

NOTICE OF FUNDING AVAILABILITY

MULTI-UNIT SUPPORTIVE HOUSING PROJECTS

New Hampshire Housing Finance Authority (the Authority or NHHFA) and New Hampshire Community Development Finance Authority (CDFA) are seeking applications for financing from qualified developers for projects that will provide supportive housing in any area of the state to extremely low-income and low-income households, with a priority for persons experiencing homelessness, through this Notice of Funding Availability (NOFA). Respondents to this NOFA are to submit a single application for funding that is administered by the Authority and CDFA, respectively.

The sources of capital funding for this NOFA are the federal [Housing Trust Fund](#) (HTF), administered by the Authority, and [Community Development Block Grant Coronavirus Pandemic \(CDBG-CV\)](#) funds, administered by CDFA. In addition to capital subsidy, the competitive scores of respondents to this NOFA will be used by the Authority to award up to 50 Section 8 Project Based Vouchers (PBVs) to those projects which are eligible (24 CFR Part 983). 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. It is the intent of the CDFA to award grants (with performance liens and conditional until all approvals including Governor and Council are received) funded with CDBG-CV to the highest scoring projects based on the scoring criteria in this NOFA. Respondents are required to apply for capital funding from both the Authority and CDFA, unless the proposed project is not eligible for CDBG-CV or HTF funding because the proposed use of funds is not an eligible cost.

Applicants may apply for HTF loans of \$150,000 up to \$1,250,000 and CDBG-CV grants of \$100,000 up to \$1,000,000. At least \$2,080,000 in HTF funding and up to \$3,000,000 in CDBG-CV funding will be available through this NOFA. The Authority may also choose to allocate additional funds sourced from the Affordable Housing Fund program ([HFA 113](#)) to eligible projects. CDFA may also choose to substitute funds from the 2021 allocation of Community Development Block Grants to eligible projects.

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 and/or CDBG-CV funding and not for PBVs.

Eligible uses for this financing include acquisition, rehabilitation, new construction, soft costs including initial operating costs or conversion of existing housing into affordable permanent housing⁽¹⁾. The site for the proposed project must be finalized prior to application submission, as evidenced by a deed, executed option to purchase, or executed purchase and sale agreement. A long-term lease, the duration of which is not less than the affordability period, is acceptable. This NOFA is for rental housing only.

Proposed projects must meet the following qualifications:

1. HTF Program requirements (24 CFR Parts 91 and 93)
2. Community Development Block Grant Program requirements (24 CFR Part 570) and the statutory provisions of H.R. 748, the Coronavirus Aid, Relief, and Economic Security Act

⁽¹⁾ New construction cannot be funded with CDBG-CV funds; however, CDBG-CV funds can be used in projects that include new construction to finance acquisition and site improvements.

(CARES Act)

3. The Authority's Special Needs Housing Program Rules ([HFA 112](#)) updated September 1, 2017.
4. The Authority's Affordable Housing Fund Program Rules ([HFA 113](#)), as applicable.
5. CDFA's CDBG Program guidance as outlined in the [CDBG and CDBG-CV Application and Program Guide](#), updated January 1, 2021.

All application materials must be uploaded electronically to Apricot Social Solutions, www.apricot.socialsolutions.com/auth by 4:30 PM on Thursday, May 20, 2021. Contact Joellyn Crowley no later than Thursday, May 6, 2021, at jcrowley@nhhfa.org or (603) 310-9224 to set up an Apricot account.

Potential applicants are encouraged to attend a virtual informational meeting on Tuesday, March 2, 2021 from 3:00 – 4:30 p.m. Registration for this meeting is required; please register on our website at:

<https://www.nhhfa.org/nofa-multi-unit-supportive-housing-pbv/>

Questions about this NOFA can be directed to Program staff with the Authority:

**New Hampshire Housing
Finance Authority**

Nate Robinson, Program Manager Multi-Family Development
NRobinson@nhhfa.org or 603-310-9364

Threshold Requirements and Scoring Criteria for Applications

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/CDFA, result in the rejection of the application.

