



Housing and Conservation Planning Program Application Guidance

INTRODUCTION

Population growth in New Hampshire may be inevitable, but sprawl, workforce shortages and destruction of irreplaceable natural and historic resources are not. In order to sustain the advantages of living in New Hampshire and preserve our state's unique landscape, our communities need the right tools and support. We face considerable challenges posed by growing scarcity of attainable housing, increased threats to unfragmented open space and needless loss of historic resources. The single greatest obstacle to meeting these challenges, particularly in our many small towns, is represented by the unmet need for adequate planning capacity at the local level. Clearly, there exists an opportunity for planning assistance which coincides with New Hampshire's long-standing tradition of local decision-making.

In the summer of 2005, some of the state's major housing, business, municipal and conservation groups began meeting to create a way to respond to this challenge. Through two years of intense work and multi-disciplinary collaboration, the Housing and Conservation Planning Program (HCPP), an incentive-based program was developed, enacted by the legislature and signed into law by Governor John Lynch. Within a framework that maintains the integrity of local control, HCPP provides communities a platform from which to treat housing production, economic development, historic preservation and land conservation as part of a unified planning strategy and not, as is so often the case, as competing and seemingly-irreconcilable goals.

HCPP MISSION

The Housing and Conservation Planning Program will distribute municipal grants that enable municipal and multi-jurisdictional participants to obtain valuable financial and technical resources. The grants will allow municipalities that choose to apply and are selected to purchase technical assistance to plan for growth and development in a manner that permits a balanced housing stock, including higher density and workforce housing opportunities. In addition, the grants will promote, whenever possible, the reuse of existing buildings, including historic properties, all while protecting key natural resources through more efficient and compact development. The HCPP fosters a process that will bring citizens together in shaping the future of their community.

GRANT TYPES

HCPP will award technical assistance grants to interested communities within four planning stages, each stage leading up to the implementation of a growth and development strategy that addresses housing and conservation in

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an interrelated manner. These are:

- Stage 1: Research, mapping, and data analysis
- Stage 2: Growth and development strategy planning
- Stage 3: Master plan updates
- Stage 4: Implementation into the regulatory framework

THE 10 PRINCIPLES OF THE HOUSING AND CONSERVATION PLANNING PROGRAM

As established by NH RSA 4-C:30

1. Plan for and promote development that is consistent with the State's smart growth principles established in RSA 9-B:3.
2. Develop a comprehensive growth and development strategy that integrates housing and conservation planning at the municipal level.
3. Identify and plan for the full range of current and future housing needs for families of all income levels, as encouraged in RSA 672:1, III-e.
4. Identify valuable natural and historic resource and plan for their protection, as encouraged in RSA 36-A:2, including the preservation of working forests and farmlands as provided in RSA 672:1, III-b and III-c, and critical or sensitive natural areas and resources, including water resources, as provided for in RSA 674:2, III-d.
5. Evaluate conservation and housing issues on a community-wide, site-by-site, and regional basis.
6. Understand the interrelationship between natural resources and housing development within a municipality and the impact each has on the other.
7. Encourage higher density, compact development and allow for the infrastructure needed to support such development.
8. Encourage the reuse of existing properties, especially historic structures.
9. Integrate the growth and development strategy into the municipal master plan and implement the strategy through the local regulatory structure.
10. Encourage community input and education of citizens about the growth and development strategy and the need to plan for future conservation and housing growth.

MORE ABOUT THE FOUR STAGES OF HCPP

The four stages of HCPP create a progression within participating communities towards a statutory framework that ensures economic vitality and ecological sustainability through inclusionary housing, land conservation, and preservation of historic resources. Potentially, a participant may have already completed a portion of a stage's work outside of the HCPP process; in such cases, the participant need not repeat the work and should show OEP any previous work completed to be considered during the application review. Some applicants may be interested in applying for advanced stage grants and are eligible to do so if they can demonstrate completion of the minimum requirements of each previous stage, regardless of the order completed or context in which the work was done. If, however, a required item has not been fulfilled, the applicant may submit an application for the previous stage,

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complete the missing component and return for a later grant cycle for the desired grant. A self-assessment checklist has been created for each stage and can help identify the various ways that the requirements of the stage can be met. Below, each of the stages is discussed, based upon both the program's enabling statutes and its administrative rules, to provide an outline of minimum requirements of each stage and tasks eligible for funding.

