior facades, window types, and exterior materials.
- 4.2.5. Typical Building, Wall, Floor and Roof Sections
 - 4.2.5.1. Building materials, construction type, insulation levels with tabulation of R-values.
 - 4.2.5.2. Wall sections and floor/ceiling and roof/ceiling assemblies, with fire ratings, UL # and STC ratings as applicable. Include a copy of the UL test assemblies in the construction documents.

- 4.2.5.3. Complete stair details with dimensions, showing rise/run, nosing profiles, handrail, guard and baluster details.
 - 4.2.6. A code summary is required on all architectural drawings.
 - 4.2.7. Complete HVAC, electrical, plumbing and fire protection drawings and specifications.
- 4.3. Upon receipt of the completed construction documents, the Authority or its designated representative (Construction Analyst) shall perform a review of the documents within twenty-one (21) days. The developer or architect shall notify the Authority's Construction Analyst when the documents are sent out for review, so they can be tracked. Incomplete construction documents shall not be accepted for review. The review is performed solely to assist the project design architect, developer, and potential contractor to ensure that the project conforms to all the standards and codes as stipulated in the Authority's Technical Design and Construction Standards. Review by the Authority Construction Analyst is intended to assist the design team. Responsibility for compliance with necessary standards and codes rests solely and entirely with the developer, design professionals, and the contractor.
- 4.4. After a review of the construction documents by the Authority or its Construction Analyst, the design architect or engineer shall prepare stamped construction ready documents based upon the completed review. Upon receipt of the stamped construction ready documents, the Construction Analyst shall have seven (7) days to approve the final construction documents. At that time an appropriate time schedule shall be established and agreed to by all parties to determine final pricing for the project depending on the procurement method selected, either general contractor bidding or construction management. The project shall not be put out for final pricing until final construction documents have been approved by Authority staff.
- 4.5. If the developer does not agree with a determination or interpretation made by the Authority's Construction Analyst during review or construction, then the developer may contact the Authority's Director of Housing Development to request an appeal. The developer shall present written good cause with the appeal request. The Director of Housing Development shall have up to seven (7) days to render a decision in the appeal request. Failure to respond may be considered an approval of the appeal.

5. SITE

- 5.1. Borings shall be required for all new construction projects. A geotechnical report with recommendations and borings data shall be provided to the Owner and the Authority. Borings shall be required as a minimum at building corners, center of building footprint and infrastructure locations, i.e. along water and sewer line routes. Comply with Section 1803 of the NH Building Code.
- 5.2. Additional Requirements:

- 5.2.1. All non-age restricted developments consisting of 50 units or more shall have an appropriate, accessible on-site playground area. Construction documents for the playground area shall show the design, layout, size, fencing, surface and equipment to be installed.
- 5.2.2. All common areas (site office, community space, playgrounds, dumpsters, etc.) on the project site shall be on an accessible route and shall be designed for use by individuals with disabilities according to the applicable standards.
- 5.2.3. Fencing shall be installed at all areas that pose a safety hazard, as determined by the Authority. Fences over 6 feet in height shall comply with the NH Building Code.
- 5.2.4. New and existing propane tanks larger than 100 gallons shall be installed below grade (per 24 CFR Part 51 Subpart C).

5.3. Paving:

- 5.3.1. Roads, driveways, and parking lots shall be paved using the most recent edition of the NHDOT Standard Specifications for Road and Bridge Construction:
 - 5.3.1.1. 1-inch wearing course pavement.
 - 5.3.1.2. 2-inch base course pavement.
 - 5.3.1.3. 6-inch crushed gravel.
 - 5.3.1.4. 12-inch bank run gravel.
- 5.3.2. Sidewalks shall be paved using the following criteria:
 - 5.3.2.1. 2-inch wearing course pavement.
 - 5.3.2.1.1. 6-inch crushed gravel.

6. STRUCTURAL

- 6.1. The following standards shall be applied in the evaluation of existing and new structures. Correction of all structural damage, deficiencies, and their cause shall be included in the project scope of work.
 - 6.1.1. Foundations shall be sound, plumb and free from significant movement. Foundation sill height elevations and location on site shall be confirmed as soon as possible after installation. Any discrepancy with the approved documents shall be reported to the Owner and the Authority immediately.
 - 6.1.2. All concrete slabs in habitable areas shall be 4 inches thick minimum. All uninhabitable areas (i.e. crawl spaces) shall have a minimum 3-inch-thick concrete slab.
 - 6.1.3. Wood structural members shall be free from significant deflection and/or cracking, deterioration, rot or termite damage. Except in Grafton, Carroll, and Coos Counties, non-toxic treatment for termite control complying with AWPA U1 is required for all new construction sprayed a minimum of 4 feet up from the foundation on all exterior wood walls.
 - 6.1.4. Prior to final commitment, when possible, the Authority reserves the right to hire an independent structural engineer registered in the State of New Hampshire to perform a structural survey to verify the adequacy of structural members for current loads.
 - 6.1.5. Exterior wall sheathing exposed to roof runoff and backsplash from impervious surfaces shall include a minimum 48-inch-high band of pressure treated plywood, Advantech (or similar), or Zip sheathing at the foundation. The exposed uncoated edge of Zip Sheathing shall be sealed.
 - 6.1.6. Provide detailed snow load calculations for all roof trusses and/or conventional framed roofs.
 - 6.1.7. The structural engineer of record shall be responsible for inspecting the installation of engineered roof trusses including permanent bracing.

7. INSULATION, AIR SEALING, AND BUILDING SHELL

- 7.1. Insulation
 - 7.1.1. Installation methods for insulation and requirements for air sealing shall follow the most current Energy Star Program Standards. (see www.energystar.gov/)

- 7.1.2. Batt insulation is not allowed in exterior walls unless it is used in combination with spray foam or continuous insulation.

- Building Shell

- 7.1.3. Vinyl siding shall have a minimum thickness of .046”.
- 7.1.4. Membrane roofing shall have a minimum 20-year warranty. All other roof coverings (shingles, metal, etc.) shall have a minimum 30-year warranty.
- 7.1.5. An ice and water barrier shall be installed over roof sheathing a minimum of 72 inches up from the fascia. Valleys shall have a 36-inch membrane in the center, with an additional 36-inch membrane lapping each edge. Wall/roof intersections shall have a minimum 18-inch membrane extending up the wall and 18 inches over the roof sheathing. Ice and water barriers shall extend from the roof and run 1” over the fascia trim (prior to installing drip edge).
- 7.1.6. Rafter or roof truss ventilation baffles shall measure a minimum of two vertical inches by the width of the bay.
- 7.1.7. Metal drip edge shall be provided at the entire roof perimeter – galvanized steel minimum thickness .026-inch and aluminum .032-inch thickness.
- 7.1.8. Exterior wall/roof intersections shall have kick-out flashing installed at the bottom of the roof to prevent water from running down the building.
- 7.1.9. Where an entrance, exit, or sidewalk is in the path of snow runoff resulting from metal roofing and/or photovoltaic roof panels, snow-guards are required.
- 7.1.10. All dwelling unit habitable spaces shall have operable windows with screens (kitchens and bathrooms are exempt except when required for light and/or ventilation by the NH Building Code).
- 7.1.11. All windows in each living space of Accessible and Type A dwelling units shall be provided with accessible controls (i.e. locks, opening hardware). Required opening force for accessible windows shall not exceed 5 pounds.
- 7.1.12. All new windows shall meet the latest requirements of Energy Star. All windows must have a 20-year comprehensive warranty, including glass.

8. INTERIOR

- 8.1. Acceptable dwelling unit and room sizes shall be evaluated by Authority Staff or designee (construction inspector/plan reviewer). Determining factors are the placement of furniture, tenant circulation, functional livability and adequate storage. Minimum room sizes as required by the NH Building Code and this document.

- 8.2. Bedrooms are to have four full walls from floor to ceiling and adequate closet space. Minimum dimensions of bedrooms (excluding closet space) are as follows:
 - 8.2.1. Primary bedroom - 10 feet x 12 feet.
Studio or efficiency living space 10 feet x 12 feet.
 - 8.2.2. Secondary bedrooms – 8 feet x 10 feet.
- 8.3. All painted surfaces are to receive primer plus two coats of finish paint.
 - 8.3.1. Kitchen and Bath wall surfaces shall be eggshell or satin finish.
 - 8.3.2. Wood and metal surfaces shall be satin or semi-gloss enamel finish.
- 8.4. Mold and moisture resistant drywall shall be used on all walls in bath areas and wet walls in kitchens and utility rooms.

9. PLUMBING SYSTEMS

- 9.1. Plumbing fixtures, equipment, insulation, and systems shall meet the latest Energy Star program requirements.
- 9.2. An engineered sub-slab piped ventilation system shall be designed and installed to provide radon mitigation. Each section of radon piping shall be clearly marked as such. Electric power shall be provided in the attic area to serve exhaust fans if required by test results. Both the designer and installer shall hold a current certification from either the National Radon Proficiency Program or the National Radon Safety Board (NH RSA 310-A:189-a).
- 9.3. All Accessible dwelling units shall be provided with a roll-in shower complying with accessibility standards. Bathroom floor drains are recommended adjacent to roll-in showers.
- 9.4. All piping is to be supported by metallic hangers properly sized to include pipe insulation where required. Non-metallic hangers may be used on PEX pipe less than one inch in diameter.

10. MECHANICAL SYSTEMS

- 10.1. Mechanical equipment, insulation, and systems shall meet the latest Energy Star program requirements.
- 10.2. Balanced mechanical ventilation is required within each unit and for the whole building.
- 10.3. All HVAC system balancing is to be performed by a third party balancing contractor regularly engaged in balancing work and who shall be independent of the HVAC system installer. All balancing work shall be done in accordance with the procedures of the Associated Air Balance Council (AABC) or the National Environmental Balancing Bureau (NEBB).

11. ELECTRICAL SYSTEMS

- 11.1. Individual living units with two or more bedrooms are to have a minimum 100 AMP service disconnect.

- 11.2. Service entrance wiring and feeders rated at 100 amps or more may be copper or aluminum. All branch circuit wiring shall be copper.
- 11.3. Wall switches shall be provided for the fan and light on all kitchen range hoods in all Accessible and Type A dwelling units.
- 11.4. All dwelling units shall be wired for, and include, at least one combination audible/visible fire alarm device wired to the common alarm. Accessible and Type A dwelling units shall have visible devices in each living space, bedroom, bathroom and hallway wired to the common alarm and to the dwelling unit smoke/heat detector.
- 11.5. Electric power shall be provided in the attic area to serve exhaust fans for the radon mitigation system if required by test results.
- 11.6. Emergency power generators capable of providing power for all water and sewer pumps and related equipment shall be provided for all projects using non-public water, sewer and fire protection.
- 11.7. All units shall be wired for broadband internet.
- 11.8. Units shall be metered individually when electricity is not included in a tenants rent.

12. VOC LIMITS

- 12.1. Use of low VOC (Volatile Organic Compound) building materials is required. Limits for VOC content must comply with the following:
 - 12.1.1 South Coast Air Quality District Rules 1113 (architectural coatings) and 1168 (adhesives). www.aqmd.gov
 - 12.1.2 Green Seal Standard GS-11 (paints, coatings, stains, and sealers). www.greenseal.org
- 12.2. Hard surface flooring is recommended throughout the dwelling unit. If carpet is used it shall have the Green Label Approval from the Carpet and Rug Institute. www.carpet-rug.org/testing/green-label-plus/

13. PRECONSTRUCTION REQUIREMENTS

- 13.1. Prior to the construction closing the following documents shall be submitted for review and approval.
 - 13.1.1 Project manual and plans for review per 4.3 and 4.4 of this document.
 - 13.1.2 Submit a copy of the request for proposal (NOFA) for construction management or general contracting services for review and comment.
 - 13.1.3 Schedule a pre-bid meeting for projects utilizing general contracting.
 - 13.1.4 Schedule a public bid opening for construction management projects and general contracting projects. The developer is to provide copies of all bids.

- 13.1.5 Construction managers must provide a detailed project estimate that shows labor, material, subcontract, general conditions, and fee breakdowns. Construction Managers shall also provide material and subcontract bidding as outlined in HFA 111.08.
 - 13.1.6 Critical path construction schedule.
 - 13.1.7 Copies of all permits.
 - 13.1.8 Insurance – refer to our website.
 - 13.1.9 Draft copy of the performance and payment bond, letter of credit, or other forms of surety for review and comment. Final copy to be provided at closing. Refer to HFA 111.14.
 - 13.1.10 Provide a draft copy of the Owner-General Contractor or Owner-Construction Manager contract for review and comment. Upon execution provide a final copy.
 - 13.1.11 Provide an executed copy of the Owner-Architect contract and the Construction Administrative Services Agreement (prepared by the Authority).
 - 13.1.12 Provide an executed copy of the Owner-Civil Engineer contract when the civil engineer is not under contract with the architect.
- 13.2 Prior to the commencement of any construction, the developer or developer's agent shall schedule a mandatory preconstruction conference. The developer shall notify all parties in writing of the time and place for the conference. The Authority shall provide an agenda to all parties prior to the meeting. The developer and contractor can add items to the agenda that they deem necessary.

14. APPLICATIONS FOR PAYMENT

- 14.1. Prior to the start of construction, the General Contractor or Construction Manager shall submit to the developer the Schedule of Values. The project manual Table of Contents shall be used as a guide to establish the format. The approved Schedule of Values shall become the Continuation Sheets (AIA Document G 703) for the Applications for Payment.
- 14.2. Each Application for Payment shall be consistent with previous applications and payments. All Authority funded payment requests shall require the title to be updated and paid for by the mortgagor out of the developer's budget.
- 14.3. The Architect of record is responsible for approving every requisition. Unless the civil engineer works directly for the architect, the civil engineer of record is required to approve and sign for civil work in excess of \$40,000.
- 14.4. Applications for Payment shall be completed, including notarization and execution by the General Contractor, Construction Manager, or their agent. Applications for payment must be submitted on AIA Document G702 and Continuation Sheet G703. Incomplete applications shall be returned without action.

- 14.5. One executed electronic copy of each application for payment shall be submitted to the developer or its agent and the Authority. Copies shall be complete, including affidavits and similar attachments. Copies must be transmitted listing attachments and recording information related to the application for payment.
- 14.6. With each application for payment, the General Contractor or Construction Manager shall submit a Contractor's Affidavit Regarding Mechanics' Lien along with Schedule A to the Contractor's Affidavit. The Schedule A must list every entity that may file a lien arising out of the contract and related to the work covered by the payment. Affidavit of waiver of lien release under RSA 447:12-A will be properly executed and signed by the General Contractor or Construction Manager prior to release of any payment. Material supplier and subcontract lien waivers will not be required until the final requisition on bonded projects.
- 14.7. Five percent retainage will be held on the total contract until a Certificate of Substantial Completion is issued. Upon completion of the contract and acceptance of the work by the developer, surety, and the Authority, and compliance with all contract terms, the amount due the General Contractor or Construction Manager shall be paid including any remaining retainage.
- 14.8. Payments otherwise due may be withheld on account of defective work not remedied, liens filed, damage by the General Contractor or Construction Manager, or for failure to make payments properly to vendors or subcontractors.
- 14.9. Materials stored on site must be put in place in thirty days or less. Materials that are not put in place in less than thirty days must be inventoried by the developer or their architect. Photos and a complete inventory will be submitted with the payment request.
- 14.10. Payment for materials stored off site will be permitted with the approval of the developer and funding parties provided that the following items are provided:
- 14.10.1. Bill of Sale and Transfer of Title to the developer for stored materials and equipment. The value on the Bill of Sale must match the value on the requisition;
 - 14.10.2. Address where stored, name of the owner of the storage facility, contact information, and Right of Entry to the storage facility;
 - 14.10.3. Captioned photos of stored materials;
 - 14.10.4. Proof of insurance, current through the billing period, showing the stored material is insured for a sum not less than the amount that is being billed. The developer, the Authority, and any other funder shall be named as additional insured on the Certificate of Insurance. The General Contractor, Construction Manager and Developer shall be responsible for maintaining an inventory log of all stored material; and

14.10.5. Off-site stored materials must be recorded in column F of AIA form G703 (Materials Presently Stored). As the materials are moved out of storage and put into place they will be deducted from this column and moved into column E (Completed Work). The itemized inventory and insurance certificate must be updated monthly.

14.11. When applicable, Davis-Bacon certified payrolls shall be submitted by the General Contractor or the Construction Manager, and all subcontractors prior to release of payment. Certified payrolls may lag two weeks behind the end date of the requisition. Pursuant to U.S. Department of Labor letter LR-96-01, self-employed individuals are required to be carried on the payroll of the contractor for whom they are working, except for a self-employed individual in a non-labor supervisory role.

14.12. HUD Section 3 forms shall be submitted with each requisition when a project is subject to Section 3 requirements as a result of federal funding.

14.13. The completion of project closeout requirements shall precede or coincide with the submittal of the final payment application. All finish grading, seeding, sodding, landscape planting, and any off-site improvements shall be completed. When these improvements are not complete, the Authority shall establish an escrow or performance bond consisting of 150% of the estimated cost of completion and establish a deadline date.

15. CHANGE ORDERS

15.1. Changes in the work shall be handled as described in Article 7 of AIA Document A201-2017 General Conditions.

15.2. All changes from the original contract shall be in writing and approved by the Authority. Claims by the General Contractor or Construction Manager for extra cost shall be made in writing to the developer, architect and the Authority for approval before executing the work involved.

15.3. The cost to the developer resulting from a change that increases the net Cost of the Work shall be calculated as follows:

15.3.1. The General Contractor or Construction Manager is allowed a single markup line inclusive of overhead and profit which is calculated at up to 8% of the first-tier subcontractor's proposal amount; and

15.3.2. Up to 10% markup (overhead and profit) for subcontractors. Subcontractor change order proposals shall be broken out to show material, hours, labor rates, and markups; and

15.3.3. For work performed by second-tier subcontractors:

15.3.3.1. The first-tier subcontractor is allowed a single markup line inclusive of overhead and profit which is calculated at up to 8% of the second-tier subcontractor's proposal amount.

- 15.4. The General Contractor or Construction Manager shall be reimbursed by the Developer for the bonding costs associated with change orders.
- 15.5. Upon the developer's and the Authority's approval of a change order proposal request, the architect or General Contractor or Construction Manager shall issue a change order for signatures of the developer, the architect, the Authority, and the General Contractor or Construction Manager on AIA Document G701.

16. PROGRESS MEETINGS

- 16.1. The Developer shall schedule progress meetings and requisition meetings. Meetings shall be conducted and minutes taken by the architect, developer, General Contractor or Construction Manager or their assigned representative.
- 16.2. The developer, agent, architect/engineer(s), General Contractor or Construction Manager, the Authority, and any other entity concerned with the progress or involved in the planning, coordination, or performance of future activities shall be represented by persons familiar with the project and authorized to conclude matters relating to progress.
- 16.3. The General Contractor or Construction Manager shall submit and keep an updated construction schedule pursuant to Article 3.10.1 of the AIA Document A201-2017 General Conditions.
- 16.4. Copies of the minutes of a meeting shall be distributed to each party present and to parties who should have been present no later than five (5) calendar days after each meeting. The minutes shall include a summary, in narrative form, of progress made since the previous meeting.

17. QUALITY CONTROL SERVICES

- 17.1. The developer shall engage and pay for services of an independent agency to perform inspections and tests for all masonry, concrete, or civil work and any other work requiring testing or inspection.
- 17.2. The General Contractor or Construction Manager is responsible for repair and protection regardless of the assignment of responsibility for inspection and testing.
- 17.3. The General Contractor or Construction Manager shall guarantee and re-execute any work that fails to conform to the requirements of the contract and that appears during the progress of the work, and shall remedy any defects due to faulty material or workmanship which appear within a period of one year from the date of final acceptance of all work required by the contract.
- 17.4. The provisions of this article apply to work done by all agents and/or direct employees of the General Contractor or Construction Manager. Furthermore, the General Contractor or Construction Manager shall furnish the developer with all manufacturers' and suppliers' specifications, written guarantees, and warranties covering materials and equipment furnished under the contract.
- 17.5. The General Contractor or Construction Manager shall permit and facilitate observation of the work by the Authority and its duly authorized representative.

- 17.6. Inspections shall be conducted at the rough-in and finish stages of construction by the architect and engineers of record. Written approval by the architect or engineer of record of work in place shall be required for all inspections.
- 17.7. The developer may, at its discretion, hire a qualified third party to serve as Clerk of the Works. The Clerk's fees shall be paid out of the Developer's Fee.

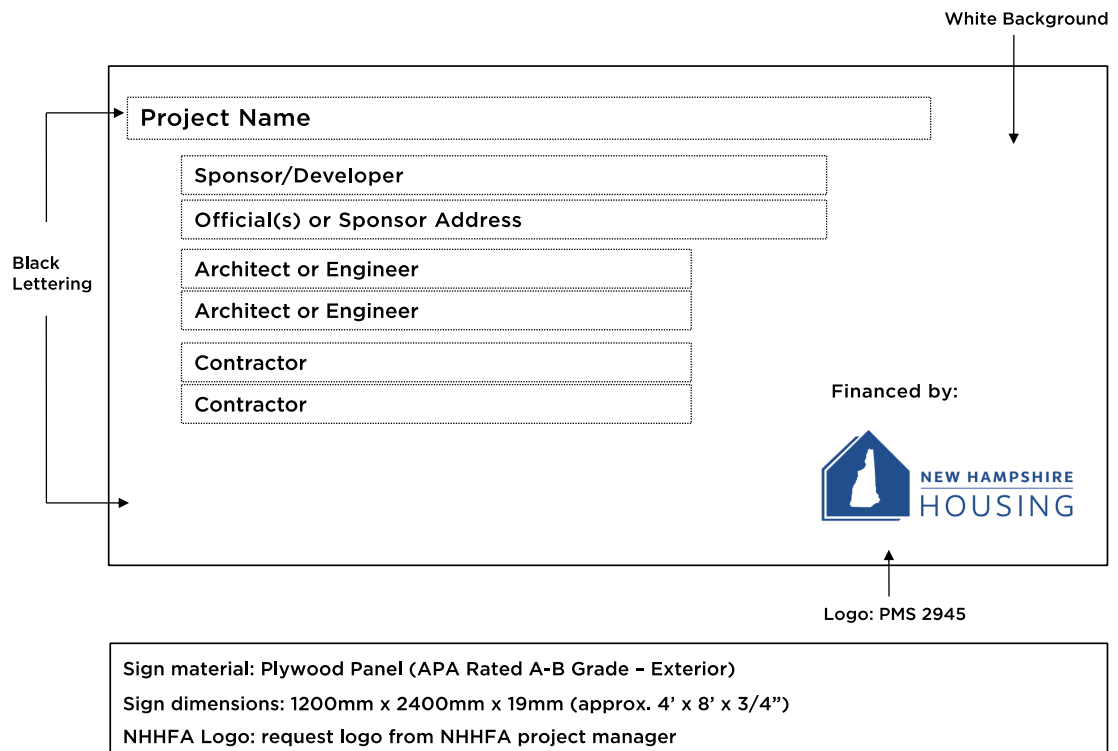
18. PROJECT CLOSEOUT

- 18.1. Before requesting final acceptance and final payment by the Authority, the Developer, Architect, and General Contractor or Construction Manager shall provide the following:
 - 18.1.1. Final payment request and final change order;
 - 18.1.2. Final lien waivers pursuant to Article 14.6;
 - 18.1.3. Executed AIA Document G704, Certificate of Substantial Completion;
 - 18.1.4. Certificate of Occupancy;
 - 18.1.5. Final Consent of Surety, if applicable;
 - 18.1.6. Copy of oil burner permits, if applicable;
 - 18.1.7. Copy of elevator inspection certificate, if applicable;
 - 18.1.8. The Architect and applicable engineers shall provide a statement of compliance. The forms are included in Articles 20, 21, and 22;
 - 18.1.9. As-built construction plans, operations & maintenance manuals, warranties, workmanship bonds, and maintenance agreements submitted to the developer;
 - 18.1.10. Written final occupancy permit approval from local authorities having jurisdiction;
 - 18.1.11. Start-up and systems training;
 - 18.1.12. Test & balance reports;
 - 18.1.13. Generator load test results, if applicable;
 - 18.1.14. Blower door test results;
 - 18.1.15. Energy Star certification;
 - 18.1.16. The developer shall test for radon and provide results to the Authority. Testing shall include a minimum of 20% of all ground floor units or a minimum of two units per building. Water shall be tested for radon in all projects not using a public water supply;

- 18.1.17. For projects identified as containing hazardous materials, provide waste manifests, clearance reports, lead safe certificates, etc.
- 18.1.18. Change-over permanent locks and transmit keys to the developer; and
- 18.1.19. Final meter readings for utilities, a record of stored fuel, and similar data as of substantial completion.
- 18.2. Refer to Article 14.13 for provisions governing the procedures for incomplete work at the time of final completion.

