

**NEW HAMPSHIRE HOUSING FINANCE AUTHORITY**  
**NOTICE OF FUNDING OPPORTUNITY**  
**SUPPORTIVE HOUSING PROGRAM**

**SUBJECT**

This Notice of Funding Opportunity (NOFO) relates to supportive housing program applications from qualified developers to provide supportive housing in any area of the state to extremely low-income and low-income individuals and families, generally with a priority for persons experiencing homelessness. Developers can, if eligible, apply for two specific resources:

1. Funding resources for supportive housing; and
2. Project-based vouchers (PBVs) when connected with certain funding sources.

**NOFO RELEASE DATE:** November 2, 2022

**APPLICATION DEADLINE**

Applications under this NOFO will be accepted on a monthly basis as detailed below.

**FUNDING RESOURCES**

NH Housing has identified the following “Funding Resources” that are available under this NOFO:

- State Affordable Housing Fund (AHF);
- National Housing Trust Fund (HTF); and
- HOME Investment Partnerships American Rescue Plan Program (HOME-ARP).

Projects that receive Funding Resources must comply with the applicable state and federal laws and regulations for such resources, including income and rent targeting. Projects must also adhere to all applicable NH Housing rules and policies, including the following.

- [Underwriting Standards and Development Policies for Multi-Family Finance](#)
- [Technical Design and Construction Standards](#) or [Technical Design and Construction Standards for Rehabilitation](#), as applicable.
- [Design and Construction Policy Rules \(HFA 111\)](#)
- [Supportive Housing Program Rules \(HFA 112\)](#)
- [Affordable Housing Fund Rules \(HFA 113\)](#)
- [HTF Regulations 24 CFR Part 93](#)
- [HOME-ARP Allocation Plan](#) and [HOME Regulations 24 CFR Part 92](#)

**PROJECT-BASED VOUCHERS**

In addition to the Funding Resources, NH Housing intends to award approximately 36 PBVs to projects that receive a HTF or HOME-ARP loan. Therefore, applicants seeking such funding may also apply for PBVs through this NOFO. PBVs will be awarded through the Threshold Criteria and Scoring Criteria by a competitive process based on applications received in each monthly application cycle. NH Housing is not required to award all PBVs. PBVs will only be available for units funded with HTF or HOME-ARP.

Applicants that want PBVs should indicate in the application cover letter that they are applying for PBVs in addition to the Funding Resources.

## ADDITIONAL ELIGIBILITY CRITERIA

Refer to HFA 112 and the HOME-ARP Allocation Plan for eligible project types and uses. Transitional housing units are eligible for AHF and HOME-ARP funding; however, they are not eligible for federal funds (HTF, PBVs).

The minimum funding amount available to a project is \$150,000, and the maximum funding amount available to a project is \$1,500,000.

Projects only serving individuals and/or households with a specific disability, such as, but not limited to, intellectual or development disabilities (IDD), are **not** eligible for federal funding, including not being eligible for PBVs, HTF and HOME-ARP. However, a total of \$1,500,000 of AHF may be made available, with a maximum of \$700,000 per project, for eligible projects serving the individuals and/or households discussed in this paragraph.

## EVALUATION PROCESS

Applications will go through a two-step process (detailed below).

1. Projects must first meet the threshold criteria.
2. Projects that meet the threshold criteria will then be evaluated under the scoring criteria.

Projects that do not meet the threshold criteria are ineligible under this NOFO.

## THRESHOLD CRITERIA

Each application will be evaluated to determine that it meets the following Threshold Criteria.

1. **Project Description and Readiness** – Applicant must fully describe the project (complete and submit Attachment B: Supportive Housing Project Application).
2. **Site Control** – Applicant must have secured site control (in the form of a deed, executed option to purchase, or a long-term lease with a duration at least as long as the affordability period) or, at minimum, have a property identified if site control is not secured. Applicants that do not have site control at the time of application will be required to obtain site control within 90 days of receiving a conditional financing reservation from NH Housing.
3. **Beneficiary Targeting** – All units in the project must have a preference to serve individuals and/or families experiencing homelessness<sup>(1)</sup> or individuals and/or families who are at-risk of experiencing homelessness.<sup>(2)</sup>

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<sup>(1)</sup> For the purposes of this NOFO, a person or family experiencing homelessness means:

- The individual or family lives in a shelter and lacks a fixed, regular and adequate residence and has a primary nighttime residence that is a supervised publicly/privately operated shelter designed to provide temporary living accommodation; or
- An individual who lives in a hospital or institution that provides a temporary residence for individuals intended to be institutionalized; or
- The individual or family live(s) in a public/private place not designed for, or ordinarily used for sleeping by human beings.

