

**New Hampshire Council on Housing Stability
Initial Report and Action Plan – December 14, 2020**

I. INTRODUCTION

New Hampshire (NH) is frequently touted as one of the best places to live in the United States, ranking high on several national "quality of life" indicators such as standard of living, child and family well-being, and low unemployment.¹ However, for those individuals and families in the Granite State who face homelessness and housing insecurity, these quality of life measures may feel far from reach.

To meet these challenges, Governor Christopher T. Sununu, through Executive Order, established the multisector Council on Housing Stability. Through collaboration, cooperation, and action, the Council aims to develop, implement, and monitor a plan to create housing stability for all NH citizens. The Council will explore proven strategies to address the shortages in NH's housing market and identify and mitigate barriers. Furthermore, the Council will bolster the state and local system of care necessary to support individuals and families in obtaining and maintaining stable housing.

This Report and Preliminary Action Plan provides the history and context needed to understand these housing challenges in New Hampshire. The document provides a set of short-term recommendations to address key priority areas, including Planning and Regulation, Data Analytics and Integration, Housing Instability and Homelessness System, and Regional Leadership and Coordination. Finally, this initial Report and Action Plan sets a foundation for long-term planning efforts by working groups over the next six months leading to a comprehensive plan for housing stability.

II. HOMELESSNESS AND HOUSING INSECURITY IN NEW HAMPSHIRE

According to the US Department of Housing and Urban Development (HUD) definitions, a "homeless" individual or family lacks a fixed, regular, and adequate nighttime residence.² They may have a primary residence in a place not meant for human habitation, such as a street or a car. They may also live in a publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, and local government programs).

Each year, HUD requires funded states and communities to conduct an annual Point in Time (PIT) count to measure the number of individuals experiencing homelessness on a given night in January. HUD determines the day each year and, in 2020, HUD held the PIT count on January 29. To encourage an accurate reflection of the number of people experiencing homelessness, NH organizations embarked on a comprehensive planning and canvassing effort to ensure all homeless individuals and families were counted.

¹ <https://stayworkplay.org/stay/quality-life>

² https://files.hudexchange.info/resources/documents/HomelessDefinition_RecordkeepingRequirementsandCriteria.pdf

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According to NH's 2020 PIT, 1,675 individuals experienced homelessness, increasing from 1,396 individuals in 2019. Among these individuals, the number of people experiencing unsheltered homelessness rose from 149 in 2019 to 348 in 2020. As shown in Figure 1, the statewide homeless PIT count has increased in recent years.