19. GUIDELINES FOR TEMPORARY CONSTRUCTION SIGNAGE FOR PROJECTS FUNDED BY NEW HAMPSHIRE HOUSING FINANCE AUTHORITY

- 19.1. For projects in which New Hampshire Housing is the major funder (1st mortgage, tax credits or construction financing) signage shall adhere to the following guidelines:
 - 19.1.1. NHHFA requests that developers or their designee e-mail the project signage file to the NHHFA Senior Construction Analyst for review PRIOR TO installation of the project sign. This should be done for each new project.
 - 19.1.2. When the NHHFA logo is used on a construction sign, it should be as large as that of any other financing partner. Adhere to the specs in the graphic below.

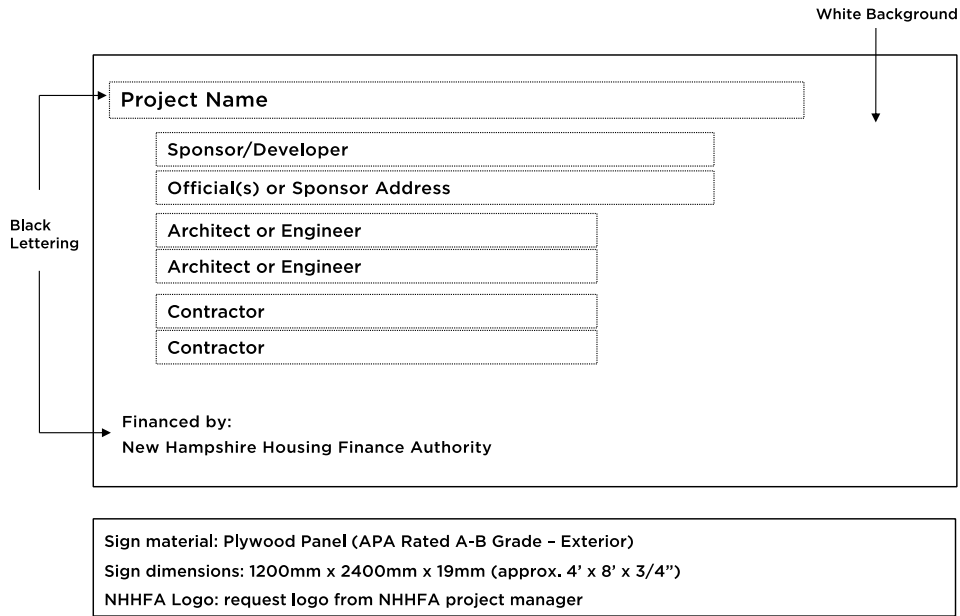


19.2. For projects in which New Hampshire Housing Finance Authority is one of multiple funders: Use the NHHFA logo (color PMS 2945, RGB 0/83/137)

19.2.1. Logo size: should be as large or larger than that of any other financing partner

19.2.2. When logos of project financing sources are not used on the signage:

Per example below, spell out in type NHHFA's full name:
New Hampshire Housing Finance Authority



19.3. Projects that include U.S. Department of Housing and Urban Development (HUD) program funding (e.g., the HOME program or Housing Trust Fund):

19.3.1. Use the HUD logo and typeface underneath it to specify the HUD program, per below.

19.3.2. If funding is provided by both programs, use one logo and typeface for both programs stacked under the logo.

20. AS-BUILT ARCHITECT'S CERTIFICATION

I have inspected the development know as _____ (project name)
located in _____ (city, state) and hereby state that the
development has been built in accordance with the construction documents dated
_____ prepared by
_____.

Based upon previous inspections and this final inspection, to the best of my knowledge, information and belief, the development has been constructed in conformance with all applicable local, state and federal laws designated as the development standard for the project, including, but not limited to, applicable portions of the ADA; Section 504 and Fair Housing Laws as they pertain to handicapped accessibility and adaptability; all state and local health, safety and building codes; and those requirements as set forth in the Authority's Design and Construction Standards.

Date

Architect

(Seal)

AS-BUILT ENGINEER'S CERTIFICATION

I have inspected the development know as _____ (project name) located in _____ (city, state) and hereby state that the development has been built in accordance with the construction documents dated _____ prepared by _____.

Based upon previous inspections and this final inspection, to the best of my knowledge, information and belief, the development has been constructed in conformance with the construction documents as amended by construction directives or change orders, all applicable codes adopted by the State of New Hampshire; and those requirements as set forth in the Authority's Design and Construction Standards.

Date

Engineer

(Seal)

21. AS-BUILT STRUCTURAL ENGINEER'S CERTIFICATION

I have inspected the development know as _____ (project name) located in _____ (city, state) and hereby state that the development has been built in accordance with the construction documents dated _____ prepared by _____.

Based upon previous inspections and this final inspection, to the best of my knowledge, information and belief, the development has been constructed in conformance with the construction documents as amended by construction directives or change orders, all applicable codes adopted by the State of New Hampshire; all relevant test reports; and those requirements as set forth in the Authority's Design and Construction Standards.

Date

Engineer

(Seal)

Design and Construction Standards for Rehabilitation New Hampshire Housing Finance Authority

- A. Purpose: The purpose of this document is to provide standards and policies for physical improvements to existing properties that receive financing from the New Hampshire Housing Finance Authority (the “Authority”). These standards and policies are intended to ensure a basis for providing safe, sanitary, cost effective, energy efficient, and decent housing for all occupants and to protect the Authority’s security interest in the property without imposing an undue burden on property owners seeking financing.
- B. Applicability: These standards will be applied to existing multifamily residential properties that are being refinanced through the Authority or are being acquired with financing from the Authority. Properties receiving extensive rehabilitation to convert from a nonresidential to a residential use are subject to the Authority’s Technical Design and Construction Standards.
- C. Capital Needs Assessments (CNAs)
 - a. All buildings that are more than ten years old at the time of application that are refinanced or finance through acquisition by New Hampshire Housing Finance Authority (“The Authority”) are required to submit a Capital Needs Assessment (CNA) at the time of application. In order for the Authority to accept a CNA, certain conditions must be met:
 - i. The CNA must be less than three years old at the time of application.
 - ii. The CNA must include a 20-year forecast of capital improvements, with cost estimates for all recommended capital improvements in the first ten years.
 - iii. The CNA must include an assessment of the property’s accessibility
 - b. An accessibility study along with a statement of compliance shall be included in the CNA. The study shall include all accessible units, all common areas, and all public areas.
 - c. The Authority will review the CNA and inspect the property. The Authority reserves the right to request changes to the CNA.
 - D. Funds shall be reserved according the CNA.
 - a. Maintenance or replacement work shall not be inferior to or make a building less conforming than it was before the repair was undertaken.
 - b. Alterations, Change of Occupancy, and Additions shall be subject to all applicable codes as well as The Authority’s construction rules and technical standards. Alterations, as defined by the International Existing Building Code are considered, “any construction, or renovation to an existing structure other than a repair or addition”.
 - c. CNAs shall be updated every ten years throughout the life of the loan.
- E. Environmental
 - 1. Buildings constructed prior to 1978 must be tested for lead-based paint hazards via risk assessment by a NH licensed risk assessor, otherwise all paint films will be assumed to contain lead and will be removed during construction by a licensed lead abatement contractor in accordance with the following regulations:
 - a. NH He-P 1600/RSA 130-A NH Lead Poisoning Prevention and Control Act
 - b. HUD 24 CFR 35 regulations
 - c. U.S. Environmental Protection Agency Lead Regulations 40 CFR 745
 - d. Title X – Residential Lead-Based Paint Hazard Reduction Act of 1992
 - e. OSHA Lead Construction Standard 1926.62

- f. Exception – Testing will not be required for buildings that already have a clearance certificate.
- 2. Soil testing for lead-based hazards will be required per a-e above. Generally, the areas to be tested will include:
 - a. Playgrounds
 - b. Within five feet of the foundation area
 - c. Within one hundred feet of the foundation when the total surface area of the exposed soil is greater than or equal to nine square feet.
- 3. Total and complete abatement of asbestos is required. Note that encapsulation is considered a form of abatement.
- 4. Water – All projects must ensure that lead and copper levels in tap water are below the levels imposed in the Environmental Protection Agency’s Lead and Copper Rule. No less than 5% of the units shall be tested.
- F. Life Safety – Full compliance with NFPA101, Life Safety Code, Chapter 31 – Existing Apartment Buildings (2015 edition) is required.
- G. Accessibility – Regardless of the funding source, the following shall apply to all rehabilitation projects.
 - 1. All buildings completed after January 26, 1993 are subject to Title III of the ADA Standards for Accessible Design. Title III covers areas of public accommodation like rental offices.
 - 2. All buildings completed after March 13, 1991 are subject to The Fair Housing Act.
 - a. Buildings with less than four units are excluded.
 - b. Buildings with four or more ground units without an elevator are subject to The Fair Housing Act.
 - c. The Fair Housing Act does not apply to multi-story units like townhouses.
 - 3. Repairs and maintenance shall not be subject to accessibility requirements. The repairs or maintenance shall not make a building less accessible.
 - a. Examples would include roof replacement, siding replacement, flooring replacement, etc.
 - 4. Regardless of funding sources Alterations shall comply with article 4.1.6 of the Uniform Federal Accessibility Standards (UFAS).
 - a. An Alteration as defined by UFAS is, “As applied to a building or structure, means a change or rearrangement in the structural parts of elements, or in the means of egress or in moving from one location or position to another. It does not include normal maintenance, repair, reroofing, interior decoration, or changes to mechanical and electrical systems.”
 - 5. Regardless of funding sources Additions shall comply with article 4.1.5 of the Uniform Federal Accessibility Standards.
 - a. An Addition as defined by UFAS is, “An expansion, extension, or increase in the gross floor area of a building or facility.”
 - 6. Regardless of funding sources Historic Preservation shall comply with article 4.1.7 of the Uniform Federal Accessibility Standards.
 - a. “Qualified” buildings shall be eligible for listing in the National Register of Historic Places or designated as historic under a statute of the local government body.
 - 7. When the requirements above conflict with the International Building Code or the International Existing Building Code the more stringent shall apply.
 - 8. New Hampshire State Building Code Amendments shall apply when applicable.
- H. Structural Repairs shall comply with the latest adopted addition of the International Existing Building Code.

**NEW HAMPSHIRE HOUSING FINANCE AUTHORITY
DESIGN AND CONSTRUCTION RULES
HFA 111**

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HFA 111 Final November 1, 2019

NEW HAMPSHIRE HOUSING FINANCE AUTHORITY DESIGN AND CONSTRUCTION RULES HFA 111

HFA 111 PART ONE: Overview, Purpose, Applicability

HFA 111.01 Overview and Purpose

- (a) The purpose of these Design and Construction Rules for new construction and the rehabilitation of existing structures is intended to advise industry professionals and to ensure a basis for providing safe, sanitary, cost-effective, energy efficient, and decent housing for all occupants as well as protecting the Authority's security interest in the property.
- (b) These Design and Construction Rules establish both general and minimum criteria for the design, construction, and rehabilitation of multi-unit housing developments financed by the Authority.

HFA 111.02 Applicability

- (a) These Design and Construction Rules only apply to Authority-financed multi-unit housing developments for the purposes of design, construction, and rehabilitation.

- (b) The provisions of HFA 101 are incorporated into these HFA 111 rules.
- (c) These Design and Construction Rules will complement or supplement any national, state, or local regulations. In any situation where conflicting standards exist, the stricter standard, as determined by the Authority in its sole discretion, shall apply.

HFA 111.03 Rulemaking

These Design and Construction Rules are generally adopted pursuant to RSA 204-C:9 which empowers the Authority to adopt rules relative to the design and construction of Authority-financed multi-unit housing developments.

HFA 111.04 Additional Requirements

- (a) The Authority requires full conformance with current federal, state, and locally adopted plumbing, electrical, life safety, accessibility, energy, and engineering codes and standards.
- (b) The Authority requires full conformance with all applicable federal, state, and local regulations regarding zoning and subdivisions, floodplains, wetlands, and other environmental concerns.
- (c) All construction drawings and design specifications shall be completed utilizing these Design and Construction Rules and stamped by a licensed architect or professional engineer registered with a permanent licensing number issued by the appropriate State licensing board.
- (d) Inspections shall be required by the architect or engineers of record prior to the concealment of work, and again at completion of work, prior to final payment.
- (e) All primary design professionals must provide proof of insurance to the developer and the Authority prior to the start of construction. The coverage shall provide protection against design errors and omissions and shall have an annual aggregate limit of no less than \$2,000,000.

HFA 111 PART TWO: Definitions

HFA 111.05 Definitions

In addition to the terms defined in HFA 101, the following words or terms shall have the following meanings in these HFA 111 Rules:

“Construction Management” means method of construction project delivery where the developer contracts with a Construction Management firm to oversee the planning, design, and construction of a

project, from its beginning to its end. The only form of Construction Management that can be used on projects with Authority financing is the Construction Management at Risk variation, where the Construction Management firm establishes a Guaranteed Maximum Price acceptable to the developer and becomes the prime contractor during the construction phase. A contractor engaged to provide construction management services is referred to as a “Construction Manager.” All costs and invoices of the Construction Manager are subject to review and approval by the developer and design team.

“General Contracting” means a form of project delivery where the contractor provides a fixed stipulated lump sum (AIA A101) for a scope of work developed by the architectural and engineering design team.

A contractor engaged to deliver a construction project using this approach is referred to as a “General Contractor.”

“Guaranteed Maximum Price” means a cost-type contract where the Construction Manager is compensated for actual costs incurred plus a fixed fee subject to a ceiling price. The Construction Manager is responsible for cost overruns.

“Preconstruction Period” means the design and development stages before construction of a project begins as defined by the American Institute of Architects.

“Open Book” as applied to Construction Management contracts entitle the owner, developer, and the Authority full access to the guaranteed maximum price estimate, change order estimates, supplier and subcontract bids, labor estimates, documents that support accounting entries and the cost of the work, including but not limited to payrolls, invoices, subcontracts, proposals, purchase orders, and receipts.

HFA 111 PART THREE: General Rules

HFA 111.06 Development Review

- (a) Prior to the submission of any application for financing, the developer must contact the Authority for consultation.
- (b) The developer must make appropriate arrangements with the Authority to have staff visit the site prior to the submission of the Application. The Authority will review preliminary information about the developer’s site, construction/rehabilitation plan, and development team.
- (c) The developer must request a plan review by local code and fire prevention officials prior to submission of final plans to the Authority.

HFA 111.07 Procurement

- (a) Two weeks prior to going out to bid the Developer must submit a copy of the Bid Invitation or Request for Proposal to Authority staff for review and comment. Allow one week for the review.
- (b) Developers must contract for construction services using either the General Contracting or Construction Management method of delivery. In either case, the developer must use a competitive process to select the General Contractor or Construction Manager in accordance with HFA 111.08 or HFA 111.09. Some other funding sources may require publicly advertised bidding which will also be acceptable to the Authority.
- (c) Developers who wish to contract directly with trade contractors for discrete, limited scopes as part of a property recapitalization may do so in accordance with HFA 111.12.
- (d) For projects with construction costs of \$2,500,000 or more, the Authority limits the combined value of the General Contractor's or Construction Manager's overhead, profit, and general conditions to 14% of the Cost of the Work excluding performance and payment bonds and building permits.
- (e) For projects with construction costs of less than \$2,500,000, the Authority limits the combined value of the General Contractor's or Construction Manager's overhead, profit, and general conditions to 16% of the Cost of the Work excluding performance and payment bonds and building permits.
- (f) For projects with construction costs of less than \$1,000,000, the Authority limits the combined value of the General Contractor's or Construction Manager's overhead, profit, and general conditions to 20% of the Cost of the Work excluding performance and payment bonds and building permits.

HFA 111.08 Construction Management

- (a) Developers shall obtain a minimum of three proposals for construction management services. Proposals must include the following:
 - (1) A construction management fee expressed as a percentage of the Cost of the Work. This fee shall be fixed as a lump sum when the Guaranteed Maximum Price is established;
 - (2) All pre-construction service fees, expressed as a lump sum inclusive of all costs, including labor, travel expenses, and consumables, incurred during the Preconstruction Period. The developer must define the maximum duration of the Preconstruction Period after which additional reimbursement for preconstruction services may be negotiated between the developer and the Construction Manager with Authority approval if additional preconstruction services are required;
 - (3) A firm price proposal for the General Conditions. The proposal will be based on estimated start and finish dates provided by the developer. An allocation schedule that specifies what costs will be considered Construction Management Fee, General Conditions, and Cost of the Work shall be prepared by the architect of record and included in the Request for Proposal provided to each prospective Construction Manager; and
 - (4) The name of the bonding company, their bonding capacity, and the bonding fee expressed as a percentage of the Cost of the Work. The bonding fee shall be fixed as a lump sum when the Guaranteed Maximum Price is established.

- (b) Proposals shall be opened publicly at a time and place determined by the developer or the developer's agent. The Construction Manager offering the best combined pricing for the fees and services noted in HFA 111.08(a) will be awarded the project
- (c) Working with the developer's design team, the Construction Manager will refine the scope of the work based on preliminary plans and specifications, and then manage the competitive bidding process with qualified subcontractors for each construction component, and will develop a Guaranteed Maximum Price to amend to the Construction Management contract. The Construction Manager must obtain a minimum of two bids for all subcontracts with a value less than or equal to \$20,000 and a minimum of three bids for all subcontracts with a value greater than \$20,000. Projects utilizing modular construction will also be required to submit three bids from the modular contractor. The Construction Manager must award the work to the lowest responsible bidder in each case unless authorized to hire a different bidder by the developer and the Authority.
- (d) A bid summary and all bids shall be provided to the developer and the Authority for review prior to closing.
- (e) In addition to the Authority's bonding requirements, the Guaranteed Maximum Price shall include assignment of responsibility for acquiring builder's risk insurance with extended coverage in the amount of the Guaranteed Maximum Price and any subsequent modifications from change orders.
- (f) The Construction Manager may perform the work specified for one or more components provided, however, that at least two other bids are received from other subcontractors and that the Construction Manager's price proposal for that component is the low bid. The Construction Manager may perform miscellaneous other work on the project without competitive bidding provided that the total value of such work does not exceed 2.5% of the guaranteed maximum price. The Construction Manager must be able to provide documentation that the value of the un-bid work does not exceed 2.5% of the guaranteed maximum price.
- (g) Upon completion of the project, all guaranteed maximum price savings are to be returned to the developer.
- (h) Construction Management contingencies shall not exceed 2.5% on Authority projects, and the contingency may not be used to supplement general conditions costs or self-performed work.

HFA 111.09 General Contracting Procurement

- (a) Developer may select a General Contractor from a pre-selected list at the developer's discretion provided that a minimum of three bids are obtained. There shall be one mandatory pre-bid meeting that all contractors shall attend. Failure to attend the mandatory pre-bid meeting will disqualify the contractor from bidding on the project.
- (b) Bids shall be opened publicly at a time and place determined by the developer or their agent. The contract shall be awarded to the lowest responsible bidder, using only the base bid amount. Alternates and/or unit costs shall not be considered when determining the lowest bid.

- (c) The General Contractor chosen for the contract award, and all subcontractors selected by the General Contractor shall not appear on HUD's list of debarred contractors. If the General Contractor or any subcontractors are discovered to be on HUD's list of debarred contractors after the acceptance of the bid by the Authority, then the bid will be disqualified by the Authority and the bidding process must be restarted.

HFA 111.10 Bids Over Budget

- (a) If the construction bid exceeds the budgeted amount by 10% or less, the developer may negotiate changes with the lowest responsible bidder or Construction Manager provided that all changes be approved by both the design team and the Authority.
- (b) Where bids exceed 10% of the project budget, the developer, architect, low bidder, and the Authority shall meet to review the project and determine the best course to follow. The Authority, in its sole discretion, may require a redesign by the architect, subject to the Authority's approval, and re-bidding in conformance with HFA 111.08 or 111.09. Additional bids may be required if the Authority considers the General Contractor's cost or any subcontractor's costs excessive.

HFA 111.11 Identity of Interest

- (a) The Authority may grant permission for a General Contractor or Construction Manager sharing an identity of interest, as defined in 24 CFR §242.1, with the developer to participate in the project. The General Contractor or Construction Manager who shares an identity of interest with the developer must demonstrate appropriate qualifications and experience and must employ an "open book" construction management process including the competitive bidding of all subcontracts as described in these HFA 111 Rules.
- (b) In the case of an approved identity of interest, the Authority may require the payment of an additional inspection or oversight fee to be paid directly to the Authority from non-project resources.

HFA 111.12 Recapitalization of Existing Projects

- (a) As part of the recapitalization of existing affordable housing properties, a developer may contract directly with subcontractors for certain improvements. This will only be permitted when the scope of the work is separate and discrete and is an activity normally undertaken as part of property management. Invasive or extensive renovation through structural work or requiring extensive trade coordination must be procured through a competitive construction management or sealed selective bid process pursuant to HFA 111.08 or HFA 111.09.
- (b) The Authority may allow direct contracting between the developer and subcontractor provided that the following criteria are satisfied:
 - (1) The work must be overseen by a property management firm or an independent Clerk of the Works approved by the Authority. In either case, the supervisor approved by the Authority must be present for a minimum of two hours each day that work is taking place;

- (2) Supervisory services must be billed on an hourly basis. Fees defined as a percent of the cost of the work are not permitted;
- (3) All contracts must be between the developer and each individual subcontractor;
- (4) The Clerk of the Works may not self-perform the work or hire subcontractors;
- (5) The developer, in cooperation with the Clerk of the Works, must obtain two bids for all subcontracts with a value less than or equal to \$20,000 and a minimum of three bids for all subcontracts with a value greater than \$20,000 and must select the lowest responsible bid unless authorized in writing by the Authority;
- (6) The scope of the work must be limited to ten or fewer trade contractors; and (7) Developer staff time may not be paid out of project resources.

