



**2023-2024 Qualified Allocation Plan  
July 29, 2021  
10:00 AM to 12:00 PM**

**Link to Virtual Session:** <https://meetings.ringcentral.com/j/1459052558>

**Call in #: (646)357-3664 Meeting ID: 145 905 2558**

## **Agenda**

1. Discussion Items
  - a. See Attached Summary
    - i. Proposed Substantial Revisions
    - ii. Proposed Administrative Changes
  - b. New Topics
2. Next Steps
  - a. One or two additional forums in the fall
  - b. Formal Public Hearing
    - i. December 2021
  - c. Board of Directors Approval of Final QAP
    - i. January 2022
3. Reminder: use dedicated email address for QAP comments and feedback: [QAP@nhhfa.org](mailto:QAP@nhhfa.org)

# 2023-2024 Qualified Allocation Plan

## Discussion Topics

### Substantial Revisions

*Proposed revisions to existing criteria and requirements:*

- Primary Allocation Policies (HFA 109.02)
  - Based on our program planning priorities established by our Board of Directors in response to the housing needs across NH:
    - Preservation will be removed from the Primary Allocation Priorities
    - A new category will be added: underserved populations and communities.
- Allocation Limits / Cost Limits / Investment Limits (HFA 109.04)
  - We will continue to assess current conditions, including where bids are coming in at now.
  - Should we carry the [newly approved limits](#) into the next QAP?
- Service Coordination Threshold Criteria (HFA 109.06.H)
  - Allow an alternative path to meet threshold criteria:
    - CORES certification
  - Consider adjusting the number of hours required monthly to a quarterly requirement. Allows flexibility from month to month based on the needs of the residents.
- Market Rate Units (HFA 109.07.A.2.c)
  - Based on feedback received, remove points for committing 40% of the total units to market rate.
- Supportive Housing (HFA 109.07.A.3.a and b)
  - Encourage further production of supportive housing units in response to the critical need to address homeless and other vulnerable populations. See the 2021-2024 Council on Housing Stability Strategic Plan for the goals established by the state.
    - <https://nhchs.org/wp-content/uploads/2021/07/Council-on-Housing-Stability-2021%E2%80%942024-Strategic-Plan.pdf>
    - Increase points for section a. from 15 to 25 points
    - Increase points for section b. from 10 to 20 points
  - Points for developers who create supportive housing
    - What criteria should we require?
- Community Center Area (CCA) (HFA 109.07.A.10.a.i)
  - Add the definition of a CCA:
    - CCAs are areas in each city or town in NH that focuses on key characteristics including, high-density developments, mixed uses (residential/commercial/public use), core main street areas, and historic areas. Cities/towns can have more than one CCA, if more than one area in that municipality meets the above criteria.
    - With staff assistance, CCAs can be mapped using PolicyMap software. These are defined areas.
- 9% and 4% Projects Built Concurrently (HFA 109.07.A.9)
  - Require the 4% project to be at least 75 units and mixed income.
  - Require an investor Letter of Interest that outlines basic terms, including the estimated equity rate, for all projects that submit a 4% LIHTC application to be built concurrently with a 9% LIHTC project.
- Formally Designated Community Revitalization Areas (HFA 109.07.A.10.a.iii)
  - Most feedback suggested removing this points category.
    - Difficult to find Formally Designated Community Revitalization Areas in rural areas
    - Inconsistent action by local governments across the state

- Most community center areas would still receive points under other sections of HFA 109.07.A.10.a.
    - Sub-category HFA 109.07.A.10.a.iii to be removed from QAP.
  - Preservation Projects
    - Based on the feedback we received at prior forums, we are not currently planning to remove the preservation initiative from the 9% program.
    - We plan to revise the preservation scoring matrix (Appendix L)
      - Add points for projects that have project-based rental assistance (PBVs, RD, etc.):
        - 2 points for 20% of the units having rental assistance for at least five years
        - 4 points for 50% of the units have rental assistance for at least five years
      - Remove points for the number of units to be preserved.
      - Increase maximum points required from matrix from 7 to 8 points
  - Natural Gas (HFA 109.07.A.10.a.iv)
    - Remove points for natural gas and increase points for public water and public sewer to 3 points each.
  - Developer Experience (HFA 109.07.A.14)
    - Add a category that would apply penalty points on the next application submitted for sponsors that do not fulfill a points commitment. Sponsors who can document a good faith effort to meet the points requirement will not be given the penalty points.
  - Rollover of Unused Credits (HFA 109.08.A)
    - Revise language/add cut off for offering credits to a project in the current round (considering 90 or 120 days from last board action related to the round). After this date, returned/unused credits will roll forward to the next round.
  - Remove requirement that sponsors provide authorization for references and credit to be checked. (HFA 109.11.D).

*Proposed additions to the QAP:*

- Year 15 Concerns/Investor Exits
  - Issues with transfer of investor interest to “Aggregators”.
    - What policies can we adopt to help mitigate this problem?
  - We are considering adding requirements or some variation of these requirements to the QAP as follows:
    - Require sponsors to disclose if any member of the development team, including the investor, has been involved in litigation related to transfer of ownership or interest of affordable housing.
    - Require sponsors to disclose if any member of the development team, including the investor, has been involved in transfers of ownership or interest, including Qualified Contract requests, that resulted in affordable housing being converted to market rate prior to the end of the original period of affordability.
- Healthy Housing
  - Research into healthy housing certifications showed that it’s premature to incentivize and we will continue to watch trends in the industry.
  - However, Authority staff would like to help spread the word and promote best practices relating resident health in affordable housing
    - Therefore, we may require that each application include a narrative describing how the owner, manager, and service provider are working to improve resident health at the proposed project.
    - The narrative could address many of the project characteristics that are included in the existing healthy housing certification standards.
    - This is not planned as a points category, but submission of an acceptable narrative may be a threshold requirement.

- Housing Diversity and Equity
  - Support the elimination of housing discrimination, help to remove barriers to housing and neighborhood choices, and promote diverse communities.
  - Support and encourage hiring minority and women owned businesses.
    - As a first step to assess how often MWBEs are used in projects, we will begin collecting data for minority- and women-owned businesses hired to perform construction work on projects.
    - Several states (including Wisconsin) have added incentives encouraging the involvement of minority-owned development firms. We may consider including a small points category to encourage this in some form and will discuss specific ideas at the forum.
- Demo/Rebuild Projects
  - Net new units only to be counted in TDC and Investment Limit calculations. This would apply to 9% applications only (would not apply to 4% applications).
- Consider Final Cost Certification Requirement for Contractors
  - NCSHA Best Practice is to require additional cost certifications, which may include an audit of the contractor.
  - If added, should we apply this requirement to projects where there is an identity of interest only? Are there other circumstances when it might be appropriate?
- Qualified Contracts
  - Add penalty points for sponsors who pursue a qualified contract.
  - May include exceptions, for example, if it can be documented that the investor is driving the request rather than the General Partner.
- Broadband
  - We currently require that all units be wired for broadband internet (Technical Design and Construction Standards, 11.7).
  - We are considering a points category that would reward applicants for committing to provide free WIFI in common areas.

**Other topics or items for discussion?**