

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

SUBJECT

This Notice of Funding Opportunity (NOFO) is an announcement of funding for supportive housing program applications (Project Application) from qualified organizations to develop affordable housing that incorporates supportive services that provide for the needs of the residents. Supportive services are intended to improve housing stability and help the residents live a more productive life in the community.

This NOFO does not apply to the NH Housing Opioid Use Disorder Supportive Housing Capital Program. Please see the NH Housing [website](#) for more information about that program.

The proposed supportive housing can be in any area of the state, with a priority for people experiencing homelessness or at risk of homelessness. Applicants can apply for two specific resources:

- New Hampshire Housing capital subsidy; and
- Project-Based Vouchers (PBVs).

Please read the NOFO in its entirety prior to submission of an application to ensure threshold criteria are met and the Project Application is complete. If you have questions about any aspect of the NOFO, please contact the staff listed at the end of this document.

Developers are limited to only one Project Application through this NOFO. Developers who have a current conditional financing reservation or commitment for another supportive housing project that has not closed on NH Housing’s financing are not eligible to apply through this NOFO.

NOFO RELEASE DATE: November 4, 2024

APPLICATION DEADLINE

Project Applications will be accepted as detailed in the Application Process section of this NOFO.

FUNDING RESOURCES

New Hampshire Housing allocates resources (Funding Resources) from the FY 2025 (7/1/2024 to 6/30/2025) Program Plan, as approved by the Board of Directors. At times, other funding may become available during the fiscal year. If this situation occurs, New Hampshire Housing reserves the right to include those resources in this NOFO or to allocate those resources outside of the NOFO.

Currently, New Hampshire Housing has approximately \$1.5 million in Funding Resources available under this NOFO. The per-project minimum funding amount available is \$150,000, and the maximum funding amount is \$1,500,000. Funding Resources available under this NOFO per the FY 2025 Program Plan are listed below:

- State Affordable Housing Fund (AHF) (RSA 204-C:57)

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 New Hampshire Housing rules and policies, including the following. Please read all rules and policies.

- [Supportive Housing Program Rules \(HFA 112\)](#)
- [Affordable Housing Fund Rules \(HFA 113\)](#)
- [Underwriting Standards and Development Policies for Supportive Housing](#)
- [Technical Design and Construction Standards](#) or [Technical Design and Construction Standards for Rehabilitation](#), as applicable
- [Design and Construction Policy Rules \(HFA 111\)](#)

To help ensure long-term success of projects, NH Housing will assess performance risk of the proposed project by reviewing various indicators of the likelihood of successful long-term performance, including:

- The amount and source of requested NH Housing funds;
- Security position in the project of NH Housing loan(s);
- The existence of project-based rental assistance;
- The demand for the proposed housing; and
- The long-term stability of revenue sources for providing services, including, but not limited to, fee-for services, or funding from the government, private sector, or fundraising.

Further, NH Housing may consider the project's adaptability to other housing uses should the finances and/or demand for the housing change. NH Housing reserves the right to reduce or deny funding to a project when it concludes that 1.) there is a high risk of nonperformance; 2.) NH Housing's funding is determined to be at a significant risk; and/or; 3.) alternative uses are unfeasible.

NH Hampshire Housing may require an intercreditor agreement be executed when the NH Housing loan(s) is not in first security position. The terms of the intercreditor agreement will be determined on a case-by-case basis.

PROJECT-BASED VOUCHERS (Reference 24 CFR Part 983)

In addition to the Funding Resources, New Hampshire Housing intends to award up to approximately 10 PBVs to projects that receive Funding Resources through this NOFO.

Therefore, only applicants seeking such funding may 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 application cycle.

Applicants that are requesting PBVs should indicate in the application and cover letter that they are applying for PBVs (in addition to the Funding Resources) and include the number of PBVs requested. Units with PBVs must meet the requirements of CFR Part 983.

Projects only serving individuals and/or households with a specific disability, such as, but not limited to, intellectual or developmental disabilities, are **not** eligible for federal funding, including not being eligible for PBVs.

EVALUATION PROCESS

Applications will go through a two-step process.

Step 1: Projects must first meet the threshold criteria. Projects that do not meet the threshold criteria are ineligible for funding under this NOFO.

Step 2: Projects that meet the threshold criteria will then be evaluated using the scoring criteria in this NOFO.