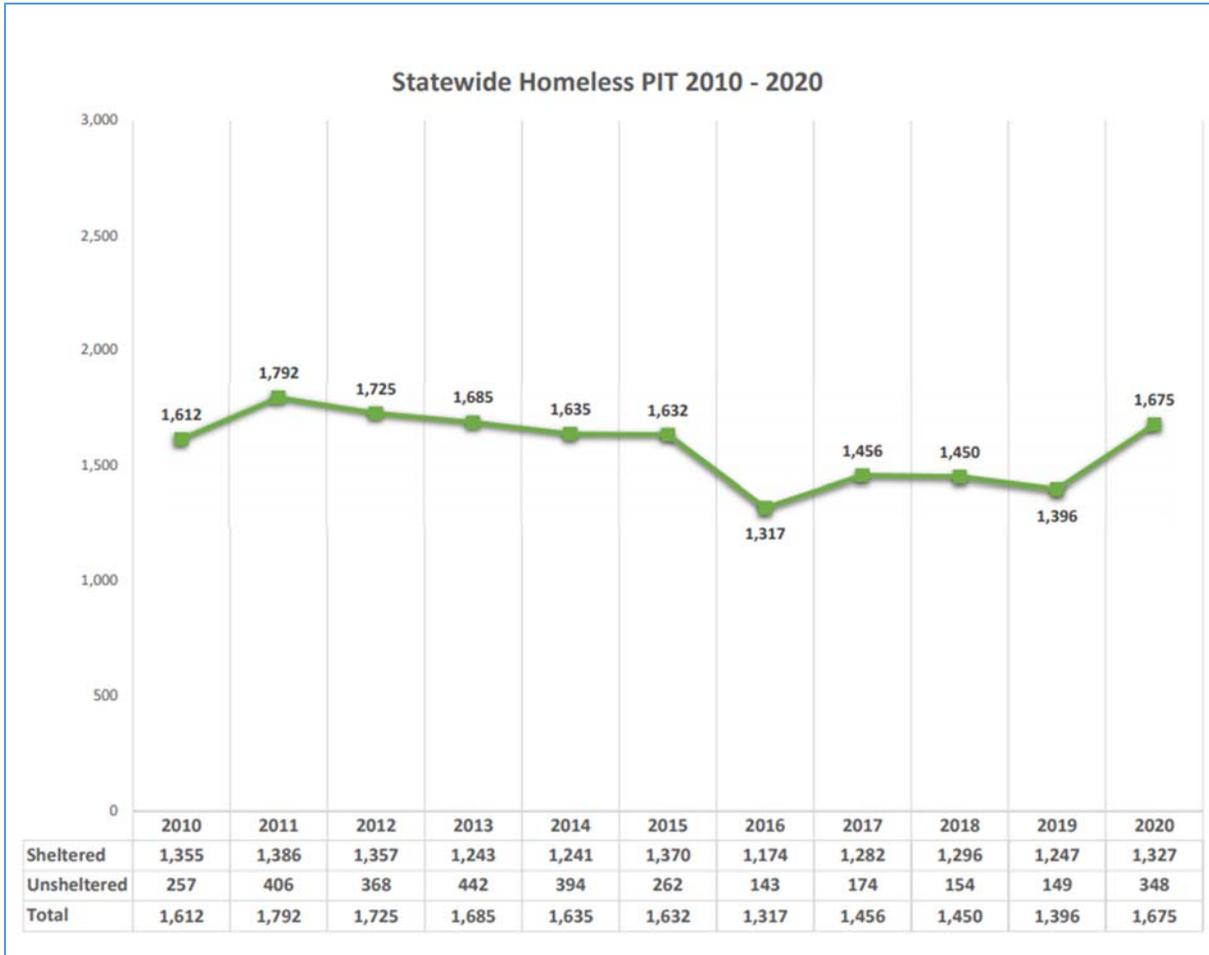


Figure 1: NH PIT Count 2010-2020

While the PIT count is an important data point, it does not always tell the full story. According to data submitted to the NH Department of Health and Human Services (DHHS) Homeless Management Information System (HMIS) by homeless service providers in the state, in 2020, more than 4,230 individuals were documented as receiving shelter or transitional services. According to HMIS data, children represented 19 percent of those staying at state-sponsored shelters last year. Furthermore, data from the NH Department of Education indicates that 4,043 homeless school-aged children were enrolled in public schools in 2020.

While there are a significant number of individuals and families in NH experiencing homelessness, a more substantial number of Granite State residents experience housing instability. HUD defines those at risk of homelessness as individuals or families who will

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imminently lose their primary nighttime residence within 14 days, including those who have not been able to identify an available permanent residence and those who lack the resources or support networks needed to obtain permanent housing.

Contributing to the increasing number of individuals and families who experience homelessness, or are at risk for homelessness, is the lack of available housing in NH. In 2020, the vacancy rate was 1.8%, which is lower than the recommended state vacancy rate of 5%. The 2020 median rent for a two-bedroom unit in NH is \$1,413 per month, increasing from \$1,347 for a two-bedroom unit in 2019.³

III. HOUSING AS A SOCIAL DETERMINANT OF HEALTH

The availability, safety, and quality of housing impacts health outcomes; the quality of housing is impacted by the existing housing stock. Lead-based paint in older buildings can contribute to lead poisoning, especially in children. Indoor allergens, such as mold and dust and residential crowding, can increase the risk for physical illness such as asthma, infectious disease, and psychological distress.

The availability of affordable housing in neighborhoods is considered a critical health-promoting community asset. As we have seen in NH, the lack of affordable housing has led to high housing costs, and consequently, an increased risk of homelessness.

Homelessness and housing instability have an adverse effect on children's educational progress due to challenges accessing school and poor attendance. Also, children experiencing homelessness may experience isolation due to their family circumstances. Children living in inadequate housing conditions also have a higher risk of developing long-term health problems. It is often hard to measure the extent to which homelessness impacts children and families, given the challenge of tracking highly mobile or families experiencing homelessness.

