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STATE OF NEW HAMPSHIRE  
DEPARTMENT OF HEALTH AND HUMAN SERVICES  
DIVISION FOR BEHAVIORAL HEALTH

Lori A. Weaver  
Commissioner

Katja S. Fox  
Director

129 PLEASANT STREET, CONCORD, NH 03301  
603-271-9544 1-800-852-3345 Ext. 9544  
Fax: 603-271-4332 TDD Access: 1-800-735-2964 www.dhhs.nh.gov

June 4, 2024

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

**REQUESTED ACTION**

1. Authorize the Department of Health and Human Services, Division for Behavioral Health, to enter into a memorandum of understanding with New Hampshire Housing Finance Authority (VC# 174411), Bedford, NH, in the amount of \$18,000,000 for the development and implementation of a supportive housing capital program to expand the supply of supportive housing for individuals with Opioid Use Disorder (OUD) and other co-occurring disorders, with the option to renew for up to three (3) additional years, effective July 1, 2024, upon Governor and Council approval through July 31, 2030. 100% Other Funds (Opioid Abatement Trust Fund).
2. Further authorize an advance payment in the amount of \$6,000,000 to be made at the start of State Fiscal Years 2025, 2026, and 2027, for a total of \$18,000,000, to New Hampshire Housing Finance Authority in accordance with Exhibit B, Payment Terms, Subsection 2., of the memorandum of understanding, effective July 1, 2024, upon Governor and Council approval. 100% Other Funds (Opioid Abatement Trust Fund).

Funds are available in the following account for State Fiscal Year 2025 and are anticipated to be available in State Fiscal Years 2026 and 2027, upon the availability and continued appropriation of funds in the future operating budget, with the authority to adjust budget line items within the price limitation and encumbrances between state fiscal years through the Budget Office, if needed and justified.

**05-95-92-920510-39500000 HEALTH AND SOCIAL SERVICES, HEALTH AND HUMAN SVCS DEPT, HHS: BEHAVIORAL HEALTH DIV, BUREAU OF DRUG AND ALCOHOL SERVS, OPIOID ABATEMENT TRUST FUND**

State Fiscal Year	Class / Account	Class Title	Job Number	Total Amount
2025	102 - 500731	Contracts for Prog Svc	92053950	\$6,000,000
2026	102 - 500731	Contracts for Prog Svc	92053950	\$6,000,000
2027	102 - 500731	Contracts for Prog Svc	92053950	\$6,000,000
			<b>Total</b>	<b>\$18,000,000</b>

### EXPLANATION

The purpose of this request is to develop and implement a supportive housing capital program that expands the supply of supportive housing for individuals with OUD and other co-occurring disorders. This request is supported by the Opioid Abatement Trust Fund, which the Department administers and makes distributions from in consultation with the Opioid Abatement Advisory Commission, in accordance with RSA 126-A:84.

Approximately 275 individuals are expected to be served annually.

The supply of supportive housing options for individuals with OUD and other co-occurring disorders is minimal and in need of expansion. The Contractor will make loans to eligible project sponsors in accordance with program requirements, supportive housing rules, and design and construction regulations and standards. Advance payments from the Department are necessary in order for the loans to be made. Projects will be monitored by the Contractor's Asset Management Division to ensure financing is approved by the Contractor's board of directors, housing is operated within program rules and requirements, and loan repayments are made according to program guidelines. In collaboration with the Department, the Contractor will coordinate the facilitation of a Supportive Housing Capital Program Advisory Committee to provide subject matter expertise, guidance on the creation and administration of the program, and ongoing guidance during program implementation.

The Department will monitor services by reviewing the quarterly and annual project status reports provided by the Contractor.

As referenced in Paragraph 5 of the attached agreement, the parties have the option to extend the agreement for up to three (3) additional years, contingent upon satisfactory delivery of services, available funding, agreement of the parties, and Governor and Council approval.

Should the Governor and Council not authorize this request, supportive housing options for individuals with OUD and other co-occurring disorders will remain limited. This may result in increased societal and structural strains including more people experiencing homelessness and/or inappropriate use of hospital emergency departments, leading to higher costs across the housing and healthcare systems.

Area served: Statewide

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

Respectfully submitted,



For

Lori A. Weaver  
Commissioner

## **State of New Hampshire** **Interagency Memorandum of Understanding**

**Whereas**, the New Hampshire Department of Health and Human Services [**"DHHS"**] is a duly constituted agency or branch of government of the State of New Hampshire;

**Whereas**, the New Hampshire Housing Finance Authority [**"NHHFA"**] is a duly constituted agency or branch of government of the State of New Hampshire;

**Whereas**, pursuant to RSA 126-A:83-86 and Emergency Rule He-C 1002.03 and He-C 1002.04 **DHHS** is responsible for:  
Providing funding, on behalf of the Opioid Abatement Advisory Commission, for qualifying opioid abatement projects.