HFA 111.13 Contract Requirements

- (a) For projects using either the Construction Management or General Contracting method in the determination of the total construction costs, the contract between the developer and the General Contractor or Construction Manager must incorporate all items included in the bid packages as well as the standard contract terms and general conditions, bid proposal, and bond and insurance forms, using standard AIA contract documents, or an otherwise acceptable contract as approved by the Authority.
- (b) The General Contractor or Construction Manager shall be responsible for all costs associated with winter conditions incurred by themselves or their subcontractors. All construction contracts, including architectural and design contracts, shall adhere to the requirements in these HFA 111 Rules.
- (c) In the case of a conflict between the contract documents and these HFA 111 Rules, the more stringent requirements, as determined by the Authority in its sole discretion, shall apply. A draft AIA construction contract shall be submitted to the Authority for review and approval prior to final execution.
- (d) A construction project sign shall be erected in a visible location on the job site as soon as possible after the start date pursuant to the Authority's Technical Standards.

HFA 111.14 Bonding and Insurance

- (a) All construction projects procured by means of sealed selective bids and consisting of 11 or more housing units will require a bid bond in an amount not less than 5% of the base bid.
- (b) Projects consisting of 11 or more housing units will require a 100% payment and performance bond, letter of credit, or other form of surety acceptable to the Authority.
 - (1) Payment and performance bonds must meet the following criteria:
 - (A) Issued by a qualified U.S. bonding company bonding company that is licensed by the New Hampshire Insurance Department;
 - (B) The bonding company must be on the United States Department of the Treasury's Listing of Approved Sureties, Circular 570; and

- (C) The bonding company must be rated on the A.M. Best Company and have a rating of A minus or better.
- (2) Letters of credit may be used instead of payment and performance bonds. They must be approved by the Authority and must meet the following criteria:
 - (A) Amount of the letter must be at least 15% of the total construction loan in lieu of a Payment and Performance Bond.
 - (B) Must be kept in place for one year after substantial completion. The amount of the letter of credit may be reduced to 5% of the total construction loan amount after the Authority's final construction signoff.
 - (C) Letter of credit provider must be acceptable and approved by the Authority in writing.
 - (3) The Executive Director may approve other forms of surety on a case-by-case basis. Such approval shall be in writing and shall be at the Executive Director's sole discretion and will be based on the following factors:
 - (A) The existence of an identity of interest between the developer and construction manager
 - (B) Net worth of the person or entity providing surety (as evidenced by financial statements prepared or reviewed by a qualified independent third party) in comparison to the amount of the surety;
 - (C) Existence of other contingent liability (such as other claims or guarantees against a guarantor's assets); and
 - (D) Developer's and Construction Manager's lien waiver policy
- (c) For projects of ten or fewer units, the Authority may require some form of security, the form of which is at the discretion of Authority staff.
 - (d) The Authority reserves the right to review the financial statements of contractors performing work on Authority-funded projects.
 - (e) The developer, General Contractor or Construction Manager shall procure Builder's Risk Insurance for the project and it shall have a maximum deductible of \$10,000.

Attachments

**New Hampshire Housing Finance Authority HOME Investment Partnerships (HOME) and Housing Trust Fund (HTF) Programs Emergency Transfer Plan
for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking**

In accordance with the Violence Against Women Act (VAWA), New Hampshire Housing allows tenants in HOME/HTF-assisted housing units who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit.

This policy applies to all HOME/HTF-assisted units funded by New Hampshire Housing whose funds were committed on or after December 16, 2016, and to the individuals and entities owning, managing and administering those units, including owners, managers, agents and consultants (hereafter referred to as "housing providers".)

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security.

Tenant Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations (at 24 CFR part 5, subpart L) is eligible for an emergency transfer, if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation. New Hampshire Housing and the covered housing providers will provide reasonable accommodations to this policy for individuals with disabilities.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements.

Emergency Transfer Request & Documentation

Providing transfers to tenants, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. The tenant must submit one of the following forms of documentation:

- A complete certification form;
- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident;

- A signed statement by you and an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, “professional”) from whom you sought assistance; or
- Any other statement or evidence that the Housing Provider (HP) has agreed to accept.

Form HUD-5381(06/2017)

In addition, a tenant must expressly request an emergency transfer by submitting a written request for a transfer to the housing provider, or to New Hampshire Housing Finance Authority. The tenant’s written request for an emergency transfer should include either:

- A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under HP’s program; OR
- A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant’s request for an emergency transfer.

Confidentiality

The Housing Provider, and any of its employees, contractors or agents, must keep confidential any information a tenant provides related to the exercise of rights under VAWA.

The Housing Provider must report all requests for VAWA protections. However, the housing provider may not enter tenant information into any shared database or disclose information to any other entity or individual other than New Hampshire Housing unless:

- The tenant gives written permission;
- The Housing Provider needs to use the information in an eviction or termination proceeding; or
- A law requires the Housing Provider or your landlord to release the information.

This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant.

Emergency Transfer Procedures

The covered housing provider cannot guarantee that a transfer request will be approved, and transfers are subject to the availability and safety of a unit. However, the housing provider will act expeditiously to process the request and move the tenant, if approved.

Internal Emergency Transfer. If a safe unit is available within the development or another development owned or operated by the housing provider, the transferred tenant may be relocated internally under the following conditions:

- The tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant is transferred, including ongoing HOME occupancy requirements; and
- The lease of the current unit will be transferred to the new unit without penalty.

If a tenant reasonably believes a proposed transfer unit would not be safe, the tenant may request a transfer to a different unit or an external unit.

External Emergency Transfer. If the housing provider has no safe and available units for which a tenant who needs an emergency is eligible, the housing provider will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move.

1. The housing provider will contact New Hampshire Housing and provide a copy of the emergency Transfer Request.
2. New Hampshire Housing will review and approve the Request.
3. If approved, New Hampshire Housing will provide a list of properties that may have units available to the housing provider, and a list of victim assistance providers that can work with the victim to identify safe units, and will assist the victim to apply for occupancy. The housing provider will cooperate with New Hampshire Housing and any service provider to assist in identifying a safe unit.
4. If a transfer unit is identified, the lease for the current unit will be terminated without penalty.

Tenant Safety and Security

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe. At the tenant's request, the housing provider will also assist tenants in contacting organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking. National contacts include:

- Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY) or visit the online hotline at <http://www.thehotline.org/>.
- Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-4673, or visit the online hotline at <https://hotline.rainn.org/online/terms-of-service.jsp>.

- Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <http://victimsofcrime.org/our-programs/stalking-resource-center>.

In addition, a list of local organizations that assist victims of domestic violence, dating violence, sexual assault, or stalking is attached to this plan.



COMMUNITY DEVELOPMENT BLOCK GRANT AND CDBG CV

APPLICATION AND PROGRAM GUIDE

For additional program details or questions contact:
Shelley Hadfield, Director of Community Development and Housing
Kevin Peterson, Director of Economic Development
Community Development Finance Authority
Tel: 603-226-2170 www.nhcdfa.org
<https://resources.nhcdfa.org/wp-content/uploads/2020/04/CDFA-CDBG-Application-and-Program-Guide-FY20.pdf>

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CHAPTER 1: PROGRAM OVERVIEW

The Community Development Finance Authority (CDFA) is a statewide nonprofit public authority. The organization leverages a variety of financial and technical resources, including the competitive deployment of grant, loan and equity programs.

CDFA'S VISION & MISSION

CDFA is the financial engine that drives community economic development across New Hampshire focused on maximizing the value and impact of community development, economic development and clean energy initiatives throughout New Hampshire. The organization leverages a variety of financial and technical resources, including the competitive deployment of grant, loan and equity programs.

We see a future New Hampshire whose communities are economically and socially resilient, reflect and respect their natural surroundings, and are places where people want to live, work and play.

CDFA invests in the people of New Hampshire by:

- deploying a well-tuned, effective investment system;
- enabling partners to make transformational and sustainable changes; and
- taking an innovative approach to development finance.

CDBG PROGRAM OVERVIEW

CDFA administers the State of New Hampshire's annual federal allocation of Community Development Block Grant (CDBG) funds for eligible municipalities.

The Community Development Block Grant (CDBG) Program is designed to provide assistance to units of general local government in improving economic opportunities and meeting community revitalization needs, particularly for persons of low and moderate income. The CDBG program has been funded through the State

since 1982 by the U.S. Department of Housing and Urban Development (HUD) under the Housing and Community Development Act of 1974, as amended (Title I).

The CDBG program is governed by Title I of the Housing and Community Development Act of 1974, as amended, and implementing regulations for the State Program at 24 CFR Part 570, Subpart I. All CDBG activities must be carried out in accordance with the requirements of Title I, Subpart I, the State

Consolidated Plan, created in accordance with 24 CFR Part 91, and this Application and Program Guide.

In the following sections, a description of New Hampshire's CDBG Program is presented along with the amount of funds available and the method of distribution (MOD) of those funds. Also presented are the categories of grants to be made available, selection criteria, eligible activities, and the eligibility requirements for applicants.

CDFA will conduct grant workshops to assist municipalities and other interested parties in the preparation of grant applications and the administration and management of funded projects in accordance with program requirements. In addition, CDFA is available to provide technical assistance to municipalities and non-profit organizations regarding the CDBG program.

Funding Objectives

The primary objective of the CDBG program is the development of viable communities by expanding economic opportunities, providing decent housing and a suitable living environment principally for persons of low and moderate income.

Section 1.3 Use of the Application and Program Guide and the Implementation Guide

The CDBG Application and Program and Implementation Guides can be found on CDFA's website: <https://resources.nhcdfa.org/wp-content/uploads/2020/04/CDFA-CDBG-Application-and-Program-Guide-FY20.pdf>

The purpose of the Application and Program Guide is to:

- Provide information on National Objectives and Eligible activities and New Hampshire's priorities for funding.
- Encourage participation in the public input process for determining CDBG program goals.
- Give clear steps and policies for completing an application.
- Define clear evaluation steps, criteria and policies for funding decisions.

The purpose of the Implementation Guide is to:

- Assist grant administrators in the day-to-day administration of CDBG projects.
- Provide practical information on how to implement a CDBG project that will meet legal, financial, and program obligations.
- Provide the grant administrator with a simple, step-by-step approach for the implementation of CDBG-funded projects, including grant approval, set-up, compliance with applicable requirements, audits and close-out.
- Provide tools to assist in CDBG project implementation. The tools include tips, lists, forms, and sample documents that are in the chapter or in the attachments to each chapter.

The Guides are organized by major topic. All applicable forms referred to in the handbook are located at the end of the handbook chapters. The major topics include:

Application and Program Guide

- Program Overview
- National Objectives and Eligible Activities
- Activity Selection and Implementation (Method of Distribution)

Implementation Guide

- Grantee Requirements
- Environmental Review
- Financial Management
- Procurement and Contract Requirements
- Labor Standards
- Acquisition
- Relocation
- Reporting and Recordkeeping
- Monitoring and Closeout
- Glossary (Definitions)

Note, however, that this document is intended as a guide and reference, not as a substitute for thorough knowledge of State and Federal laws and regulations referenced herein.

Though not all-inclusive, this guide covers the major areas of CDBG administration, provides required and suggested forms and instructions, and provides references for applicable State and Federal laws and regulations.

As necessary, revisions or additions to this Guide will be issued via Circulars. This guide will be retained and kept up-to-date on a yearly basis to ensure effective administration of CDBG grants. The current version of the guide can be found on the CDFA website.

Waivers

CDFA may waive non-statutory program requirements. A request for a waiver will be approved only when it is determined necessary to further the objectives of the Community Development Block Grant (CDBG) program, is consistent with the Housing and Community Development Act statutes, the HUD regulations, and the CDFA's community development objectives.

Waivers may be requested by the Grantee using the CDFA Waiver Request Form. The request must contain the following:

1. Reason(s) for the waiver, including justification of the reasons beyond the recipient's control to warrant a waiver;
2. Actions taken by the recipient to overcome the problem(s);
3. Specific CDBG requirements that are proposed to be waived; and
4. Identification of the plan to complete the project.

Other Resources and Information

It is very important to note that the applicable regulations and requirements are subject to change. Grantees are responsible for ensuring that they are in compliance with all applicable rules. This can be accomplished by periodically checking the websites listed below to see if updated or revised regulations have been issued:

New Hampshire websites:

<https://www.nhhfa.org/consolidated-plan>

<http://www.nhcdfa.org/block-grants/>

Guide to National Objectives and Eligible Activities for State CDBG Programs:

<https://www.hudexchange.info/resource/2179/guide-national-objectives-eligible-activities-state-cdbgprograms/>

CDP Income Calculator

<https://www.hudexchange.info/incomecalculator/>

HUD Office of Community Planning and Development Training:

<https://www.hudexchange.info/trainings/>

HUD Office of Healthy Homes and Lead Hazard Control:

https://www.hud.gov/program_offices/healthy_homes

HUD Office of Labor Standards and Enforcement (OLSE):

https://www.hud.gov/program_offices/davis_bacon_and_labor_standards

HUD Office of Environment and Energy (OEE):

<https://www.hudexchange.info/programs/environmental-review/>

Department of Labor:

<http://www.dol.gov/>

For more information or assistance, grantees are encouraged to contact CDFA staff.

CHAPTER 2: NATIONAL OBJECTIVES AND ELIGIBLE ACTIVITIES

Chapter 2: National Objectives and Eligible Activities describes the federal requirement that all CDBG funded activities fulfill one of three National Objectives established by Congress. The content of this chapter is outlined beginning on page 19 of CDFA's Community Development Block Grant Implementation Guide found here:

<http://www.nhcdfa.org/document/nsp/91>.

Section 3.1 Funding Method of Distribution

New Hampshire's Community Development Block Grant (CDBG) program is offered to eligible cities and counties for a wide range of activities as authorized under Section 105(a) of the Housing and Community Development Act (HCDA) of 1974, as amended. The state annually expects to receive new CDBG funds for distribution to non-entitlement cities and counties for eligible projects. The CDBG funds covered by this Method of Distribution (MOD) include: new funds, unobligated program year funds, any program income received and grant funds recaptured from projects funded in prior grant years. The Community Development Finance Authority (CDFA) will manage the competitive award and funding process for eligible projects under this Method of Distribution.

3.1.1 Citizen Participation

To establish goals for the 2020 CDBG program year and ensure proposed changes were based on data, trends and public participation, CDFA undertook the following process:

- Hosted listening sessions across the state in August 2019;
- Conducted a survey of municipalities and other stakeholders;
- Solicited public input through one-on-one outreach; and
- Researched and evaluated best practices and program models.

The goals identified through the outreach efforts include increasing funds available to municipalities, building capacity and providing support for downtown revitalization and redevelopment.

CDFA also engages in the State Citizen Participation Plan outlined here:

<https://www.nhhfa.org/publications-data/nh-consolidated-planning-for-hud/>.

Every applicant and recipient of CDBG funds must comply with the citizen participation requirements provided in federal law and described in this chapter. Some of the requirements will be checked by CDFA during application review; others will be verified when grant projects are monitored.

See Implementation Guide Chapter 4: Grantee Requirements for more information about required Citizen Participation (<http://www.nhcdfa.org/document/nsp/91>).

3.1.2 Consistency with New Hampshire's Consolidated Plan

Priorities for CDBG funds must be consistent with the policies and priorities contained in the State of New Hampshire Consolidated Plan for Housing and Community Development. The Consolidated Plan is approved by the U.S. Department of Housing and Urban Development (HUD). The Annual Action Plan, which includes the MOD for the CDBG funds, is the annual update to the Consolidated Plan and has been developed with participation from New Hampshire Housing Finance Authority, State of New Hampshire Department of Health and Human Services, the Housing and Community Development Planning Council, and the public input received during the 30-day public comment period.

3.1.3 CDBG Priorities

Section 106(d)(2)(C)(iii) of the Housing and Community Development Act (HCDA) prohibits a state from declaring certain statutorily eligible activities as ineligible for funding under the state's program, but allows a state to establish funding priorities among the types of eligible activities. The State of New Hampshire's funding priorities for each year will be described within the MOD. In accordance with the HCDA the state will consider applications for funding consistent with the identified funding priorities within the MOD.

There is a broad range of activities that may be assisted with CDBG funds as defined in Section 105(a) of the HCDA, as amended. States that administer a non-entitlement CDBG program are required to establish procedures for distributing the funds and identification of the activities (priorities) which will be eligible for funding under the state's program. These priorities are described within the MOD. The priorities eligible for funding under New Hampshire's CDBG program are described below.

State Objectives

Grants shall also include as many of the following additional state objectives as appropriate:

- Implementing the housing and community development plan and conforming to the municipality's master plan and ordinances;
- Preserving and promoting existing neighborhoods and community centers;
- Restoring and preserving properties which have historic, cultural, architectural or aesthetic value;
- Solving community problems with long term benefits and innovative solutions;
- Successfully raising funds or securing matching funds and resources from public and private sources; or
- Funding needed projects for which other private or public funding is not available and is consistent with the national objectives; or
- Community development grants shall, at a minimum, provide improved housing in accordance with section 8 standards, public facilities or employment opportunities primarily to low and moderate income persons or households. Grants shall not benefit moderate-income persons to the exclusion of low-income persons.

Current Year (2020) Objectives

- Increase the funds and capacity for communities to develop and implement community economic development projects.
- Provide additional resources for the development of affordable housing that supports the revitalization of New Hampshire's downtowns.
- Align economic development tools to better leverage public and private resources that have a positive community impact.
- Reduce the regulatory burden on communities seeking access to resources by streamlining state and federal program policies and administration requirements.

3.1.4 Priority Activities Offered through New Hampshire's CDBG Program

To accomplish the national and state objectives, there shall be five grant categories, as follows:

1. Housing
2. Public facilities
3. Economic development grants, which shall consist of the following subcategories:
 - a. Business Loan
 - b. Real Estate Development
 - c. Public Infrastructure
 - d. Grant to a Nonprofit
 - e. Microenterprise Development
 - f. Job Training
 - g. Business Technical Assistance
4. Emergency grants
5. Planning grants

3.1.5 Targets

CDFA receives an annual allocation from HUD for the CDBG program. After subtracting amounts allowed for Administration (2% plus \$100,000) and Technical Assistance (1%), CDFA intends to award available funds in the categories listed below, using the percentages shown. Funding priority target percentages may be adjusted annually to be more in line with the increased demand for certain types of projects, current trends and based on citizen participant plan conducted through the Consolidated and Action Plan process.

	Target %
Annual Allocation From HUD	
Housing	30%
Public Facilities	30%
Economic Development	30%
Emergency	5%
Planning	2%
Technical Assistance / Administration	3%

The final Annual Allocation from HUD amount will be posted on CDFA's website.

CDBG CV Targets

CDFA has approximately \$5.4 million dollars from the CARES ACT in additional CDBG funds to make investments in areas to address the COVID-19 crisis.

	Target %
Annual Allocation From HUD	
Public Services	70%
Economic Development – Technical Assistance and Micro-Enterprise Assistance and Loan Fund	25%
Technical Assistance / Administration	5%

3.1.6 Program Year

CDFA's program year runs from January 1 through December 31. A draft annual Action Plan is typically available to the public in November/December. The final Action Plan is prepared and sent to HUD once there is a final federal appropriation and transmittal of the funding amount from HUD.

3.1.7 Funds Remaining

On January 1st of any given year, any un-obligated or recaptured funds, earlier program year funds or program income will be applied in conformance with the proposed or HUD-approved fiscal year target percentages and will be awarded in accordance with either the proposed or HUD-approved MOD.

3.1.8 Obligating Funds

CDFA has two federal requirements which must be met: 24 CFR 570.494(b)(2) and 24 CFR Part

570.494(b)(1) which requires each state to obligate and announce (excluding state administration) 100% of each annual grant to Units of General Local Government (UGLG's) within 15 months of the state signing its grant agreement with HUD. To comply with the requirements CDFA prioritizes its obligation and announcement of CDBG funds as follows:

- CDBG awards will be obligated and announced from the current annual grant within 15 months of the state signing the grant agreement with HUD (24 CFR Part 494(b)(1); and
- Any recaptured, liquidated funds and program income on hand will be expeditiously obligated and announced in accordance with (24 CFR Part 570.494(b)(2).

Any recaptured, liquidated funds and program income received by CDFA will be tracked and disbursed to projects eligible for funding under the current MOD.

3.1.9 Grantee Eligibility and General Requirements

All 10 counties along with incorporated cities and towns, except for the entitlement communities, shall be eligible to apply for funding under the CDBG program.

Entitlement Communities are not included in the state's Community Development Block Grant (CDBG) program because they receive CDBG funds directly from the U.S. Department of Housing and Urban Development (HUD). Those entitlement communities are: Manchester, Nashua, Portsmouth, Dover, and Rochester.

Administration of Activities

Activities which are eligible may be undertaken by the grantee/recipient through:

- Its employees; or
- Agreements with a contractor or sub recipient through procurement procedures governed by 24 CFR 85.36 or OMB Circular A-110, whichever applies.

Financial Assistance

Subject to the specific requirements of each type of grant or subcategory, the following uses may be eligible for CDBG funds:

- A direct grant to a grantee;
- Grants, loan guarantees, interest rate subsidies or loans to an eligible sub recipient by the grantee;
- Interest rate subsidies or other favorable terms from a bank participating in the project with the grantee; or
- Any other innovative financing used either singly or in combination with items listed above, with permission from CDFA.

Project Timeline

All grants from the CDBG-funded housing award must be completed within 18 months after execution of the funding contract with CDFA. Any unobligated funds in the CDBG award may be recaptured by CDFA after this time period.

Matching Funds

All project funds necessary to complete the proposed project must be available and committed at the time the application is received by CDFA.

Unexpended Grant Funds

Grant funds not used for activities as shown in the approved contract budget will be recaptured and made available to other communities in accordance with the rules contained within this MOD.

CDBG funds cannot be used for facilities owned and/or maintained by a state or federal agency. CDBG funds cannot be used to offset locally budgeted funds or to replace state or federal funds. All CDBG projects must comply with OMB Circular A-87 "Cost Principles for State and Local Governments" and 2 CFR 300. In addition, 24 CFR 570.489(d) (2 CFR 200.444) requires that CDBG funds are not used for general expenses required to carry out other responsibilities of state and local governments.

Joint Projects

Two or more local governments (for example, a city and a county, or two cities) may work on an application for a regional project. In such cases, only one jurisdiction can be the primary applicant and act as the responsible party under the contract with the state. Joint applications where two or more parties are equally responsible will not be accepted.

Regional projects are activities that benefit more than one jurisdiction and address a common problem in a region. The maximum funding available for a joint application shall be the same as for an individual applicant.