Though the program entitles all applicants to propose their own scope of work, it is essential that all applications address housing and conservation of natural and historic resources in a unified manner. To ensure these components are considered equally, the scope of work specified in each application shall include all minimum tasks as specified in the statute and rule for the requested grant stage. An applicant that has already completed some of the required minimum tasks may use the Self-Assessment Checklists to demonstrate fulfillment of requirements.

APPLICATIONS FOR ALL FOUR GRANT STAGES:

- a. Shall include a communication and outreach process that is conducted:
 - i. at the onset of the project work to seek community participation and solicit community input to provide essential local guidance;
 - ii. throughout the HCPP program work process to promote informed decision-making and educate citizens regarding the work being undertaken; and
 - iii. at the completion of the approved HCPP project, to report final results to the community.
- b. Shall make available to OEP all project information and final products for public distribution, demonstration of approved work efforts for future applicants, and as NH planning practice examples to be used for educational or training purposes by OEP and its state, regional and other partner organizations.
- c. All required activities of each preceding stage must be complete before an applicant may receive funding for a successive grant stage.

STAGE 1: RESEARCH, MAPPING, AND DATA ANALYSIS

Study housing and natural resource values, locations, and economic impacts

All Stage 1 activities must culminate in the production of a report of existing and projected housing, natural and historic resource conditions. Required activities leading up to the report include:

- a. Review and map housing, income, and demographic data, including housing market costs, housing units needed to meet projected future growth in the municipality and region, and the affordability of a municipality's housing for all income ranges;
- b. Review and map essential natural resource systems, including conservation lands, soils, wetlands, working forests, farmlands, riparian areas, wildlife habitat and corridors, floodplains and potential flood retention areas, steep slopes, and other natural resources;
- c. Develop a build-out analysis of growth and development impacts on housing availability and natural resources; and
- d. Map historic resources within the municipality.

The research that is conducted in Stage 1 will direct the activities of all subsequent phases and thus provides the foundation for HCPP projects. Participants and their technical assistance providers can start by accessing the full range of existing free information. In addition to the resource list provided on the last page of this guide, many other resources may be incorporated as determined by participants and their technical assistance providers.

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To supplement existing data, participants may choose to produce additional data, specific to the needs of their project, such as community surveys, localized natural resource inventories, and historic resource inventories. To ensure that data collected in Stage 1 does not become obsolete, participants will need to advance through the grant stages in a timely manner.

STAGE 2: GROWTH AND DEVELOPMENT STRATEGY PLANNING

Develop and adopt a town-wide Growth and Development Strategy

- a. Draft and endorse a growth and development strategy to guide future growth that identifies ways to use land more efficiently, encourage compact development, reuse suitable historic and existing structures, and identify specific areas to be conserved and developed; and
- b. Conduct a public process, including public meetings and community outreach, to seek and develop support for the growth and development strategy.

During the creation of the growth and development strategy, the data collected in Stage 1 comes together to formulate a community vision that interrelates housing and conservation. Examples of potential work products include:

- a. Future land use map based upon consideration of the data mapped during Stage 1;
- b. Document that outlines the community vision and strategy for implementation of the vision; and
- c. Document that lists a series of goals and desired outcomes.

STAGE 3: MASTER PLAN UPDATES

Amend the master plan to be consistent with the Growth and Development Strategy

- a. Audit the existing master plan to identify portions that conflict with or will impede the implementation of the growth and development strategy;
- b. Develop amendments to an existing master plan or draft chapters of a new master plan to realistically support and promote implementation of the growth and development strategy; and
- c. Seek adoption of the master plan as amended or drafted to support the growth and development strategy.

Once a strategy that integrates housing and conservation has been created for meeting the needs and desires of the participating municipality(ies), the objective of Stage 3 is to ensure that the master plan(s) enables the communities to realize those goals. The master plan is the hub from which the growth and development strategy is translated into municipal regulation. Participants in HCPP have the option of amending the master plan however best achieves the goals they have set forth. While one participant may find it best to amend several chapters of the master plan, another may find that a single chapter needs amending, and a third may find it best to add a new chapter or two. HCPP will only fund master plan revisions relevant to the implementation of the growth and development strategy. Master plans shall be prepared in accordance with NH RSA 674:1-4.