**Whereas**, **DHHS** desires to:  
Distribute funds from the Opioid Abatement Advisory Commission (Commission) to support the development of the Supportive Housing Capital Program to expand the supply of supportive housing for persons with Opioid Use Disorder (OUD) and other co-occurring disorders.

**Whereas**, **NHHFA** is responsible for:  
Depositing Commission funds into the Affordable Housing Fund, administered in accordance with RSA 204-C:56 – 62, and making loans to eligible project sponsors for eligible projects in accordance with the Program guidelines and policies developed with the guidance of the Advisory Committee.

**Whereas**, **NHHFA** desires to:  
Develop and implement a Supportive Housing Capital Program (Program) to expand the supply of supportive housing for persons with OUD and other co-occurring disorders.

**NOW, THEREFORE**, the parties enter into this Memorandum of Understanding to their mutual benefit, the benefit of the State and in furtherance of constitutional or statutory authority and objectives.

**1. DHHS agrees to:**

**A.** Pay **NHHFA** the amount of \$18,000,000 for the services described in the attached MOU Exhibit A – State Agency Responsibilities, which is hereby incorporated by reference.

Payment shall be provided from: *100% Other Funds (Opioid Abatement Trust Fund)*

**B.** Perform the services described in the attached MOU Exhibit A – State Agency Responsibilities, which is hereby incorporated by reference.

**2. NHHFA agrees to:**

**A.** Pay **DHHS** the amount of \$ \_\_\_\_\_ for the services

described in the attached MOU Exhibit A – State Agency Responsibilities, which is hereby incorporated by reference.

- B. Perform the services described in the attached MOU Exhibit A – State Agency Responsibilities, which is hereby incorporated by reference.
3. The method of payment and payment amount for the above-referenced services, if any is required, is described in the attached MOU Exhibit B – Payment Terms, such exhibit being hereby incorporated by reference.
  4. All obligations hereunder are contingent upon the availability and continued appropriation of funds. The agencies shall not be required to transfer funds from any other account in the event that funds are reduced or unavailable.
  5. The Memorandum of Understanding is effective July 1, 2024, upon Governor and Executive Council approval until 7/31/2030. The Parties may extend the MOU for up to three (3) years upon satisfactory delivery of services, available funding, agreement of the parties, and approval of the Governor and Executive Council.
  6. This Memorandum of Understanding may be amended by an instrument in writing signed by both parties. Either party may terminate this agreement by providing written notice to the other party at least thirty (30) days prior to termination.
  7. The Parties agree that the obligations, agreements and promises made under this Memorandum of Understanding are not intended to be legally binding on the Parties and are not legally enforceable.
  8. Disputes arising under this Memorandum of Understanding which cannot be resolved between the agencies shall be referred to the New Hampshire Department of Justice for review and resolution.
  9. This Agreement shall be construed in accordance with the laws of the State of New Hampshire.
  10. The parties hereto do not intend to benefit any third parties and this Memorandum of Understanding shall not be construed to confer any such benefit.
  11. In the event any of the provisions of this Memorandum of Understanding are held to be contrary to any state or federal law, the remaining provisions of this Memorandum of Understanding will remain in full force and effect.
  12. This Memorandum of Understanding, which may be executed in a number of counterparts, each of which shall be deemed an original, constitutes the entire Memorandum of Understanding and understandings between the parties, and supersedes all prior Memoranda of Understanding and understandings relating hereto.
  13. Nothing herein shall be construed as a waiver of sovereign immunity, such immunity being hereby specifically preserved.

14. New Hampshire Department of Health and Human Services

DocuSigned by:  
*Katja S. Fox*  
ED9D05804C05442...

6/4/2024  
Date

Signature

Director

Title

Katja S. Fox

Print Name

15. New Hampshire Housing Finance Authority

DocuSigned by:  
*Rob Dapice*  
063562970C38437...

6/3/2024  
Date

Signature

Executive Director

Title

Rob Dapice

Print Name

Approved by the New Hampshire Department of Justice for form, substance, and execution:

By: DocuSigned by:  
Robyn Guerinio On: 6/4/2024  
[Name of Assistant Attorney General] Date

Approved by the Governor and Executive Council

By: \_\_\_\_\_ On: \_\_\_\_\_  
Date

**State of New Hampshire**  
**Interagency Memorandum of Understanding**  
**Exhibit A – State Agency Responsibilities**

**1. RESPONSIBILITIES OF DHHS**

**1.1. DHHS agrees to:**

- 1.1.1. Provide funding from the Commission to support the development of the Supportive Housing Capital Program in order to expand the supply of supportive housing for persons with OUD and other co-occurring disorders.
- 1.1.2. Collaborate with NHHFA to coordinate the formation of a Supportive Housing Capital Program Advisory Committee (Advisory Committee) as described in Section 2.1.2.