THRESHOLD CRITERIA

Each Project Application will be evaluated to determine whether it meets the following Threshold Criteria.

1. **Project Feasibility and Appropriateness** – Applicant must fully describe the project (complete and submit Exhibit B: Supportive Housing Project Application). The proposed project's characteristics and location must be considered feasible from a financial and regulatory standpoint and must meet the NH Housing's Underwriting Standards and Development Policies for Supportive Housing Development.
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 30-year 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 financing reservation from New Hampshire Housing.

3. **Beneficiary Targeting** – All units in the project must have a preference to serve individuals and/or families experiencing homelessness⁽¹⁾ or individuals and/or families who are at-risk of experiencing homelessness.⁽²⁾

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 an award for Capital Subsidy (other than AHF) and/or PBVs must meet the income and rent limits detailed in the Supportive Housing Program Rules at HFA 112.13
 - i. For both a. and b. above, Project Applications must show the correct rent amounts for each unit on the Expenses and Income tab of the Project Application.
 - c. If PBVs are requested and awarded, specific requirements apply, including but not limited to tenant eligibility (income targeting) and payment standards (rent payments) (reference 24 CFR Part 983).
 - d. Group Home beds and Single Room Occupancy (SRO) units may charge no more than 75% of the 0-Bedroom rent limit amount. For the purposes of this NOFO, SRO housing is comprised of individual (single occupancy) units and shared kitchen and/or bathroom facilities.
 - e. Applicable income and rent limits are available on New Hampshire Housing’s [website](#).

5. **Maximum Per-Unit Subsidy Limit** – Projects will be limited to the lesser of a maximum project subsidy from New Hampshire Housing of \$1,500,000 or the Maximum per-unit Subsidy Limit from New Hampshire Housing detailed in the table below. The maximum per-unit subsidy limit is based on the total number of beds or units being created new or improved as part of a substantial rehabilitation. Please use the information in this chart to complete the Project Financing section of the Sources and Uses tab of the Project Application.

# of Bedrooms	Maximum Per-Unit Subsidy
Shared Bedroom Project	\$100,000 per bed
SRO	\$175,000
0-Bedroom	\$233,000
1-Bedroom	\$233,000
2-Bedroom	\$284,000
3-Bedroom	\$367,000
4-Bedroom	\$403,000

⁽¹⁾ For the purposes of this NOFO, a person or family experiencing homelessness means one of the following:

- 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;
- 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.

⁽²⁾ For the purposes of this NOFO, a person or family at-risk of experiencing homelessness means one of the following:

- The individual or family pays more than 50% of their gross income toward rent;
- 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;
- The individual or family is living in a substandard living situation, such as a campground or other temporary placement;
- The individual or family is fleeing from a domestic violence situation; or
- The individual is living with aging parents or other relatives that provide him/her with shelter, and if the individual were not living with relatives, he/she would be homeless.

6. **Developer Capacity** – Applicant must demonstrate organizational capacity to complete the development project. The Applicant must have the capacity, experience, and ability to successfully complete the project. The Applicant must include the following information with their application.
 - a. List of projects in development (in any state, including New Hampshire)
 - b. List of completed projects, including the location, brief description of the project, total development cost and funding sources
 - c. List of staff who will be working on the project and staff resumes to document appropriate staffing and professional capacity
 - d. If an Applicant does not meet the developer capacity threshold requirement, the applicant may (subject to New Hampshire Housing review) meet this requirement by hiring a qualified development consultant to assist with the proposed project from application or reservation through construction completion.
 - i. Submit a copy of the development consultant contract (If applicable)
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.
 - a. Applicants may partner with an established management company to meet this threshold requirement. In that case, the management company shall complete the management entity questionnaire.
8. **Matching Resources** – New Hampshire Housing requires the generation/investment of matching resources equal to 5% of all Funding Resources provided by New Hampshire Housing toward the development budget. Matching resources may be from federal or non-federal sources. Grants, applicant cash contributions, donations in the form of cash, or value of real estate (as determined by documentation, such as an appraisal) 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 at least four new affordable units of permanent or transitional supportive housing. Note: PBVs cannot be awarded to projects that include transitional housing. Applications for the substantial rehabilitation of existing supportive housing may be eligible if the proposed project also includes financing to create at least three 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 two to four years due to condemnation or government action (documentation to evidence this must be provided with the application).
11. **Supportive Housing Service Plan** – The project must include a feasible plan outlining the type of service(s) to be provided using the [Supportive Services Plan Template](#). Supportive services are intended to improve housing stability and help the residents live a more productive life in the community.
 - a. The service provider must have successful experience providing the identified services to the target population.
 - b. The services offered to residents must be targeted to the needs of the residents

- c. If the services will be contracted, a letter of intent (LOI) from the third party must be provided in addition to the service plan. New Hampshire Housing staff will review the service provider to ensure that the provider has the capacity and experience to provide the services.

