



March 9, 2022

The Honorable Karen Umberger, Chairman
Fiscal Committee of the General Court
State House
Concord, New Hampshire 03301

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

1. Pursuant to RSA 14:30-a, VI, the Department of the Business and Economic Affairs, Division of Economic Development, requests authorization to accept and expend \$1,496,000 in American Rescue Plan Act (ARPA), State Fiscal Recovery Fund (SFRF) for the administration of the Housing Investment Fund, effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. This is an allowable use of ARPA SFRF under Section 602 (c)(1)(C) for provision of government services to the extent of the reduction in revenue. **100% Federal Funds**
2. Pursuant to the provision of RSA 124:15, Positions Restricted, and contingent upon approval of Requested Action #1, authorize the Department of Business and Economic Affairs to establish three, full-time temporary positions using ARPA funds for the purpose of administrating the Housing Investment Fund program effective upon Fiscal Committee and Governor and Council approval through June 30, 2023. **100% Federal Funds**

Funds are to be budgeted in FY2022 and FY2023 in the following new account:

03-022-022-220510 – Division of Economic Development,
24XX0000 - ARP Housing Investment as follows:

03-022-022-220510-24XX0000¹ ARP Housing Investment				
Class	Description	FY 2022 Budget Request	FY 2023 Budget Request	Total Requested Budget
020 - 500200	Current Expenses	\$ 750	\$ 9,000	\$ 9,750
022 - 500248	Rents – Leases Other than State	\$ 4,000	\$ 48,000	\$ 52,000
027 - 582703	Transfers to DOIT	\$ 2,125	\$ 27,000	\$ 29,125
030 - 500301	Equipment New Replacement	\$ 1,000	\$ 3,000	\$ 4,000
037 - 500177	Technology - Hardware	\$ 9,000	\$ 2,000	\$ 11,000
038 - 500173	Technology - Software	\$ 2,100	\$ 7,200	\$ 9,300
039 - 500188	Telecommunications	\$ 1,200	\$ 7,500	\$ 8,700

The Honorable Karen Umberger, Chairman
 Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu
 and the Honorable Council

Class	Description	FY 2022 Budget Request	FY 2023 Budget Request	Total Requested Budget
040 - 501587	Indirect Cost	\$ 12,033	\$ 84,427	\$ 96,460
041 - 500801	Audit Fund Set Aside	\$ 120	\$ 1,278	\$ 1,398
042 - 500620	Additional Fringe Benefits	\$ 4,685	\$ 57,874	\$ 62,559
059 - 500117	Temp Full Time	\$ 53,009	\$623,000	\$ 676,009
060 - 500612	Benefits	\$ 38,850	\$472,349	\$ 511,199
070 - 500704	In State Travel Reimbursement	\$ 2,500	\$ 15,000	\$ 17,500
080 - 500717	Out of State Travel Reimbursement	\$ 1,000	\$ 6,000	\$ 7,000
	TOTAL EXPENSES	\$132,372	\$1,363,628	\$1,496,000
SOURCE OF FUNDS				
000 - 400338	Federal Funds	\$132,372	\$1,363,628	\$1,496,000
	TOTAL REVENUE	\$132,372	\$1,363,628	\$1,496,000

¹All direct program costs will be accounted for using activity 00FRF602PH2204A and all administrative and indirect costs will be accounted for using activity 00FRF602PH2204Z. Accounting classifications may be subject to technical changes at the discretion of the Department of Administrative Services' Division of Accounting Services.

EXPLANATION

Housing is inextricably linked to the state's economic development goals and is a focus of the state Economic Recovery and Expansion Strategy (ERES). Using ARPA SFRF funds, the Department of Business and Economic Affairs (BEA) will create a small team of housing experts focused on developing and administering ARPA-funded housing initiatives and generally supporting housing development in the state. As part of administering these funds, the staff will work with partners to ensure strategic alignment of ARPA SFRF housing policies, programs, and advocacy efforts across state government, as well as provide technical assistance to state, county, and municipal officials with regard to housing policy.

This team will work to accelerate the implementation of ARPA-funded housing programming, leverage other sources of investment, connect housing policies that underpin ERES, and work with municipalities, developers, regulators and funders to support housing development that would help address the State's housing crisis.

Funds are budgeted as follows:

- Class 020 – Current Expenses – office supplies, paper and printer ink for staff
- Class 022 – Rents-Leases – office space for staff
- Class 027 – Transfers to DOIT – DOIT support for staff
- Class 030 – Equipment – office equipment for staff
- Class 038 – Technology-Hardware - laptops, monitors and docking stations for staff
- Class 039 – Telecommunications – phones and phone lines for staff
- Class 040 – Indirect Costs at 10% in FY22 and 6.6% in FY23
- Class 041 – Audit Fund Set-Aside - .001 of federal funds payable to DAS for audit fees
- Class 042 – Additional Fringe Benefits – post retirement expenses for staff
- Class 059 – Temp Full Time – for three temporary full-time positions requested above
- Class 060 – Benefits – for the three full-time positions requested above
- Class 070 – In State Travel Reimbursement – mileage incurred for work related activities with regards to meetings with stakeholders and other state travel requirements

The Honorable Karen Umberger, Chairman
Fiscal Committee of the General Court

His Excellency, Governor Christopher T. Sununu
and the Honorable Council

Class 080 –Out of State Travel Reimbursement – For anticipated Federal meetings

The following information is provided in accordance with the Comptroller's instructional memorandum dated September 21, 1981.

- 1) *List of personnel involved:*
 - One full-time temporary Administrator II
 - One full-time temporary Program Specialist IV
 - One full-time temporary Principal Planner
- 2) *Nature, need and duration:*
 - The period of performance runs through the end of FY25
- 3) *Relationship to existing programs:*
 - Housing is critical to the state's economic future and all BEA long term strategies include expanding existing housing to meet the current and future needs of the state.
- 4) *Has a similar program been requested of the legislature and denied?*
 - No
- 5) *Why wasn't funding included in the agency's budget request?*
 - It was not known that these funds would be available at the time the agency established its FY22/FY23 biennial budget.
- 6) *Can portions of the grant funds be utilized for other purposes?*
 - These funds can only be used for the purpose of the grant award.
- 7) *Estimate the funds required to continue these positions:*
 - If the program continues past the period of performance, the annual personnel costs are estimated at \$204,000 for Wages and \$144,000 for Benefits.

In the event that Federal Funds become no longer available, General Funds will not be requested to support this program.

Respectfully submitted,



Taylor Caswell
Commissioner