Individuals and families experiencing homelessness and housing instability often have other co-occurring conditions impacting their situation. Based on preliminary SFY19 data entered into HMIS, at least 30% of people experiencing homelessness in NH have a mental illness, 21% have a diagnosed Substance Use Disorder, 17% have a physical disability, and 6% have a developmental disability.

IV. FUNDING FOR HOUSING PRODUCTION AND SUPPORTIVE SERVICES

NH has multiple organizations that fund organizations that touch the lives of those individuals and families experiencing homelessness and housing insecurity. Other statewide organizations focus on bolstering the housing market and building affordable housing. Some of the major public funders of affordable housing development and supports include:

³ https://www.nhhfa.org/wp-content/uploads/2019/10/2019_Rental_Survey_Rpt-1.pdf

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- ***New Hampshire Housing Finance Authority (NHHFA)***, the lead agency for the Housing and Community Development Planning Council and the NH Consolidated Plan, administers Housing Choice Vouchers, Mainstream Vouchers, and Family Unification Program Vouchers. NHHFA also oversees a statewide mortgage and foreclosure program and provides education. Also, NHHFA provides developer financing and asset management and conducts an annual rental survey. Finally, NHHFA serves as the umbrella organization for 20 community-based public housing authorities throughout the state.
- ***Community Development Finance Authority (CDFA)***, a statewide nonprofit public authority focused on maximizing the value and impact of community development, economic development, and clean energy initiatives throughout New Hampshire. The organization leverages various financial and technical resources, including the competitive deployment of grant, loan, and equity programs. In SFY2020, CDFA made more than 109 investments in community-based initiatives and organizations, infusing more than \$17.8 million into community development, economic development, and clean energy projects throughout New Hampshire. These impacts touched down in 46 communities, representing an approximate 36 percent year-over-year increase in the number of initiatives supported and a more than 11 percent increase in funds deployed. Also, business donor engagement increased by almost 14 percent year-over-year.
- ***United States Department of Agriculture (USDA)***, Department of Rural Development is committed to improving the economy and quality of life in rural America. USDA offers loans, grants, and loan guarantees to help create jobs and support economic development and essential services. Such services include housing; healthcare; first responder services and equipment; and water, electric, and communications infrastructure.
- ***Federal Home Loan Bank of Boston*** provides wholesale funding, liquidity, and a competitive return on investment to its member financial institutions in New England. The Bank offers mortgage loans, economic development lending, and community lending. The Affordable Housing Program (AHP) allows the Federal Home Loan Bank of Boston to address, in partnership with member institutions, affordable-housing needs primarily in communities across New England. A portion of the Bank's net earnings funds the program, which awards grants and low-interest advances, or loans, through member institutions.
- ***Private Foundations and Financial Institutions*** based and working in NH provide grants and other capital to support housing providers, allowing the state to strengthen systems and build affordable housing.

Department of Health and Human Service (DHHS)

- ***Bureau of Housing Supports (BHS)*** helps people experiencing homelessness or housing instability access permanent housing, safe shelter, and other supportive services. BHS services include permanent supportive housing, homeless street outreach, emergency shelters, and homeless prevention and diversion.

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- **Bureau of Mental Health (BMH) and Bureau of Drug and Alcohol Services (BDAS)** provide housing supports for individuals experiencing severe mental illness or substance misuse disorder. BMH provides transitional housing, the housing bridge subsidy program, peer respite beds, and mobile crisis beds. BDAS provides respite, recovery housing, vouchers, and transitional living.

V. SERVICE DELIVERY

NH's shelter system includes homeless and emergency shelters, incident shelters, and population-specific shelters. Figure 2 illustrates the county-specific distribution of shelters across the state. In addition to these shelters, the NH Coalition Against Domestic and Sexual Violence operates 12 domestic violence shelters throughout the state, with 145 total beds.