Threshold Criteria:

- a. 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:
 - i. [NH RSA Chapter 204-C](#)
 - ii. [NH RSA:48-A:14](#), minimum housing standards, and local minimum requirements for use and occupancy of housing
 - iii. [The 2020 Action Plan, State of New Hampshire](#) (part of the State's Consolidated Plan)
 - iv. The Authority's [Underwriting Standards and Development Policies for Multi-Family Finance](#)
 - v. 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.
 - vi. The Authority's Special Needs Housing Program Rules ([HFA 112](#))

Authority Rules and policies are available at: www.nhhfa.org

- b. Eligible Applicants: per [HFA:112.10](#).
- c. Income Targeting and Rent Limits: all units assisted through this NOFA with HTF funds must be leased throughout the affordability period to 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 (AMI)). Rents in these units shall not exceed the ELI rent limits published by HUD, adjusted for unit size, geographic area, and utility allowances.

Units that are only assisted with CDBG-CV funds, and not HTF funds, must be leased throughout the affordability period to households whose income is below 60% AMI. Rents in these units shall not exceed the 60% AMI rent limit published by HUD, adjusted for unit size, geographic area, and utility allowance.
- d. Beneficiary Targeting: Projects must prioritize persons experiencing homelessness ahead of all other prospective tenants. The priority for persons experiencing homelessness applies to all HTF-assisted units. "Homeless" is defined as an individual or family who lacks a fixed, regular, and adequate nighttime residence.
- e. Pre- Application Meeting: Applicants are required to have a pre application meeting with the Authority, CDFA and the Department of Health and Human Services prior to submitting an application. To schedule a meeting contact Nate Robinson, Program Manager Multi-Family

Development at NRobinson@nhhfa.org or 603-310-9364.

- f. **Financial Sustainability:** The Authority/CDFFA 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 feasible, and does not depend on later infusions of subsidy, over the term of the Authority loan. The Authority/CDFFA will allocate the minimum amount of funding necessary to make a project feasible and funding made available through this NOFA will not be used in-lieu of private financing that is otherwise readily available.
- g. **Cost Reasonableness:** Project applications will be evaluated for cost reasonableness. Applications that include unreasonably high development or operating costs, as determined at the discretion of the Authority/CDFFA, may be rejected. The Authority/CDFFA will review development and operating budgets in comparison to other similar projects, along with other means, to determine that budgeted costs are reasonable.
- h. **Maximum Per Unit Subsidy Limits HTF Only -** Requests for HTF funds must comply with the following Maximum Per-unit Subsidy Limits for each HTF unit:

# of Bedrooms	Maximum Per-Unit Subsidy
0 Bedroom	\$153,314
1 Bedroom	\$175,752
2 Bedroom	\$213,718
3 Bedroom	\$276,428
4+ Bedroom	\$303,490

These limits apply to the total Authority-administered HTF subsidy included in the project's development budget divided by the total number of HTF-assisted housing units. The combined amount of HTF and CDBG-CV capital subsidy per unit may exceed the HTF Maximum Per Unit Subsidy Limits detailed above provided that the project costs are deemed reasonable, and the project is financially feasible.

- i. **Development and Management Capacity:** the members of the development and management organizations must:
 - i. Demonstrate the experience or ability to successfully complete and manage the project;
 - ii. Be compliant or otherwise not in default with this or any other Authority/CDFFA program as determined by the Authority/CDFFA;
 - iii. Not have a history of noncompliance in Authority/CDFFA programs;
 - iv. Not have any significant negative history with other local, state or federal agencies.
- j. An abbreviated HTF Environmental Checklist is due at the time of application to ensure that the project is eligible for these federal funds. The Authority will commission the abbreviated HTF Environmental Checklist to be completed by a third-party professional, selected by the Authority. Please notify Nate Robinson by email (contact information is on page 2) no later than Friday, April 2 of your intention to submit an application, so that the checklist can be ordered. A fee of \$150 is due at the time of application. Upon the submission of an application to this NOFA,

applicants must not undertake any Choice Limiting Actions, as defined in 24 CFR Part 58.22.