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STAGE 4: IMPLEMENTATION INTO THE REGULATORY FRAMEWORK

Implement the Growth and Development Strategy through audits of and revisions to zoning, subdivision and site plan regulations.

- a. Audit existing municipal land use ordinances and regulations including zoning ordinances, subdivision regulations, and site plan review regulations, to identify conflicts with the growth and development strategy and master plan.
- b. Rewrite and propose amendments to existing municipal land use ordinances and regulations including zoning ordinances, subdivision regulations, and site plan review regulations, to implement the growth and development strategy and master plan;
- c. Draft new municipal land use ordinance and regulation articles such as transfer of development rights, density bonuses, cluster development, and inclusionary zoning, as needed to accomplish the growth and development strategy; and
- d. Seek adoption of amendments or new articles to the municipal land use ordinances and regulations.

Once the master plan has been amended to reflect the goals of the growth and development strategy, Stage 4 not only fulfills the legal requirement of participating municipality(ies) to amend regulatory ordinances to reflect the intent of the master plan, but also represents the final stage in creating a municipal framework that affects the realization of needs and desires identified in previous stages. This very important stage is where the efforts of HCPP culminate in meaningful, guiding language.

ELIGIBLE APPLICANTS

Participation in HCPP is voluntary. Eligible applicants for HCPP grants are limited to New Hampshire municipalities. Municipalities may apply individually or collaborate to submit a single joint application if they intend to embark on an inter-municipal planning project. Multi-jurisdictional projects are required to execute an inter-governmental agreement, pursuant to NH RSA 53-A, between all participating communities. A copy of the agreement must be submitted with the application.

THE HCPP APPLICATION

The HCPP application must demonstrate that:

1. Participants will be developing projects that are consistent with HCPP principles;
2. All prerequisites have been met and the application addresses all minimum requirements;
3. Appropriate governing bodies have provided consent; and
4. Process will be conducted in an open, all-inclusive manner.

The four major components of the application process include:

1. Application form;
2. Project narrative;
3. Project budget; and
4. Self-assessment checklist(s) (not required for Stage 1 applications).

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Applicants may have a consultant prepare the application. However, the application must ultimately be signed and submitted by the municipality. OEP will give municipalities 60 days advance notice of application deadlines. Applicants shall submit:

- a. One digital copy of the application, narrative, budget, checklists and supporting documentation;
- b. Two hard copies of the application, narrative budget and checklists; and
- c. One hard copy of all other supporting documentation.

Only information received by the close of business on the application deadline date shall be considered in the scoring process except that if OEP staff requests any additional clarifying information, such information will also be considered. During fiscal year 2008 (ending June 30, 2008), one round of HCPP applications will be accepted and reviewed and thereafter applications will be accepted twice per fiscal year. Grant funds requested, along with the local match and any other sources, must be sufficient to complete the proposed scope of work within an 18-month period.

THE APPLICATION FORM

This two-page portion of the application provides OEP with basic information as well as a brief overview of the proposed project. Additionally, it provides the applicant with a list of required application attachments. Of note:

- a. If the applicant has a different address than the contact person, please provide the applicant's address.
- b. On the first page, the form asks how many planners are employed by the applicant(s). The definition of professional planners established by administrative rule Pln 1002.21 is *“municipal or contract employees who as a condition of their employment have professional planning experience, through education, practice, teaching, or research, and are required to perform various land use planning tasks for the municipality.”*
- c. The last question on the first page of the application asks for a description of the technical assistance procurement process. Please note, technical assistance may be provided by any professional planner, regional planning commission or private consultant as long as municipal policies for contract selection are followed. OEP does not intend to limit or place conditions upon the applicant's range of options beyond local policy but does need to be informed of what the local process is and how it was applied.

THE PROJECT NARRATIVE

Applicants must provide all information required by the “Project Narrative Guidelines” page of the application while remaining within the specified 5-page limit. While the scope of any participant's project may exceed the delineated scope of HCPP, exceeding the volume of application material requested is strongly discouraged. Applicants should devote sufficient attention to describing how the proposed scope of work is consistent with the ten HCPP principles.