<sup>(2)</sup> For the purposes of this NOFO, a person or family at-risk of experiencing homelessness means:

- The individual or family pays more than 50% of their gross income toward rent; or
- The individual or family lives with friends or relatives due to an emergency or homeless situation and it is a temporary living arrangement. If the individual or family were not staying with friends or relatives, they would be homeless; or
- The individual or family is living in a substandard living situation, such as a campground or other temporary placement.

- a. The beneficiary targeting requirement does not apply to the following.
  - i. Projects to be funded with HOME-ARP. Projects approved to receive HOME-ARP funding must market to all the Qualified Populations outlined in the HOME-ARP Allocation Plan on NH Housing’s [website](#).
  - ii. Projects only serving individuals and/or households with a specific disability. However, these projects are limited to a maximum request of \$700,000 (see section above titled Additional Eligibility Criteria for more information).

**4. Income Targeting and Rent Limits –**

- a. Projects receiving an Affordable Housing Fund loan must meet the income and rent limits detailed in the Affordable Housing Fund Program Rules at HFA 113.05(b).
- b. Projects receiving a federal Housing Trust Fund loan must serve individuals/households earning at or below 30% of the area median income and have rents within the HTF program limits.
- c. Projects receiving HOME-ARP funding must market to all the Qualified Populations as defined by HUD.
- d. Group homes shall charge no more than 75% of the area fair market rent (FMR).

Applicable income and rent limits are available on NH Housing’s [website](#).

- 5. **Maximum Per Unit Subsidy Limit** – Projects will be limited to the lesser of a maximum project subsidy from NH Housing of \$1,500,000 or the Maximum Per Unit Subsidy Limit from NH Housing detailed in the table below. The maximum per-unit subsidy limit is based on total number of beds or units being created new or improved as part of a substantial rehabilitation.

# of Bedrooms	Maximum Per-Unit Subsidy
Shared Bedroom Project	\$80,000 per bed
0-Bedroom	\$176,311
1-Bedroom	\$202,115
2-Bedroom	\$245,776
3-Bedroom	\$317,892
4-Bedroom	\$349,014

- 6. **Developer Capacity** – Applicant must demonstrate organizational capacity to complete the development project. Applicant must complete this section of Attachment B: Supportive Housing Project Application, detailing all members of the development team, including staff roles and responsibilities, development consultants, legal team, and design team.
- 7. **Management Capacity** – Applicant must demonstrate organizational capacity to manage and operate the property. Applicant must submit the [Management Entity Questionnaire and Experience Requirements](#) as part of the application submission.
- 8. **Matching Resources** – NH Housing requires the generation/investment of matching resources equal to 5% of all funds provided by NH Housing. Matching resources may be from federal or non-federal sources in the form of capital contributions. Donations in the form of cash, value of real estate, materials, etc., are eligible sources of match. So-called “sweat equity” is not an eligible matching resource.

9. **Site Selection** – Applications for PBVs must also meet the site selection standards of [24 CFR 983.57](#).
10. **New Unit Production** – The project must include the creation of new units of permanent or transitional supportive housing. Applications for the substantial rehabilitation of existing housing may be eligible if submitted in conjunction with an application for financing to create new permanent or transitional supportive housing units. An exception may be granted for existing properties with significant code and safety issues when such issues mean the housing might be lost in the next 2-4 years due to condemnation or government action.

HOME-ARP funds can also be used to create non-congregate emergency housing as outlined the HOME-ARP Allocation Plan.

11. **Supportive Housing Service Plan** – The project must include a feasible plan outlining the type of service to be provided. If the services will be contracted, a letter of intent (LOI) from the third party must be provided in addition to the service plan.

## **SCORING CRITERIA**

Applications that meet the Threshold Criteria will be evaluated based on the Scoring Criteria. Scores from the Scoring Criteria will be used to award PBVs and to allocate funding from the NOFO if the applications submitted for funding exceed the available resources.

