



ADDRESSING NEW HAMPSHIRE'S AFFORDABLE HOUSING SHORTAGE USING FLEXIBLE FUNDS FROM THE AMERICAN RESCUE PLAN ACT

PRESENTED BY PHIL SLETTEN, SENIOR POLICY ANALYST

HOUSING MATTERS MEETING
HOUSING ACTION NH
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AMERICAN RESCUE PLAN ACT (ARPA)

Multiple Components of Funding from ARPA

- Many programs and dedicated funding to states for specific purposes
- Included specific funds for rental assistance, aid to homeowners, and aid for housing vouchers and programs to combat homelessness
- Separately, included relatively flexible funds for state and local governments

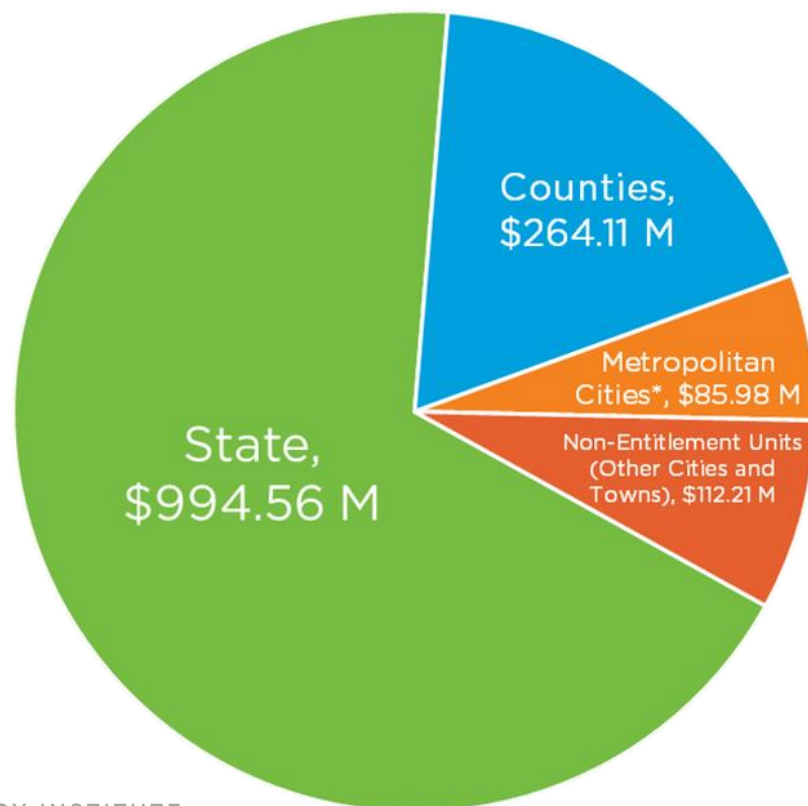
Coronavirus State and Local Fiscal Recovery Funds

- Relatively flexible funds designed to:
 - Respond to the public health and economic impacts of the pandemic
 - Provide premium pay for essential workers
 - Replace lost public sector revenue
 - Invest in water, sewer, and broadband infrastructure
- First an “Interim Final Rule” governing use of these funds, then the “Final Rule” made available in January 2022

CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS TO NEW HAMPSHIRE

NEW HAMPSHIRE'S ALLOCATIONS OF AMERICAN RESCUE PLAN ACT CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

Source: U.S. Department of the Treasury, *Coronavirus State and Local Fiscal Recovery Funds*, accessed May 23, 2021



*"Metropolitan Cities" in New Hampshire include Dover, Manchester, Nashua, Portsmouth, and Rochester.