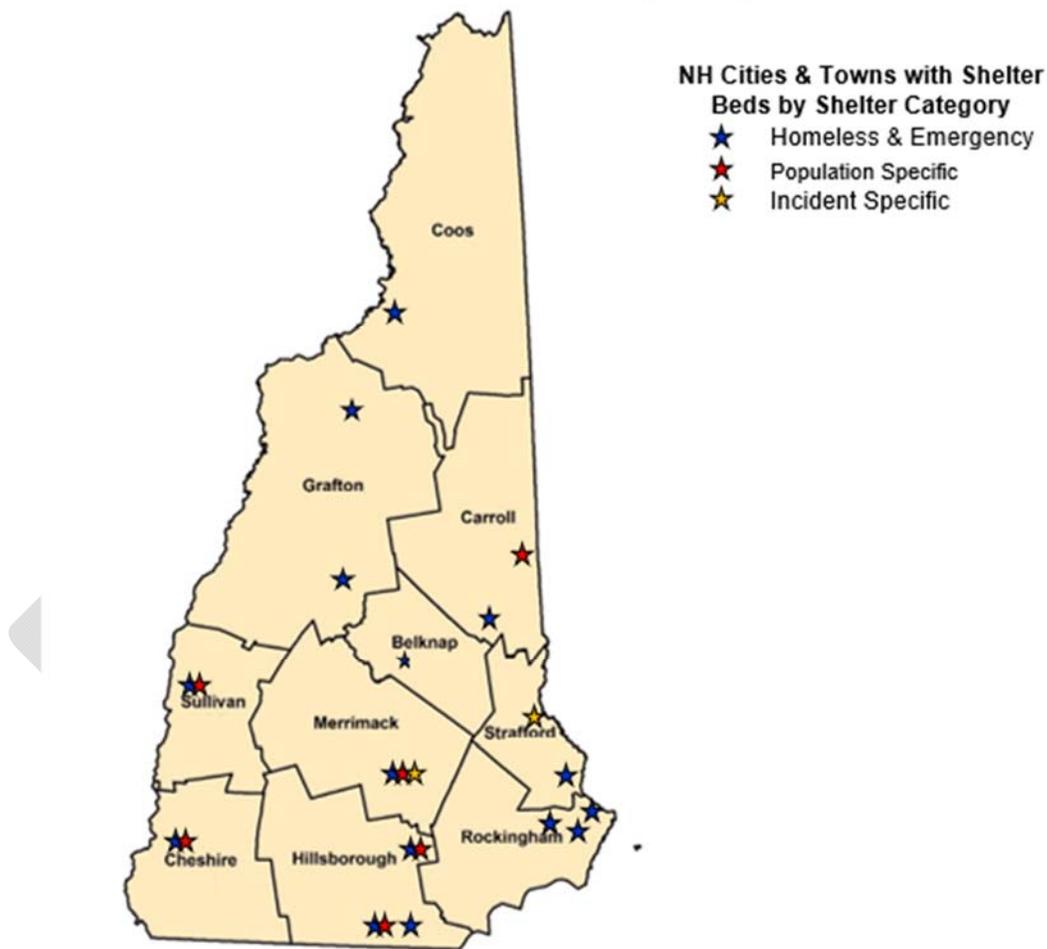


Figure 2: Shelter Beds by Category in Each County

DHHS also funds housing support programs for those experiencing mental health challenges, including transitional housing, peer respite beds, mobile crisis beds, and a housing bridge subsidy Program. For those residents with substance use disorder, DHHS funds respite, recovery housing, and vouchers. In addition to state-funded shelter programs, DHHS also

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supports 2-1-1 NH for information and referral services, Legal Assistance for homelessness prevention, and housing case management.

VI. CONTINUUMS OF CARE

HUD's Continuums of Care (CoC) assist individuals and families experiencing homelessness by providing the services needed to help such individuals move into transitional and permanent housing, with the goal of long-term stability. CoCs promote community-wide planning and strategic use of resources to address homelessness. They also improve coordination and integration with mainstream resources and other programs targeted to people experiencing homelessness. CoCs improve data collection and performance measurement, which allows each community to tailor its programs to the particular strengths and challenges within that community.

NH has three CoCs (Figure 3) to promote community-wide planning and strategic use of resources to address homelessness within a defined geographic area:

- Greater Nashua CoC includes Nashua and nine surrounding towns (Collaborative Applicant Agency: Harbor Homes)
- Manchester CoC includes the City of Manchester (Collaborative Applicant Agency: Families in Transition/New Horizons)
- Balance of State CoC includes the remainder of the NH (Collaborative Applicant Agency: DHHS BHS)

Currently, HUD regulations do not allow funding to cross the boundaries of the CoCs. There would be a great benefit to explore a less siloed approach to homelessness using a whole person/whole family, performance-driven approach to share evidence-based models and best practices among the CoCs and across communities.