- k. Site Control: Applicant must have secured site control in the form of a deed, executed option to purchase, or executed purchase and sale agreement. A long-term lease, the duration of which is not less than the affordability period, is acceptable. The purchase and sales agreement must be subject to a determination by the Applicant on the desirability of the property for the project as a result of the completion of the environmental review in accordance with Part 58 and the cost of the option is a nominal portion of the purchase price.
- l. Readiness: the project must be able to satisfy the following criteria for readiness at time of application:
 - i. Development and Operating Budgets prepared and submitted in NHHFA format;
 - ii. Schematic design;
 - iii. Permit status letter
 - iv. Points will be awarded for advanced readiness;
 - v. 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.
- m. Matching Resources: The Authority requires the generation/investment of matching resources in an amount equal to 5% 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.
- n. Evidence that the applicant will meet the Residential Anti Displacement and Relocation Plan for the project in accordance with the State adopted plan and Barney Frank Act, if applicable in accordance with Section 104(d) of the Housing and Community Development Act. As applicable, project must meet requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and Section 104(d) of the Housing and Community Development Act.
- o. Applicant agrees to establish and maintain adequate procedures to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155), as amended by Section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-124; 132 Statute 3442). This applies to CDBG-CV funding only.
- p. Developer Fee: A developer fee of up to 5% of the total development cost is payable to the project sponsor in accordance with HFA 112.16. An additional 5% of the total development cost is payable to a supportive service provider that is part of the development team and will provide on-site services.

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/CDFR. The Authority/CDFR may reject any documentation deemed to be insufficient, unsupported, or inadequate for the particular scoring criteria.

- a. **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**

- b. **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**

- c. **Introduction of New Units for Affordable Housing:** Applications will receive points based on the number of new units being introduced to the state’s supply of rent and income restricted affordable housing. **0-20 points**

1 point will be awarded for each new unit, up to a maximum of 20 points

- d. **Target Population:** Points will be awarded for projects that serve vulnerable populations, according to the following schedule. In order to qualify for points, projects may commit to using a preference for the subject population in their tenant selection plan, provided that preference ensures the project will serve residents from the subject population ahead of any other prospective residents. **The preference must apply to all units in the project.** A project may qualify for points under no more than one of these subcategories.
 - i. Projects serving households experiencing homelessness leaving medical facility or a residential treatment facility for behavioral health disorders **15 points**

 - ii. Projects serving households experiencing homelessness, where at least one member of the household has a disability **10 points**

 - iii. Projects serving households experiencing homelessness **5 points**

- e. **Advanced Readiness:** Points will be awarded for projects that have achieved certain milestones in the development process:
 - i. Phase 1 Environmental Site Assessment completed in the last five years

5 points

- ii. 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

- iii. 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)
- Executed contract with general contractor or construction manager with Guaranteed Maximum Price (GMP) Amendment **4 points**

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](#)).**

- f. 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 its consistency with industry best practices. Key components of a quality plan will include: 1) past history of providing the proposed services; 2) how the services are aligned with the needs of the target population; 3) what licensing or training will be required for staff performing each service; and 4) a projected budget that demonstrates sufficient revenues to cover the costs of providing the services (services provided by a third party require a letter of intent).

0-5 points

- g. Projects that include a feasible plan to secure reimbursement for case management and/or supportive services through Medicaid, contracts with NH DHHS, commitments from partner organizations to provide funded services such as healthcare providers, or other established and credible sources of ongoing financial support are eligible for an additional 8 points. In order to qualify for points the services should generally be available to all residents, though some variation in specific program eligibility is acceptable and may not prevent a project for qualifying for these points.

