

# NH Council on Housing Stability Policy Framework

**Council on Housing Stability.** Governor Sununu established the Council on Housing Stability (the Council) by executive order in November 2020 to take a collaborative, innovative approach to developing a plan to create housing stability for all citizens of the State of New Hampshire. The New Hampshire legislature codified the Council in 2022. (Title I, Chapter 4-H).

**Policy Framework Workgroup.** Facilitated by Housing Action NH, the Policy Framework Workgroup was established in 2024 to inform the updated Strategic Plan for the Council. In addition to creating a consensus around shared policy goals, the Workgroup developed this framework as a guide to strategic engagement for the Council. Policy goals range from needed investments in housing production and enhanced services to improvements to the regulatory landscape in New Hampshire.

#### Members of the Policy Framework Workgroup.

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*Multifarious Approach.* The Policy Framework recognizes the complexities of policy influences on the housing market, housing services, and housing stability. The policies herein aim to support affordable housing production needs and strengthen housing stability solutions. The workgroup recommends these policy opportunities in order to leverage public-private partnerships, improve the municipal and state policy landscape, and to empower organizations and the residents of New Hampshire to find housing stability solutions.

#### I. Building for New Hampshire

Developer, landlord, tenant, and homeowner incentives and funding programs.

- Supporting Supply. The Affordable Housing Fund (AHF) was created by the Legislature in 1988 in RSA 204-C:56 62. Administered by NH Housing, it finances the construction of affordable multifamily housing developments through a carve out formula of the real estate transfer tax as well as stand alone appropriations. A more robust formula would create more incentives for developers to build affordable housing. New Hampshire also has an opportunity to grow NH Community Development Finance Authority's Tax Credit Program with a historic housing component that would incentivize the redevelopment of underutilized historic buildings for housing. A C-PACE program (Commercial Property Assessed Clean Energy), which exists in 22 other states, would assist New Hampshire non-profit and for-profit developers by lowering the initial equity requirement for projects, allowing the use of loans that isolate the energy components of a project into second, subordinated non-recourse mortgages.
- Landlord Incentives. Tenant stability programs through landlord incentives have proven effective
  in New Hampshire. Programs like Granite United Way's Affordable Housing Incentive Program or
  NH Housing's Landlord Partnership program encourage private landlords to accept housing choice
  vouchers from tenants and benefit from local partnerships and housing stability services.
- Community Leadership. Community members are acutely aware of the impact of the housing
  crisis on displacing the local workforce, young people and increasing homelessness. A regional
  network of local groups throughout New Hampshire can build on the success of some of the
  regional workforce housing and ending homelessness coalitions. Community groups could
  also provide technical assistance to local partners eager to engage, as well as to amplify notice
  requirements of available affordable housing and tenant selection plans to community members.
- Homeowner Incentives. Established homeowners also have the opportunity to help ease the housing crisis.
  - Building Accessory Dwelling Units. Policies could ease barriers to development of ADUs and create financial incentives for adding ADUs.
  - Multigenerational Home Share Models. Policies could enable functional community home share models to help older adults age in place and open up housing for younger Granite Staters.
  - Adaptive Reuse Policies.
    - Single family detached conversions to duplexes, triplexes and fourplexes;
    - Commercial to residential conversions; and
    - Enabling more missing middle housing options.

#### II. Addressing State and Local Barriers to Housing Development

Streamlining state permitting, setting reasonable parameters on local zoning, and providing municipal incentives for more affordable housing development.

#### Policies aimed at opening constrictions in the pipeline of housing development.

- Streamlined permitting. RSA 236:13, IV-V now requires state agencies to review residential driveway construction permitting within 60 days. Similar streamlined state agency reviews could be implemented.
- Reasonable zoning. As a Dillon Rule state, there are opportunities to set reasonable standards that
  encourage local control and participation while guarding against local obstructive regulations. NH's
  ADU law, RSA 674:71-73, and reasonable parking standards established in RSA 674:16 are good
  examples of embracing local control and setting reasonable standards. The NH Zoning Atlas is a
  strong data set to uncover other zoning barriers, such as large lot size mandates, that could be
  improved upon.
- Municipal incentives. The Housing Champion Designation Program was established by legislation to recognize and incentivize communities encouraging economic growth by adoption of housing-friendly regul ations and creating infrastructure. Housing Champion Designated Communities will benefit from assistance exclusively available to communities designated as Housing Champions, which includes an infrastructure investment program and a per-unit grant program. The new state-municipal partnership program established within the Department of Business and Economic Affairs was supported by a broad coalition, including the NH Municipal Association.
- Durability of local approvals. Housing construction involves complex timelines. Extending the
  timelines of local site plan approvals and zoning variances can help avoid time consuming and
  costly re-permitting. A bill like HB 1215 that would create extensions on local approvals would create
  cost-saving efficiencies and a more predictable landscape for housing developers and investors.
- Partner with Faith Organizations to Provide Housing. Many faith organizations are motivated to help
  with the housing crisis. In addition, they often own centrally-located land with needed water-sewer
  infrastructure and parking. Improving upon RSA 674:76 to incentivize the development of affordable
  housing options, including supportive housing, would expand development opportunities.

## III. Increasing Supportive Housing Affordable housing combined with supportive services.

Supportive housing is recognized as an evidenced based cost saving approach to housing stability for populations who struggle to access and sustain housing. Tenants of supportive housing are linked to case management and life-improving services like health care and workforce development. Although resources for the production of supportive housing in New Hampshire have increased in recent years, challenges remain in order to sustain operational and services funding. The following policies would improve New Hampshire's supportive housing model.

- Full implementation of the Supportive Housing Medicaid Benefit.
  - In 2019, the legislature included the following directive in HB 2 for the biennial budget for SFYs 2020-2021: The commissioner of the Department of Health and Human Services shall submit a state plan amendment as provided in Section 1915(i) of the Social Security Act or a waiver under other provisions of the Act to the Centers for Medicare and Medicaid Services to create a state Medicaid benefit for supportive housing services.
  - The Centers for Medicare and Medicaid Services approved New Hampshire's 1915(i) state plan amendment on July 1, 2022.
  - Legislation requiring a report to the Legislature on implementation of the benefit would advance supportive housing outcomes.
- Evaluate the impact of the Supportive Housing Capital Programs, including the new Opioid Use Disorder Capital Program
- Identify sustainable operational models for service providers and integrate them into technical
  assistance and training platforms like the NH Homeless and Housing Stabilization and Training Library
  and the NH Housing Toolbox.
- Review and prioritize statutory and regulatory actions, including those recommended by the Study Committee on the Impact of the Housing Crisis for People with Disabilities, needed to address housing needs for people with disabilities.
- Document impact of Section 811 and the Housing Bridge Subsidy Program, which provides rental subsidies for people with severe and persistent mental illness waiting for housing choice vouchers, and explore similar "bridge" accounts for vulnerable populations.

### **IV.** Strengthening Homelessness Prevention and Homeless Services

Sustainable funding for homeless services, eviction prevention, and rehousing.

- Boost the state reimbursement percentage for shelter costs per bed per night.
- Increase the number of available shelter beds available.
- Leverage resources for eviction prevention and rehousing to ease burden on shelter costs, including the Housing Stabilization Program.
- Youth Homelessness Prevention. Identify policy and programmatic practice improvements to address housing needs of those aging out of foster care.
- Formerly incarcerated. Identify policy and programmatic practice improvements to address housing needs of those exiting incarceration.
- Hospital releases. Identify policy and programmatic practice improvements to address housing needs of those exiting hospitalization.