



Supportive Housing NOFA Information Session



March 2, 2021

INFORMATION SESSION OVERVIEW

NOFA Background and Overview

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BACKGROUND

Council on Housing Stability

- Multisector Council aimed at addressing housing stability across the state
- Report identified heightened challenges for homeless population as a result of the COVID-19 pandemic
- Funding permanent, supportive housing identified as an immediate action in the Council's Initial Report and Action Plan

Coordination of Funding for Permanent Supportive Housing

- Through the CARES Act, CDBG-Coronavirus Pandemic funding is available to prevent, prepare for, and respond to the coronavirus pandemic
- New Hampshire Housing has allocated Housing Trust Funds (HTF) and Project Based Vouchers (PBVs) for projects that serve households experiencing homelessness

OVERVIEW

\$5 Million in Capital Funding Combined with Project Based Vouchers

- ~\$3 Million in CDBG-Coronavirus Pandemic (CDBG-CV) - CDFA
- ~\$2 Million in Housing Trust Funds (HTF) – NHHFA
- Up to 50 Project Based Vouchers (must be an HTF unit to be eligible)

“Joint” NOFA administered by NHHFA and CDFA

- Single Application submitted for all funding sources
- Funding decisions will be made jointly
- Funds will be administered by each respective organization
- Close coordination following funding reservations/commitments
- **Applicants are required to apply for both HTF and CDBG-CV**

OVERVIEW

Multi-Unit Supportive Housing Projects

- Congregate residences; single-room occupancy units/studios; multi-bedroom units
- Acquisition, moderate or substantial rehabilitation, and new construction
- On-site supportive services must be provided by designated service providers

Target Population

- Preference for persons/households experiencing homelessness
- Persons exiting medical facility or residential facility for behavioral health disorder
- Households with a person with a disability

IMPORTANT DATES AND OTHER REQUIREMENTS

Important Dates

- 4/2/2021 - HTF Environmental Checklist Deadline – Contact NHHFA
- 5/6/2021 - Request Apricot Solutions Account – Contact NHHFA
- 5/20/2021 – Application Deadline; Submit via Apricot by 4:30 p.m.

Other Requirements & Considerations

- Pre-application meeting with NHHFA, CDFR, and Department of Health and Human Services staff **is required prior to** submitting an application (Threshold Criteria) – Contact NHHFA to schedule
- Applicants should contact NHHFA if project involves acquisition to discuss requirements of 24 CFR Part 58 and **Choice Limiting Actions**

PROJECT THRESHOLD CRITERIA

Projects must meet all of the Threshold Criteria of the NOFA and HFA 112 in order to be eligible to receive funding.

PROJECT THRESHOLD CRITERIA

Feasibility and Appropriateness

- Project must be consistent and meet compliance with applicable state statutes and regulations
- Meet requirements of NHHFA's Special Needs Housing Rules and underwriting policies as applicable;
- Meet requirements of NHHFA Design and Construction Rules and technical design and construction standards for new construction and rehabilitation

Beneficiary Targeting

- HTF-assisted units in a project must prioritize individuals and families experiencing homelessness for occupancy

PROJECT THRESHOLD CRITERIA

Eligible Applicants as established in HFA 112.10(b) and 24 CFR § 570.201

- ✓ Non-profit corporations with approved 501(c)(3) status
- ✓ Public housing authorities
- ✓ Community Housing Development Organizations and Community Based Development Organizations
- ✓ County, city, and town governments

Ineligible Applicants as established in HFA 112.10(c) and 24 CFR § 570.207

- ✓ Primarily religious organization where residency is limited to an exclusive denomination
- ✓ For-profit corporations
- ✓ Nursing homes, hospitals, and those of a predominantly medical nature

PROJECT THRESHOLD CRITERIA

Income Targeting

- HTF-Assisted Units – Extremely Low-Income Households (< 30% AMI)
- Non HTF Assisted Units – Low-Income Households (< 60% AMI)

Rent Limits

- HTF Units – 30% AMI Rent Limit (contract rent + tenant paid utilities)
- HTF Units w/ Project Based Voucher – 110% Fair Market Rent
- Non-HTF Units – 60% Rent Limit (contract rent + tenant paid utilities)

Non-HTF units are eligible for CDBG-CV funding

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

PROJECT THRESHOLD CRITERIA

Financial Sustainability

- Applications will be reviewed in accordance with HFA 112 and NHHFA underwriting standards
- Minimum subsidy will be awarded to make project financially feasible through development period and ensure sustainable operations
- Funding should not be used in lieu of bank financing, if available; used in combination with bank financing and other sources, if possible

Cost Reasonableness

- Development costs and operating costs will be benchmarked against other projects; unreasonably high costs is cause for application rejection
- Construction work must be procured in accordance with NHHFA and CDFA procurement policies and standards.