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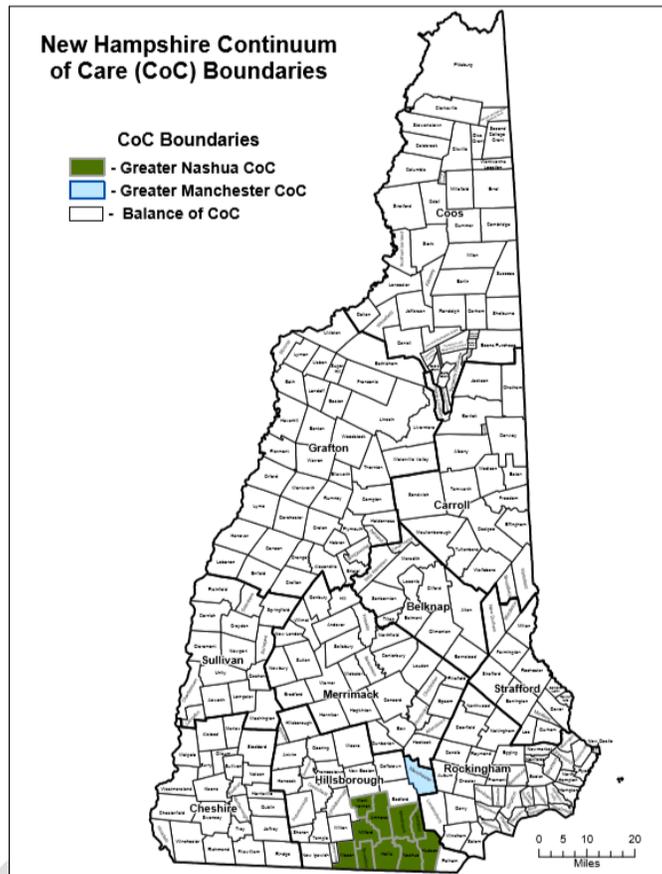


Figure 3: CoCs Across New Hampshire

VII. IMPACT OF THE COVID-19 PANDEMIC

For individuals experiencing homelessness, as with many vulnerable populations, COVID-19 has been and continues to be incredibly difficult. With all shelters in the state at full capacity when the pandemic hit, the need to create socially distant spaces caused significant challenges. Shelter providers were further confronted with the need to isolate or quarantine those diagnosed or exposed to COVID-19.

DHHS responded swiftly by establishing and supporting the following:

- Decompression to reduce crowding in three community-based homeless shelters;
- Creation of two statewide isolation and quarantine sites; and
- Expanded coverage for staffing costs among shelter providers.

Beyond those experiencing homelessness, COVID-19 has negatively impacted NH's workforce. Before the pandemic, NH had one of the lowest unemployment rates in the nation (2.4 percent in March 2020), and the state was positioned for economic growth. Within one month, the unemployment rate reached its all-time high of 17.2 percent. In the spring of 2020, Governor Sununu issued an Executive Order that placed a halt on evictions through July 1, 2020, enabling

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many individuals and families facing economic challenges to remain in their homes. By the summer, that rate was back under 5%.

In July 2020, the Governor's Office for Emergency Relief and Recovery (GOFERR) created a \$20M housing relief initiative designed to keep people secure or maintain permanent housing. The program, which was administrated by DHHS through the state's five Community Action Program (CAP) agencies, has two components: one-time assistance grants to help with past-due rent or housing/household related expenses; and a short-term rental assistance program. As of December 14, 2020, DHHS has distributed \$11M to 21 programs; there are several applications in process, which will increase the total distribution to \$12M for 25 programs. The grant program ends December 30, 2020, and final applications are due on December 18.

To address the impact of COVID-19 on NH's shelter system, Governor Sununu created a \$15M Shelter Modification Fund to support necessary shelter modifications. Under this program, NHHFA distributed grants to existing homeless shelters to enable them to meet the Centers for Disease Control (CDC) and the NH Division of Public Health Services (DPHS) guidelines to mitigate the spread of COVID-19.