8 points

h. 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

i. 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

j. Matching Resources: Applications will be awarded points qualifying 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

Allocation Process:

a. All applications are reviewed for completeness. Incomplete applications will be rejected; though minor variances may be deemed acceptable. The Authority/CDDFA may reject any documentation deemed to be insufficient, unsupported, or inadequate for the particular scoring criteria. The Authority/CDDFA is not required to notify the applicant of inconsistencies or missing information.

b. Applications are scored and ranked in accordance with the Scoring Criteria in this NOFA. Projects are recommended for a reservation of HTF funding, CDBV-CV, and Project Based Vouchers (if applicable) based on the competitive scoring results. Reservations of HTF and PBVs will be made by Authority Staff no later than June 30, 2021. Reservations of CDBG-CV will be recommended for consideration by staff to the Community Development Advisory Committee no later than August 31, 2021.

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.

If, after every project that meets threshold criteria has been funded, additional funds are available, the Authority/CDDFA reserves the right to award additional funding to any of the applicants (in excess of the project limits) in order to address changed circumstances or ensure project feasibility.

c. A full Environmental Review Assessment in accordance with the National Environmental Policy Act (NEPA) of 1969; 24 CFR Part 58 (rev. October 29, 2003); and 24 CFR 93.301(f) is required prior to the obligation, expenditure, or draw down of program funds. Upon the submission of an application to this NOFA, applicants must not undertake any Choice Limiting Actions, as defined in 24 CFR Part 58.22. Applicants are strongly encouraged to contact Program staff if they have any questions about what constitutes a choice limiting action.

d. Geographical distribution

- i. 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

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

- e. Waiver Authority: The Authority/CDFFA 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/CDFFA staff. Upon a finding of good cause, a waiver may be granted on a case-by-case basis by the Executive Director of the Authority and/or CDFFA, respectively. A waiver of the provisions of this NOFA can also be initiated by the Executive Director, in which case no hearing is necessary.
- f. HTF 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 June 30, 2021. Applicants who want to appeal this decision must submit a formal request within five business days. The appeal request is first considered by the Authority’s Executive Director. If the Executive Director upholds the original decision, the applicant will have five business days from the written email notice of this decision to submit a formal notice of appeal to the Authority’s Board of Directors.
- g. CDBG Appeal Process: Applicants may appeal CDFFA’s decision about CDBG-CV resources in writing of their funding status no later than 15 calendar days after the decision by the Committee Development Advisory Committee (CDAC). The request for an administrative review 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. 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. 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.
- h. 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.

- i. References: Applicants are required to provide authorization so that references and credit can be checked.
- j. Warrant and Liability: The Authority/C DFA intends to allocate no more HTF/CDBG-CV funding to any given project than is required to make the project financially feasible. This decision is made solely at the discretion of the Authority/C DFA 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/C DFA shall be personally liable concerning any matters arising out of or in relation to the allocation of funding or compliance monitoring. The Authority's/C DFA's obligation to monitor for compliance does not make the Authority/C DFA liable for an owner's noncompliance.
- k. New Hampshire Right to Know Law: The Authority/C DFA 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 (See New Hampshire Housing website for application form - Microsoft Excel workbook)
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 phase 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. Final plans and specifications;
8. Evidence of continued site control;
9. Soils and/or structural engineering report;
10. Copy of the architect contract;
11. Executed tenant services agreement binding on both parties;
12. Cost estimates (or bids if available) by schedule of value. Must comply with limits on contractor overhead and profit per HFA 111;
13. Copy of contract for consultant services

APPENDIX C
PROJECTED DEVELOPMENT SCHEDULE

	Date	Milestone
A	June 2021	HTF Funding reservation
B	August 2021	CDBG-CV Funding Award
C		Construction/ rehab plans and specifications completed
D		Construction pricing completed; contracts executed
E		Local permits obtained
F		Phase 1 Environmental Site Assessment completed
G		Statutory checklist / Environmental Assessment checklist (if applicable)
H		NHHFA financing commitment
I		All other necessary financing commitments or grants obtained
J		Loan closing
K		Construction starts
L		Construction completion
M		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.