Pass Through

Cities and counties cannot “pass through” the awarded funds to another city or county to carry out the project activities. The recipient must carry out the project activities and remain fully responsible for the grant funded project’s compliance with all federal and state requirements. In other words, the project must be under the direct control of the grant recipient at all times.

Project Phasing

Projects cannot be divided into phases to obtain multiple CDBG grants for the same facility. Some examples of project phasing not allowed under the program include:

- Separating a public works project into phases, such as collection system improvements in one phase and treatment system improvements into another phase in order to apply for more than the maximum grant within a five-year period; or
- Building one portion of a public/community facility now, and then building the remaining portion later, in order to qualify for two grants for the same facility.

Limits on Applications

To comply with federal requirements pertaining to the timely distribution and expenditure of funds, the Community Development Block Grant program will have the following application limits for all projects assisted in whole or in part with Community Development Block Grant funds in any one program year:

1. Community Development Housing Grants-
 - A Grantee may apply for Housing projects for the total limit of \$500,000 per program year;
2. Community Development Public Facility Grants-
 - A Grantee may apply for Public Facilities projects for the total limit of \$500,000 per program year;

3. Economic Development Grants-

A Grantee may only apply for projects from the following categories and shall not exceed \$500,000 per program year:

- a. Business Loan
- b. Real Estate Development
- c. Public Infrastructure
- d. Grant to a Nonprofit
- e. Job Training

Microenterprise Development - Grantee may also apply for additional \$500,000 for projects in this category in addition to the \$500,000 limit for categories listed in a through e, above.

Business Technical Assistance - Grantee may also apply for additional \$300,000 for projects in this category in addition to the \$300,000 limit for categories listed in a through e, above.

4. Planning Grants:

- a. The maximum grant award of \$25,000 shall be made only for studies, which include architectural, engineering design or redesign, energy design review, energy audit and/or economic analysis, and a plan or approach to the study which has the potential for achieving the goals stated in the proposal.
- b. There shall be no yearly limit on the number of planning grant applications that can be submitted and received.

5. Emergency Grants:

A Grantee may only apply for one project per year from one of the following categories:

- a. A municipality with a population of 10,000 or under shall not exceed \$350,000 for a one-year grant(s); or
- b. A municipality in this category with a population above 10,000 shall not exceed \$500,000 for a one year grant(s).

3.2 Administration Requirements

Audit Cost

Community Development Block Grant (CDBG) funds can pay for A-133 audit costs in proportion to the federal CDBG funds received by the city or county. The eligible share of the A-133 audit cost cannot exceed the ratio of

these federal grant funds received to the recipient's total annual expenditures and incurred obligations – times – the cost of the audit. For example:

CDBG receipts \$100,000

Total Expenditures and Incurred Obligations \$1,000,000

Ratio:

(CDBG Receipts)/ (Total (Federal?) Expenditures and Incurred Obligations)

(\$100,000)/(\$1,000,000)=0.1 0.1

Total Cost of A-133 Audit \$5,000

Eligible CDBG reimbursable portion of the audit cost

(Total Audit Cost) x (Ratio)

(\$5,000) x (0.1) = \$500 \$500

Grant Administration Fee

For all categories that allow grant administration as an eligible activity, up to 10 percent of the grant award, but not more than \$25,000 may be used to pay for grant/project administration costs, including overall project management, coordination, monitoring, and evaluation. Recipients may use some of the grant/project administration allowance to conduct activities to further Fair Housing in their communities.

In addition to the grant administration allowance the following limitations apply:

Environmental Review

Up to a maximum of \$5,000 per project is allowed to prepare and complete a full environmental review record including any associated wetlands delineations, 8-step floodplain/wetlands processes, biological assessments, pedestrian survey's, SHPO communication etc., to meet all the requirements of the most current Grant Management Handbook and approved by CDFA, if needed. The complete record must be ready for public comment. Any amount of funds in excess of the \$5,000 must be paid for with local or non-CDBG funds.

Legal Fees

There is no maximum limit on costs associated with legal fees directly related to the project as long as the fee is reasonable and consistent with fees charged for projects with a similar scope of work in the local market.

Property Appraisal Fees

There is no maximum limit on costs associated with property appraisal fees related to property acquisition as long as the fee is reasonable and consistent with fees charged for projects with a similar scope of work in the local market.

Grant Writing Fee

For Housing, Public Facilities, Urgent Need and Economic Development Category

To prepare funding applications to CDFA, consultant fees for writing grant applications shall be allowable for up to \$4,000 per application; Municipalities that write their own applications shall be eligible to receive up to \$4,000 per application based on actual documented costs; and Sub recipients shall not be eligible to receive any grant funds for application writing. Only projects that are funded will be eligible for reimbursement.

For a Planning Application

Consultant fees for writing and preparing grant applications shall qualify as administrative costs, but shall not exceed \$1,500 per application. Municipalities that write their own applications shall be eligible to receive up to \$1,500 per application based on actual documented costs; and Sub recipients shall not be eligible to receive any grant funds for application writing. Only projects that are funded will be eligible for reimbursement.

Other Administration Costs

Project Cost - Program Management Services (Only applies to housing rehabilitation projects.) Up to 20 percent of the grant award may be used for the combined costs associated with grant administration and program management. Of this amount no more than is reasonable to complete the project may be used for grant administration costs. Program management costs are expenses directly related to carrying out eligible program activities such as working with low and moderate income eligible clients. These costs are not considered to be grant/project administration costs because they provide a direct service to clients eligible under the low and moderate income national objective. Refer to the Guide for Grant Administration/Activity Delivery Costs/Program Management Costs for identification of the eligible grant

administration, environmental review, attorney fees, appraisal costs, program management and other costs.

Limitations on Architectural and Engineering Costs

CDFA will not approve grant awards that include budgets that contain more than the following percentages for architectural and engineering work regardless of whether the item is paid for with grant funds or other funding resources:

There is no maximum limit on costs associated with Architectural and Engineering costs directly related to the project as long as the fee is reasonable and consistent with fees charged for projects with a similar scope of work in the local market.

The reasonable work generally includes: project design, surveying, preparation of bid and contract documents, review of bids, project/construction oversight, preparation of as-built drawings and operation and maintenance plans. Professional services contracted out by the engineering/architectural firm for project geotechnical evaluation, surveying, core samples, or other extra services are not generally included in the above stated limit for engineering and architectural costs. For further assistance, contact CDFA staff.

Preliminary engineering/planning documents, final design engineering documents and construction oversight in projects funded in full or in part with CDBG funds must be prepared and stamped or conducted by a registered professional engineer or architect licensed to do work within the State of New Hampshire.

Limits on Construction Contingencies

Construction contingencies are limited to a maximum of 10 percent of the projected construction line item cost.

Pre-Agreement Costs

In any project assisted in whole or in part with CDBG funds, costs incurred after a grant award has been made but prior to execution of a grant contract are not eligible for reimbursement unless there are provisions in the grant contract allowing for payment of specific pre-agreement costs. The activities must also be eligible and undertaken in accordance with the requirements of the Community Development Block Grant program/future contract requirements and the federal environmental review rules at 24 CFR Part 58. Consult with CDFA staff during project development for pre-agreement cost activities.

If pre-agreement costs are to be requested, the applicant must provide a letter with the application, requesting pre-agreement costs that clearly explains and identifies:

1. The amount of funds needed, by budget line item;
2. An explanation as to why pre-agreement costs are necessary for the completion of the project;
3. The timeline in which the funds will be expended; and
4. Documentation the federal environmental review rules at 24 CFR Part 58 have been met.

Costs incurred prior to award of the grant to a municipality are generally not eligible for reimbursement in any project assisted in whole or in part with CDBG funds. Exceptions can be made for the following activities, with prior written approval by CDFA:

- a. Environmental reviews
- b. Income Surveys
- c. Grant Writing
- d. Legal Services
- e. Noticing related to relocation and/or acquisition activities;
- f. Any other activities deemed as a reasonable cost by the authority (waiver required)

The application must describe the pre-agreement costs within the project description and show the costs in the project budget.

Ineligible Costs

Any activity not listed under eligible costs is generally considered ineligible. Check with CDFA with any further questions

Work Performed by Staff of the Grantee (Force Account)

Grantees planning to pay their own staff with grant funds for administration and/or force account work including, but not limited to, engineering, design and inspection services, construction labor and operation of locally owned equipment must consult with CDFA and receive approval prior to submitting an application.

Guide for Grant Administration/Activity Delivery Costs/Program Management Costs

<i>Activity</i>	<i>Grant Administration Cost (yes/no)</i>	<i>Activity Delivery Cost (yes/no)</i>	<i>Pre Application – Eligible Costs</i>	<i>Maximum amount allowed</i>

Preparing budgets, schedules, contract amendments	Yes	No	No	No maximum – reasonable and necessary to complete the activity. Approval from CDFA required.
Drafting Requests for Proposals and agreements with consultants for grant administration or other consulting work (Architect and Engineer)	Yes	No	Yes	
Setting up systems to assure compliance with state and federal program requirements. For example: labor standards files and a grant accounting system.	Yes	No	No	
Monitoring project progress against the grant contract scope of work and budget and reporting to elected officials.	Yes	No	No	
Preparing disbursements/cash requests, reports, and other documents for submission to the CDFA.	Yes	No	No	
Participating in CDFA monitoring visits and responding to monitoring findings and concerns.	Yes	No	No	
Preparing a project completion report, assisting an auditor with required grant information.	Yes	No	No	
Costs of publishing the Fair Housing Resolution.	Yes	No	Yes	
Purchase of capital equipment, such as computers and file cabinets for grant administration.	No	No	No	
Training on CDBG grant administration requirements.		No	No	Maximum \$5,000 per project.
Preparation of the environmental review and all related costs	Yes	Yes	Yes	

Federal Labor Standards Compliance work related to conducting on-site employee interviews, verifying payroll data, reviewing payrolls, attending pre-construction conferences, and obtaining compliance with these requirements.	Yes		No	No maximum – reasonable and necessary to complete the activity. Approval from CDFA required.
Attorney fees for preparing or reviewing contract documents or property acquisition activities.	No	Yes	Yes	No maximum – reasonable and necessary to complete the activity. Approval from CDFA required.
Audit Costs.	No	Yes	No	CDBG portion of the audit cost
Professional appraiser fees related to property acquisition.	No	Yes	No	No maximum – reasonable and necessary to complete the activity. Approval from CDFA required.
Construction Contingency	No	Yes	No	10% of the estimated construction cost
Architectural	No	Yes	No	No maximum – reasonable and necessary to complete the activity. Approval from CDFA required..
Engineering	No	Yes	No	No maximum – reasonable and necessary to complete the activity. Approval from CDFA required.
Eligible Activities under MICRO				No maximum – reasonable and necessary to complete the activity. Approval from CDFA required.
Housing Rehab - Collecting client applications, verifying application to determine eligibility.	No	Yes	Yes	Up to 20% of the grant award
Non Housing Rehab Projects - Collecting client applications, verifying application to determine eligibility.			Yes	No maximum – reasonable and necessary to complete the activity. Approval from CDFA required.

On-site inspections, bid preparation, contracting, client/contractor troubleshooting, compiling cost data on individual rehabilitation homes.	No	Yes	Yes	No maximum – reasonable and necessary to complete the activity. Approval from CDFA required.

Section 3.3 New Hampshire Priority Activities

The New Hampshire CDBG program requires that each activity funded, except for program administration and planning activities, must meet one of three national objectives. The NH priority national objective is to benefit to low- and moderate- income (LMI) persons. An activity that does not meet the national objective is not compliant with CDBG requirements and may be subject to remedial actions. All projects and the individual activities funded in whole or in part with CDBG funds must meet the national objective:

□ Benefiting Low- and Moderate-Income (LMI) Persons

The LMI National Objective is often referred to as the primary National Objective as the regulations require that States expend at least 70 percent of their CDBG funds on activities that benefit low-and moderate-income people as defined below. In addition to ensuring that the required percentage of CDBG funds serve people in the overall LMI category, UGLGs must also ensure that the activities proposed, when taken as a whole, will not benefit moderate-income people to the exclusion of low income people.

The National Objectives are described in detail in Implementation Guide Chapter 2: National Objectives and Eligible Activities.

Section 3.4 Categories of Funding – Grant Requirements

To accomplish the national and state objectives, CDFA sets priorities and goals in the State's Consolidated Plan. The Consolidated Plan is the five-year plan for the use of HUD funds block-granted to the state to address community development, housing, and homeless needs. New Hampshire's Consolidated Plan is developed by the Housing and Community Development Planning Council and is created through a citizen participation process. Through this process CDFA determines the categories and subcategories of funds to be awarded.

HOUSING GRANT REQUIREMENTS

Eligible housing activities shall include:

1. Homeowner Rehabilitation, rehabilitating housing which does not meet physical condition standards for HUD housing that is decent, safe, sanitary and in good repair as defined in 24 CFR 5.703 including:
 - a. Improving the efficient use of water and energy;
 - b. Inspecting, testing and abating lead-based paint;
 - c. Exterior painting;
 - d. Providing elderly or handicapped access;
 - e. Water, sewer, street and sidewalk improvements; and
 - f. Maintenance of a housing inspection program, including a provision for a housing inspector.
2. Rental Housing Activities, rehabilitating housing which does not meet physical condition standards for HUD housing that is decent, safe, sanitary and in good repair as defined in 24 CFR 5.703 including: a. Historic preservation.
3. Infrastructure in support of housing.
4. New construction in Census Designated Places, a designated revitalization zone or other municipally designated area by a CBDO as defined by federal regulation.
5. Any other activity that the authority determines to be consistent with the national objectives in 42 U.S.C. 5304 (b) of the federal act.

Housing Activities and Program Requirements

The rent shall not exceed 100 percent of the “Fair Market Rent for Existing Housing” published by HUD under 24 CFR 888 in the Federal Register for no less than 5 years following completion of the project.

CDFA Energy Policy 2020

CDFA’s energy policy applies to any project proposing a physical alteration to existing energy systems (building envelope, mechanical systems, lighting, etc.) or for new construction (includes additions and gut rehabilitation).

The intention of the Energy Policy is that projects will complete appropriate evaluation of comprehensive energy opportunities prior to, or concurrent with, the planning/design of the project in order to inform a design that: 1) reduces future operating and maintenance costs; 2) improves occupant comfort and health; and/or 3) improves building durability. Please refer to Appendix E, CDFA Energy Policy Recommendations 2020 for guidance.

Housing Rehabilitation – Neighborhood Revitalization Program Requirements

The following shall be eligible for financial assistance:

1. Landlords; and
2. Low and Moderate Income Homeowners;
3. Public Housing Authorities
4. Private or Public Nonprofit

Additional Conditions for Landlord Eligibility

Landlords shall be eligible to receive financial assistance in order to rehabilitate housing units under the following conditions:

- A. At least 51 percent of the units in the building are occupied or if vacant, shall be reserved for low and moderate income households;
- B. The landlord agrees to rent vacant units rehabilitated with CDBG funds to low and moderate income household(s) for no less than 5 years following completion of the project;
- C. All other units in the same building meet the HUD occupancy standards whether or not all units utilize CDBG funds.
- D. To meet the requirements described above in the case of a 2-unit structure, only one of the units shall be required to be occupied by a low and moderate income household.
- E. Landlords shall be eligible to receive financial assistance for the housing unit(s) actually rented to a low and moderate income household(s) in a building in which less than 51 percent of the units are occupied by such households, provided that:
 - a. The landlord agrees to adhere to the requirements above; and
 - b. CDBG funds shall not be used to rehabilitate the units in the building that will not be occupied by low and moderate income households.
- F. Landlords shall be eligible to rent at the full fair market rent level to tenants with section 8 certificates or vouchers.
- G. Landlords shall rent at no more than the fair market rent for a one-bedroom unit for an independent group residence, shared or congregate housing unit.
- H. Landlords shall rent at no more than 60 percent of the fair market rent for an efficiency housing unit or a single room occupancy housing unit.
- I. Housing units rehabilitated with CDBG funds shall meet the following standards:
 - a. Housing that is decent, safe, sanitary and in good repair as defined in 24 CFR 5.703, or state and municipal housing or building, electrical and plumbing codes where they exceed the HUD standards;

- b. The state's current life safety code;
 - c. The state's **amended** 2015 IECC code; and
 - d. Where applicable, the state's architectural barrier free design code.
- J. The relevant rehabilitation standards above shall not apply where the sole activity consists of:
 - a. Painting the exterior of residences of low and moderate income households;
 - b. Removing material or architectural barriers from the residences of the elderly or handicapped; or
 - c. Water, sewer, street and sidewalk improvements on private property in support of housing.
- K. The following funding limits shall apply to housing rehabilitated or assisted with CDBG funds:
 - a. For rehabilitation of apartment units, single family and mobile/manufactured homes CDBG funds shall not exceed HUD maximum allowable cost per unit; and
 - b. For single room occupancy housing CDBG funds shall be limited to HUD maximum cost per residential unit.
- L. The relevant limits above shall not apply where the rehabilitated multi-family housing shall provide a long term benefit primarily to low and moderate income households by:
 - a. Providing housing at rent levels specified in above; or
 - b. Providing homeownership opportunities at affordable costs.
- M. The grantee shall place a 5-year lien on any residential building which has been rehabilitated with CDBG funds.
- N. A municipality may operate a revolving loan fund for a housing project provided:
 - a. That low as well as moderate income households will benefit;
 - b. At least an equal amount of matching loan funds will be available from banks and/or other financial institutions at market or below market interest rates;
 - c. The municipality has the long term capability to administer the revolving loan fund after the grant closeout; and
 - d. Evidence of such long term capability may be a contract with a bank or administering agency to provide such services.

PUBLIC FACILITY GRANT REQUIREMENTS

Eligible Public Facility activities shall include: A.

Public Facilities Grants for Water and
Sewer

B. Public Facilities Grants for Public Property

- C. Public Facilities Grant for Public Services Requirements
- D. Any other activity that the authority determines to be consistent with the national objectives in 42 U.S.C. 5304 (b) of the federal act.

A. Public Facilities Grants for Water and Sewer

Eligible activities for public facilities grants for water and sewer shall include:

1. Extending or replacing water or sewer lines;
2. Constructing water or sewer treatment facilities;
3. Constructing water storage tanks or reservoirs;
4. Digging of wells; and
5. Any other activity that the authority determines to be consistent with the national objectives in 42 U.S.C. 5304 (b) of the federal act.

B. Public Facilities Grants for Public Property

Eligible activities for public facilities grants for public property shall include:

1. Constructing elderly/handicapped access to existing public buildings and property;
2. Acquiring, constructing, reconstructing, rehabilitating or installing:
 - a. Streets;
 - b. Street lights;
 - c. Sidewalks;
 - d. Parks;
 - e. Playgrounds;
 - f. Recreation areas;
 - g. Malls;
 - h. Walkways; and
 - i. Easements;
3. Acquiring, constructing, rehabilitating or renovating:
 - a. Schools for use as schools;
 - b. Libraries; and
 - c. Museums;
4. Acquiring, constructing or rehabilitating medical facilities;
5. Acquiring, constructing or rehabilitating nursing homes;
6. Developing municipal master plans; and
7. Any other activity that the authority determines to be consistent with the national objectives in 42 U.S.C. 5304 (b) of the federal act.
 - ☐ The maintenance of items listed in (2) shall be ineligible.

Program Requirements

In order to be eligible to apply for a water or sewer grant, the New Hampshire Department of Environmental Services shall have determined that the improvement shall be required for public health and safety for municipal, village district or public utilities commission regulated private, water or sewer systems and will provide documentation that the proposed project is in violation.

A municipal or village district water or sewer system shall be eligible for financial assistance only if it meets the following criteria:

- Its current annual metered residential water rate, or current annual sewer rate, whichever applies, for either 12,000 cubic feet or 90,000 gallons per year shall:
 - a. Exceed one percent of the moderate family income from the latest decennial census;
 - b. Exceed 2 percent of the moderate family income from the latest decennial census for combined residential water and sewer rates for that level of use; or
 - c. Exceed the levels in a. or b. above upon completion of the proposed project.

A private or county water or sewer system shall be eligible for financial assistance only if the following conditions are met:

- (1) A private water system shall be eligible to receive financial assistance from an applicant municipality or county only if rate approval shall be required by the New Hampshire public utilities commission; and
- (2) A county water or sewer system serving primarily institutionalized populations shall be eligible only if matching funds authorized for such improvements meet or exceed \$1,500 per bed.

The threshold requirements above shall not apply to the following:

- The cost of water meters or of water or sewer connections either between or immediately fronting the residential structures of low and moderate income households; and
- The cost of new wells or of water or sewer line extensions to service areas in support of a housing or an economic development project.

CDFA Energy Policy 2020

CDFA's energy policy applies to any project proposing a physical alteration to existing energy systems (building envelope, mechanical systems, lighting, etc.) or for new construction (includes additions and gut rehabilitation).

The intention of the Energy Policy is that projects will complete appropriate evaluation of comprehensive energy opportunities prior to, or concurrent with, the planning/design of the project in order to inform a design that: 1) reduces future operating and maintenance costs; 2) improves occupant comfort and health; and/or 3) improves building durability. Please refer to Appendix E, CDFA Energy Policy Recommendations 2020 for guidance.

Matching Funds Requirement

Notwithstanding any additional requirements which might apply to a specific public facilities grant for public property, all of the activities listed as eligible shall have a minimum match ratio of 1:1 of CDBG funds to nonCDBG funds. If the applicant cannot raise the required matching funds, the applicant shall not apply.

C. Public Facilities Grant for Public Services

Eligible activities for public facilities grants for public services shall include:

1. The use of up to 15 percent of the total CDBG grant awarded to provide public services as described in 42 U.S.C. 5305(a)(8) of the federal act, but only if the applicant:
 - a. Has not provided such services during the 12 months immediately preceding the date of submission of the application; and
 - b. Submits a self-sustaining plan for continued funding of such a service once grant funds are expended;
2. Acquiring, constructing, reconstructing, or rehabilitating the community centers, homeless shelters or neighborhood facilities in which public services shall be provided; and
3. Any other activity that the authority determines to be consistent with the national objectives in 42 U.S.C. 5304 (b) of the federal act.

ECONOMIC DEVELOPMENT GRANT REQUIREMENTS

Eligible activities for economic development grants shall include:

1. Acquiring, constructing, reconstructing, or rehabilitating commercial or industrial buildings;
2. Purchasing machinery and equipment;
3. Training of employees when conducted under the following circumstances:
 - a. As a public service pursuant to the eligibility restrictions of the public service chapter; or
 - b. When new jobs are being created and there is a lack of skilled persons in the labor market to fill the new jobs;
4. Acquiring land;

5. Making public facility improvements; and
6. Any other activity that CDFA determines to be consistent with the national objectives in 42 U.S.C. 5304 (b) of the federal act.

Eligible Entities

The following shall be eligible for financial assistance from the grantee:

1. For-profit sub recipients; and
2. Nonprofit sub recipients

For-profit sub recipients Eligibility Requirements

For-profit sub recipients shall be eligible to receive financial assistance under at least one or more of the following conditions:

1. The assistance shall meet the objectives in 24 CFR 570.482(e)(2);
2. The assistance is used solely for the added cost to be incurred by the business as a result of hiring unskilled workers and training them; or the assistance is used solely for teaching higher skills to existing employees in order to retain them.