**2. RESPONSIBILITIES OF NHHFA**

**2.1. NHHFA agrees to:**

- 2.1.1. Use the funding provided by the DHHS, on behalf of the Commission, to develop and implement a Supportive Housing Capital Program that expands the supply of supportive housing for persons with OUD and other co-occurring disorders.
- 2.1.2. Collaborate with DHHS to coordinate the formation of the Advisory Committee to provide subject matter expertise, guidance on the creation and administration of the Program, and ongoing guidance during the Program implementation period. The Advisory Committee must be composed of, including, but not limited to the following:
  - 2.1.2.1. NH Department of Health and Human Services.
  - 2.1.2.2. NH Department of Justice.
  - 2.1.2.3. NH Judicial Branch (New Hampshire Community Housing Program).
  - 2.1.2.4. NH Department of Corrections.
  - 2.1.2.5. NH Community Development Finance Authority.
  - 2.1.2.6. The Chair of the Governor's Commission on Alcohol and other Drugs or designee.
  - 2.1.2.7. The Chair of the NH Opioid Abatement Trust Fund & Advisory Commission or designee.
  - 2.1.2.8. NH Charitable Foundation.
  - 2.1.2.9. A member with experience in the work of advocating on behalf of people with OUDs.
  - 2.1.2.10. A member with experience in the work of providing housing for people with OUDs.
  - 2.1.2.11. A member with experience in the work of providing supportive services for people with OUDs.
  - 2.1.2.12. At least one member who is in recovery from an OUD.
- 2.1.3. Administer the Supportive Housing Capital Program by:
  - 2.1.3.1.1. Depositing Commission funds that are received as advance payments, as described in Exhibit B, Section 2.1., into a discrete

bank account restricted for Project Sponsor Loans and program operations related to expanding the supply of supportive housing for persons with OUD and other co-occurring disorders. Such funds shall be administered in a manner that is substantially similar to the Affordable Housing Fund, as set forth in RSA 204-C:56 – 62.

- 2.1.3.1.2. Further depositing Commission funds that are received as advance payments, as described in Exhibit B, Section 2.1., into a discrete bank-account restricted for Project Sponsor Loans and program operations related to expanding the supply of supportive housing for persons with OUD and other co-occurring disorders.
- 2.1.3.2. Issuing formal notices of funding opportunities (NOFO) at least annually for each fiscal year for which Program funding is available, and by:
  - 2.1.3.2.1. Evaluating applications in accordance with established criteria and requirements, and rules, including the supportive housing rules, design and construction rules, and technical construction standards.
- 2.1.3.3. Making loans to eligible project sponsors to develop supportive housing in accordance with Program requirements, as follows, subject to mutual agreement of DHHS and NHHFA:
  - 2.1.3.3.1. 0% interest;
  - 2.1.3.3.2. Deferred payments and/or payments from surplus cash;
  - 2.1.3.3.3. Secured by a mortgage, land use restriction, and regulatory agreement to ensure that the project serves the intended purpose of the Program for the term of the loan; and
  - 2.1.3.3.4. Program compliance period and loan term may be 30 years, with longer and shorter periods considered, as appropriate.
- 2.1.3.4. Assigning the Asset Management Division to monitor Projects annually, to ensure:
  - 2.1.3.4.1. Housing is operated in accordance with the Program rules, income and rent restriction requirements;
  - 2.1.3.4.2. Units meet physical inspection standards;
  - 2.1.3.4.3. Properties are financially stable;
  - 2.1.3.4.4. Repayment of loans are:
    - 2.1.3.4.4.1. Made from surplus cash available from the property's operations during the term of the loan and/or on the maturity date of the loan; and
    - 2.1.3.4.4.2. Made to the Affordable Housing Fund used to fund affordable housing that would no longer be subject to this agreement; and
  - 2.1.3.4.5. Loans are non-recourse to the borrower.
- 2.1.3.5. Ensuring financing for projects is approved by the NHHFA Board of Directors in accordance with NHHFA rules and Program policies and rules.
- 2.1.4. Provide quarterly reporting, by the 30<sup>th</sup> day after the preceding quarter, that delineates:
  - 2.1.4.1. Recipients of funding;

- 2.1.4.2. Funding amounts;
  - 2.1.4.3. A brief description of the project and the proposed outcome, including how it benefits individuals with OUD;
  - 2.1.4.4. Up-to-date construction schedules for each project with milestones delineated; and
  - 2.1.4.5. Bank statements from the bank account described in Section 2.1.3.1.1.
  - 2.1.4.6. Supporting documentation of allowable costs that may include, but is not limited to, time sheets, payroll records, receipts for purchases, and proof of expenditures, as applicable.
- 2.1.5. Provide annual status reports, by the 45<sup>th</sup> day after the year end, that include summary information on outcomes of approved projects.