1. **Advanced Project Readiness** - Projects will receive the following points for demonstrating Advanced Project Readiness.
  - a. Phase I Environmental Site Assessment completed in the past five years – **5 points**
  - b. All necessary planning and zoning permits are in place or are not required. To be awarded these points, sponsors must show that all necessary local planning and zoning permits are in hand, including site plan approval, or that no local approvals are necessary as a condition of building permit issuance, as evidenced by a permit status letter from the sponsor's attorney or town planning/zoning official. – **15 points**
  - c. Design/Construction Readiness
    - i. Design development documents completed – **3 points**
    - ii. Construction documents completed – **3 points**
2. **Target Population** – Projects serving the following specified persons and households will receive the following points:
  - a. All units in the project will serve individuals receiving mental health services from a Community Mental Health Center – **10 points**
  - b. All units in the project will serve households experiencing homelessness – **10 points**
3. **Supportive Service Funding** - Projects that include a feasible plan to secure reimbursement for case management and/or supportive services through Medicaid, contracts with NH Department of Health and Human Services, commitments from partner organizations to provide funded services such as healthcare providers, or other established and credible sources of ongoing financial support. – **10 points**

4. **Geographic Distribution** - Projects proposed in a municipality where an existing project serving the proposed population is not in operation or otherwise not in development – **5 points**
  
5. **Matching Resources** – Applications will be awarded points for permanent, non-NH Housing sources of funding that have been applied for and are likely to be awarded to the project or have already been awarded to the project. Matching sources include grants, loans, historic tax credit equity, developer equity/cash contribution and donations of land, or long-term lease value. One point will be awarded for match equal to each full 5% of the amount of NH Housing funding requested. – **Up to 10 points**

The criteria for a “likely” award of matching funds are:

- a. Application has been submitted;
- b. The project is an eligible use for the funding applied for;
- c. The funding can be committed in a timeframe that would allow the project to close within one year of the date the application to this NOFO is submitted; *and*
- d. The funding is directly related to the project in the application.

### **APPLICATION PROCEDURE**

Applications for this NOFO will be accepted on a monthly reservation cycle schedule. The application and exhibits/attachments must be submitted to NH Housing via email to [development@nhhfa.org](mailto:development@nhhfa.org) by 4:30 PM on the 15<sup>th</sup> of each month to be considered in that month’s review process. Proposals received after the monthly deadline will not be reviewed until the next monthly cycle. Within 90 days of receiving an application, NH Housing will reply in writing to the applicant and will either issue a reservation of resources, reject the application, or ask for additional documentation/information. Projects that receive a conditional reservation letter will have 120 days to satisfy project-specific progress phase requirements that will be outlined in the reservation letter. Failure to meet these specific requirements may result in the expiration of the reservation of resources.

If an applicant meets the Threshold Criteria but all funding through this NOFO has been conditionally reserved, the applicant may be placed on a waiting list. Applicants on the waiting list may be eligible for funding if a project that received a conditional financing reservation fails to move forward or additional funding becomes available.

### **STANDARD PROVISIONS**

Standard provisions are Attachment A to this NOFO.

### **CONTACT INFORMATION**

Questions about this NOFO can be directed to Cassie Mullen, Program Manager at [cmullen@nhhfa.org](mailto:cmullen@nhhfa.org) and (603) 310-9364.

## NOFO ATTACHMENT A

### STANDARD PROVISIONS

1. This NOFO will remain open until all available funds have been reserved or June 30, 2023, whichever occurs first.
2. Respondents are responsible for ensuring submissions are complete, accurate and comply with this NOFO. Proposals that do not comply with this NOFO may be rejected and may not be further evaluated or considered.
3. Respondents are not entitled to an opportunity to correct mistakes or deficiencies in the proposals after the deadline. Proposals that are missing required information may not be evaluated.
4. NH Housing may discuss proposals with respondents and seek clarification or modifications.
5. This NOFO is subject to all applicable state and federal laws, regulations and policies.
6. NH Housing assumes no obligation, responsibility or liability for any costs incurred by the respondent in preparing a response.
7. NH Housing is subject to the right to know law, RSA Chapter 91-A (RTK Law). This could mean that the RTK Law might require that submissions may be made available to the public upon request. Therefore, respondents are advised not to include information that they deem proprietary or confidential.