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 Resources.

1. **Advanced Developer Capacity** – Project sponsors who have:
 - a. Successfully completed an affordable supportive housing or multifamily housing development project within the past four years with a construction budget of at least \$1,000,000; **OR**
 - b. Contracted with a qualified development consultant who has successfully completed a supportive housing or multifamily housing development project within the past four years with a construction budget of at least \$1,000,000 and who will again contract with this qualified development consultant for the proposed project. - **5 points**
2. **Advanced Project Readiness** – Projects will receive the following points for demonstrating Advanced Project Readiness.
 - a. All necessary planning and zoning permits are in place or none are required. To be awarded these points, sponsors must show that all necessary local planning and zoning permits are in hand, including site plan approval (can include conditions), or that no local approvals or variances 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. - **10 points**
 - b. Construction Cost Estimates
 - i. Construction cost estimates obtained from qualified contractor - **5 points**
 - c. Design/Construction Readiness
 - i. Design development documents (floor plans, elevations, etc.) completed - **3 points**
OR
 - ii. Final plans and specifications completed - **5 points**
3. **Environmental Due Diligence** – Phase I Environmental Site Assessment completed in the past five years - **3 points**
4. **Target Population** – Projects serving the following specified persons and households will receive the following points:
 - a. All units in the project will serve households experiencing homelessness. This targeting must be supported by the target population and supportive services outlined in the submitted Supportive Housing Service Plan. - **6 points**
5. **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. To receive

these points, applicants must submit a letter detailing the type and source of funding and contact information for the funding organization. NH Housing may contact this organization for more information on the availability of funding. - **10 points**

6. **Matching Resources** – Applications will be awarded points for non-New Hampshire 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 New Hampshire 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 PROCESS

Applications for this NOFO will be accepted on the following reservation cycle schedule.

Application Due Date	New Hampshire Housing Initial Response Date (threshold)	New Hampshire Housing Response Date (full review)
January 6, 2025	February 5, 2025	April 6, 2025

The Project Application, Exhibits and any attachments shall be submitted via the New Hampshire Housing [HDS NextGen Application Portal](#) (the application portal, along with instructions, will be available approximately 30 days prior to the application due date).

- Applications received after 4:30 PM on the due date will not be reviewed.

New Hampshire Housing staff will review all applications for initial feasibility (threshold requirements) and provide feedback within 30 days of the application due date. If the project is determined to be infeasible, the application may be rejected. If initial feasibility is confirmed, the project will be scored according to the NOFO criteria. Funds will be awarded to the highest scoring applications through the issuance of a conditional financing reservation. The number of projects receiving an award will be limited to the amount of funding available. Within 90 days of the application due date, staff will reply in writing to the applicant and will either issue a conditional financing reservation, reject the application, or ask for additional documentation/information.

Projects that receive a reservation will have 120 days from the date of the reservation letter to satisfy project-specific progress phase requirements that will be outlined in the reservation letter. A project that meets the progress phase requirements will have one year from date of the NH Housing reservation letter to close on the NH Housing loans.

- 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 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 financing reservation fails to move forward or New Hampshire Housing allocates additional funding for the Supportive Housing Program.

STANDARD PROVISIONS

Standard provisions are Exhibit A to this NOFO.

ADDITIONAL RESOURCES

Development Consultants

New Hampshire Housing does not endorse or recommend specific development consultants to applicants. However, we do recognize the significant need for development consulting services for many organizations that want to develop supportive housing but do not have the professional and/or staff capacity to do so. With that in mind, we share the following information.

We have compiled a list of potential development consultants and organizations who may provide technical assistance to project sponsors. Again, we do not endorse any particular consultant. Please click [here](#) for the list. The applicant is responsible for all aspects of engaging with a development consultant for their project.