DHHS supported homeless service providers by allocating \$8M of CARES Act funds provided by HUD for COVID relief. DHHS distributed these funds to 24 homeless service providers to enable them to meet the challenges presented by COVID-19. DHHS focused its efforts in the areas of shelter support (\$3.5M), increased outreach (\$3M), rapid rehousing housing (\$720K), and prevention (\$520K). These funds can be used until September 2022. NH leveraged the GOFERR funds from April through December 2020, reserving the targeted \$8M for the period following December 2020, knowing the needs will continue.

VIII. COUNCIL FOR HOUSING STABILITY

On November 18, 2020, Governor Sununu created the Council for Housing Stability via Executive Order 2020-22. The Council, which was established to develop and implement a plan to build housing stability for all NH residents, aims to have broad representation from service providers, state departments, municipalities, landlords and property development, law enforcement, and those with lived experience.

Recognizing the connection between housing, housing stability, and homelessness, the Council is charged with integrating efforts across the state, including the Interagency Council of Homelessness. This new framework (Figure 4) illustrates NH's focus on housing, workforce, and family supports as critical components to housing stability.

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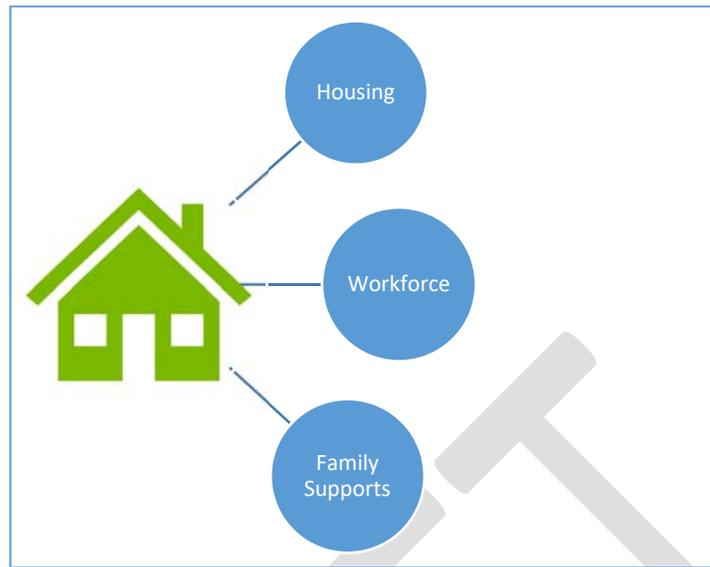


Figure 4: Housing Stability Framework

Per the Executive Offer, the Council shall develop and monitor a plan which makes recommendations to address and undertake the following:

- Identify necessary measures to strengthen New Hampshire's housing market and to create housing stability for all citizens;
- Conduct an affordable housing needs assessment in each county to determine the housing deficit;
- Identify the barriers to affordable housing and determine strategies to remove such obstacles;
- Create the necessary system of care to support individuals and families to obtain and maintain stable housing;
- Integrate and coordinate a housing stability governance structure across state government and connect to local communities by conducting ongoing needs assessment and strategic planning;
- Enhance the interoperability of data systems within and across government agencies to inform and monitor program and service access, equity, and quality;
- Offer housing options available throughout citizens' lifespans, based on the needs and desire people have at various times of their life; and
- Develop a comprehensive update to the state's plan on homelessness.

IX. COUNCIL STAKEHOLDER PROCESS

Upon establishing the Council, NH convened a Leadership Team comprised of representatives from DHHS, CDFA, and the Department of Business and Economic Affairs. Following a comprehensive review of existing resources and reports related to housing stability, the Leadership Team convened the full Council on December 4, 2020, to inform and engage them in this critical work.

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The Leadership Team shared a draft framework that identified the priority areas of focus in the short-term and longer-term planning efforts. All Council members (39) were asked to respond to the framework through an online survey tool, and 34 members provided feedback on proposed short-term solutions and workgroup membership. The survey process enabled stakeholder input from various perspectives on housing stability, as illustrated in Figure 5.

