



**NEW HAMPSHIRE HOUSING FINANCE AGENCY
MOVING TO WORK PLAN AND APPLICATION**

DRAFT FOR PUBLIC COMMENT

PUBLIC COMMENT PERIOD:

May 24, 2022 at 12:00 Noon to June 22, 2022 at 12:00 Noon

**NEW HAMPSHIRE HOUSING FINANCE AGENCY
MOVING TO WORK PLAN AND APPLICATION**

TABLE OF CONTENTS

PART I – MTW PLAN AND ASSET BUILDING INITIATIVES

INFORMATION.....2

A. MTW PLAN..... 2

I. Vision for PHA’s Local MTW Program..... 2

II. Plan for Future Community/Resident Engagement..... 5

III. PHA Operating and Inventory Information 6

IV. Plan for Local MTW Program..... 8

V. Proposed Uses of Funds 9

VI. Evidence of Significant Partnerships 10

B. ASSET BUILDING INITIATIVES INFORMATION..... 12

I. Assessment of Existing Asset Building Programs 12

II. Choice of Asset Building Option 13

III. Information Specific to Asset Building Initiatives Option Chosen by PHA 14

PART I – MTW PLAN AND ASSET BUILDING INITIATIVES INFORMATION

A. MTW PLAN

I. Vision for PHA's Local MTW Program

The New Hampshire Housing Finance Agency (NHHFA) welcomes the opportunity to participate in the Moving to Work (MTW) Demonstration Program as part of the Asset Building Cohort. In addition to its roles administering the statewide Low Income Housing Tax Credit Program, financing and overseeing multifamily rental housing and expanding homeownership opportunities, NHHFA is a Public Housing Authority administering the state's largest Housing Choice Voucher (HCV) program. NHHFA views participation in the MTW program as a powerful opportunity to leverage existing programs and partnerships to increase housing opportunities for low-income households, streamline program administration and improve client satisfaction and outcomes. NHHFA's mission is "to promote, finance and support affordable housing and related services for the people of New Hampshire", which aligns well with the three MTW statutory objectives related to increasing cost effectiveness, promoting economic self-sufficiency and expanding housing choice. Over the course of the agency's participation in the MTW demonstration, NHHFA plans to take full advantage of MTW programmatic and financial flexibility to achieve positive outcomes for program participants, such as increasing family self-sufficiency, while leveraging and building on an existing framework of housing programs, services and partnerships.

Utilizing MTW flexibility, NHHFA intends to: (1) Deliver housing programs and services in a more efficient, streamlined manner that is accessible and transparent to clients, and that reduces unnecessary administrative burdens on clients and staff; (2) Expand housing options and choices to serve the unique, diverse needs of New Hampshire's low-income residents, promoting mobility to high opportunity areas and strengthening partnerships to serve individuals and families in need of supportive services; and (3) Support residents in achieving economic self-sufficiency

through a new MTW Opt-Out Savings Account Option, enhanced FSS program incentives and other partnership initiatives utilizing housing as a platform to stabilize and strengthen families.

NHHFA certifies that it administers the HCV program and will carry out MTW activities in conformance with Title VI of the Civil Rights Act of 1964; the Fair Housing Act; Section 504 of the Rehabilitation Act of 1973; Title II of the ADA Act of 1990; all regulations implementing these authorities; other applicable Federal, State, and local civil rights laws; and it will affirmatively further fair housing including: (1) take meaningful actions to further the goals identified by the Assessment of Fair Housing conducted in accordance with the requirements of 24 CFR 5.150-5.180 and 903.15; (2) take no action that is materially inconsistent with its obligation to affirmatively further fair housing; and (3) address fair housing issues and contributing factors in its programs, in accordance with 24 CFR 903.7(o)(3) and 903.15(d). NHHFA examines its programs and proposed programs, identifies any impediments to fair housing choice within those programs, addresses those impediments in a reasonable fashion in view of the resources available, works with local jurisdictions to implement any of the initiatives identified and maintains appropriate records to reflect these actions.