THE PROJECT BUDGET

Required budget information is explained in the “Budget Guidelines” section of the application. The project budget will inform OEP of how the project will be funded and establish the match required to permit release of funds. Every stage requires a community match that is equal to a specified percentage of the total project costs.

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Additionally, there is a maximum HCPP award that can be requested at each stage. For example, a Stage 1 grant requires a 5% community match. If an applicant requests the maximum amount of \$20,000 (95% of the total \$21,053), they would have to contribute \$1,053 (5% of the total \$21,053). If a community chooses to create a scope of work that exceeds the combined minimum match and maximum grant award, \$21,053 in this example, the community will be responsible for the additional costs.

Grant maximums and local match requirements for each stage are as follow:

| Stage | Required Minimum Community Match | Maximum Grant Award |
|-------|----------------------------------|---------------------|
| 1 | 5% | \$20,000 |
| 2 | 50% | \$15,000 |
| 3 | 50% | \$20,000 |
| 4 | 25% | \$30,000 |

Individual budget line items may utilize varying match to grant-fund ratios so that some items may be fully grant or match funded so long as the total match provided meets the minimum percent required for the total project cost. For the purposes of this program, “match” is defined as financial contribution toward the total project costs made by the applicant and may consist of direct municipal appropriations and in kind services contributed by the municipality specifically for the approved HCPP scope of work, financial gifts, private financial contributions, or grant funds from other sources.

In-kind services may be paid staff time or volunteer time that is directly related to implementation of the project. Volunteer hours are valued at \$18.04 per hour (based on information from Independent Sector, www.independentsector.org), unless a person is volunteering services in his or her professional capacity. In this case, the volunteer rate is the person’s “billable” rate for the service. For example, if a lawyer volunteers to review language for a new item in the zoning ordinance, the volunteer rate is his or her professional rate for service. If the same person assists with assembling materials for a mailing, the rate would be \$18.04 per hour, because the service is not associated with the person’s paid profession. Please consult OEP if you have any questions.

State, local, and private funds used as match cannot be counted twice. Thus, if a project receives funds from several funders that each require match, the same contributions (cash or in-kind services) that have been counted as a match for another funder cannot be used as a match for HCPP.

Proof of match must be documented and submitted with invoices. The documentation should demonstrate how the amount claimed as match was calculated. It should specify sources of match and relate sources to completion of work tasks specified in the contract.

THE SELF-ASSESSMENT CHECKLIST

Applicants are required to demonstrate completion of all previous stages when applying for Stages 2-4, by completing a “Self-Assessment Checklist.” An applicant seeking an initial HCPP grant may have completed the requirements of some stages through other avenues. In such instances, the checklist will provide a simple way to assess this prior work and to communicate those accomplishments. In the event that one feels that an alternative

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method exists to those offered on the checklist, the applicant may add the method to the checklist. All applicants should include a brief description of how they have met each minimum requirement. If needed, OEP will contact the applicant for further information or clarification.

SELECTION CRITERIA

The New Hampshire Office of Energy and Planning (OEP) will evaluate each applicant based on criteria established in the program administrative rules. That review will result in one or more of the following actions:

1. Request for clarifying information;
2. Request for modifications to or elimination of activities that do not conform to the HCPP principles as stated in RSA 4-C:30 or eligible activities as stated in Pln 1005.03;
3. Rejection of the application if it clearly does not conform to the HCPP principles as stated in RSA 4-C:30 or eligible activities as stated in Pln 1005.03; or
4. Scoring of the application.

OEP will assess each application on the level of compliance with each of the ten principles of HCPP listed earlier in this guidance document and established by RSA 4-C:30. Additionally, OEP will award points for demonstrating success at previous HCPP stages, lack of access to planning staff, utilizing a multi-jurisdictional perspective and, demonstrating community support.

OEP will rank all applications for each grant stage using the prioritization criteria specified in the administrative rules (Pln 1007.02) and assign grant awards based on available funds. This process will continue until all available HCPP grant funds have been successfully awarded. OEP will notify each applicant in writing whether a grant was awarded. If a grant was not awarded or fewer funds were awarded than requested, the written notice will specify the reason(s) for the decision. Any applications that are not funded due to a lack of HCPP funds, but are valid and would otherwise be funded, will be retained for subsequent grant rounds.