TWO CATEGORIES OF IMPACTED HOUSEHOLDS AND COMMUNITIES

Impacted Households or Communities

- Have incomes, or median household incomes for communities, below 300 percent of the federal poverty guidelines or 65 percent of county Area Median Income
- Experienced unemployment
- Experienced increased food or housing insecurity
- Qualify for Medicaid or child care subsidies
- Qualify for the National Housing Trust Fund or the Home Investments Partnership Program for housing programs

Disproportionately Impacted Households or Communities

- Have incomes, or median household incomes for communities, below 185 percent of the federal poverty guidelines or 40 percent of county Area Median Income
- Qualify for other key service programs, including Section 8 housing vouchers and food or cash assistance programs

MANY GRANITE STATERS ARE INCLUDED IN THESE IMPACTED CATEGORIES

NEW HAMPSHIRE POPULATION BY IMPACTED AND DISPROPORTIONATELY IMPACTED INCOME GROUP, 2016-2020 ESTIMATES RELATIVE TO FEDERAL POVERTY GUIDELINES (FPG)

New Hampshire County	Percent of Population Below 185 Percent FPG	People with Incomes Below 185 Percent FPG	Percent of Population Below 300 Percent FPG	People with Incomes Below 300 Percent FPG
Belknap	19%	11,700	40%	24,300
Carroll	21%	10,200	41%	19,600
Cheshire	22%	15,400	39%	27,900
Coos	30%	8,800	53%	15,600
Grafton	23%	19,700	42%	35,000
Hillsborough	17%	67,300	32%	130,600
Merrimack	16%	23,400	34%	48,700
Rockingham	11%	32,900	24%	73,000
Strafford	19%	22,800	35%	42,100
Sullivan	26%	10,800	43%	18,300
Statewide	17%	222,900	33%	435,200

Sources: U.S. Census Bureau, American Community Survey, 2016-2020; U.S. Treasury Department

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KEY PERMITTED USES RELATED TO HOUSING DEVELOPMENT

For Impacted Households or Communities

- Development, repair, and operation of affordable housing and services or programs to increase long-term housing security
- Funding policy interventions to increase the supply of affordable and high-quality living units
- Rehabilitation or preservation of affordable rental housing or affordable homeownership units

For Disproportionately Impacted Households or Communities

- Rehabilitation, renovation, maintenance, or demolition of vacant buildings when such demolitions do not reduce the supply of occupiable housing units for low-income residents
- Securing vacant properties and the environmental remediation or greening of properties
- Conversion of vacant or abandoned properties to affordable housing
- Assistance for relocating to neighborhoods with more economic opportunity

REVENUE LOSS DOLLARS MORE FLEXIBLE

- Federal rule permits governments to calculate their revenues lost due to the pandemic, applies greater flexibility to use of those funds
- Governments either have the option of a “standard allowance” of \$10 million in revenue replacement up to the amount of Coronavirus State or Local Fiscal Recovery Funds awarded, or calculating based on pre-pandemic revenues and an assumed growth rate
- Revenue replacement can be used for the “provision of government services,” more flexible than rest of the Fiscal Recovery Funds
- No language specific to housing development, federal guidance says government services “generally include[s] any service traditionally provided by a government” and provides examples of building schools, hospitals, roads, and “other infrastructure”
- Cannot be used for certain purposes not allowable for all Coronavirus State and Local Fiscal Recovery Funds, including deposits in pension accounts or rainy day funds, or legal settlements

REFERENCES AND RESOURCES

- NHFPI Fact Sheet: Addressing New Hampshire's Affordable Housing Shortage With American Rescue Plan Act Funds – March 24, 2022 - <https://nhfpi.org/resource/addressing-new-hampshires-affordable-housing-shortage-with-american-rescue-plan-act-funds/>
- NHFPI Resource Page: The American Rescue Plan Act and New Hampshire: Recent and Updated Resources - <https://nhfpi.org/blog/the-american-rescue-plan-act-and-new-hampshire-recent-and-updated-resources/>
- U.S. Treasury Department: Coronavirus State and Local Fiscal Recovery Funds - <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>
 - Final Rule
 - Overview of Final Rule
 - Interim Final Rule
 - Allocations for States, Counties, and “Metropolitan Cities”



ADDRESS: 100 North Main Street, Suite 400, Concord, NH 03301

PHONE: 603.856.8337

WEBSITE: www.nhfpf.org

EMAIL: info@nhfpf.org

TWITTER: @NHFPI

FACEBOOK: NewHampshireFiscalPolicyInstitute