NHHFA's MTW program will be directed by a highly qualified team of professionals with extensive experience successfully administering a wide array of innovative, complex initiatives. MTW program strategy will be guided by NHHFA Executive Director/CEO Robert Dapice, who has been with the agency since 2014. Mr. Dapice directs and administers all NHHFA programs, operations, activities and personnel; supervises financial operations; and formulates the specific housing program goals, financial objectives and other rules necessary to carry out the organization's mission and duties. As such, he will work to incorporate MTW flexibility and innovation throughout NHHFA, including identifying potential synergies and leveraging opportunities among MTW and NHHFA's other program initiatives such as multifamily housing development and affordable homeownership. Mr. Dapice chairs the NH Housing and Community

Development Planning Council and serves as a member of the NH Community Development Advisory Commission, Council on Resources and Development, and Council on Housing Stability.

DeeAnn Pouliot, Managing Director of the Assisted Housing Division (AHD), will have primary responsibility for administration and oversight of the local MTW program including ensuring the effective implementation of MTW initiatives within the Division. Ms. Pouliot reports directly to the Executive Director/CEO and has been in her current role since 2001 during which time she has helped to increase the size and scope of NHHFA's assisted housing programs and achieved High Performer status for the Housing Choice Voucher program. She is responsible for overseeing and directing all AHD programs and staff including administration of the HCV, Family Self-Sufficiency and Moderate Rehabilitation programs. Ms. Pouliot serves as a member of the NH Whole Families Approach to Jobs and Cliff Effect Working Group.

Gail Quinlan, Director of Program Operations within the AHD, will directly supervise and oversee a new MTW Coordinator to be recruited and hired following MTW designation. Reporting to the AHD Managing Director, Ms. Quinlan is currently responsible for the implementation, and management of the eligibility, compliance and administration functions of the HCV and Moderate Rehabilitation Programs. Her responsibilities include interpreting regulatory and program policy, managing staff, managing contract performance, and monitoring computer systems and records for compliance with HUD rules and regulations.

Upon designation as an MTW agency, NHHFA intends to hire an MTW Coordinator with experience in HCV program regulations and a working knowledge of applicable federal Fair Housing Laws and Section 504 Regulations. The MTW Coordination's duties will include preparing the MTW Supplement; facilitating NHHFA's participation in the Asset Building Cohort evaluation; and, collecting, analyzing and processing information and documentation as required under the MTW Operations Notice and MTW Annual Contributions Contract.

NHHFA's local MTW program will also be supported by Ron Izzo, Supervisor of Rental Assistance/Family Self-Sufficiency (FSS). Reporting to the AHD Managing Director, Mr. Izzo supervises the staff responsible for the management of the FSS and Housing Choice Voucher homeownership counseling/education programs. NHHFA employs four FSS full-time equivalent Program Coordinators and two homeownership counselors who will assist in the implementation of Asset Building Cohort and other MTW initiatives. The homeownership counselors are certified and provide pre and post homeownership education and counseling to HCV clients in accordance with HUD HCV Homeownership regulations and HUD Housing Counseling Regulations.

II. Plan for Future Community/Resident Engagement

NHHFA is committed to meaningful community engagement in the planning and implementation of asset building and other MTW initiatives. NHHFA has an existing Resident Advisory Board (RAB) whose membership includes HCV participants, and that currently provides input and makes recommendations regarding the PHA Plan. NHHFA consulted with the RAB to develop this MTW plan and application and will continue to consult with the group on an ongoing basis to develop future MTW strategies including those proposed in each annual MTW Supplement.

NHHFA will engage community and resident involvement through its transitional housing programs with Families in Transition and Easterseals. These agencies provide individual case management services, including service coordination and implementation of transitional housing case plans to low-income families.

NHHFA will also publish and distribute written materials relevant to MTW to all HCV program participants. Information will be posted on the website and social media sites to allow HCV clients and the broader community to follow the progress of MTW activities.