Nonprofit sub recipients Eligibility Requirements

Nonprofit sub recipients shall be eligible to receive financial assistance under the following conditions:

1. Where the assistance shall meet the objectives in 24 CFR 570.482(e)(2);
2. Where the assistance shall be for the purpose of loaning funds to a business and capitalizing a revolving loan fund with the repayments; or
3. Where the assistance shall be for the acquisition or improvement of land or buildings owned by the nonprofit.
4. Municipalities without any sub recipient shall be eligible to receive financial assistance where the assistance is for the purpose of making public facility improvements in support of economic development.

CDFA Energy Policy 2020

CDFA's energy policy applies to any project proposing a physical alteration to existing energy systems

(building envelope, mechanical systems, lighting, etc.) or for new construction (includes additions and gut rehabilitation).

The intention of the Energy Policy is that projects will complete appropriate evaluation of comprehensive energy opportunities prior to, or concurrent with, the planning/design of the project in order to inform a design that: 1) reduces future operating and maintenance costs; 2) improves occupant comfort and health; and/or 3) improves building durability. Please refer to Appendix E, CDFA Energy Policy Recommendations 2020 for guidance.

Matching Funds Requirement

All Economic Development activities listed as eligible shall have a minimum match ratio of 1:1 of CDBG funds to non-CDBG funds. If the applicant cannot raise the required matching funds, the applicant shall not apply.

Program Requirements

In order to be eligible to apply for an economic development activity, the applicant shall document the following:

- That the project creates or retains a minimum of one job for every \$20,000 of CDBG funds requested; or
- That the project creates or retains a minimum of one job for every \$35,000 of CDBG funds requested for jobs created in New Market Tax Credit and Opportunity Zone designated areas (see Appendix D: Economic Development Special Eligibility Areas - New Markets Tax Credits (NMTC) and Opportunity Zones).

The applicant also shall document either of the following:

- That at least 60% of the jobs shall be taken by or are presently occupied by low- and moderate- income persons; or
- Where existing jobs are to be retained and are not presently occupied by at least 60% low- and moderate-income persons but can be expected to meet this percentage prior to project closeout and where the applicant requires the business(s) to meet this percentage benefit, then the project shall be deemed eligible.

Documentation Requirements

In order to be considered for an economic development grant the applicant shall:

- Document the expected rate of return to the business ownership, relative to the industry in which it is participating;
- Document through *pro formas* and financial projections for the business that an adequate cash flow shall exist to repay the debt resulting from the project, as well as any other debt that the business has incurred; and
- Include a detailed analysis prepared by a certified public accountant or a certified economic development professional documenting the cash value of the CDBG assistance to the business.
- Applications shall include the following documentation that demonstrates that the project is feasible.
 1. A description of management capabilities and qualifications;
 2. Financial history that is sufficient to determine the following:
 - a. The operating cycle;
 - b. Cash flow;
 - c. Cash management;
 - d. Permanent working capital;

- e. Use of discretionary funds;
- f. Profit and loss projections; and
- g. Balance sheet projections;
3. Market plans and projections; and
4. Confirmed project component costs by an engineer or an independent appraiser

Grantees or sub recipients shall neither propose nor provide grants to for-profit businesses or organizations.

ECONOMIC DEVELOPMENT – DIRECT TECHNICAL ASSISTANCE FOR BUSINESSES GRANTS REQUIREMENTS

Municipalities shall be eligible to apply for up to \$300,000 for a one-year grant. This grant shall not count against the municipal annual funding limits. The total amount available for this activity in one year is \$300,000.

- Economic Development Program Requirements apply to this sub section.
- Municipalities shall be eligible to apply on behalf of nonprofit regional development organizations in order to deliver economic-development technical-assistance services in their region.

Additional Direct Technical Assistance Program Requirements

Funding awards to grantees shall be made based on the past performance of the regional development organization(s) on whose behalf the funds are being applied for. Documentation shall include, at a minimum, the following for each regional development organization involved with the application:

1. The most current audited financial statement;
2. Management-prepared financial statements for the current fiscal year, including balance sheet, profit and loss, and cash flows;
3. A report on the outcomes identified in the work plan for the previous program year if prior grantee. 4. A description of progress made with respect to job creation if prior grantee; and
5. An annual work plan for the proposed program year.

ECONOMIC DEVELOPMENT – MICROENTERPRISE DEVELOPMENT GRANT ASSISTANCE REQUIREMENTS

Municipalities shall be eligible to apply for up to \$500,000 for a one-year grant. This grant shall not count against the municipal annual funding limits.

Economic Development Program Requirements apply to this sub section.

Additional Microenterprise Program Requirements

The applicant must show that both lending and technical assistance will be available, even if only one area is to be funded by the grant application;

- Municipalities shall be eligible to apply on behalf of sub recipients who will carry out microenterprise development activities.
- Eligible activities shall include all the activities set forth in 24 CFR 570.482 (c).
- Loans made to microenterprises shall not exceed \$50,000 per business.
- Grantees shall neither propose nor provide grants to for-profit businesses or organizations.
- Applicants shall include documentation that demonstrates the project is feasible including, at a minimum, the following:
 - a. A description of management and project staff capabilities and qualifications;
 - b. Description of the length and scope of the services to be provided;
 - c. Financial history that is sufficient to determine cash flow, with the following documentation:
 - i. A pro forma budget analysis;
 - ii. Matching funds available;
 - iii. Fees and other income; and
 - iv. Drawdowns.
 - d. Permanent working capital for the project, with the following documentation:
 - i. The amount of internal funds that will be used to continue the project after the budget period;
 - ii. Other sources of operating capital; and
 - iii. Market plans and projections.
 - e. Confirmed project component costs by outside consultants, if any;
 - f. Evidence that the grantee or sub recipient has the long-term capacity to administer the project after the grant closeout; and
 - g. Sub recipients shall not substitute grant funds for existing financing of overhead costs.

In addition, the Grant Administration must comply with the guidance documented in Appendix D.

EMERGENCY GRANT REQUIREMENTS

-
- Emergency grant applications shall be submitted under the subcategory of housing, public facilities or economic development.

- Housing and Public Facility applications shall be scored according to the ranking and rating criteria and must receive the minimum score required in order to be considered for a final grant award.
- Economic Development Grants applications shall be scored according the ranking and rating criteria and must receive the minimum score required in order to be considered for a final grant award.
- CDBG funds shall be awarded to applicants whose project shall provide immediate relief because of:
 - a. Emergencies resulting from natural disasters;
 - b. Unanticipated events which have a serious and immediate threat to public health and safety; or
 - c. Unanticipated actions which have resulted in plant closures or permanent layoffs of employees jeopardizing the economic stability of the community.

The stated emergency should have occurred within the past 18 months

- There shall be no limit on the number of applications which may be submitted except that economic development applications under this section shall only be eligible after the economic development set-aside has been awarded. Emergency grants shall be subject to the following funding limits:
 - a. CDBG funds awarded to a municipality in this category with a population of 10,000 or under shall not exceed \$350,000 for a one year grant(s).
 - b. CDBG funds awarded to a municipality in this category with a population above 10,000 shall not exceed \$500,000 for a one year grant(s).
- Emergency applications will be accepted on a rolling basis until set aside is expended.

PLANNING GRANT REQUIREMENTS

Project Requirements

- The objectives of a planning grant shall be to determine whether or not:
 - a. The project proposed is feasible and/or to recommend specific action(s) to be undertaken; and
 - b. A minimum of 51 percent of the intended beneficiaries shall be low- and moderate-income persons or households.
- Upon completion of the study, a public hearing with opportunity for oral and written comment shall be held to discuss its recommendations and conclusions.

Eligible Activities

Eligible activities shall include the study, analysis and planning of any eligible activity, including architectural and engineering redesign, marketing studies, energy design review, energy audits and other studies which may lead to a community development or economic development grant application.

Ineligible activities shall include:

- Final architectural and engineering designs;
- Municipal master plans;
- Construction; and
- Any other activity that the authority determines to be inconsistent with the national objectives in 42 U.S.C. 5304 (b) of the federal act.

Administrative Requirements

- Each application shall be submitted under the housing, public facilities, or economic development subcategory.
- Where two or more types of activities are proposed, the application shall be submitted and scored in the subcategory which reflects the principal activity and for which at least 51 percent of the funds have been requested.
- Applicants shall design and implement studies which can be completed within a 12-month period.
- There shall be no yearly limit on the number of Planning Grant applications which can be submitted and received.
- The following restrictions shall apply to the funds awarded for Planning studies:
 - a. Eligible administrative costs shall not exceed 15% or \$3,500 where the maximum of \$25,000 has been awarded;
 - b. Consultant fees for writing and preparing grants shall qualify as administrative costs, but shall not exceed \$1,500 per application; and
 - c. Any subcontract for non-administrative services over \$2,000 shall be bid in accordance with the competitive negotiation procurement process described in 24 CFR 85.36(d)(3).

CDBG CV: PUBLIC SERVICES REQUIREMENTS

Eligible and Ineligible Activities shall include:

Under this category, CDBG funds may be used to provide public services (including labor, supplies, materials, and other costs), provided that the following criterion is met:

The public service must be either:

1. A new service; or
2. A quantifiable increase in the level of a service above that which has been provided by or on behalf of the municipality (through funds raised by the grantee or received by the grantee from the state) during the 12 months prior to submission of an application. Public services include, but are not limited to:

Childcare, Health care, Job training (training a qualified pool of candidates for unspecified jobs.) Recreation programs, Education programs, Public safety services, Services for senior citizens, Services for homeless persons, and victims of domestic violence, Drug abuse counseling and treatment, Homebuyer down payment assistance, and Legal services (including walk-in legal counseling, foreclosure mitigation and prevention, landlord/tenant matters, veterans and public benefit appeals, child support orders, reasonable accommodations for persons with disabilities, and consumer protection).

The following are not eligible public services under this category: Political activities; Ongoing grants or non-emergency payments (defined as more than three consecutive months) to individuals for their food, clothing, rent, utilities, or other income payments. Payment of expenses in connection with litigation against the grantee or non-profit.

National Objectives – Public Services

- L/M Income Area Benefit

The public service is available to all the residents in a particular primarily residential area, and at least 51% of those residents are L/M income persons.

For example: Operation of after-school programs for children attending an elementary school serving a predominantly L/M income area.

- L/M Income Limited Clientele

The public service is limited to a specific group of people, at least 51% of who are L/M income persons. Services qualifying under this category serve a specific clientele, rather than providing service to all the persons in a geographic area. (Most public services qualify under this category.)

For example: Provision of meals to the homeless.

CDBG CV: MICROENTERPRISE REQUIREMENTS

Available Funds

The total amount available in this funding category is \$850,000. Municipalities shall be eligible to apply for up to \$500,000 for a one-year grant. This grant shall not count against the municipal annual funding limits.

Eligibility

Eligible sub recipients are only those organizations that are current participants in the CDFA Microenterprise Technical Assistance Program or are proposed sub recipients for microenterprise funding for the program year that begins July 1, 2020.

Eligible sub recipient may be able for funds to support an RLF and/or additional direct technical assistance.

Microenterprise Revolving Loan Fund

Applicants may request up to \$300,000, to be used by one sub recipient to capitalize a CDBG

Microenterprise Revolving Loan Fund (RLF) that will be available both within and outside the sub recipient's service area. Loans to individual businesses from that fund must be matched 1:1 with loan capital from another source, e.g. from a separate micro loan fund managed by a community economic development organization. A loan to an individual business utilizing the CDBG Microenterprise RLF shall not exceed a total of \$50,000 (e.g. \$25,000 from the CDBG Microenterprise RLF and \$25,000 from other sources of loan capital).

Direct Technical Assistance

Applicants may request up to \$200,000 for direct technical assistance to microenterprises and or loan support for completed loans.

Requirement of all Sub recipients

All applicants must contribute to and participate in a 'community of practice' (COP) of business technical assistance providers supported by CDFA. The COP will include the following elements:

1. Development of evidenced-based business technical-assistance materials which align with the evidence-based best practices outlined by community economic development experts and entities. Materials will be used by nonprofit business TA partner organizations to deliver technical assistance and financing to businesses, and would include, but not be limited to:
 - a. Training modules on business technical assistance and direct services (graphic services, co-working space, etc.);
 - b. Information and resource guides to Federal and State disaster and recovery resources;
 - c. Templates for lending, partnership agreements, intake forms, etc.; and
 - d. Information on how businesses can create connections with partner lenders and local organizations that can serve as a resource for employees and their family members.
2. A statewide marketing plan for TA and the providers network that would make it easier for any small business anywhere in the state to connect with effective TA.
3. Continued, long-term collaboration with the organizations engaged in the program that would facilitate:
 - a. Regular communication between and among TA providers;
 - b. Instruction and sharing of information and expertise to assist in the success of applicants and awardees;
 - c. The highest standard of TA delivery;

- d. Troubleshooting potential issues during the grantee period of performance;
- e. Consistent tracking, documentation, outcomes data and reporting; and
- f. Support to CDFA in the evaluation of grantee/business TA partner performance.

All Economic Development Program and Microenterprise Technical Assistance Program Requirements outlined elsewhere in this application and program guide, including those outlined in Appendices C and D, apply to this sub section.

Support provided through CDBG-CV funds must not duplicate any other Federal funding in any way. In the deployment of microenterprise technical assistance or loans, grantees and sub recipients shall exercise significant care to not duplicate any Federal programs, services, loans, grants or other support provided through the CARES Act of 2020 or any other Federal program related to the COVID-19 pandemic.

CDBG CV: COMMUNITY ECONOMIC DEVELOPMENT DIRECT TECHNICAL ASSISTANCE

Available Funds

Municipalities shall be eligible to apply for up to \$500,000 for a one-year grant. This grant shall not count against the municipal annual funding limits. The total amount available for this activity in one year is \$500,000.

Eligibility

Eligible sub recipients are regional development corporations or other nonprofit organizations involved in community economic development and/or delivery of small business technical assistance.

Funds may be used for direct technical assistance that results in job creation and/or retention, pursuant to CDFA Circular 2020-2.

Requirement of all Sub recipients

Pursuant to 24 CFR § 570.205 (5), which enables 'capacity building activities,' up to \$100,000 of the applicant request may be used by one nonprofit sub recipient to create a 'community of practice' (COP) of business technical assistance providers supported by CDFA (sub recipients in the Business TA and Microenterprise TA programs). The COP would be created through a contract with a consultant or other entity that will deliver the following business TA capacity-building elements and services:

1. Development of evidenced-based business technical-assistance materials which align with the evidence-based best practices outlined by community economic development experts and entities. Materials will be used by nonprofit business TA partner organizations to deliver technical assistance and financing to businesses, and would include, but not be limited to:
 - a. Training modules on business technical assistance and direct services (graphic services, co-working space, etc.);
 - b. Information and resource guides to Federal and State disaster and recovery resources;
 - c. Templates for lending, partnership agreements, intake forms, etc.; and
 - d. Information on how businesses can create connections with partner lenders and local organizations that can serve as a resource for employees and their family members.
2. A statewide marketing plan for TA and the providers network that would make it easier for any small business anywhere in the state to connect with effective TA.
3. Continued, long-term collaboration with the organizations engaged in the COP that would facilitate:
 - a. Regular communication between and among Microenterprise and Business TA providers;
 - b. Instruction and sharing of information and expertise to assist in the success of applicants and awardees;
 - c. The highest standard of TA delivery;
 - d. Troubleshooting potential issues during the grantee period of performance;
 - e. Consistent tracking, documentation, outcomes data and reporting; and
 - f. Support to CDFA in the evaluation of grantee/business TA partner performance.

Further guidance on implementation of the community of practice and 24 CFR § 570.205(5) will be provided by CDFA in consultation with HUD.

All Economic Development Program Requirements outlined elsewhere in this application and program guide apply to this sub section.

Support provided through CDBG-CV funds must not duplicate any other Federal funding in any way. In the deployment of microenterprise technical assistance or loans, grantees and sub recipients shall exercise significant care to not duplicate any Federal programs, services, loans, grants or other support provided through the CARES Act of 2020 or any other Federal program related to the COVID-19 pandemic.

APPENDIX A: HOW TO APPLY

Submitting a CDBG funding application to CDFA results in either an award or a notice of non-selection. Municipalities that are selected to receive a grant are sent an approval letter. This begins the process of setting up the grant and ensuring that all contractual documents are in place. These application policies apply to CDBG applications submitted to CDFA.

All applications must be completed and submitted on CDFA'S Grants Management System (GMS) www.nhcdgrants.org. CDFA announces all funding opportunities at the beginning of the program year in January by issuing a Notice of Funding Availability (NOFA). Online applications in GMS will be opened in advance of the application deadline dates listed in the NOFA.

Typical Deadline(s): Applications will be accepted yearly on the following schedule below.

Program Area	Deadline	Application Opened
Housing and Public Facilities – Round 1	Last Monday in January 4:00 PM	1 st Week in November
Housing and Public Facilities – Round 2	Last Monday in July 4:00 PM Or On a rolling basis, if proof of need is met as defined below.	1 st Week in April
Microenterprise	3 rd Friday in March 4:00 PM	1 st Week in November
Emergency	On a rolling basis, until all funds are obligated	1 st Week in January
Economic Development	On a rolling basis, until all funds are obligated	1 st Week in January
Planning	On a rolling basis, until all funds are obligated	1 st Week in January
CDBG CV	On a rolling basis, until all funds are obligated	TBD, as soon as HUD provides guidance.

Proof of Need for Rolling Housing and Public Facilities application:

The applicant must prove that the application need is due to COVID-19.

In general, the application and award process for CDBG funding consideration shall follow the steps below:

STEP 1 – Pre-Application Meeting with CDFA

All potential applicants contact CDFA to review the proposed project concept prior to submitting an application. CDFA will work with the potential applicant to review information to determine:

- There is every reasonable likelihood that the proposed project will meet a federal national objective;
- The applicant is not otherwise ineligible to apply under the program (refer to Implementation Guide Chapter 2 for more information); and
- The proposed matching funds, if any, will be secured and readily available at the time of application.

STEP 2 – Application Submission

If the proposed project is determined to qualify for CDBG funding, the proposed eligible applicant is invited to submit a complete application for CDBG funding consideration.

All applications must be submitted through CDFA's online grants management system and received by CDFA by the application deadline. All applications must meet State and Federal Threshold requirements including:

1. All parts of the application have been properly completed and all attachments were provided; 2. Applicant is eligible;
3. Requested amounts are within the program limits (i.e. max grant limit, grant administration, engineering/architectural, environmental review, labor standards, construction contingency etc.);
4. Financial viability of the project
5. In the case of a joint application:
 - a. Copies of all necessary intergovernmental agreements;
 - b. Relevant minutes of meetings and authorizations;
6. All applicants shall submit a housing and community development plan which shall:
 - a. Identify community development and housing needs which currently exist or are anticipated during the next three years;
 - b. Specify both short- and long-term community development objectives which are consistent with the national and state objectives listed in Implementation Guide Chapter 2; and

- c. State, as a matter of policy, that involuntary displacement of households from their neighborhoods shall be minimized;
 - d. If a housing and community development plan is currently on file at the authority and has been adopted no more than three years prior to submission of an application, the applicant may submit a summary;
 - e. If a housing and community development plan has been revised, an update shall also be submitted; and
 - f. The applicant shall provide as part of the housing and community development plan, or its update, the minutes of the public hearing held to obtain citizen's comments on the plan.
7. All projects must meet the following readiness criteria:
- State and Local Planning and Zoning Board approvals and other permits necessary to construct the project must be started and likely to be approved with evidence in application.
 - The project must execute the grant agreement within 6 months of the CDFA's Community Development Advisory Council's approval. If the project is not able to proceed within 15 months following the date of grant contract execution, CDFA may terminate the grant and re-obligate the funds.
8. Positive Grantee Capacity Assessment – part of evaluation process and described in the Rating and Ranking criteria.
9. Positive Sub Recipient Financial Review – part of evaluation process and described in the Rating and Ranking criteria.

The Federal CDBG threshold review will consist of the following items:

- ✓ All activities are eligible under the CDBG program and meet the national objective;
- ✓ Evidence of the authority it received from its local governing body, such as selectmen, town meeting, county commissioners, or city council, to apply for a CDBG grant;
- ✓ Evidence of compliance with statutory public notice and hearing requirements including minutes of at least one public hearing held to provide citizens with information and an opportunity for oral and written comment;
- ✓ Evidence that the Residential Anti Displacement and Relocation Plan for the project was adopted by the municipality's governing body at a properly noticed public hearing prior to the submittal of the application;
- ✓ Evidence of authorization by the relevant governing body to its Authorized Official to apply; and
- ✓ The housing and community development plan shall be adopted by the municipality's governing body at a properly noticed public hearing prior to the public hearing on the application. The housing and community development plan public hearing may occur at the same time as the one held on the CDBG application.

STEP 3 – Application Review, Rating and Ranking

Once an application is received, projects will be assigned to the review team which will conduct a more indepth assessment of the project. The first step in the review process is to determine if the application contains all the required State and Federal threshold requirements.

When reviewing the State and Federal threshold requirements, if the application is found to be:

- Complete - It will be forwarded to the review staff for full review. The process will consist of the application being scored against other applications in that round. CDFA staff will rank all complete applications in accordance with the criteria contained in the most current MOD.
- Incomplete - CDFA staff will provide written notification to the applicant that they have fifteen (15) calendar days to submit any necessary information to make the application complete, if federal and state laws allow.

If, at any point during the application reviewing or rating process, it is determined the project does not meet the requirements or that it needs further development (i.e. to meet the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act or the Federal Environmental Review requirements), a recommendation will be made to the Executive Director to suspend the reviewing and rating (scoring) process. The respective staff will document areas where further development is needed to determine if the application can be submitted in the next round or is ineligible for CDBG funds.

Upon receipt of additional information, if the application is found to be:

- Incomplete – It will not be reviewed in that round and will require re-submittal during a future application cycle. Staff will notify the applicant of the incomplete status.
- Complete - It will move forward in the process. The process will consist of the application being rated (scored) against other applications in that round.

The scoring criteria used to determine ranking and rating can be found in Appendix B of this guide.

STEP 4 – Approval

Duties of the Community Development Advisory Committee (CDAC)

- As provided in RSA 162-L:15 and RSA 162-L:16, the function of the CDAC shall be to provide advice and consent to the Executive Director and the authority in awarding grants, in adopting application rules and procedures and in developing criteria for awarding the federal funds provided.
- Funding recommendation summaries are prepared by the authority staff and approved by the Executive Director for consideration by the CDAC. The summary of the recommendations will be presented to the CDAC at its' regularly scheduled meetings for review and consent.

- The authority may award a CDBG grant amount that is different from the amount requested by the applicant. Applicants are not penalized for requesting the maximum grant amount, but the authority reserves the right to award a grant amount it deems appropriate to complete the project.
- If municipalities, which have applied for CDBG funds, received no funding or fewer funds than requested, they are eligible to request an administrative review by the authority. Requests must be made no later than 15 days after the CDAC meeting and must adhere to the Administrative Review procedures listed below.
- The authority will notify applicants in writing of their funding status no later than 30 days after the decision by CDAC. In cases where an administrative review is requested, steps outlined under Program Hearing Procedures and Administrative Reviews will be followed.