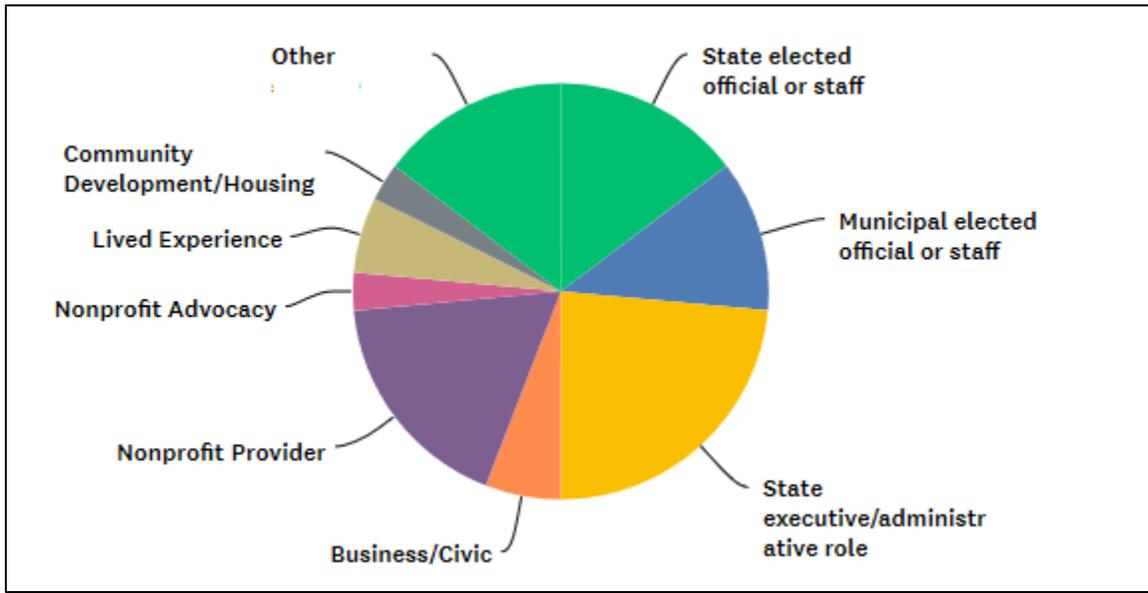


Figure 5: Survey Participant Intersection with Housing Stability

This feedback informed the development of this report, a draft of which was shared with the full Council on December 10, 2020, and discussed during a full Council meeting on December 11, 2020.

X. IMMEDIATE RECOMMENDATIONS

To create housing stability for all, the Council will address key priority areas: Planning and Regulation, Data Analytics and Integration, Housing Instability and Homelessness System, and Regional Leadership and Coordination. The following table outlines the Council's recommendations to address each of these priority areas and immediate actions to be the focus of the Council over the next six months.

RECOMMENDATIONS BY PRIORITY AREA
PRIORITY AREA: PLANNING AND REGULATION
<ul style="list-style-type: none"> • Provide information to enable stakeholders, legislative leaders, and the general public to be better informed about and serve as advocates for housing stability. • Review and prioritize recommendations related to tenant protections. • Convene planning group (with regional and state-agency representation) to design and implement updated county-level housing needs assessments and update applicable Legislation.

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- Incentivize partnerships between housing developers and service providers to increase all housing across all of New Hampshire, including, but not limited to workforce, prospective residents, affordable, and supportive housing opportunities.
- Identify current and future efforts under the aegis of the Department of Business and Economic Affairs targeted to create opportunities for lower-income residents.

PRIORITY AREA: DATA ANALYTICS AND INTEGRATION

- Compile economic data on recent/existing workforce programs for individuals with lower incomes to explore and categorize efforts made to date, successes, and lessons learned.
- Compile economic/employment data to identify and project the impact of COVID-19 on structural employment and income shifts, to include housing metrics (e.g., changes in vacancies, rent levels, housing instability); and benefit cliff effect.
- Compile data on requests for rent assistance and eviction filings in different counties and regions.
- Analyze available data and gather actionable input from providers, persons with lived experience, and state leaders.
- Prioritize plans to analyze homelessness/at-risk data against data sets from correctional and health care sectors.
- Ask economic leaders to devise tools to identify, visualize, project, and plan for the longer-term impact of COVID-19 on:
 - housing vacancies, falling renter income, rising housing instability, and homelessness
 - Statewide and regional employment rates
 - Anticipated changes across the employment sector (e.g., tourism) and ways these will impact lower-income workers
- Identify and review existing data within the state that supports cross-sector planning to reduce housing instability and adopt best practices for data integration and interoperability.