Pre-development Loan Program

New Hampshire Housing administers a Pre-development Loan Program that provides funds to certain types of non-profit organizations to assist in paying for pre-development costs, such as architectural and engineering fees. Additionally, some of the pre-development loan funds can be used to pay for a development consultant. See the Pre-Development Loan Program Rules on our [website](#) for more details, including how to apply for these funds.

CONTACT INFORMATION

Questions about this NOFO or the Supportive Housing Program can be directed to Emily Boisvert, Senior Program Manager at eboisvert@nhhfa.org and (603) 310-9364.

STANDARD PROVISIONS

1. Subject to New Hampshire Housing's right to terminate earlier, this NOFO will remain open until all available funds have been reserved or March 1, 2024, whichever occurs first. This NOFO may be reopened after closing at the sole discretion of New Hampshire Housing staff.
2. Applicants 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. Applicants 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 unless New Hampshire Housing staff requests the information during the review process and determines that the application will be evaluated.
4. New Hampshire Housing may discuss proposals with applicants and seek clarification or modifications.
5. This NOFO is subject to all applicable state and federal laws, regulations, and policies.
6. New Hampshire Housing assumes no obligation, responsibility, or liability for any costs incurred by the applicant in preparing a response to this NOFO.
7. New Hampshire Housing is subject to the right to know law, RSA Chapter 91-A (RTK Law). This could mean that the RTK Law may require that submissions be made available to the public upon request. Therefore, applicants are advised not to include information that they deem proprietary or confidential.

PROJECT APPLICATION

Link to NH Housing Supportive Housing Program Financing Application:

[Supportive Housing Program Financing Application](#)

SUBMISSION REQUIREMENTS

For an application to be considered complete, all items listed below must be submitted. The documents marked “if applicable” are required if they pertain to your project.

- Supportive Housing Project Application – Exhibit B (all tabs completed)
- Cover Letter summarizing the project and indicating the amount of Funding Resources requested, along with the number of PBVs requested (if applicable)
- Developer’s self-score
 - a. Self-score must include references and explanations to all documentation submitted to evidence eligibility for points in the NOFO Scoring Criteria
- Backup documentation for all relevant scoring criteria
- Evidence of site control
- Written narrative of developer capacity
 - a. See Threshold Criteria, section 6, for more details regarding submission requirements
- Resumes of the development team (developer, architect, management agent, and any others on the team – include resume for development consultant, if applicable)
- Management Entity Questionnaire
- Letter of interest from property management agency (if applicable)
- Proof of matching resources
- Supportive Service Plan
 - a. See Threshold Criteria, section 11, for more details regarding submission requirements
- Scope of work

PROGRESS PHASE REQUIREMENTS

The progress phase requirements included below are examples of the project milestones/benchmarks that projects will be required to meet over a specified timeline to maintain their conditional financing reservation. Each project will have a unique set of progress phase requirements, which will include all or some of the sample project phase requirements included here.

Progress phase requirement extensions may be granted at the sole discretion of New Hampshire Housing. The conditional financing reservation may be rescinded at the sole discretion of New Hampshire Housing for not meeting the progress phase requirements.

Examples of progress phase requirements include:

- Evidence of continued site control. Option to purchase agreement or purchase and sales agreement if the applicant does not own the property and did not have it under contract to purchase at the time of application.
- Submission of Supportive Housing Multifamily Financing Application (with requested updates, if applicable)
- Copy of contract for development consultant services (if applicable)
- Market information supporting demand for the proposed housing project.
- Environmental site assessment, HUD checklist, and related reports (lead, asbestos, historic, archeological, etc.) if required by New Hampshire Housing.
- Submission and approval of tenant selection plan, management plan, sample lease, and marketing plan/affirmative fair housing marketing plan, if applicable.
- Submission and approval of tenant supportive services plan.
- Appraisal or broker's Opinion of Value.
- Evidence of zoning/local approvals.
- Long-term financing letter of commitment.
- Construction financing letter of commitment.
- Executed grant agreements.
- Final plans and specifications.
- Soils and/or structural engineering report.
- Copy of the architect contract.
- Executed tenant services agreement binding on both parties.
- Executed Management Agreement binding on both parties.
- Cost estimates (or bids if available) by schedule of value. Must comply with limits on contractor overhead and profit per NH Housing's Design and Construction Policy.