PROJECT THRESHOLD CRITERIA

Maximum Per Unit Subsidy Limits HTF

0-BR	1-BR	2-BR	3-BR	4-BR
\$153,314	\$175,752	213,718	\$276,428	\$303,490

- Per Unit Subsidy Limits apply to **HTF funding only**
- HTF subsidy request per HTF unit cannot **exceed** limits
- Total funding request per unit for all capital sources (CDBG-CV and HTF) **can** exceed HTF Maximum Subsidy Limits
- Project subsidy limits of \$1 million CDBG-CV and \$1.25 million HTF apply

PROJECT THRESHOLD CRITERIA

Development and Management Capacity

- Experience or ability to complete and manage project
- Good standing with NHHFA/CDFR/other agencies and no prior issues

Site Control and Project Readiness

- Evidence of Site Control (deed; ground lease; option agreement*)
 - ***If your project involves acquisition, contact NHHFA to ensure that the requirements of 24 CFR Part 58 as it pertains to Choice Limiting Actions are adhered to**
- Project Readiness
 - Development and Operating Budgets submitted in NHHFA Template
 - Schematic design, if applicable
 - Permit status letter
 - Proposed Development Schedule (Appendix C)

PROJECT THRESHOLD CRITERIA

Matching Resources

- Amount equal to 5% of HTF funds requested must be provided as matching resources (equity, sponsor loan, land, etc.); sweat equity is not an eligible source of match

Developer Fee

- Developer fee cannot exceed 5% of development cost (see HFA 112.16 for guidance in calculating allowable fee)
- Additional 5% of development cost is payable to supportive service provider or development consultant

Duplication of Benefits

- Adequate procedures must be maintained to demonstrate receipt of CDBG-CV funds is not a duplication of benefits from other funding sources

PROJECT THRESHOLD CRITERIA

Residential Anti-Displacement and Relocation Plan

- Project must meet requirements of State adopted relocation plan and Barney Frank Act, Section 104(d) of the Housing and Community Development Act, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act

If your project involves real property acquisition and/or rehabilitation of residential or commercial space, please contact NHHFA to ensure that anti-displacement and relocation requirements are identified and planned for in your application.

PROJECT SCORING CRITERIA

Projects that meet all of the Threshold Criteria will then be scored according to the Scoring Criteria detailed in the NOFA. Projects that receive the highest score will be given priority in receiving funding.

PROJECT SCORING CRITERIA

Development Capacity: 0-10 Points

- Applications will be scored based on evidence that the Applicant can successfully develop the property.

Management Capacity and Experience: 0-10 Points

- Applications will be scored based on evidence that the Applicant can successfully operate the property.

Introduction of New Units of Affordable Housing: 0-20 point

- Applications will receive points based on the number of new units being introduced to the state's supply of affordable housing.

PROJECT SCORING CRITERIA

Target Population: Up to 15 Points

- **15 Points** - Projects serving households experiencing homelessness leaving a medical facility or a residential treatment facility for behavioral health disorders
- **10 Points** – Projects serving households experiencing homelessness, where at least one member of the household has a disability
- **5 Points** – Projects serving households experiencing homelessness
- In order to be eligible for points in this category, **all the units** in a project must give preference to households that comprise a Target Population
- Threshold Criteria requires HTF units to give preference to households experiencing homelessness in the Tenant Selection Plan

PROJECT SCORING CRITERIA

Advanced Readiness

- **5 Points** – Phase 1 ESA completed in last five years
- **15 Points** – All necessary planning and zoning permits, including site plan approval, are secured or project is otherwise able to receive necessary building permits to proceed with construction
- **10 Points** – Design Construction Readiness*
 - **3 Points** – Design Development Documents
 - **3 Points** – Construction Documents
 - **4 points** – Contract with general contractor or construction manager

***Procurement of CM/GC must be completed in accordance with NHHFA and CDFA procurement requirements. Contact NHHFA prior to awarding any construction related contracts**

PROJECT SCORING CRITERIA

Service Plan: 5 Points

- Applicants will be evaluated for the quality of their plan to provide services to support residents' needs. Key components of a quality plan include:
 - Past history of providing services
 - How services are aligned with needs of residents
 - Training and licensure of staff
 - Service Budget that details how services will be funded

Service Funding: 8 Points

- Applicants with a feasible plan to secure reimbursement for case management and or supportive services are eligible for 8 points.

PROJECT SCORING CRITERIA

Affordability Period: 5 Points

- Applications will receive 5 points if project commits to a 40-year affordability period

Project Based Voucher Contract : 5 Points

- Applicants with a new Project Based Voucher contract from a source other than NHHFA for at least 66% of the units for at least five years

Matching Funds: 0-10 Points

- One point will be awarded for matching resources equal to each full 5% of HTF requested, up to a maximum of 10 points.

ALLOCATION PROCESS

ALLOCATION PROCESS

- All applications must be received by the application deadline of **May 20, 2021 at 4:30 p.m.** to be eligible for consideration and to be reviewed under the NOFA
- Applications will be reviewed for completeness; incomplete applications will be rejected, though minor deficiencies may be accepted
- Projects that meet the Threshold Criteria will be ranked according to the Project Scoring Criteria
- The highest scoring projects will be recommended for an allocation of HTF, CDBG-CV, and PBVs (if requested).
- Reservations of HTF and PBVs will be made by NHHFA no later than June 30, 2021
- Reservations of CDBG-CV will be made no later than August 31, 2021

POST-AWARD PROCESS



POST AWARD PROCESS

- NHHFA will issue a conditional funding reservation detailing terms and conditions that must be met to receive a formal financing commitment .
- Reservation of funds will be available for 12 months. NHHFA funds will not be available until all other project financing is in place, all necessary permits are secured, and construction pricing is firm.
- CDFA will enter into a grant agreement with applicant following award notification. CDFA funds may be made available prior to NHHFA funds to provide pre-development financing and/or acquisition financing.
- Once all project financing commitments are in place, NHHFA loan closing, in conjunction with other lenders, if applicable, will take place.

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