NHHFA is committed to full accessibility to all programs and facilities and to ongoing affirmative outreach to all NHHFA clients and applicants, including racial and ethnic minorities,

persons with disabilities, Limited English Proficiency (LEP) persons, families with children and all other population groups. NHHFA has extensive experience providing training and education to various community agencies throughout the state. To ensure broad community engagement, NHHFA plans to conduct virtual and face-to-face MTW informational sessions to community partners, including outreach to racial and ethnic minorities, persons with Limited English Proficiency, persons with disabilities, and families with children.

As an additional MTW community engagement strategy, NHHFA plans to involve the FSS Program Coordinating Committee (PCC) in helping to plan and implement MTW initiatives including supporting the asset building effort. The PCC meets biannually and includes membership representing other PHAs, the United Way, the Mental Health Center and FSS clients.

III. PHA Operating and Inventory Information

NHHFA was established by state statute in 1981 when the New Hampshire legislature combined two existing agencies to support the housing needs of the state. Over the past forty years, NHHFA has helped more than 50,000 families to purchase their own homes; supported the development of 15,000 rental units; and, annually provided direct housing assistance to thousands of low-income households. NHHFA is the state's Low Income Housing Tax Credit (LIHTC) program administrator; provides asset management oversight for approximately 425 properties with more than 15,000 units for low and moderate-income households; serves as HUD's Performance based Contract Administrator overseeing 147 multifamily housing developments with over 5,700 units; implements a comprehensive array of homeownership programs; and, provides other programs and services including, but not limited to, Lead Hazard Abatement, Section 811 Project Rental Assistance, and Emergency Rental Assistance.

As a Public Housing Authority, NHHFA administers a statewide High Performer HCV program, but does not administer public housing. The HCV program currently consists of 4,226 vouchers including 340 Mainstream vouchers, 189 VASH vouchers, 134 Family Unification (FUP)

vouchers, 16 Fostering Youth to Independence (FYI) vouchers and 106 Non-Elderly Disabled (NED) vouchers. Within the portfolio, 438 vouchers are project-based and the balance are tenant-based. NHHFA is also administering an Emergency Housing Voucher program consisting of 120 vouchers in partnership with Continuum of Care agencies.

HCV participants are predominately extremely low-income with average annual household incomes of \$16,795. Overall, 79% of vouchers are utilized/leased by seniors and people with disabilities and 21% by families with children and other individuals. Approximately 95% of program participants are White, 3% are Black and the remaining 2% are other racial minorities. In terms of ethnicity, approximately 6% are Hispanic. As one of the objectives of the MTW Asset Building Cohort is to connect participating households with banking resources, it is worth noting that approximately 87% of HCV households report having bank accounts.

Prior to the onset of COVID-19, the need for affordable housing in New Hampshire was enormous, and NHHFA expects it will grow even more in response to the historic inflation, in particular relating to housing costs, that have impacted residents across the state. Based on the current HCV waiting list of approximately 7,300 applicants, NHHFA does not anticipate significant changes to the demographics of the population served over the next several years.

As a result of the surging statewide rental market and limited supply of housing units, HCV voucher holders face significant challenges in finding affordable units that fall within the payment standards and meet Housing Quality Standards. The rental vacancy rate in NH is less than 1%.

NHHFA is proactive in its approach to leasing HCV units and serving the needs of specific populations. We have a committed and loyal network of landlords that consists of over 1,700 property owners and managers. NHHFA's five-year average HCV utilization rate is 98.9%. When the utilization rate in 2021 dropped to 96.6%, NHHFA self-funded a landlord incentive pilot program that continues to provide a one-time bonus, or sign-on bonus, to landlords who lease to HCV holders in the Mainstream, FUP, FYI or VASH programs.

NHHFA has demonstrated innovation and creativity in operating HCV and other programs and in developing partnerships that enable participating households to access economic self-sufficiency, financial literacy and other skills and supportive services. NHHFA is a SEMAP high performer and administers a wide range of programs and services including Family Self-Sufficiency, Emergency Housing Vouchers (in partnership with Continuum of Care agencies), an array of first-time homebuyer programs described below, Financial Freedom (funded through a US Treasury CDFI Fund grant) and others. Based on the agency's demonstrated track record for effective program administration and innovation, NHHFA is exceptionally qualified for MTW designation and meets all the requirements outlined in HUD's PIH Notice 2022-11 and the MTW Operations Notice.