PRIORITY AREA: HOUSING INSTABILITY AND HOMELESSNESS SYSTEM

- Formalize and share ongoing work focused on homelessness services, prevention, and mitigation; and look at performance metrics.
- DHHS will submit a 1915i State Plan Amendment to provide supportive services to assist individuals and families in obtaining and maintaining housing by May 1, 2021.
- DHHS will develop an enhanced case management model for individuals experiencing homelessness, including looking at Medicaid Case Management.
- Analyze demographic trends for persons experiencing homelessness to guide planning to expand permanent housing that solves homelessness.
- Identify system-level options to improve outcomes and efficiencies, up to consolidation of Continuums of Care.
- Create a process-map to reflect existing intersections between family supports and homeless/at-risk service systems.

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- Analyze outcomes to identify effective efforts, highlight barriers
- Identify nonprofit social service and housing agencies with interest and capacity to take a larger role in operating Supportive Housing; create strategies to strengthen capacity in high-need regions, including partnerships between housing and social service agencies
- Update the statewide Homelessness Plan by June 1, 2021.

PRIORITY AREA: REGIONAL LEADERSHIP AND COORDINATION

- Review existing county-level housing needs assessments and make recommendations for coordinated and consolidated efforts, including but not limited to supportive housing and units affordable to households that are extremely low-income; and non-permanent housing stock (shelters, transitional housing).
- Review and analyze funding trends for the three Continuums of Care.
- Confer with NH Community Development Finance Authority, NH Housing Finance Authority, and others to identify success factors and challenges from previous supportive housing developments; and advance efforts and partnerships.
- Identify best practice models (including funding streams) for prioritizing service-enriched housing from communities that resemble high-need regions of NH and vulnerable populations.
- Formalize a housing stability governance structure, including multiple state-agency sectors and regional representatives, for strategic investment planning and further inquiry
- Identify success factors for, and impediments to, new/more effective partnerships
- Examine best practices from other states and communities
- By March 1, 2021, develop an enhanced case management model for individuals experiencing homelessness.
- Review and prioritize recommendations related to tenant protections.
- Provide information to enable stakeholders, legislative leaders, and the general public to be better informed about and serve as advocates for housing stability and funding increases.

IMMEDIATE ACTIONS TO BE COMPLETED BY JANUARY 30, 2021

- Review and support LSR 0511, which combines HB 1269 and 1632 from the last legislative session focused on local control, improve the zoning process predictability, and accelerate investment in housing by expanding the use of Tax Increment Finance Districts and Community Revitalization Tax Relief Programs to create more workforce housing across the state.
- Support the DHHS prioritized needs for services supporting individuals experiencing homelessness in the State budget.
- Support an additional State investment of \$5M a year/ \$10M over the biennium into the Affordable Housing Trust Fund in addition to the current funding to fund additional housing development.

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- A subset of the Council will meet with the Governor's Office to determine the feasibility of the following tenant protection measures:
 - Extension of the Federal eviction moratorium,
 - Extend the time that a tenant has to "cure" her nonpayment and/or
 - Mandate a "discretionary stay" in all nonpayment cases for 30 days after the end of the Covid-19 emergency.
- Compile economic/employment data to identify and project the impact of COVID-19 on structural employment and income shifts, to include housing metrics (e.g., changes in vacancies, rent levels, housing instability); and the cliff effect.
- Advance a permanent supportive housing round with at least 40 units with incentives and coordinated services.
- The Council on Housing Stability will create a website with available community-level data to inform housing and services investment.
- Establish Workgroups to address priority areas established by the Council to inform and develop an update to the statewide Homelessness Plan to be developed by June 1, 2021.

XI. CONCLUSION

Housing insecurity and homelessness are complex issues with many contributing factors and resulting outcomes. In creating this Report and Action Plan, the Council looked at local, regional, and state-level data and initiatives to develop the report's recommendations. With solutions identified and working groups established, the Council is ready to embark on a six-month planning process to explore the longer-term initiatives that will increase housing stability for all NH residents and outcomes so that individuals, families, and communities thrive.