**State of New Hampshire**  
**Interagency Memorandum of Understanding**  
**Exhibit B – Payment Terms**

1. The maximum amount of funds available for reimbursement under this Agreement from DHHS to NHHFA shall not exceed the amount specified in Form MOU 1, Interagency Memorandum of Understanding, Section 1, Subsection A.
2. Payment shall be as follows:
  - 2.1. NHHFA must submit one (1) invoice to the Department requesting an advance payment for expenses to be incurred in the fulfillment of this MOU, in accordance with Exhibit B-1, Budget, and as follows:
    - 2.1.1. Amount not to exceed \$6,000,000 by July 30, 2024 for State Fiscal Year 2025;
    - 2.1.2. Amount not to exceed \$6,000,000 by July 30, 2025 for State Fiscal Year 2026; and
    - 2.1.3. Amount not to exceed \$6,000,000 by July 30, 2026 for State Fiscal Year 2027.
  - 2.2. When requesting the advance payments specified in Sections 2.1.2 and 2.1.3 above, NHHFA shall deduct the amount of any funds from the prior State Fiscal Year that have not yet been reserved for eligible program expenses. The balance of any funds in any State Fiscal Year that have not yet been advanced may be advanced upon submission of an invoice by NHHFA once the balance of unused funds from the previous State Fiscal Year have been reserved for eligible program expenses.
  - 2.3. NHHFA shall return any interest earned on the funds during the prior State Fiscal Year by July 30<sup>th</sup> of the following State Fiscal Year.
  - 2.4. All funds that are advanced to NHHFA and are not expended by June 30, 2030 shall be returned to DHHS by July 31, 2030.
3. In lieu of hard copies, all invoices may be assigned an electronic signature and emailed to [dhhs.dbhinvoicesbdas@dhhs.nh.gov](mailto:dhhs.dbhinvoicesbdas@dhhs.nh.gov), or invoices may be mailed to:

Financial Manager  
Department of Health and Human Services  
129 Pleasant Street  
Concord, NH 03301
4. DHHS shall make payment to NHHFA within thirty (30) days of receipt of each invoice, subsequent to approval of the submitted invoice.
5. Notwithstanding any provision of this MOU to the contrary, all obligations of DHHS hereunder, including without limitation, the continuance of payments hereunder, are contingent upon the availability and continued appropriation of funds. DHHS shall not be required to transfer funds from any other source in the event that the source of funds are reduced or become unavailable.
6. The Parties may agree to changes limited to adjusting amounts within the price limitation and adjusting encumbrances between State Fiscal Years and budget class lines through the Budget Office may be made by written agreement of both parties, without obtaining approval of the Governor and Executive Council, if needed and justified.

New Hampshire Department of Health and Human Services Contractor Name: New Hampshire Housing Finance Authority Budget Request for: Supportive Housing Capital Program Budget Period: SFY 2025-2027 Indirect Cost Rate (if applicable) 0.78%			
Line Item	Program Cost - Funded by DHHS - SFY 25	Program Cost - Funded by DHHS - SFY 26	Program Cost - Funded by DHHS - SFY 27
1. Salary & Wages	\$142,682	\$147,675	\$152,844
2. Fringe Benefits	\$54,219	\$56,117	\$58,081
3. Consultants	\$40,000	\$30,000	\$25,000
4. Equipment			
Indirect cost rate cannot be applied to equipment costs per 2 CFR 200.1 and Appendix IV to 2 CFR 200.			
5(a) Supplies - Educational			
5(b) Supplies - Lab			
5(c) Supplies - Pharmacy			
5(d) Supplies - Medical			
5(e) Supplies - Office			
6. Travel	\$500	\$500	\$500
7. Software			
8. (a) Other - Marketing/Communications	\$500	\$500	\$500
8. (b) Other - Education and Training	\$4,955	\$4,884	\$3,809
8. (c) Other - Other (specify below)			
Events and Outreach	\$1,500	\$1,750	\$1,950
Legal/Other Professional Services	\$9,701	\$11,023	\$8,100
Other (please specify)			
9. Subrecipient Contracts	\$5,700,000	\$5,700,000	\$5,700,000
<b>Total Direct Costs</b>	<b>\$5,954,057</b>	<b>\$5,952,449</b>	<b>\$5,950,784</b>
<b>Total Indirect Costs</b>	<b>\$45,943</b>	<b>\$47,551</b>	<b>\$49,216</b>
<b>Subtotals</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>	<b>\$6,000,000</b>
<b>TOTAL</b>			<b>\$18,000,000</b>