Scoring Example:

Based on the second principle of HCPP, “Develop a comprehensive growth and development strategy that integrates housing and conservation planning at the municipal level,” the corresponding scoring criteria reads as follows:

- (a) Does the application demonstrate that the applicant intends to plan for, develop, or implement a comprehensive growth and development strategy that integrates housing and conservation planning at the municipal level?
 - (1) If the application demonstrates full compliance with (a), 4 points shall be assigned;
 - (2) If the application demonstrates partial compliance with (a), 2 points shall be assigned;
 - (3) If the application demonstrates noncompliance or does not address (a), 0 points shall be assigned.

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Any applicant awarded no funds or lesser funds than requested may appeal the decision by submitting a written request for review, signed by the chief executive officer of the municipality or governing body appointed designee. Details of this procedure are outlined in administrative rule Pln 1009.01.

FOLLOWING ACCEPTANCE

CONTRACTS:

Prior to HCPP grant monies being disbursed, the applicant must enter into the standard State of New Hampshire contract and fulfill the terms and conditions of the agreement. The contract, which is subject to Governor and Executive Council approval, will include:

1. Exhibit A: Scope of Services
2. Exhibit B: Fees and Payment Schedule
3. Exhibit C: Special Conditions

OEP will use the information provided in the application to prepare the contract and three exhibits. The contract will be forwarded to the municipality to act on and sign along with the grant award letter. Applicants are encouraged to be prepared to sign and return the contract, along with the necessary additional documents, as quickly as possible.

The following documents are required to be submitted to OEP along with the signed contract:

Certificate of Insurance – Selected HCPP participants must submit a Certificate of Insurance, naming OEP as the Certificate Holder. The coverage must be in effect as of the time the materials are going to Governor and Council for approval and remain in effect for the full term of the contract. If the overate will expire prior to the end of the contract's term, documentation must be provided that will assure coverage will be extended. For example, a Certificate of Insurance which expires June 1, 2008 submitted in May 2008 would not be valid.

Certificate of Vote – Awardees must also submit a Certificate of Vote, also referred to as a Certificate of Authority or simply a Certificate. If the municipality does not have a Certificate, OEP can supply a template. The Certificate identifies the person with authority to act on behalf of the municipality, typically the clerk, and the individual or body that granted the authority.

Full details of the contract are outlined in administrative rule Pln 1008.01, "Agreement with OEP."

REPORTING:

The applicant must submit to OEP a completed midterm report that addresses progress toward compliance with the 10 program principles, provides details of work completed to date, and describes all public outreach efforts. The report form is available on the program website. Midterm reports are due at the anticipated midpoint of the project stage (no more than nine months after grant award date), unless otherwise specified in the contract. Additionally, a final report, which utilizes the same form, will be due within thirty days of stage completion. All reports must be submitted with an invoice for payments to be released.

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Resources for HCPP Applicants and Participants :

Stage 1 – Data

NH Office of Energy and Planning - State Data Center
NH Division of Historical Resources
NH Department of Environmental Services – OneStop Web GIS
NH Fish and Game – Wildlife Action Plan
NH Economic Labor Market Information Bureau
NH Housing Finance Authority – Housing and Demographic Data
NH Housing Finance Authority – NH Housing Needs Assessment
NH Workforce Housing Council and Regional Coalitions
GRANIT Data Mapper
Society for the Protection of NH Forests' Research
Regional Planning Commissions

Stage 2 – Vision and Growth and Development Strategy

Achieving Smart Growth in NH
UNH Cooperative Extension Community Profiles

Stage 3 – Master Plans

Preparing a Master Plan for Your Community
State Development Plan
Regional Comprehensive Master Plans

Stage 4 – Land Use Regulations and Ordinances

Innovative Land Use Planning Techniques Guide

Post-HCPP Implementation and Grant Programs

Land and Community Heritage Investment Program
Community Development Block Grants
Community Development Finance Authority
NH Division of Historical Resources - Moose Plate Grants
NHHFA Advocacy Mini Grant Program
NH Charitable Foundation
NH Community Loan Fund
Manufactured Housing Park Program
USDA Rural Development