IV. Plan for Local MTW Program

NHHFA plans to incorporate MTW programmatic flexibility throughout the HCV program where allowed under the MTW Operations Notice. This will occur incrementally over time based on consultations with the Resident Advisory Board and other community stakeholders and on an assessment of agency priorities, opportunities and capacity. While the specific components of the MTW program will be determined as part of the annual PHA Plan/MTW Supplement process, an overview of the types of initiatives NHHFA plans to implement, organized by the three statutory objectives, include:

Cost Effectiveness: NHHFA intends to evaluate the feasibility of alternative reexamination schedules, revised interim recertification policies, simplified utility allowances and other cost savings measures, which will also improve client service and satisfaction. NHHFA intends to evaluate the potential for streamlining PBV administration, by expanding owners' role in waiting list administration, processing recertification requests and other tasks similar to how much of the HUD Multifamily portfolio operates.

Housing Choice: NHHFA plans to utilize MTW programmatic and funding flexibility to: 1) Expand the number of households moving into high opportunity areas; and, 2) Promote and expand innovations in supportive housing through PBV and local, non-traditional programs. NHHFA will explore MTW activities to establish more flexible payment standards, pre-qualify units for HQS compliance and other initiatives to enhance owner acceptance and willingness to lease to voucher holders. NHHFA will also consider establishing alternative PBV selection processes and/or HAP Contract terms; evaluating the potential for local, non-traditional rental assistance; and other related activities. NHHFA will work with partners to evaluate lower-cost, non-traditional subsidy models that leverage other development and service funding; consider increases to PBV program and project caps; and review the potential to modify other PBV program rules to address the unique needs and challenges of special needs and/or supportive housing populations.

Self-Sufficiency: Implementation of the Opt-Out Savings Account Option described in this document will be a key component of NHHFA's MTW self-sufficiency plan. Other self-sufficiency initiatives will build on NHHFA's successful FSS and first-time homebuyer programs including: (1) modifying FSS family selection, incentives, and Contract of Participation requirements; and (2) utilizing MTW funding flexibility to leverage other funds to support literacy, education and job training opportunities.

V. Proposed Uses of Funds

As noted, NHHFA does not administer public housing and, therefore, is not eligible to flexibly utilize public housing funds. However, NHHFA requests authority to use Housing Assistance Payments (HAP) funds flexibly in the implementation of the MTW program. NHHFA will implement this authority in accordance with the Operations Notice and allow for flexible use of funding including for MTW local, non-traditional programs. While NHHFA is not requesting HUD approval for specific uses of MTW funding flexibility at this time, we anticipate HAP funding may be utilized for authorized purposes to implement approved MTW activities including, but not

limited to: local non-traditional project-based and tenant-based programs; sponsor-based leasing programs with housing and supportive services; education, job training and placement and other supportive services; and affordable housing development and preservation.

VI. Evidence of Significant Partnerships

NHHFA has developed collaborative and collegial relationships of constant and constructive communication with partner agencies, local governments, nonprofits and for-profit entities. Examples of existing partnerships which NHHFA intends to build on and leverage resources from include:

NH Division of Health & Human Services (DHHS). NHHFA has developed several key partnerships with DHHS including the Lead Hazard Abatement, Section 811 Project Rental Assistance, as well as several Memorandums of Understanding for the Mainstream, FUP, FYI and Housing Subsidy Bridge Program. These MOUs recognize the effectiveness of a supported housing model in order to further an individual's goals and self-sufficiency. This is especially evident in the FUP Youth and FYI programs as our agencies work together to respond to the needs of homeless youth and connect them to services that provide education, employment, and opportunities to become self-sufficient.