Role of Governor, Attorney General and Executive Council

Pursuant to RSA 162-L:16, following the Executive Director's determination of final grant awards and the consent of the CDAC, the approval of the governor and executive council shall be required. A contract between the applicant and the authority shall then be signed. In order for funds to be released, the contract shall be approved by the governor, attorney general and executive council.

Program Hearing Procedures and Administrative Reviews

- Committee Hearings. All CDAC meetings shall be open to the public and an opportunity for public comment shall be provided at each meeting.

Administrative Review Procedure and Time Limits

This section shall be applicable to municipalities which have applied for CDBG funds for housing, public facilities, economic development and emergency grants and which either received no funds or fewer funds than requested.

1. A municipality may apply for an administrative review of the scoring of its application by filing a written request within 15 calendar days of the date that they receive their award letter from CDFA.
2. The request for an administrative review shall be signed by the Authorized Official of the municipality and shall contain the reasons for the requested review. The request shall not introduce new information but shall only explain or clarify information contained in the application submitted.
3. The executive director shall review the written request and shall also review the evaluation process and award recommendations previously made. Within 15 calendar days of receipt of the request, the executive director, based on the information in the request as well as the scoring criteria, shall recommend to the CDAC that it affirm or modify its prior decision.
4. Within 30 days of the executive director's recommendation, the CDAC shall, based on the executive

director's review of the scoring criteria affirm or modify its prior decision.

STEP 7 – Notice of Decision

The authority will notify applicants in writing of their funding status no later than 30 days after the decision by CDAC. In cases where an administrative review is requested, steps outlined under Program Hearing Procedures and Administrative Reviews will be followed.

Grantees must return the executed Grant Agreement within 30 days of receipt from CDFA.

APPENDIX B: EVALUATION RATING AND RANKING CRITERIA

If the application is determined to be complete and meets the threshold criteria, it will enter the ranking and rating process against other applications in that round. CDFA staff will rank all complete applications in accordance with the criteria contained in the most current MOD.

Prior to scoring, the authority shall evaluate applications using the Federal and State Thresholds (listed below and in Program sections of this Guide):

- All projects shall conform to the goal of the state enabling legislation described in RSA 162-L:12 and to the primary objective as described in 42 U.S.C. 5301(c) of the federal act, which is to benefit mainly low- and moderate-income persons and households without excluding low-income persons and households; and
- To determine whether an activity meets a national objective, the criteria in 24 CFR 570.483 shall be used (which is outlined in Chapter 2 of this Guide).

Grantee Capacity Assessment

To evaluate an applicant's capacity and performance to carry out a proposed community development project, the following conditions shall apply:

- For prior grantees, the applicant's present capacity to undertake a new program shall be evaluated as well as the applicant's prior performance by using the following criteria:
 - There have been a significant number of failed projects or monitoring findings that raise questions about applicant capacity; or
 - There has been a monitoring finding that significant corrective actions are necessary to protect the integrity of the project funds, and those corrective actions are not, or will not be implemented within 30 days.

- Whether the applicant currently has more than \$250,000 in unspent and obligated CDBG funds;
- The efforts made by such an applicant to provide housing for low- and moderate-income households generally.

Sub recipient Financial Review

CDFA will underwrite the sub recipient to determine whether CDBG funds are needed and that the project can or will be carried out by the applicant or nonprofit sub-grantee.

Where a revolving loan fund is proposed for economic development activities, the applicant's or sub recipient's ability to administer the fund shall be evaluated by using the following criteria:

- Evidence of a long-term capability including but not limited to a contract with a bank or administering agency to provide such service; and
- A written plan for the re-use of the recaptured loan funds.

The Threshold evaluation shall result in one or more of the following actions:

- A request for clarifying information;
- Limited modifications to the proposed project;
- Reduced funding;
- Elimination of activities that do not meet the national objective or are ineligible;
- Elimination of activities that do not support the principal activity;
- Denial of funding for the project for clear failure to comply with one or more of the criteria; or
- CDFA may not move forward with rating and ranking an application or withhold unallocated funds, require return of unexpended funds, or require return of program income.
- Scoring of the application.

SCORING OF PUBLIC FACILITY, HOUSING AND EMERGENCY GRANT APPLICATIONS

Applications shall be awarded points based on the following factors:

Application Scoring	Maximum Score
Community Needs	70

Project Specific Needs	340
Maximum TOTAL Score	410

Community Needs

Data to be used to establish the Community Need scores can be found in Appendix E: Core Data Index, Up to 70 points. Data are gathered from a variety of sources, including the US Census Bureau, NH Department of Health and Human Services, NH Housing Finance Authority, and the NH Office of Strategic Initiatives.

Project Specific Needs

A score of 50 points shall be awarded for the application showing the greatest need and impact when compared to the other applications in the same subcategory; the remaining applications shall receive fewer points according to the following point values:

Need and Impact	Points
Showing the greatest need and impact	50
Substantial	40
Moderate	25
Minimum	10
None	0

Area Benefit

Up to 50 points shall be awarded, based on the percentage of low and moderate income persons or households, residing in the target or service area at the time of application, whether or not such persons or households directly benefit by using either:

1. A statistically valid survey that meets the requirements
2. Census data most closely corresponding to the target area, or service area where applicable.
3. The points awarded for this category shall equal the percentage of low- and moderate-income households in the project area minus 10 points. No score shall be above 50 points or less than 0 points.

Direct Benefit

Up to 50 points shall be awarded on the basis of the percentage of funds requested which shall provide a direct benefit to low and moderate income persons or households based on the following point values:

Housing	Public Facilities	Points
51-60%	51-55%	0
61-70%	56-60%	10
71-80%	61-65%	20
81-90%	66-70%	30
91-95%	71-75%	40

96-100%	Over 75%	50
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Leverage Ratio

Calculation: Leveraged Funds amount / CDBG Funds amount. E.g. 650,000/500,000 = 130% leverage ratio

	Percentage of CDBG	Points
No Non-CDBG	0	0
Non-CDBG	1 % to 24%	0
Non-CDBG	25% to 49%	10
Non-CDBG	50% to 99%	20
Non-CDBG	100% to 199%	30
Non-CDBG	200% to 299%	40
Non CDBG	300% or over	50

Priority

Priority of proposed activities shall be awarded points in the following manner:

Percentage of funds to be used for high priority activities: __ % divided by 2 =

Percentage of funds to be used for medium priority activities: __ % divided by 4 =

For project activities which are eligible;	50
For project activities which are eligible but listed as moderate priority;	25
or project activities which are eligible but listed as low priority in; or	0
A prorated score, based on the percentage of requested funding amounts for lower priority activities, between 0 and 49 for projects which combine an eligible activity with a low priority activity.	

Low Priority	Medium Priority	High Priority
Water/Sewer for Nursing Homes and Medical Facilities	Acquiring, constructing, reconstructing, or rehabilitating the community centers or neighborhood facilities in which public services shall be provided	Constructing elderly/handicapped access to existing public buildings and property
Acquiring, constructing, rehabilitating or renovating		

schools (as schools), libraries, and museums		
Acquiring, constructing, reconstructing, rehabilitating or installing streets, street lights, sidewalks, parks, playgrounds, recreation areas, malls, walkways, and easements.		
Acquiring, constructing or rehabilitating medical facilities		
Developing municipal masters plans		
Acquiring, constructing, rehabilitating or renovating nursing homes		Extending or replacing water or sewer lines
		Constructing water or sewer treatment facilities; constructing water storage tanks or reservoirs; digging of wells.
Public services in support of homeless shelters or child care facilities.		Acquiring, constructing, reconstructing, or rehabilitating homeless shelters or child care facilities in which public services shall be provided.

Centers & Neighborhoods

Up to 10 points for impacts on centers and neighborhoods shall be awarded as follows:

Activity	Points
If the activities shall preserve and promote existing neighborhoods and centers, and where applicable, shall eliminate or reduce slums and blight or shall protect and preserve historically and culturally valuable structures and sites	10
If the activities shall have a limited impact on existing neighborhoods and centers and where applicable, on slums and blight or on historically or culturally valuable structures and sites	5

if the activities shall harm existing neighborhoods and centers and shall not eliminate or reduce slums and blight where such exist or shall harm historically or culturally valuable structures or sites	0
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Cost Per Beneficiary

Points shall be awarded for other impact concerns for housing applications based on the following criteria:

- (1) The most appropriate description of the project shall be selected in each of the areas below; and
- (2) The resulting points shall then be totaled and compared to other applications in the same subcategory.

Up to 20 points for number of beneficiaries benefiting relative to cost, shall be awarded as follows based on comparison to applications in the same subcategory:

Benefit	Points
if the project shall benefit more households/individual and the relative cost is low as compared to other applications;	20
if the project shall benefit fewer households/individuals and/or the cost in CDBG funds per household is higher as compared to other applications	10
if the project will benefit a small number of households/individuals and/or the relative cost in CDBG funds per household is high.	0

For housing applications, the number of housing units shall be used in calculating cost per beneficiary. For public facility applications, the number individuals shall be used in this calculation.

Long-Term Benefit – Housing and Emergency (Housing)

For housing applications, up to 40 points for long term benefit shall be awarded as follows:

if a majority of the project funds shall have a long term benefit for low and moderate income households by: a. Establishing a mechanism for maintaining long term rent levels b. Providing homeownership opportunities at costs no greater than those described in the housing grant section	40
if a majority of the project funds might have a long term benefit for low and moderate income households but the mechanism for maintaining long term affordability has not been addressed or the project funds shall be used for the rehabilitation of single family owner occupied housing	20
if a majority of the project funds shall not have a long term benefit for low and moderate income households	0

Long Term Benefit - Public Facilities and Emergency (Public Facility)

For public facilities applications, up to 40 points for long-term benefit shall be awarded as follows:

A score of 40 points if a majority of the project funds shall have a long term benefit to low and moderate income persons by either: a. The nature of the improvements b. Through long term lease agreements	40
A score of 20 points if a majority of the project funds might have a long term benefit but either (1)a. or b. above has not been addressed in the application	20
A score of 0 points if a majority of the project funds shall not have a long term benefit to low and moderate income persons.	0

Readiness for Implementation – Housing and Emergency (Housing)

For housing applications, up to 20 points for readiness for implementation shall be awarded as follows:

(1) If architectural or engineering design is 25% Construction Drawings and cost estimates by a duly licensed architect or engineer has been completed leading directly to project implementation and the project plans to (2) meet full 2015 IECC Code.	20
application does not contain one of the applicable criteria listed in (1) above	10
if an application does not contain 2 of the applicable criteria listed in (1) above and has only the minimum preliminary architectural or engineering design required.	0

Readiness for Implementation - Public Facilities and Emergency (Public Facilities)

For public facilities applications, up to 20 points for readiness for implementation shall be awarded as follows:

(1) If architectural or engineering design is 25% Construction Drawings and cost estimates by a duly licensed architect or engineer has been completed leading directly to project implementation and the project plans to (2) meet full 2015 IECC Code.	20
application does not contain one of the applicable criteria listed in (1) above	10
if an application does not contain 2 of the applicable criteria listed in (1) above and has only the minimum preliminary architectural or engineering design required.	0

SCORING OF ECONOMIC DEVELOPMENT GRANTS

Applications shall be scored and shall receive no less than 265 points if the application is a business loan or real estate development project, or 250 points if the application is a public facilities infrastructure grant in support of economic development or a grant to a nonprofit, in order to be considered for a final grant award.

	Maximum Score	Minimum Score
Business Loan	530	265
Real Estate Development	530	265

Public Infrastructure	495	250
Grant to a Nonprofit	495	250

The application shall propose and document the public benefit to be achieved as a result of the project.

Minimum Underwriting Standards

CDBG funds that are intended to be used for economic development financing in New Hampshire must meet basic minimum underwriting standards that are based on the following criteria:

- HUD minimum standards for investments
- Business loan underwriting standards

CDBG funds are investments made by the public and as a result carry with them unique requirements and expectations that reflect a defined public policy value. As a result, the statewide minimum standards defined in this document are used to evaluate all CDBG economic development investments. These standards are constructed to provide regional underwriting autonomy at a local level while maintaining a statewide minimum standard.

HUD minimum standards for investments

The Economic Development Entity is required to complete underwriting that proves the following guidelines as stated in HUD CFR 570.482 Appendix A, specifically that:

- (i) That project costs are reasonable;
- (ii) That all sources of project financing are committed;
- (iii) That to the extent practicable, CDBG funds are not substituted for non-Federal financial support;
- (iv) That the project is financially feasible;
- (v) That the return on the owner's equity investment will not be unreasonably high; and
- (vi) CDBG funds are disbursed on a pro rata basis with other finances provided to the project.

The EDE must retain records in accordance with record retention requirements, to include, at a minimum, the following: (1) Financial statements of the business for a minimum of the past three (3) years from the date of submittal of the application; (2) Payment terms of the suppliers to the business; (3) Payment terms of the business to its buyers; (4) Current inventory; (5) Payroll cycle; (6) Inventory cycle; (7) Aging of receivables; (8) Balance due and payment terms of subordinated officer debt; (9) Detailed listing of sales and general administrative costs; and (10) Any other documentation that exists to provide the information needed to evaluate the financial indicators of a specific business

A summary of the Underwriting is required with the application and must be submitted on Form – Underwriting Summary (Appendix C).

Economic Development Entity Threshold Indicators

Applications proposing an Economic Development Entity (EDE) as a sub recipient shall be _____ eligible to receive up to 155 points but must receive a minimum of 75 points in order to be scored further.

EDE's Experience at acquiring grants

Up to 10 points shall be awarded for the EDE's experience as follows:

if the EDE has or had more than 6 projects;	10
if the EDE has or had between 2 and 5 projects	5
if the EDE has or had 1 or no projects	0

History of serving LMI

Up to 15 points shall be awarded for the EDE's history of serving LMI constituents through job creation, as follows:

if the EDE has a demonstrated history	15
if the EDE has no demonstrated history	0

Experience in making commercial loans

Up to 15 points shall be awarded for the EDE's experience in making commercial loans, as follows:

if the EDE has more than 10 years of experience	15
if the EDE has between 5 and 10 years of experience	10
if the EDE has between 3 and 5 years of experience;	5
if the EDE has less than 3 years of experience	0

Collection history

Up to 5 points shall be awarded if the EDE has experience making commercial loans, as measured by their collection history, as follows:

if an EDE has a successful history	5
if an EDE has no history or a negative history.	0

Experience in re-lending RLF funds

Up to 5 points shall be awarded if the EDE has demonstrated experience in re-lending RLF funds, as follows:

if the EDE has re-lent RLF funds;	5
if the EDE has not re-lent RLF funds.	0

Participated in real estate-related projects

Up to 10 points shall be awarded if the EDE has participated in real estate-related projects, _____ as follows:

if the EDE has or had 6 or more real estate projects;	10
If EDE has or had between 1 and 5 real estate projects;	5
if the EDE has or had no real estate projects.	0

EDE's lending experience

Up to 25 points shall be awarded for the EDE's lending experience, as follows:

if the EDE has or had one or more participation loans with a commercial bank;	5
if the EDE has or had one or more participation loans with a non-profit lending institution;	5
if the EDE has closed at least one CDBG project during the previous 5 years;	5
if the EDE has or had access to other RLF funds, such as RBEG, RBOG, and IRP;	5
if their board of directors is comprised of community representatives as a requirement of their by-laws.	5

Scope of the EDE service area

Up to 10 points shall be awarded for the scope of the EDE service area, as follows:

if the EDE serves more than 5 municipalities	10
if the EDE serves at least 2 and not more than 5 municipalities;	5
EDE serves only 1 municipality.	0

EDE manages its own Revolving Loan Fund

Up to 15 points shall be awarded if the EDE manages its own revolving loan fund (RLF), and documented with an audit or compiled financial statements, as follows:

if the EDE's RLF is more than \$2,000,000;	15
if the EDE's RLF is at least \$1,000,000 and less than \$2,000,001;	10
if the EDE's RLF is at least \$100,000 and less than \$1,000,000;	5
if the EDE's RLF is less than \$100,000.	0

EDE has the capacity for loan origination

Up to 15 points shall be awarded if the EDE has the capacity for loan origination, closings, and disbursements and collections, as follows:

if the EDE has in-house capacity;	15
if the EDE has a long-term arrangement with a qualified outside entity;	10
if the EDE contracts on a project-by-project basis;	5
if the EDE has no capacity	0

EDE manages its own RLF

Up to 30 points shall be awarded for the EDE's management and experience, as follows:

if the EDE's loan portfolio is reviewed regularly by the board of directors or loan committee;	5
if the EDE utilizes an adequate financial management and accounting system;	5
if the EDE uses an attorney for loan closings;	5
if the EDE maintains a funded loan loss reserve (LLR), and has documented LLR guidelines;	5
if at least one EDE staff member has 5 or more years of commercial financing experience;	5
if at least one EDE staff member has a recognized economic development certification or post-graduate related degree	5

Public Benefit

The maximum point value for this category shall be 420 points.

Community Needs

Data to be used to establish the Community Need scores can be found in Appendix E: Core Data Index. Data are gathered from a variety of sources, including the US Census Bureau, NH Department of Health and Human Services, NH Housing Finance Authority, and the NH Office of Strategic Initiatives. Up to 70 points.

Up to 10 points for the applicant's unemployment rate, as established by the current data provided by the New Hampshire department of employment security for the applicant's labor market area shall be awarded as follows:

Unemployment rate	Points
if the rate is more than 25% above the current state average	10
if the rate is 13.1% to 25% above the current state average;	8
if the rate is 3.1% to 13% above the current state average	6
if the rate is 0% to 3% above the current state average	3
if the rate is below the current state average.	0

Up to 10 points awarded for the applicant's median family income, as established by HUD based on section 8 income data as shown in Appendix E shall be awarded as follows:

Median family income	Points
if the median family income is 21% or more below the state average;	10
if the median family income is 11% to 20% below the state average;	8
if the median family income is up to 10% below the state average	6
if the median family income is equal to the state average;	3
if the median family income is above the state average.	0

Up to 10 points shall be awarded based on the applicant's percentage of dropout rate from grades 9-12 in the applicant's school district, or if the applicant is a county, the average percentage dropout rate for all school districts in the county, as follows:

Dropout rate from grades 9-12	Points
if the dropout rate is at least 7%;	10
if the dropout rate is 5.0% to 6.9%;	5
if the dropout rate is 3.0% to 4.9%;	3
if the dropout rate is 0% to 2.9%.	0

Up to 20 points for net job creation by the business shall be awarded as follows:

Net job creation	Points
if more than 30 net jobs are created	20
if 21 to 30 net jobs are created	15
if 11 to 20 net jobs are created	10
if 5 to 10 jobs are created	5
if fewer than 5 jobs are created.	0

Where the economic development activity cost per net job created is less than \$20,000, up to 10 points shall be awarded as follows:

Cost per net job	Points
if the project shall require less than \$6,000 of CDBG funds per net job created;	10
if the project shall require \$6,001 to \$16,000 of CDBG funds per net job created;	5
if the project shall require more than \$16,000 of CDBG funds per net job created.	0

Up to 20 points shall be awarded based on the percent of jobs available to low and moderate income persons, as follows:

Jobs available to low- and moderate-income persons	Points
if 91% or more of the jobs are available to low and moderate income persons;	20

if at least 81% but less than 91% of the jobs are available to low and moderate income persons	15
if at least 71% but less than 81% of the jobs are available to low and moderate income persons	10
if at least 61% but less than 71% of the jobs are available to low and moderate income persons;	5
if 60% or less of the jobs are available to low and moderate income persons.	0

Up to 20 points shall be awarded for the percentage of the applicable labor market area average entry wage per job as published in the most current New Hampshire Occupational Employment and Wages Report from NH employment security, economic and labor market information bureau for comparable jobs for at least 80% of the net jobs created as follows:

Average entry wage	Points
if the average entry wage per job is greater than 115% of the labor market area average entry wage;	20
if the average entry wage per job is 101% to 115% of the labor market area average entry wage	15
if the average entry wage per job is 86% to 100% of the labor market area average entry wage	10
if the average entry wage per job is 70% to 85% of the labor market area average entry wage;	5
if the average entry wage per job is below 70% of the labor market area average entry wage.	0

Employee Benefits

Up to 160 points shall be awarded for benefits to be received for at least 80% of the net jobs created based on the following criteria:

Up to 30 points if the business provides group medical insurance, as follows:

Group medical insurance	Points
if the business pays 76% - 100% of the cost	30
if the business pays 51% - 75% of the cost	20
if the business pays 50% of the cost	10
if the business pays less than 50% of the cost	5
if the business does not pay any of the cost, or insurance is not offered	0

Up to 10 points if the business provides group dental insurance, as follows:

Group dental insurance	Points
if the business pays 76%-100% of the cost	10
if the business pays 51% - 75% of the cost	8
if the business pays 50% of the cost	4
if the business pays less than 50% of the cost	2
if the business does not pay any of the cost, or if insurance is not offered	0

Up to 10 points if the business provides group vision insurance, as follows:

Vision insurance	Points
if the business pay 76%-100% of the cost	10
if the business pays 51% - 75% of the cost;	8
if the business pays 50% of the cost;	4
if the business pays less than 50% of the cost; or	2
if the business does not pay any of the cost, or if insurance is not offered;	0

Up to 20 points based on the extent of the medical insurance coverage, as follows:

Medical insurance coverage	Points
if the business offers medical insurance coverage for the employee and dependents;	20
if the business offers medical insurance coverage for the employee only;	0

Up to 10 points if the business provides paid vacation time off, as follows:

Paid vacation time off	Points
if the business provides 10 or more days	10
if the business provides between 5 and 9 days	5
if the business provides fewer than 5 days off, or no paid time off	0

Up to 10 points if the business provides paid sick time off, as follows:

Paid sick time off	Points
if the business provides 5 or more days	10
if the business provides between 1 and 4 days	5
if the business provides no paid sick time off;	0

Up to 5 points if the business provides paid holidays, as follows:

Paid holidays	Points
if the business provides 9 or more days	5
if the business provides between 6 - 8 days	3
if the business provides fewer than 6 paid holidays	0

Up to 5 points if the business provides paid bereavement off, as follows:

Paid bereavement off	Points
if the business provides 3 or more days	5
if the business provides between 1 and 2 days	3
if the business provides no paid bereavement time off	0

Up to 5 points if the business provides a life insurance plan, as follows:

Life insurance plan	Points
if the business provides the plan at no cost to the employee	5
if the business provides a plan requiring an employee contribution	3
if the business provides no life insurance plan	0

Up to 5 points if the business provides a short-term disability insurance plan, as follows

Short-term disability insurance plan	Points
if the business provides the plan at no cost to the employee	5
if the business provides a plan requiring an employee contribution	3
if the business provides no short-term disability insurance plan;	0

Up to 5 points if the business provides a long-term disability insurance plan, as follows:

Long-term disability insurance plan	Points
if the business provides the plan at no cost to the employee	5
if the business provides a plan requiring an employee contribution	3
if the business provides no long-term disability insurance plan;	0

Up to 20 points if the business provides a tax-exempt retirement plan, or equivalent, as follows:

Tax-exempt retirement plan	Points
if the business contributes to the plan;	20
if the business provides a plan to which only the employee contributes;	10
if the business provides no tax-exempt retirement plan or equivalent	0

Up to 10 points if the business provides for employees' childcare, as follows:

Childcare	Points
if the business provides childcare on-site	10
if the business contributes to the cost of employees' childcare	5
if the business does not contribute to employees' childcare	0

Up to 5 points if the business provides other employee benefits, as follows:

Other employee benefits	Points
if the business provides profit-sharing;	1
if the business provides flextime	1
if the business provides a wellness program	1
if the business provides a bonus program	1
if the business provides an additional, specific benefit	1

Up to 30 points for level of training for at least 80% of the net jobs created shall be awarded as follows:

Training	Points
if the business pays at least 50% of the tuition to an institution of higher learning for an associate's degree or higher	30
if the business pays at least 50% of the tuition to an institution of higher learning for job-related courses	20
if the business has an apprentice training or vocational training program of 6 months or more duration	10
if the business provides GED instruction on paid time	5
if the business has only on the job training	0

The percent of full time permanent jobs to be created shall be awarded one point for each percentage point over 80% (up to a total of 20 points).

