

Housing Champion Program Advisory Committee Meeting

January 26, 2024

Meeting Agenda

- Timeline
- BEA's open questions
- Statutory requirements
- Proposed program design
- Examples of potential applicants
- Committee member Q&A

Housing Champion Rulemaking and Program Design Timeline

- **January 2024** – Host first Advisory Committee meeting and refine draft rules
- **February** – Host second and final Advisory Committee meeting and begin JLCAR process
- **April-June** – Finalize rules through JLCAR process and meetings to meet July 1 statutory deadline
- **July** – Finalize HC Designation program application and launch program
- **August** – Issue first round of HC Designations and finalize grant program applications
- **September** – Open application period for per unit and infrastructure grant programs
- **October** – Issue grant program award notices and seek G&C approval of awards
- **November (and beyond)** – Conduct oversight of awarded projects; open next round of HC Designation program; and assess any next steps for grant programs.

BEA Questions

- Biggest challenges facing municipalities, and will they engage?
- How/whether to prioritize for smaller towns – population size vs. statutory definition?
- Feedback on statutory interpretation and how to proceed?
- Funding distribution among program elements and how to compliment with InvestNH?
- Priorities of the overall program – get out assistance or bring municipalities along?

HC Program Statutory Requirements

- **Key criteria, as interpreted by BEA:**
 - **HC Designation qualifications (req'd)**
 - Adoption of land use regulations and ordinances
 - Training of members of land use boards
 - Implementation of sewer and water infrastructure improvements for workforce housing
 - Implementation of transportation and walkability infrastructure
 - **HC Designation qualifications (opt'I)**
 - Financial incentives
 - Other activities supporting HC Designation



12-O:71 New Hampshire Housing Champion Designation.

II. The department shall adopt rules to establish qualifications and procedures for a municipality to receive the New Hampshire housing champion designation. The designation procedure shall be based on a scoring system.

III. Qualifications to receive the New Hampshire housing champion designation shall include:

HC Program Statutory Requirements

- **Key programs:**
 - **HC Designation**
 - **HC Designation Support**
 - HOUSING PLANNING AND REGULATION MUNICIPAL (HPRM) GRANT PROGRAM
 - **HC Designation Benefits**
 - Access to two unique funding programs, one providing per unit grants and the other supporting infrastructure
 - HOUSING PRODUCTION MUNICIPAL (HPM) GRANT PROGRAM
 - HOUSING INFRASTRUCTURE MUNICIPAL (HIM) GRANT AND LOAN PROGRAM



12-O:73 Champion Benefits.

II. . . . department shall make grants to any municipality, or support the creation of low-interest loan programs for any municipality, with such a designation to provide at least matching funding, as a grant, or all funding, as a loan . . .

HC Designation and Grant Programs Design

HOUSING CHAMPION DESIGNATION PROGRAM

- **Goal:** Achieve designation to get access to other programs; encourage workforce housing
- 4 of the 6 criteria require a score to qualify
- Scoring intended to help prioritize smaller communities
- Valid for 3 years and then requires recertification – have to maintain minimum score

Housing Champion Designation Scoring Matrix (150 pts max, 80 pts min)

- ▶ Adopt land use regulations (min 40 points + 15 bonus points)
- ▶ Training land use board members (max 25 points + 5 bonus points)
- ▶ Implementation of water and sewer infrastructure upgrades (max 25 points + 5 bonus points)
- ▶ Implementation of transportation and walkability infrastructure (max 10 points + 5 bonus points)
- ▶ Financial incentives (max 10 points)
- ▶ Other activities supporting HC (max 10 points)

HC Designation and Grant Programs Design

HOUSING PLANNING AND REGULATION MUNICIPAL (HPRM) GRANT PROGRAM

- **Goal:** Provide consultation and TA services that help municipalities plan and achieve HC Designation
- Not proposed to be funded – prioritize HC designee programs – but if funded, prioritize smaller towns lacking land use regulations
- Mirrors InvestNH HOP program, which meets same need

Types of HPRM Grant Opportunities:

- ▶ Master Plan Update
- ▶ Regulatory Audit
- ▶ Regulatory Change
- ▶ HC Designation Assistance

HC Designation and Grant Programs Design

HOUSING PRODUCTION MUNICIPAL (HPM) GRANT PROGRAM

- **Goal:** incentivize workforce housing units with per unit grants based on certificates of occupancy of previous FY
- One application per award cycle
- \$2.5 M in funding for initial round

HPM Program Funding Criteria

- ▶ \$10K per eligible unit
- ▶ At least 10-year affordability restriction
- ▶ May set a cap or pro rata, depending upon demand and funding

HC Designation and Grant Programs Design

HOUSING INFRASTRUCTURE MUNICIPAL (HIM) GRANT AND LOAN PROGRAM

- **Goal:** Encourage infrastructure investment that supports housing development through grants that offset part of such costs
- \$2.5 M in funding for initial round
- No loans with current funding
- May set a cap or pro rata, depending upon demand and funding; 25% match requirement
- Application scoring based on HC Designee scores, prioritizing smaller municipalities

Eligible HIM Program Investments:

- ▶ Drinking water
- ▶ Sanitary water
- ▶ Highway infrastructure
- ▶ Telecommunication
- ▶ Electrical distribution
- ▶ Fire suppression systems upgrades

Potential Applicant Examples

Small town with limited land use regulations or municipal planning that fails to reach minimum HC Designation score:

- Could seek a grant through HPRM or InvestNH for planning assistance to achieve HC designation.
- Depending upon local government structure, could require Town Meeting for use of funds, as well as public meetings for implementation of land use regulations and other forms of planning.
- If this process takes even 6-12 months, will have missed the first HC Designation application window, as well the application window for initial funding of HC Designee eligible programs.

Potential Applicant Examples

Moderately-sized town or even a city with strong-to-robust land use regulations and municipal planning that is likely to achieve minimum HC Designation application score:

- Likely does not need HPRM or InvestNH planning support and can apply for HC Designation promptly, with moderately-sized town likely to remain competitive in scoring due to bonus points for lower population municipalities.
- If such support was needed by the smaller town, then the larger town or city would likely have an advantage in terms of application timing for available HC designee programs.
- Depending upon local government structure, Town Meeting may still be necessary for use of funds, but less concerning because would likely only concern any award received through application to HC Designee eligible programs.

Committee Member Q&A