Families in Transition (FIT). FIT is dedicated to providing housing and services that empower people to prevent and break the cycle of homelessness. NHHFA has partnered with FIT for over 20 years supporting their Transitional Housing Program. Through a Memorandum of Understanding (MOU), NHHFA provides up to 40 Housing Choice Vouchers, while FIT provides case management and comprehensive social services to assist clients to become independent and self-sufficient.

HUD Continuum of Care (CoC) Program. NHHFA received 120 Emergency Housing Vouchers on July 1, 2021. There are three CoC agencies in NH. NHHFA entered into an MOU with the CoC's and quickly established a partnership for the administration of the EHV's. Together

we have successfully leased over 80 households (three households have joined the FSS program). This partnership has provided housing stability and supportive services to individuals and families who were homeless or fleeing domestic violence. NHHFA will work with the CoC providers in the development of the MTW program.

NH Emergency Rental Assistance Program (NHERAP). NHHFA administers the NHERAP in collaboration with the Governor's Office for Emergency Relief and Recovery and the five (5) Community Action Partnership (CAP) agencies. NHERAP is a federally funded rental assistance program that provides assistance to eligible households who are unable pay rent or utilities during the COVID-19 pandemic. The CAP agencies are a valued partner and are experienced in administering HUD programs. They are dedicated to the principle that poverty should not be a permanent condition of people's lives and they help connect clients with services and programs to access the support they need. NHHFA values this long-standing partnership and will work with the CAPs in the development of the MTW program.

The NH Community Development Finance Authority (CDFA). NHHFA has collaborated with CDFFA on the funding of affordable housing projects for many years. CDFFA is the administrator of Community Development Block Grants, which are often used in conjunction with the housing resources administered by NHHFA. Additionally, NHHFA and CDFFA collaborate on the periodic review of the Analysis of Impediments to Fair Housing (AI), which is updated every five years, most recently in 2020 ([link](#)). NHHFA and CDFFA also work together to implement the recommendations of the AI, many of which address barriers preventing households served by HUD assistance including the HCV program. This work and partnership will be of significant value in the implementation of MTW flexibility to help HCV cohorts overcome those barriers.

In addition, local and regional groups across the state are working with NHHFA to raise awareness, reduce barriers and encourage the production of new housing. Through MTW flexibility, NHHFA plans to build on and/or expand these efforts, which pull together businesses,

government agencies, the housing industry, nonprofits, municipalities, and concerned citizens to promote a responsible increase in regional workforce housing.

The above information provides highlights of several areas where NHHFA plans to build on existing partnerships and leverage additional resources to improve services to the community as we implement the MTW vision. Additional information is included in Appendix 4.

B. ASSET BUILDING INITIATIVES INFORMATION

I. Assessment of Existing Asset Building Programs

NHHFA provides asset building tools and resources to program participants including administering the Family Self Sufficiency (FSS) Program, financial education and counseling and affordable homeownership programs. While limited in scope, NHHFA's asset building programs are making a positive difference in the lives of participating households including helping clients to improve financial literacy, develop and meet self-sufficiency goals; attain first time homeownership and achieve other related goals. Participation in the MTW Asset Building Cohort will allow NHHFA to build on and expand its asset building programs including implementing the new MTW Opt-Out Savings Option and other related activities. Asset building programs sponsored by NHHFA include:

FSS Program – NHHFA's FSS program offers financial and employment coaching to HCV participants. In addition to the potential to accrue escrow savings accounts, FSS participants are eligible for a small loan and grant program to help overcome barriers to employment which offers up to \$1,500 in grant funds and up to \$4,000 as a low-interest loan.

Currently, there are 201 active FSS participants of which 110 heads of households are employed; 109 participants have escrow accounts; and the average escrow amount is \$3,360. In Fiscal Year 2021, 21 FSS participants achieved their goals and graduated from the program with an average of \$4,063 in escrow funds. Over the course of the year, 27 participants utilized

over \$46,000 of their escrow funds to support their employment and asset goals, i.e., for expenditures related to debt consolidation, employment-related expenses, childcare, etc.