Full time permanent jobs	Points
if the percentage is 80% or greater	1 % each
if the percentage is less than 80%.	0

Up to 5 points for the percentage of jobs to be dedicated to special needs groups, shall be awarded as follows:

Jobs to be dedicated to special needs groups	Points
if the percentage is 25% or greater	5
if the percentage is less than 25%.	0

Up to 20 points for regional employment diversification shall be awarded as follows:

Regional employment diversification	Points
if the business represents an industry new to the applicant's labor market area;	20

if the business offers an upgrading of skills in an existing industry in the applicant's labor market area	10
if the business has no effect on employment diversification in the applicant's labor market area	0

Up to 10 points for long-term commitment to the region by the business shall be awarded as follows:

Long term commitment	Points
if the business owns or will own real property	10
if the business has or will have a lease on the project property for 5 or more years	5
if the business has or will have a lease agreement on the project property for between 3 and 4 years	3
if the business has or will have a lease agreement for less than 3 years	0

Up to 5 points for the extent that the project shall reduce the local demand for social service assistance shall be awarded as follows:

Reduce the local demand for social service assistance	Points
if the business can document an active partnership with the social service agencies in the applicant's labor market area	5
if the business cannot document a partnership with the social service agencies in the applicant's labor market area	0

Up to 15 (could be more 18 if meets all category) points shall be awarded for the extent that the project shall contribute towards the revitalization of a downtown area or historic rehabilitation, as follows:

Revitalization	Points
if the project contributes to the revitalization of a downtown area	10
if the project building has been determined by the New Hampshire division of historic resources to be eligible for listing in the state or national register of historic places;	5
if the project uses historic rehabilitation tax credits, as defined in 36 CFR 67;	3
if the project has no effect on the revitalization of a downtown area or historic rehabilitation	0

Business Benefit

The applicant shall document the benefit to the business to be achieved as a result of the project. The maximum point value for this category shall be 110 points for business loans and real estate projects and 75 points for public infrastructure projects in support of economic development and grants to non-profits creating jobs.

Pick one of the following categories:

Categories	Maximum in this category
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Business Loans	110
Public Infrastructure Projects in support of ED	75
Non-profits creating jobs	75

Business Loans

The Application and Underwriting summary shall describe the business need for assistance and the value of the proposed loan assistance package to the business, with points awarded as follows:

Up to 20 points based on the availability of non-CDBG match funding compared to the CDBG grant amount, as follows:

Non-CDBG match	Points
if the match ratio is greater than 3:1	20
if the match ratio is between 1:1.1 and 3:1	10
if the match ratio is equal to 1:1	0

Up to 20 points based on the payment capacity of the business to support the proposed debt, as follows:

Payment capacity	Points
if the total debt coverage ratio is at or less than 1.3	20
if the total debt coverage ratio is greater than 1.3 but less than 1.5	10
if the total debt coverage ratio is 1.5 or greater	0

Up to 20 points based on the cash value of the CDBG assistance, as follows:

Cash value of the CDBG assistance	Points
if the value of the assistance is between 0% and 5% of the CDBG grant amount	20
if the value of the assistance is between 5.1% and 10% of the CDBG grant amount	10
if the value of the assistance is between 10.1% and 15% of the CDBG grant amount	5
if the value of the assistance is greater than 15% of the CDBG grant amount	0

Up to 50 points for the effect of the proposed loan on the financial stability of the EDE, as follows:

Effect of the proposed loan	Points
if income from loan fees and interest is sufficient to contribute towards staff and overhead;	10
if a minimum of 5% of income from loan fees and interest will be contributed towards a loan loss reserve	5
if a minimum of 5% of income from loan fees and interest will be contributed towards capitalization of the RLF	5

Up to 10 points based on the term of the loan, as follows:

Term of the loan	Points
if the principal is returned to the RLF in 3 years or less	10
if the principal is returned to the RLF in more than 3 years and up to 5 years	5
if the principal is returned to the RLF in more than 5 years	0

Up to 5 points based on the security position on real property, as follows:

Security position on real property	Points
if the CDBG funded debt holds first or second position	5
if the CDBG funded debt holds third position	3
if the CDBG funded debt holds less than third position	0

Up to 5 points on the security position on machinery and equipment, as follows:

Security position on machinery and equipment	Points
if the CDBG funded debt holds first or second position	5
if the CDBG funded debt holds third position	3
if the CDBG funded debt holds less than third position	0

Up to 5 points based on the security position on all other business assets, as follows:

Security position on all other business assets	Points
if the CDBG funded debt holds first or second position	5
if the CDBG funded debt holds third position	3
if the CDBG funded debt holds less than third position	0

Up to 5 points based on the security position of personal guarantees of the business owner(s), as follows:

Security position of personal guarantees of the business owner(s),	Points
if the CDBG funded debt has an unconditional guarantee	5
if the CDBG funded debt has a limited guarantee	3
if the CDBG funded debt has no guarantee	0

Business Need for Assistance

The detailed analysis and narrative shall describe the **business need for assistance** and the value of the proposed real estate assistance package to the business, with points awarded as follows:

Up to 20 points based on the availability of non-CDBG match funding compared to the CDBG grant amount, as follows:

Non-CDBG match	Points
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if the match ratio is greater than 3:1	20
if the match ratio is between 1:1.1 and 3:1	10
if the match ratio is equal to 1:1	0

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Up to 20 points based on the financial ability of the private business to create or retain jobs, as follows:

Financial ability	Points
if the total debt coverage ratio is at or greater than 1.5	20
if the total debt coverage ratio is greater than 1.3 but less than 1.5	10
if the total debt coverage ratio is at or less than 1.3	0

Up to 20 points based on the rent to be paid by the private business as compared to local market rates, as follows:

Rent	Points
if the rent is greater than market rate	20
if the rent is equal to market rate	10
if the rent is less than market rate	0

Up to 20 points based on the cash value of the CDBG assistance, as follows:

Cash value of the CDBG assistance	Points
if the value of the assistance is between 0% and 5% of the CDBG grant amount;	20
if the value of the assistance is between 5.1% and 10% of the CDBG grant amount;	10
if the value of the assistance is between 10.1% and 15% of the CDBG grant amount;	5
if the value of the assistance is greater than 15% of the CDBG grant amount;	0

Up to 20 points based on the effect of the lease payments generated from the real estate development on the financial stability of the EDE, as follows:

Income from proposed rent	Points
if the income from the proposed rent is sufficient to pay for the debt service on the construction debt of the project	10
if the income from the proposed rent is sufficient and will be contributed to an operating reserve for the proposed real estate	5
if the income from the proposed rent is sufficient and will be contributed to staff or overhead	5

Up to 10 points based on the sale of the proposed real estate, as follows:

Sale of the proposed real estate	Points
if the proposed real estate has a lease with an option to buy in 5 years or less	10
if the proposed real estate has a lease with an option to buy in more than 5 and up to 7 years	5
if the proposed real estate has a lease with an option to buy in more 7 years, or no option to buy, or an option to buy at an unknown time	0

Infrastructure improvement to the municipality and the business

The detailed analysis and narrative shall describe the business need for assistance and the value of the proposed infrastructure improvement to the municipality and the business, with points awarded as follows:

Up to 20 points based on the availability of non-CDBG match funding compared to the CDBG grant amount, as follows:

Non-CDBG match	Points
if the match ratio is greater than 3:1	20
if the match ratio is between 1:1.1 and 3:1;	10
if the match ratio is equal to 1:1	0

Up to 20 points based on the financial ability of the business to create the proposed jobs, as follows:

Debt coverage ratio	Points
if the business' debt coverage ratio is at or greater than 1.5	20
if the business' debt coverage ratio is greater than 1.3 but less than 1.5	10
if the business' debt coverage ratio is at or less than 1.3	0

Up to 25 points based on the municipality's available debt capacity, as follows:

Municipality's available debt capacity	Points
if the CDBG costs are 41% or more of municipal debt capacity	25
if the CDBG costs are 31% to 40% of municipal debt capacity	20
if the CDBG costs are 21% to 30% of municipal debt capacity	15
if the CDBG costs are 11% to 20% of municipal debt capacity	10
if the CDBG costs are less than 11% of municipal debt capacity	5

Up to 10 points based on the economic and community effects of the project on the municipality, as follows:

Economic and community effects	Points
if the project will have a positive, defined economic multiplier impact	2
if the project will increase the town's tax base	2
if the project increases the market value of a municipality's industrial park	2
if the project has positive effect on the health or safety of the project vicinity	2
if the project reflects implementation of a specific aspect of the municipality's master plan.	2

Nonprofit creating jobs

The detailed analysis and narrative shall describe the nonprofit business need for the assistance, with points awarded as follows:

Up to 20 points based on the availability of non-CDBG match funding compared to the CDBG grant amount, as follows:

Non-CDBG match	Points
if the match ratio is greater than 3:1	20
if the match ratio is 1:1.1 to 3:1	10
if the match ratio is equal to 1:1	0

Up to 20 points based on the financial strength of the nonprofit, as follows:

Financial strength of the nonprofit	Points
if the nonprofit has reserves or documented future income which will support the on-going operation of the project	10
if the nonprofit has successfully conducted fundraising for at least 2 years	10

Up to 20 points based on the management strength of the nonprofit, as follows:

Management strength of the nonprofit	Points
if the nonprofit has been in existence for 6 or more years	10
if the nonprofit has been in existence for at least 2 years and up to 5 years	5
if the executive director has more than 2 years in the field of the nonprofit	5
if a majority of the members of the board of directors of the nonprofit have served for 2 or more years	5

Up to 15 points based on the economic and community effects of the project, as follows:

Economic and community effects	Points
if the project addresses a labor shortage in a field with community benefit	5
if the project provides training with a benefit to economic stability for a specific population, defined by the applicant, at-risk of unemployment	5
if the project has a positive effect on the health or safety of the community served by the nonprofit	5

SCORING OF MICROENTERPRISE DEVELOPMENT ASSISTANCE GRANTS

Applications are eligible to receive up to a total of 580 points. Each application must receive a minimum score of 170 points in the "Public Benefit Indicators" section (out of 310 available points), and a minimum score of 115 points in the "Project Design Indicators" section (out of 270 available points), for a total minimum score of 285 points.

Public Benefit Indicators

Each application may receive up 310 points in the Public Benefit section. A minimum score of 170 points in this section is required to continue scoring the application.

(1) For provision of services to low- and moderate-income persons:

Additional provision of services	Points
if services are provided to 76 or more persons on an annualized basis	50
if services are provided to 60-75 persons on an annualized basis	35
if services are provided to 40-59 persons on an annualized basis	20
if services are provided to 25-39 persons on an annualized basis	10
if services are provided to fewer than 25 persons on an annualized basis	0

(2) For provision of loans to microenterprises whose owners qualify as low and moderate income, or whose current employees are predominantly low and moderate income, or whose future hires will be low and moderate income:

Low and moderate income owners	Points
if 76 or more loans will be made on an annualized basis	50
if 51-75 loans will be made on an annualized basis	35
if 26-50 loans will be made on an annualized basis;	20
if 10-25 loans will be made on an annualized basis;	10
if fewer than 10 loans will be made on an annualized basis	0

(3) For the number of businesses assisted:

Business Assistance	Points
if 41 or more businesses will be assisted on an annualized basis	25
if 31-4 businesses will be assisted on an annualized basis	15
if 21-30 jobs will be created/retained on an annualized basis	10
if 10-20 jobs will be created/retained on an annualized basis	5
if fewer than 10 jobs will be created/retained on an annualized basis	0

(4) For the percent of LMI businesses assisted:

LMI Businesses assisted	Points
if 91-100% of the businesses assisted are LMI	25
if 81-90% of the businesses assisted are LMI	15
if 71-80% of the businesses assisted are LMI	10
if 61-70% of the businesses assisted are LMI	5
if 60% or fewer of the businesses assisted are LMI	0

(5) Area need: Up to 50 points shall be awarded based on the municipal/county scores in the CDFA "Core Data Index." The maximum point value that can be achieved in the Core Data Index is 70 points. For this section, the municipal/county score achieved in the Core Data Index is multiplied by 0.71.

(6) Demonstrated User Demand: Up to 30 points shall be awarded for demonstrated user demand, as evidenced by a listing of microenterprises and potential micro entrepreneurs waiting for services or

historical statistical data of service usage, and need for services to microenterprises, including training, technical assistance and credit, as follows:

Demonstrated user demand	Points
if none of the above services are available in the project area and there is a documented user demand;	30
if any of training, technical assistance or credit are not available in the project area and there is a documented user demand	15
if all of the above services are available in the project area or there is no documented user demand	0

(7) Reduction in Demand for Social Services: Up to 30 points shall be awarded to the extent that the project reduces the local demand for social service assistance, as follows:

Local area benefit	Points
if the project substantially reduces the local demand for social services by reducing the need for local welfare assistance and reducing the need for human services	30
if the project significantly reduces the local demand for social services	15
if the project minimally reduces the local demand for social services	5
if the project has no effect on reducing the local demand for social services.	0

(8) A maximum of 50 points shall be awarded for support of management capacity and structure of the sub recipient organization to provide microenterprise development assistance (total of a and b, as follows).

(a) Up to 30 points for management capacity:

Management capacity of the sub recipient	Points
if the job descriptions and resumes of both the current sub recipient staff and the anticipated project staff demonstrates microenterprise development experience;	5
for one year or more of experience in providing business skills training;	5
for one year or more of experience in providing technical assistance to owners of microenterprises	5
for one year or more of experience in providing support services to owners of microenterprises	5
for one year or more of experience in providing loans to owners of microenterprises;	5
for one year or more of experience in loan processing, tracking and collection;	5

(b) Up to 20 points for organizational structure:

Organizational structure of the sub recipient	Points
if the sub recipient organization is a community development finance institution as defined at 24 CFR 570.482(f)(3)(v)(H);	20
if the sub recipient organization is a nonprofit organization with a revolving loan fund	10
if the sub recipient organization is a nonprofit organization with no revolving loan fund	5
if the sub recipient organization is a for-profit organization.	0

Project Design Indicators

The applicant shall provide a detailed description of the project design. Each application may receive up to a total of 270 points in the Project Design section. A minimum of 115 points in this section is required to continue scoring the application.

- (1) Up to 30 points shall be awarded for the experience of the sub recipient organization to provide microenterprise development assistance:

Experience of the sub recipient	Points
if the organization has had more than one year of experience providing services to microenterprise	30
if the organization has less than one year of experience providing services to microenterprises	15
if the organization has had no experience providing services to microenterprises	0

- (2) A maximum of 60 points shall be awarded for strategic planning (total of a, b and c, as follows):

- (a) Up to 25 points for an outreach/marketing plan:

Outreach/marketing plan	Points
if the outreach/marketing plan specifically describes the targeted low and moderate income population and how they will be informed about the availability of the services proposed	25
if the outreach/marketing plan contains no specific information about the targeted low and moderate income population and how they will be informed about the availability of the services proposed	10
if there is no outreach/marketing plan described	0

- (b) Up to 10 points for screening of participants to determine eligibility:

Screening of participants	Points
for screening participants for both income and assets	10
for screening participants for income	5
no screening of participants is proposed	0

- (c) Up to 25 points for screening and training of participants to determine entrepreneurial potential and gaps in entrepreneurial skills:

Determine entrepreneurial potential	Points
if the proposed services include a training and self-evaluation of life skills and entrepreneurial skills and attributes	25

if the proposed services include only a self-evaluation of entrepreneurial skills and attributes	10
if the proposed services do not provide any screening of participants to determine entrepreneurial skills and attributes	0

- (3) A maximum of 30 points shall be awarded for business skills training, including, but not limited to, business start-up information, financial management, marketing, management skills, and taxes (total of a, b and c, as follows):

- (a) Up to 10 points for classroom training offered per participants:

Classroom Training	Points
if the duration of training is 30 hours or more	10
if the duration of training is between 10 and 29 hours	5
if the duration of training is fewer than 10 hours	0

- (b) Up to 10 points for peer training:

Peer Training	Points
if peer training includes both group facilitation training and loan approval training;	10
if peer training is for group facilitation only	5
if no peer training is provided	0

- (c) Up to 10 points for training outcomes:

Training Outcomes	Points
if training outcomes are defined and there are measurable/demonstrable business skills	10
if training outcomes are defined but there are no measurable/demonstrable business skills	5
if there are no defined outcomes or measurable/demonstrable business skill outcomes.	0

- (4) A maximum of 70 points shall be awarded for business technical assistance (total of a, b, c and d, as follows):

- (a) Up to 10 points for the scope of business technical assistance:

Business technical assistance	Points
if the technical assistance is provided by the sub recipient	10
if the technical assistance is provided through referrals	5
if no technical assistance is provided	0

- (b) Up to 10 points for the length of time technical assistance is provided:

Length of time	Points
if the technical assistance is provided during the entire project	10
if the technical assistance is provided on a time limited basis	5

if no technical assistance is provided	0
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(c) Up to 10 points for the qualifications of the technical assistance providers:

Qualifications	Points
if the technical assistance provider is on staff	10
if the technical assistance provider is a paid consultant	5
if the technical assistance provider is a volunteer	0

(d) Up to 40 points if support services to low- and moderate-income owners of microenterprises is provided:

Support Services	Points
if transportation costs to training sessions are provided	10
if child care is provided during training sessions	10
if individual counseling about non-business support services is provided	10
if any other support services are provided	10

(5) A maximum of 80 points shall be awarded for the lending services available to microenterprises through the project:

Lending services	Points
if there is a firm guarantee, documented by a letter of commitment and a lending budget, that capital will be available throughout project	10
if the cost of capital is at or below market rate	10
if there are written underwriting and lending guidelines	10
if there are screening procedures for approving loans	10
if there are written procedures for loan origination, closing, disbursements and collection;	10
if there are procedures for identifying problem loans	10
if the lending organization has a successful collection history	10
if the lending organization has a loan loss reserve	10

SCORING OF PLANNING GRANTS

Applications shall be awarded a maximum of 26 points based on the criteria in (a) through (l).

(a) Up to 2 points for the ranking of adjusted median household income, shall be awarded as follows:

Adjusted median household income	Points
if the points for adjusted median household income are higher as compared to the other applications	2

if the points for adjusted median household income are average as compared to the other applications	1
if the points for adjusted median household income are lower as compared to the other applications	0

(b) Up to 2 points for the ranking of percent of human services assistance, shall be awarded as follows:

Human services assistance	Points
if the points for percent of households receiving human services assistance are higher as compared to the other applications	2
if the points for percent of households receiving human service assistance are moderate as compared to the other applications	1
if the points for percent of households receiving human service assistance are lower as compared to the other applications	0

(c) Up to 2 points for percentage of unemployed, in the applicant's labor market area for the most recent reporting period, shall be awarded as follows:

Percentage of unemployed	Points
if the percentage of unemployed is higher as compared to the other applications	2
if the percentage of unemployed is moderate as compared to the other applications	1
if the percentage of unemployed is lower as compared to the other applications	0

(d) Up to 2 points for the number of potential low and moderate income beneficiaries shall be

Potential low and moderate income beneficiaries	Points
if the number of potential low and moderate income beneficiaries is higher as compared to the other applications	2
if the number of potential low and moderate income beneficiaries is average as compared to the other applications	1
if the number of potential beneficiaries is lower as compared to the other applications	0

awarded as follows:

(e) Up to 2 points for the percentage of potential beneficiaries that are low and moderate income shall be awarded as follows:

Percentage of potential beneficiaries that are low and moderate income	Points
if the percentage of potential beneficiaries that are low and moderate income is higher as compared to the other applications	2
if the percentage of potential beneficiaries that are low and moderate income is moderate as compared to the other applications	1
if the percentage of potential beneficiaries that are low and moderate income is lower as compared to the other applications	0

- (f) Up to 2 points for long term benefit if the proposed study were implemented shall be awarded as follows:

Long term benefit	Points
if the proposed study, if implemented, will have a long term benefit for low and moderate income beneficiaries	2
if the proposed study, if implemented, might have a long term benefit to low and moderate income beneficiaries but has not been addressed	1
if the proposed study, if implemented, will not have a long term benefit to low and moderate income beneficiaries	0

- (g) Up to 2 points for firmly committed funds shall be awarded as follows:

Committed funds	Points
if the amount of matching funds is higher as compared to the other applications	2
if the amount of matching funds is average as compared to the other applications	1
if the amount of matching funds is lower as compared to the other applications	0

- (h) Up to 2 points for the number of previous CDBG grants received by the applicant shall be awarded as follows:

Previous CDBG grants	Points
if a lower number of previous CDBG grants have been received as compared to the other applicants	2
if an average number of previous CDBG grants have been received as compared to the other applicants	1
if a higher number of previous CDBG grants have been received as compared to the other applicants	0

- (i) Up to 2 points for the innovation of the proposed study as compared to CDBG projects over the most recent two-year period shall be awarded as follows:

Innovation of the proposed study	Points
if 0 or one similar CDBG project has been awarded over the most recent 2 year period	2
if 2 or 3 similar CDBG projects have been awarded over the most recent 2 year period	1
if 4 or more similar CDBG projects have been awarded over the most recent 2 year period	0

- (j) Up to 2 points for the probability that the proposed study will lead to implementation shall be awarded as follows:

Implementation	Points
if the proposed study shall directly lead to the implementation of a project	2
if the proposed study might directly lead to the implementation of a project but more work is necessary	1
if the proposed study shall not lead directly to the implementation of a project	0

- (k) Up to 2 points for addressing special needs groups, homeless clientele and low income families with children shall be awarded as follows:

Addressing special needs groups, homeless clientele and low income families with children	Points
if a high number of special needs groups, homeless clientele and low income families with children shall be addressed as compared to the other applications	2
if a moderate number of special needs groups, homeless clientele and low income families with children shall be addressed as compared to the other applications	1
if a lower number of special needs groups, homeless clientele and low income families with children shall be addressed as compared to the other applications	0

- (l) Up to 4 points for the need for the study and an implementation project shall be awarded as follows:

Need for the study and an implementation project	Points
if there is a significant need for the study and an implementation project as compared to the other applications	4
if there is a moderate need for the study and an implementation project as compared to the other applications	2
if there is minimal need for the study and an implementation project as compared to the other applications	0

SCORING OF CDBG CV: PUBLIC SERVICE APPLICATIONS

Applications shall be awarded points based on the following factors:

SCORING OF CDBG CV: MICROENTERPRISE APPLICATIONS

Applications shall be awarded points based on CDBG 2019 Scoring as outlined above.