Affordable Homeownership – NHHFA implements several statewide programs to expand homeownership including a highly successful Voucher Assisted Mortgage Option (VAMO) through which HCV participants can secure a mortgage using their voucher. More than 300 HCV households have become homeowners since inception of VAMO in 2001. The agency also provides grants to regional housing counseling agencies to provide education and counseling for first-time homebuyers. Supports include counseling, workshops and seminars focused on financial literacy, pre-purchase, post-purchase/foreclosure prevention, fair housing and other relevant topics. The self-funded Community Heroes Program provides an additional \$3,000 closing cost credit to eligible borrowers, including healthcare, daycare and elder care workers, first responders, educators, and law enforcement officers.

Financial Freedom – Through a grant from the US Treasury Community Development Financial Institutions Fund, NHHFA provides an interactive website with online courses and coaching that helps HCV participants establish financial savings goals, prepare a family budget, develop a plan for reducing debt and adopt strategies for protecting their identity.

II. Choice of Asset Building Option

Upon designation as an MTW agency under the Asset Building Cohort, NHHFA intends to implement the Opt-Out Savings Option for 500 participants with NHHFA providing a monthly deposit of \$25 per participant over a 24-month period, as further described below. All HCV households will be eligible, and NHHFA intends to randomly select participants (in consultation with the Asset Building Cohort evaluation team as appropriate). NHHFA will make monthly deposits into each participants escrow or personal savings accounts for 24 consecutive months; however, the funds may not be accessed by the participants until after the first 12 months. All participants will be required to have or obtain a banking account, and NHHFA will connect them with community banking resources. As an HCV-only administering PHA, this option will build on

and align with other asset building programs administered by NHHFA, while offering the potential to increase savings and support asset building for 500 HCV participating households.

III. Information Specific to Asset Building Initiatives Option Chosen by PHA

NHHFA’s goal in implementing the Opt-Out Savings Account Option is to encourage the growth of savings accounts and increase financial literacy and budgeting skills among HCV households. Through this initiative, participants will be able to accrue savings and improve their ability to develop and live within a household budget.

As required under PIH Notice 2022-11, the table below provides a summary of the number of households that will participate in the savings program and the amount of savings that will be contributed by NHHFA per household per month and over the two-year program period.

(A) Anticipated Number of Assisted Households Participating in Savings Program	500
(B) Anticipated Percentage of Assisted Households Participating in Savings Program	12%
(C) Anticipated Amount of Savings Contributed Per Household Per Month	\$25
Total PHA Investment Per Month (A) x (C)	\$12,500
Total PHA Investment Per Year (A) x (C) x 12 months	\$150,000
Total Anticipated PHA Investment for Life of Program (A) x (C) x 24 months	\$300,000

NHHFA has sufficient reserves to cover the \$300,000 cost of the Opt-Out Savings Account Option program over the two-year program period. Cumulatively, this represents less than 1% of the annual HAP budget. NHHFA does not plan to seek funding from other public or private sources to support the savings program budget; however, participants will be able to access other available financial-related counseling services such as the Financial Freedom online courses, homeownership counseling, Family Self-Sufficiency and other partner programs.

As noted, approximately 87% of all HCV households assisted by NHHFA report having a bank account. For participants selected for the Opt-Out Savings Account Option, NHHFA will work with any households who do not have bank accounts to sign-up for low/no fee accounts

with local banks. We also intend to explore options with local banking partners to expand access to banking resources using targeted workshops and/or website tools. NHHFA has strong relationships with a broad network of local and regional banks because of our robust and mission-driven homeownership division, which helped over 1,000 New Hampshire families buy their first homes in 2021. NHHFA staff frequently confer with partners in the banking industry, including NHHFA's Lender Advisory Board, to find ways to work together to expand access to opportunity for the people we serve together.

NHHFA also looks forward to participating in the "Community of Practice" sessions for MTW Asset Building Cohort agencies to identify ideas, share best practices and collaborate where feasible to expand program outcomes and benefits.