SCORING OF CDBG CV: ECONOMIC DEVELOPMENT TECHNICAL ASSISTANCE

Applications shall be awarded points based on CDBG 2019 Scoring as outlined above.

APPENDIX C: MINIMUM UNDERWRITING STANDARDS FOR ECONOMIC DEVELOPMENT FINANCING

CDBG funds that are intended to be used for economic development financing in New Hampshire must meet basic minimum underwriting standards that are based on the following criteria:

- HUD minimum standards for investments
- Business loan underwriting standards

CDBG funds are investments made by the public and as a result carries with them unique requirements and expectations that reflect a defined public policy value.

As a result, the statewide minimum standards defined in this document are used to evaluate all CDBG economic development investments.

These standards are constructed to provide regional underwriting autonomy at a local level while maintaining a statewide minimum standard.

HUD Minimum Standards for Investments

The Economic Development Entity is required to complete underwriting that proves the following guidelines as stated in HUD CFR 570.482 Appendix A, specifically that:

- (i) That project costs are reasonable;
- (ii) That all sources of project financing are committed;
- (iii) That to the extent practicable, CDBG funds are not substituted for non-Federal financial support;

- (iv) That the project is financially feasible;
- (v) That the return on the owner's equity investment will not be unreasonably high; and
- (vi) CDBG funds are disbursed on a pro rata basis with other finances provided to the project.

The EDE will determine that the project meets the above mentioned standards using the following specifications about the minimum standards:

(i) Project Costs Are Reasonable

Review the project budget including detailed sources and uses of funds. If the budget is overinflated, there may be a waste of scarce public resources and a surplus can end up as an additional fee to a developer or entrepreneur; and conversely, if the budget is understated, the success of the project may be affected, which could reduce the income available for debt service. To determine whether the costs are reasonable the EDE should compare the applicant's proposal with costs of comparable projects and industry standards.

(ii) Sources are Committed

CDFA wants to avoid the risk of approving and disbursing funds to fund a portion of the project without sufficient funds from other sources to complete the development. Therefore, the EDE must prove that all other sources of funds need to be in place prior to application.

(iii) CDBG Funds are Not Substituted for Non-Federal Funds

The EDE needs to establish the need for public investment by,

- Demonstrating the owners limited personal equity,
- Demonstrating that a bank or private financing institution has reached their lending limit to the project or will not lend to the project.

(iv) Project Feasibility

The project or venture should be viable with the CDBG investment. The project should be able to achieve a level of operation that is successful in the near and long term.

The project should provide sufficient cash flow to repay debt and provide a reasonable ROR on equity invested. Feasibility is a threshold, because an infeasible project will be unable to repay the public investment, or meet the community development objectives if the business fails or is foreclosed upon. Determination of feasibility requires an understanding of the industry, and the ability to test various assumptions about operations. EDE's need to be concerned that the venture remains feasible or viable for at least the term of the loan.

(v) Owner's Equity Return is Reasonable

An owner strives to receive a market-rate ROR on their project. This varies by market and type of venture. However, the ROR should be reasonable given the equity invested and risk taken. Generally, the greater the risk the higher the ROR demanded. So ventures need to be examined in comparison to similar ventures in similar regions. For real estate ventures, the return on equity should come from cash flow of the project, not a developer's fee or other borrowed funds. Repayment terms are consistent with the use of funds and based on a proper financial structure.

Developer's fee is limited to the following calculation:

- First \$3.0M developer is eligible for 10% of TDC
- For anything above \$3.0M developer is eligible for 8% of TDC

(vi) CDBG Funds Disbursed Pro Rata

CDBG funds should be disbursed in proportion to the percentage of the project they fund. One exception is where CDBG funds are allocated for an acquisition activity. The EDE should prepare a draft disbursement plan.

The EDE will be required to summarize each of their calculations/ determinations of the HUD minimum standards in the EDE underwriting summary.

APPENDIX D: ADDITIONAL INFORMATION FOR MICROENTERPRISE ADMINISTRATION

MICROENTERPRISE PROGRAM GUIDELINES FOR GRANTEES AND SUBRECIPIENTS

All Microenterprise Program applicants are subjected to a substantial programmatic review. All applicants must be approved for funding by CDFA's Community Development Advisory Committee and Board of Directors with final approval by New Hampshire's Governor and Executive Council. If approved, the following guidelines must be adhered to by all grantees and subrecipients.

TERM OF GRANT

The maximum term for a grant is 12 months. The program year is July 1st – June 30th.

PROGRAM SERVICE AREA

Microenterprise Program services are available to all eligible businesses/persons located within the State of New Hampshire's jurisdictional boundaries. Any service providers that receive applicants from entitlement communities must keep their total participation less than 30% of their total claim for the grant year.

ELIGIBLE PROGRAM PARTICIPANTS

All eligible program participants must meet the definition of a microenterprise. For this program's purposes:

- A microenterprise is defined as a commercial enterprise that has five or fewer employees, one or more of whom owns the enterprise. The term "employee" includes all full-time or part-time employees and all owners of the business on the payroll at the time of intake application (this applies even if all owner's salary draws are not on a regular basis); or Persons over the age of 18 developing microenterprises, meaning persons who have expressed an interest in, or who after an initial screening process, are expected to be actively working toward developing businesses, each of which is expected to be a microenterprise at the time it is formed.

Eligible participants must have a physical business address in the program service area. Individuals wishing to start a business are also eligible applicants, but they must provide proof their primary residence is located within the program service area. Exceptions can be made for microenterprises looking to move to New Hampshire upon request and written approval by CDFA.

Eligible participants must also either have experience in the business area of interest, have clearly identified vision of business goals or have the ability to understand and describe the market for their product or service, and the commitment to work hard for business success.

Employees of microenterprises will not be counted as beneficiaries separate from the owner of the microenterprise. If an employee wishes to participate in the program, the owner must first come in to qualify and designate employees that may come in on their behalf.

COUNTING EMPLOYEES

The determination of employees is defined by the number of full-time equivalent (FTE) employees a business has at the time of intake. CDFA adheres to the IRS policy of FTEs for its calculation. Simplified, an FTE

Is calculated on the basis of 2,080 hours per year worked.

Add up the total hours of service for which the employer pays wages to employees during the year (but not more than 2,080 hours for any employee), and divide that amount by 2,080. If the result is not a whole number, round to the next lowest whole number. (If the result is less than one, however, round up to one FTE.)

INELIGIBLE PROGRAM APPLICANTS

Ineligible applicants include applicants whose business (for existing) or private (for start-ups) address is outside the program service area. Non-profits are not eligible for microenterprise assistance.

MEETING THE CDBG NATIONAL OBJECTIVE

Under federal regulations, use of CDBG funds for microenterprise activities must meet the national objective of benefit to low/moderate income persons under the Limited Clientele definition. As such, all microenterprise owners must be documented as meeting the U.S. Department of Housing and Urban Development's low/moderate income definitions prior to receiving any services. The income verification form will be used to confirm income of program applicants.

Limited Clientele: "570.208 (a) (2) Limited clientele activities. (i) An activity which benefits a limited clientele, at least 51 percent of whom are low and moderate-income persons." To qualify for this activity, the

Microenterprise Program passes the following required test, "It must have income eligibility requirements which limit the activity exclusively to low and moderate income persons."

ELIGIBLE PROGRAM COSTS

Use of CDBG funds for the Microenterprise Program is restricted to certain eligible costs.

Eligible costs for the Microenterprise Program include, but are not limited to, the following:

- Technical assistance;
- Business advising;
- Grants, loans, loan guarantees;
- Business development workshops or classes;
- Online business training courses;
- General support services to including:
 - Child care/dependent care services;
 - Transportation to technical assistance services or loan processing service appointments;
 - Peer support groups;

- Counseling; and
- Assistance accessing and paying for the direct costs of training and education, such as tuition and fees.

- Job training for owner/employees.

Any questions regarding eligible costs should be directed to your grant administrator or CDFA staff.

NOTE ON SUPPORTIVE SERVICES

Supportive services must be properly documented if provided to program participants. Child care/dependent care services must be provided by a licensed and qualified provider and travel costs must be documented.

Supportive services are utilized to help eliminate any barriers impeding a program participant from starting or operating their microenterprise and must be utilized in that regard. If a program participant is no longer able to continue participation in the microenterprise program the provider offers, supportive services should cease immediately.

INELIGIBLE PROGRAM COSTS

The general rule for CDBG is that any activity, Economic Development or otherwise, not authorized under the provisions of 24 CFR 570.201 is not eligible for funding.

Ineligible costs for the Microenterprise Program include, but are not limited to, the following:

- Government expenses;
- Political activities;
- Purchase of equipment (though electronic equipment may be eligible contingent upon circumstances of use);
- Purchase of furnishings and personal property;
- Operating and maintenance expenses;
- Income payments;
- Direct costs such as the payment of any personal or business debt, payment of rent/lease payments, payment of cash or wages, payments for food or drink.

Any questions regarding ineligible costs should be directed to your grant administrator or CDFA staff.

SERVICE TIMEFRAME

Under federal regulations, a program participant may receive services for up to three years after completing income verification as an eligible microenterprise. If there is a lapse in service within that three-year period, the program participant must requalify as both low/moderate income and a microenterprise. Proper documentation must be submitted showing there was a time lapse in service.

This is three years across all service providers in the state. A program participant may not complete three years with Provider A and then move on to receive additional services from Provider B.

COST PER BENEFICIARY

The maximum cost allowable is \$2,500 per beneficiary served. An additional \$2,500 is available for completed loans.

MAX LOAN AMOUNT TO BENEFICIARIES

The maximum loan amount allowable to beneficiaries is \$50,000.

OTHER CDBG FEDERAL LAWS AND REGULATIONS

The Microenterprise Program follows the same laws and regulations as the CDBG Economic Development Program as administered by CDFA and the Code of Federal Regulations. More information regarding these guidelines can be found in the Community Development Block Grant Application and Program Guide.

IMPORTANT NOTE FOR MICRO-LOAN CLIENTS

An environmental review is required by the Department of Housing and Urban Development for each business funded with CDBG monies (24 CFR 58). The review must be completed prior to any project-related activities commencing with the business and it must encompass all aggregated project-related activities for the business.

The environmental review will comply with the Department of Housing and Urban Development's regulations regarding the National Environmental Policy Act (NEPA). The Grantee is required to complete and certify compliance with the NEPA. The level of environmental review is determined by the type of proposed project and associated activities. The loan applicant will be informed of any additional loan processing time due to the NEPA review. All grantees and subrecipients must adhere to the following program administration requirements.

CONTRACT REQUIREMENTS

Successful applicants will be required to execute a grant agreement with CDFA.

REQUIRED DOCUMENTATION FOR CLAIMS

For each program participant served, CDFA requires three items of documentation to support the record of services and participant eligibility. These three items should be attached to the claim for reimbursement.

1. Income Verification Form: Verifies the income for the program participant and must be filled out clearly and signed. The form should only be filled out at first contact and kept on file. The provider will need to submit the form each program year. County-specific Income Verification Forms can be found on CDFA's website under CDBG Resources "Economic Development Income Surveys."

2. Attachment IV/Business Tracking Report: Documents required reporting information such as number of employees, gross revenue of the business, and several other factors. The report is also used to provide CDFA information on the participant's outcome goals in the program and notable successes at project close out. The report can be used in conjunction with the provider's own intake procedure and edited by the provider to suit their own intake needs, but must include the basic information outlined in the report template. An example of this report can be found in Appendix C.

3. Business Tracking Spreadsheet: Used to track all program participants throughout the grant year.

NOTE ON CLAIM DOCUMENTATION

Each provider should set up an organized procedure for maintaining program participant files and preparing them for submission to their grant administrator. Incomplete or incorrect

submission can result in rejection of provider claims and hold up the process of dispersing funds.

DOCUMENTING COVERAGE OVERLAP

New Hampshire is a small, rural state with a few key technical assistance providers delivering microenterprise services. Many of the providers funded through the Microenterprise Program offer distinct services that can truly benefit a business. It is the belief of CDFA that we are here to serve our beneficiaries first and would impart the same mission onto our service providers.

There will be times a beneficiary will visit two or more providers to receive the services they need to be successful. In these circumstances, CDFA requests providers clearly document the services they have offered the program participant. If they are unable to do so at the time of intake, it is expected this documentation will be provided prior to the close out of the grant. As CDFA is limited in the amount of assistance that it can provide per beneficiary, the organization needs to maintain suitable documentation to show services are not being duplicated at multiple providers.

For example, John Doe goes to Provider A to receive business consulting services and attend a few workshops. He is either then referred or individually seeks services from Provider B where he is able to take advantage of their Small Business Marketplace to sell his goods and receive counseling to support that new step in his business.

This is an example of two distinct services from two separate providers. Both providers would be eligible to receive CDBG assistance for that program participant.

CLOSE OUT REPORT

The final status/close out report is due at the end of the grant period. This final report will include a narrative describing the progress toward achieving the proposed accomplishments listed in the application, namely the number of businesses serviced throughout the duration of the grant. If the provider was unable to meet the metrics for proposed number of businesses serviced, an explanation would be given at this time.

The narrative should be used as an opportunity to evaluate the successes of the Microenterprise Program and highlight any areas that may need some work in the upcoming grant year. The provider should highlight their ability to succeed in the six areas outlined by our Microenterprise Program Best Practices here within, and organized in the following areas:

- Outreach;
- Application/Intake;

- Service Delivery;
- Lending (or Access to Lending);
- Outcome Tracking; and
- Success Metrics.

If the provider has offered suitable documentation at each claim period to document the progress of each program participant, a single narrative will be accepted to close out the grant.

If the provider has not offered suitable documentation at each claim, they will be required to report on the status of all program participants.

APPENDIX E: CORE DATA INDEX – AVAILABLE AT WWW.NHCdfa.ORG

APPENDIX F: ECONOMIC DEVELOPMENT SPECIAL ELIGIBILITY AREAS – NEW MARKETS TAX CREDITS (NMTC) AND OPPORTUNITY ZONES

Map from www.policymap.com

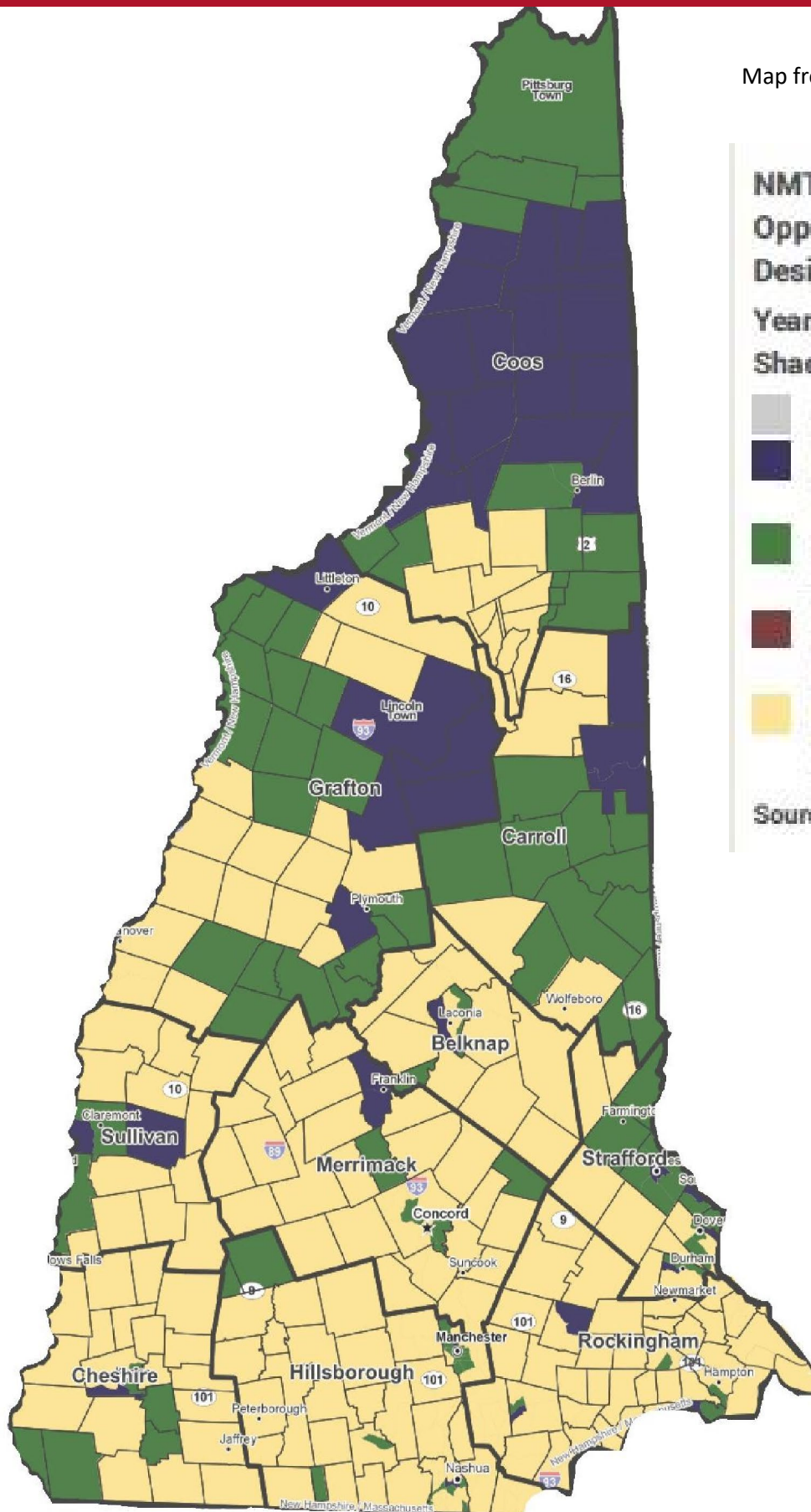
NMTC Eligibility and Opportunity Zone Designation

Year: 2018

Shaded by: Census Tract, 2010

-  Insufficient Data
-  NMTC Eligible and Designated OZ
-  NMTC Eligible but Not Designated OZ
-  Designated OZ but Not NMTC Eligible
-  Not NMTC Eligible and Not Designated OZ

Source: **CDFI Fund**



Alterations			
	CDFA Program		
	CDBG	CEF	Tax Credit
Requirements	<i>Level II Energy Audit</i> if project impacts any energy-related building system Timeframe: <i>Application threshold</i> Note: <i>Level II Energy Audit</i> will be a Recommendation only for the CDBG 2020 January application round		<i>Level II Energy Audit</i> if project impacts any energy-related building system Timeframe: Prior to/concurrent with Design; Condition of disbursement of CDFA funds
	Documented consultation with appropriate utilities for incentives Timeframe: <i>Application threshold</i>		
	Implementation must meet 2015 NH State Energy Code		
Recommendations (may improve scoring or likelihood of full award)	Projects incorporate reasonable recommendations from <i>Energy Audit</i> that exceed current NH State Energy Code		
	<i>Commissioning</i> of any new energy system		
	High performance construction (LEED, Energy Star, Passive House, or Net Zero)		

CDFA is providing the following requirements and recommendations for CDBG, Tax Credit and Clean Energy Fund applications. These policies apply to any project proposing a physical alteration to existing energy systems (building envelope, mechanical systems, lighting, etc.) or for new construction (includes additions and gut rehabs).

Intention: Projects will complete appropriate evaluation of comprehensive energy opportunities prior to, or concurrent with, the planning/design of the project in order to inform a design that: 1) reduces future operating and maintenance costs; 2) improves occupant comfort and health; and/or 3) improves building durability.

Exceptions: CDFA will consider any exceptions or adjustments on a case by case basis.

Note: *Italicized* Terms are defined at the end of the appendix.

New Construction – Goal is to Exceed 2015 IECC

	CDFA Program		
	CDBG	CEF	Tax Credit
Requirements	<i>Energy Design Charrette</i> Timeframe: <i>Application threshold</i> Note: <i>Energy Design Charrette</i> will be a Recommendation only for the CDBG 2020 January application round		<i>Energy Design Charrette</i> Timeframe: Prior to/concurrent with Design; Condition of disbursement of CDFA funds
	Consultation with appropriate utilities for implementation incentives Timeframe: <i>Application threshold</i>		
	Meet 2015 NH State Energy Code – Plus <i>Commissioning</i> on any new energy system		
Recommendations (may improve scoring or likelihood of full award)	Project incorporates reasonable recommendations from <i>Energy Design Charrette</i> that exceed current NH State Energy Code		
	High performance construction (LEED, Energy Star, Passive House, or Net Zero)		

Water/Wastewater Projects

	CDFA Program		
	CDBG	CEF	Tax Credit
Requirements	<i>Energy Auditⁱⁱ</i> Note: Energy Audit will be a Recommendation only for the CDBG 2020 January application round		NA

TERMS

Accredited Energy Professional or Organization - Work must be completed or signed off by a professional with one of the following designations appropriate to the work being completed, and with experience having completed at least two ASHRAE Level II energy audits: Professional Engineer (PE), Certification from the Association of Energy Engineers (AEE), or certification from the Building Performance Institute (BPI).

Application Threshold – Must be included as part of the initial application submittal.

ASHRAE Level I Energy Audit - Includes interviews, a preliminary energy use analysis and a walkthrough of the facility. A preliminary report details low-cost/no-cost measures, areas of concern, and potential capital improvements for further study. This level of detail is adequate for prioritizing energy efficiency projects and to assess whether a more detailed audit is necessary.

ASHRAE Level II Energy Audit – This includes the ASHRAE Level I analysis, but adds detailed energy calculations and financial analysis of proposed energy efficiency measures. Energy consumption is broken out by end-use, identifying areas which present the greatest efficiency opportunities. Utility rates are analyzed to determine if there are rate change opportunities, and key building representatives are interviewed for insights into building operational characteristics, potential problem areas, and to define financial and non-financial goals of the audit. This level of detail is adequate to justify project implementation.

The term “Energy Audit” in CDFA’s policy refers to an ASHRAE Level II Energy Audit.

Commissioning - A process that verifies and documents that the selected building systems have been designed, installed, and function according to the owner's project requirements and construction documents, and to minimum code requirements. Refers to the 2015 International Energy Conservation Code (IECC) requirement for Building Commissioning (Section C408 - System Commissioning) that was amended from the 2015 NH State Energy Code; Occupants must be trained on the Commissioning Plan and system operation.

Energy Design Charrette consists of a meeting of the design team and utility representative(s) to discuss energy efficiency opportunities and potential incentives.

- ⁱ Consists of an ASHRAE Level II Energy Audit completed by Accredited Energy Professional or Organization.
- ⁱⁱ Level I or Level II Energy Audit as recommended by an Accredited Energy Professional or Organization.

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